

**PENGUIN  
COLLECTORS  
SOCIETY**



## **REPORT AND ACCOUNTS**

**30 APRIL 2008**

**Company number 4261702**

**WEDNESDAY**



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**COMPANIES HOUSE**

## **PENGUIN COLLECTORS SOCIETY**

### **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Seventh Annual General Meeting of the Penguin Collectors Society (company no 4261702, 'the company') will be held at 2pm on 4 October 2008 at Abden House, Marchhall Place, (University of Edinburgh), Edinburgh EH16 5HW, to transact the following business -

#### **ORDINARY BUSINESS**

##### Resolution 1

THAT Michael Fowle, a director retiring by rotation, be re-appointed as a director of the company with immediate effect

##### Resolution 2

THAT Jo Lunt, a director retiring by rotation, be re-appointed as a director of the company with immediate effect.

##### Resolution 3

THAT Jim Rayner, a director retiring by rotation, be re-appointed as a director of the company with immediate effect.

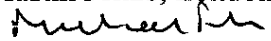
#### **THE ANNUAL REPORT AND ACCOUNTS AND THE FINANCIAL RESULTS FOR THE YEAR**

- a general discussion
- subscriptions, a discussion
- an auditor, a discussion

#### **ANY OTHER BUSINESS**

Including presentation, discussion and consideration of the Society's publications, meetings and website programme.

Note: Any member of the company whose annual subscription has been paid or who is an honorary member in respect of the calendar year 2008 may attend and vote at the meeting. Any member who is entitled to vote may appoint a proxy to attend, speak and vote at the meeting. A form of proxy is on page 15. To be effective, proxies must be received by James Robinson c/o Cahill Gordon & Reindel LLP, Augustine House, 6a Austin Friars, London EC2N 2HA, to arrive before 2pm on Thursday 2 October 2008

  
Michael Fowle, Secretary  
18 June 2008

## BRIEF DETAILS OF THE DIRECTORS AND TRUSTEES

### **Tim Graham**

Age 62, a publisher for twenty years and a bookseller for another twenty (overlapping, not consecutive). Started collecting Penguins with his father to add to the latter's original 6d purchases and has now spread his interest to most series. Chairman since 2005 and Membership Secretary since 2000

### **Michael Fowle CBE**

Age 68, chartered accountant; formerly senior partner of KPMG London, now Chair of The Place2Be and director of a bank Treasurer since 1996 and Company Secretary since 2001 Retiring by rotation and standing for re-election.

### **Steve Hare**

Age 57 A collector for 36 years and a distinguished author on Penguin history The Society's Editor from 1993 to 2000 and still an enthusiastic supporter as Publisher, with personal responsibility for special publications.

### **Jo Lunt**

Age 61, former teacher and a book-dealer since 1993 Eclectic life-long collector, an enthusiastic promoter of matters Penguinary and of the well-being and growth of the Society Editor since 2000 Retiring by rotation and standing for re-election.

### **James Mackay**

Age 58. Former railway manager, now a consultant in that industry Brought up in a house of post-war Penguins, and an enthusiast equally for their content and their design.

### **Jim Rayner**

Age 60, a teacher until 1997, joined Oxfam 1998, still working for them Interests. sport, the arts and books about books Retiring by rotation and standing for re-election

### **James Robinson**

Age 49, US lawyer, currently partner in London of Cahill Gordon & Reindel, LLP, a US law firm. A reader of Penguin Classics.

### **Martin Yates**

Age 65, former management consultant. A collector since the early 1970s, PCS member since the early 1980s, contributor to PCS publications since the early 1990s and Publications Officer since 2002

## PRINCIPAL OFFICE AND THE CHARITY'S BANK

The principal office of the charity is its registered office  
31 Myddelton Square, London EC1R 1YB

The charity's bank account is maintained at  
Alliance & Leicester Commercial Bank, Bootle, Merseyside GIR OAA

## PENGUIN COLLECTORS SOCIETY

### CHAIRMAN'S STATEMENT

As usual, this report is reserved for the formal financial and legal information that we need to circulate – information about study, research and books and preservation will be in the *Collector*

The formal annual general meeting notice is page 2 of this leaflet – venue details are in the *Collector* Please note that the start of the agm is 2.00pm

One third of the trustees retire by rotation at the agm and are entitled to stand for re-election. Those retiring this year are Michael Fowle, Jo Lunt and Jim Rayner who are all standing for re-election As many of you will know, Michael is our Treasurer and Company Secretary, Jo is the editor of *The Penguin Collector*, and Jim organises the agm

For the first time this year we are not formally requesting the agm 'to receive' the report and accounts – this is no longer a legal requirement, but the accounts will still be presented to the meeting by the Treasurer, with an opportunity for discussion. As a result of another legal change, this year for the first time your papers include a form of proxy for voting at the agm To include such a form is now a legal requirement – it does not imply any change (sinister or otherwise) in the way the Society is run. It is not necessary to complete the form if you do not wish to. If you are yourself coming to the agm – and usually we get a good attendance – to complete it is pointless.

As explained in more detail later, we are proposing to change the subscription structure – to cover increased overseas postage costs and to encourage members to use standing orders, both to cover the Society's increased administration and costs for those using cheques and PayPal and to increase the prospects of members renewing. There will be no effective increase for UK members who pay by standing order. This proposal will be discussed at the agm.

Yet another legal change – because of the size of the Society, up to now there has been no legal obligation to appoint an auditor or independent examiner of the accounts The members confirmed at the 2002 and 2007 annual general meetings that they did not wish to do so. However, as a result of the recent Charities Act it is now necessary to appoint someone to examine the accounts for the forthcoming year to 30 April 2009 – no doubt an example of de-regulation! Any member who is appropriately qualified and who is prepared to volunteer for this role *pro bono* (the trustees are *pro bono*), is invited to contact me or Michael Fowle.

### **The Society's objectives, activities and the public benefit**

The Society is a charity, its objectives for the public benefit being first the advancement of education by encouraging and promoting the study of and research into the design, history and content of printed books and other art in the twentieth century, particularly paperback books and books and art published by Penguin Books Limited and by Sir Allen Lane; and second the preservation of archive and similar historical material in public collections We fulfil our first objective by encouraging relevant study and research and by publishing its results for circulation to members, by making copies of our publications generally available to the public, and by arranging meetings and

exhibitions and study days. Our publications and talks and exhibitions set out to increase public learning and knowledge about books and book design, especially the books of Penguin and Sir Allen which have contributed so much to the English speaking peoples in the twentieth century.

When we get the opportunity, we also arrange for historic material to be placed in the custody of public collections, sometimes arranging for the Society to purchase material which is then given to the Allen Lane Special Collection at the University of Bristol.

We have no intention of becoming a fundraising charity. We are resourced in two ways: the *pro bono* work of our trustees and other members who volunteer – such work does our research, creates our books, runs our events and provides our administration; and members' subscriptions supplemented by the sale of publications to the public.

### **The year in brief**

We have, as always, circulated the June and December numbers of *The Penguin Collector*, containing valuable and scholarly illustrated articles on twentieth century publishing, books and Penguins. After last year's feast of publications, during this financial year we did not issue a third publication, but the current year to April 2009 will again see a bumper crop. With the June *Collector* will come first *Penguin Days*, an expanded and illustrated version of Tanya Schmoller's letters home while working for Allen Lane in the 1940s; and second a new edition of the former *Miscellany* on Penguin Classics. We hope to issue the book of the 2007 Study Day, *Penguin by Illustrators*, with the December *Collector*.

We held our normal spring meeting in London in May 2007 and our autumn agm in Stamford in October 2007. At both meetings a comprehensive and fascinating display of *Poetry in Penguin* was provided by Martin Yates, to whom we offer thanks.

The 2008 spring meeting was again in London in May, with two special educational features. First Nick Darien-Jones gave a presentation about the late Sander Meredeen, a longstanding member of the Society, and Sander's recently published biography of Sir William Emrys Williams *The Man Who Made Penguins*. Second, Gerald Cinamon showed a fascinating display of some of his personal treasures relating to the history and design of Penguin books in the 1960s. We are grateful both to Nick and to Jerry.

During the year ended 30 April we have either directed or have purchased and given the following to the Allen Lane Special Collection at the University of Bristol:

A copy of *The Kon-Tiki Expedition* by Thor Heyerdahl (Penguin Main series no 1996, 1963), inscribed by the author to Sir Allen Lane.

A magnificent Penguin 60<sup>th</sup> anniversary promotional flag from 1995 (which was displayed at our 2007 spring meeting).

A mint Penguin tote bag from a Penguin dealer in Canada.

Topolski print No 3 *Sleep to gather strength for the morning*. – A caricature of a sleeping air-raid warden with a Churchill quotation from 20 October 1940, one of the four rare Feliks Topolski lithograph caricatures printed by the Baynard.

Press for Penguin 10,000 copies are thought to have been printed, but on very thin paper, and few have survived.

Through the Society's auspices, Gerald Cinamon has given Bristol a quantity of his personal archive material relating to his work for Penguin.

At our 2008 spring meeting Joe Pearson very kindly gave to the Society to be passed to Bristol another Topolski print, No 2 *'Dolf Hitler gif a barty* – a caricature of Hitler and his henchmen Goering, Himmler, Goebbels and another overlooking the Channel, with two comic verses from Timothy Shy.

At the 2008 spring meeting the trustees agreed to acquire a parcel of a substantial number of books needed by Bristol, including many *Picture Puffins* (the PX series from the late 1960s) and a collection of Penguin Education titles.

It is also important to tell members about the Dolley archive Christopher Dolley, who died in 2007, was a senior Penguin executive in Allen Lane's later years and succeeded Lane as chief executive on Lane's death His family have given a box of his papers to PCS and these are currently being sorted They include fascinating material which, it is hoped, will form the basis of some future articles. This Dolley archive covers a period in Penguin's history for which information is short and is to be passed to Bristol.

Finally, we know that the Bristol collection has very few of the publications of *Allen Lane the Penguin Press* and there is relatively little information available about the books published under this imprint. We welcome information relating to pre 1984 books from *Allen Lane the Penguin Press* If you can help, please contact Jo Lunt

### **Membership and subscriptions**

The number of paid up members at 30 April in recent years has been

2008	456	2003	404
2007	457	2002	361
2006	405	2001	383
2005	394	2000	325
2004	382	1999	377

During the calendar year 2007 the Society recruited 105 new members, including 31 from overseas. Sixty of these have not rejoined for 2008, many probably being people who joined only to get a copy of *Penguin by Designers*.

About 290 members pay their subscriptions by standing order. Many new members, especially from overseas, join via the website and PayPal, and a large proportion of these, especially from overseas, do not renew for a second year In particular, most of those who joined in 2007 for one year only, joined via PayPal. For those who join by PayPal, we incur PayPal charges (currently 74p each for a UK member) In addition, the administration required for a member who does not use a standing order is much greater than for a standing order member, both for the Treasurer and for the Membership Secretary And postage costs continue to increase.

The Board have therefore considered subscription levels, which were last revised as of 1 January 2004, so having been fixed for five years Under our Articles of Association it is

the responsibility of the Board, not the members, to set subscription levels – but we wish to explain our proposals to members so that there can be a discussion at the agm which the Board can take into account before reaching its final decision

Currently the subscriptions are £16 for a UK resident member, £18.50 for a member resident elsewhere in Europe and £21 for a member in the rest of the world; in effect there is a basic £16 plus a £2.50 supplement to take account of increased postage costs for the rest of Europe and a £5 supplement for the rest of the world. We propose to increase the basic subscription to £19 but with a £3 discount for a member who pays by standing order. Therefore a standing order UK member retains a £16 subscription but a cheque or PayPal UK member's subscription increases to £19, to reflect the increased administration and costs and to create a real incentive to set up a standing order


Even though we are able to hold the effective UK and Europe standing order subscription rates in spite of five years of increases in postage rates (and the increase in the size and weight of our publications), we do need to increase the rest of the world postage supplement to £6.

Our proposed subscription structure with effect from 1 January 2008 is as follows:

	2008 sub	2009 proposed subscription				
		<i>Basic</i>	<i>Post supp</i>	<i>Sub paid by PayPal, cheque or draft</i>	<i>SO discount</i>	<i>Net if paid by SO</i>
Resident in UK	£16 00	£19.00	-	£19.00	£3.00	£16.00
Elsewhere in Europe	£18.50	£19.00	£2 50	£21.50	£3.00	£18.50
Elsewhere in the world	£21 00	£19 00	£6.00	£25 00	£3 00	£22 00

### Financial result

The financial outcome for the year is an excess of income over expenditure of some £10,500, a remarkable figure which is the product of very high publications sales (fuelled by the runaway success of *Penguin by Designers*, by excellent sales at the Holburne Museum of Art in Bath during their recent Penguin exhibition and by our backlist grand sale) and by the fact that this year we only printed one special publication and did not send out any, whereas last year we printed and sent out three. Hence we remain in fine shape financially with an excellent cash position. Funds not currently needed remain invested in the COIF Deposit Fund, which provides charities with money market rates. We have increased our base fund from £8,000 to £10,000 to take account of our increased cost base arising from inflation and a larger membership.

  
Tim Graham

18 June 2008

## **Penguin Collectors Society**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2008**

This is the formal report of the Society's directors and trustees. The Society was founded in 1974 by a small band of enthusiasts and was re-organised in 2001 as a charitable company limited by guarantee (registered number under the Company's Act 1985 4261702). On 30 September 2002 the Company was entered by the Charity Commission on the Central Register of Charities (number 1093965).

The directors during the year (the charity trustees, who are referred to as 'the trustees') were

Tim Graham – Chairman & Membership Secretary	James Mackay
Michael Fowle – Secretary & Treasurer	Jim Rayner
Steve Hare – Publisher	Jim Robinson
Jo Lunt – Editor	Martin Yates – Publications

Trustees are selected from volunteers amongst the membership who bring *pro bono* the skills, professional backgrounds and personal interests as well as the energy and commitment required to ensure that our tiny learned and charitable society functions effectively. Trustees are proposed to the agm for re-appointment after first appointment by the Board. One third retire by rotation each year and are eligible for re-appointment at the agm.

As a company, the Society is governed by its Memorandum and Articles of Association. Under these documents, there are two classes of members of the company: Companies Act members and annual members. The trustees are the only Companies Act members and have each guaranteed that if the company is wound up he/she will contribute a sum of £10 each if it is insolvent. All other members are annual members. The rights of Companies Act members and annual members are identical and are limited to voting at general meetings. Since the company is limited by guarantee having no share capital, none of the directors has an interest in the company.

The Articles of Association of the charity permit the trustees to appoint honorary annual members. The trustees have appointed sixteen honorary annual members for 2008.

### **Activities and Objectives**

The Society has no staff. It depends entirely on the trustees and other volunteers to pursue its objectives, which are set out in the Chairman's Statement. Its main activity to encourage research and study is to publish its twice-yearly journal, *The Penguin Collector*, and other occasional works and to organise meetings, exhibitions and occasional study days. The Chairman's Statement provides information on our activities, including items acquired for or directed to public collections.

### **Organisation and policies and risk management**

The trustees are responsible for the governance and management of the Society and ensure that the Society pursues the objectives for which it was founded. The trustees are responsible for selecting the policies of the Society including the accounting policies.



The accounting policies are included in Note 1 to the financial statements

The trustees have considered the major risks to which the Society is subject and are satisfied that they are properly managed.

### **Directors' and trustees' responsibilities**

The following statement is made in order to set out the responsibilities of the directors and trustees in relation to the accounts. Company law requires the trustees to prepare accounts for each financial period which give a true and fair view of the Society's state of affairs at the end of the year and of the results for that period. In preparing those accounts, the trustees are required to select suitable accounting policies and apply them consistently; make judgements and estimates that are reasonable and prudent, follow applicable accounting standards, subject to any material departures as explained in the accounts, and prepare the accounts on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that the Society is operating efficiently and effectively, that its assets are safeguarded against unauthorized use or disposition and that the Society complies with relevant laws and regulations.

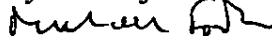
Because of the size of the Society, up to now there has been no obligation to appoint auditors. The members confirmed at the 2002 and 2007 annual general meetings that they did not wish to do so. However, as a result of the recent Charities Act it is necessary to appoint an independent auditor or approved examiner of charity accounts to make an examination of the accounts for the year to 30 April 2009.

### **Funds and results for the period**

The Society's funds are unrestricted. The Chairman's statement comments on the results for the period.

The directors and trustees have taken advantage of the special exemptions applicable to small companies conferred by Part VII of the Companies Act 1985 in the preparation of the directors' report.

*By order of the Board of Trustees*



Michael Fowle CBE FCA, Secretary,

18 June 2008

Registered office 31 Myddelton Square, London EC1R 1YB

# Penguin Collectors Society

## Statement of financial activities

	<i>Note</i>	<b>Year to 30 April 2008 £</b>	<b>Year to 30 April 2007 £</b>
<i>Incoming resources during the period</i>			
Incoming resources from charitable activities	2	19,002	15,372
Interest receivable		<u>1,500</u>	<u>1,224</u>
		<u>20,502</u>	<u>16,596</u>
<i>Resources expended during the period</i>			
Costs of furthering charitable activities	3	9,162	20,578
Donations to public collections		298	694
Governance costs	4	<u>517</u>	<u>275</u>
		<u>9,977</u>	<u>21,547</u>
Net incoming (outgoing) resources for the period		10,525	(4,951)
Unrestricted funds balance brought forward		<u>18,289</u>	<u>23,240</u>
Unrestricted funds carried forward		<u>28,814</u>	<u>18,289</u>

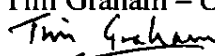
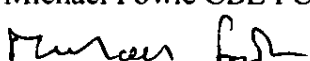
# Penguin Collectors Society

## Balance sheet

	30 April 2008 £	30 April 2007 £
Debtors and payments in advance	739	453
Investments – COIF Deposit Fund	33,100	23,000
Cash at bank	2,185	1,961
	<u>36,024</u>	<u>25,414</u>
Creditors due within one year		
Amounts payable	900	1,224
Accrual for printing & posting	1,200	1,000
Subscriptions received in advance	5,110	4,901
	<u>7,210</u>	<u>7,125</u>
<b>Net assets</b>	<u>28,814</u>	<u>18,289</u>
<b>Unrestricted funds</b>	<u>28,814</u>	<u>18,289</u>

For the year ended 30 April 2008 the company was entitled to exemption under section 249A Companies Act 1985. No members have required the company to obtain an audit of its accounts for that year in accordance with section 249(B) 2. The directors acknowledge their responsibility for (i) ensuring that the company keeps accounting records which comply with section 221; and (ii) preparing accounts which give a true and fair view of the state of affairs of the company at 30 April 2008 and of its surplus for the financial year ended on that date in accordance with section 226, and which otherwise comply with the requirements of the Companies Acts relating to accounts so far as applicable to the company.

Approved by the board and signed on its behalf on 18 June 2008

Signed    Tim Graham – *Chairman*  
  
 Michael Fowle CBE FCA – *Treasurer*  


## Penguin Collectors Society

### Notes to the 2008 financial statements

#### 1. Accounting policies

The Penguin Collectors Society is a charitable company incorporated by guarantee. In accordance with Section 226 Companies Act 1985 the trustees have departed from the standard descriptions of the profit and loss account as set out in schedule 4 of that Act on the grounds that it is appropriate to give all the information required in the income and expenditure account in the format of a statement of financial affairs as required by the Statement of Recommended Practice for Charities (2005). The Society has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

The accounts are prepared under the historical cost convention. Income is taken to credit only if in the Treasurer's hands by the balance sheet date. Subscriptions receivable are those related to the period of the statement of financial affairs arrived at by time apportionment. Expenses are accounted for on the accruals basis. Printing and postage costs for a twelve-month period always include two *Penguin Collectors*, but the number of special publications varies from year to year.

In last year's accounts, Meetings, Website and IT & stationery and Financial & other administrative expenses were shown as part of Management & administration costs. This year all these expenses are included in Costs of furthering charitable activities and the balance of Management & administration costs has been shown as Governance costs; the comparative figures have been changed.

The trustees have set aside a sum of £10,000 (2007 £8,000), being approximately a normal year's average expenses, as a designated fund (called the base fund) to ensure that the Society has adequate resources to fulfill its mission.

#### 2. Incoming resources from charitable activities

	2008	2007
	£	£
Subscriptions	10,229	10,596
Penguin Study Day	-	1,010
Publication support grant	-	600
Contribution from publication sales	8,773	3,166
	<u>19,002</u>	<u>15,372</u>

### 3 Costs of furthering charitable activities

	2008	2007
	£	£
Printing and similar costs	5,385	14,936
Postage, packing & stationery	2,438	3,097
Expenses of Penguin Study Day	-	1,048
Meetings	905	728
Website (net of over provisions made in previous years)	(230)	150
IT & stationery	108	98
Other financial and administrative costs	556	521
	<u>9,162</u>	<u>20,578</u>

### 4. Governance costs

Governance costs consist of printing membership papers. The trustees receive no remuneration but provide *pro bono* services to the Society.

For the sake of day to day efficiency, trustees tend initially to meet minor Society expenses from their own pockets for subsequent reclaim. Trustees rarely claim travelling expenses, whenever practicable combining journeys on Society business with personal or other business.

Total expenses incurred initially by trustees on the Society's behalf and then reimbursed to them amounted to £1,719 (2007 £1,625) included in costs of furthering charitable activities, being mostly editorial, distribution and administrative expenses. In addition trustees acquired for £26 (2007 £50) material of interest to the Allen Lane Special Collection at the University of Bristol and were re-imbursed these amounts by the Society, the Society having given these items to Bristol.

The Society does not suffer income tax or corporation tax.

### 5. Movements in funds

Unrestricted funds	At 1 May 2007 £	Incoming resources £	Transfer £	At 30 April 2008 £
Designated base fund	8,000		2,000	10,000
General fund	10,289	10,525	(2,000)	18,814
	<u>18,289</u>	<u>10,525</u>	<u>-</u>	<u>28,814</u>

## FORM OF PROXY

*If you wish to appoint a proxy for the annual general meeting, please tear out this page, complete and sign it and send it to James Robinson c/o Cahill Gordon & Reindel LLP, Augustine House, 6a Austin Friars, London EC2N 2HA, to arrive before 2pm on Thursday 2 October 2008*

I, being a member of the Penguin Collectors Society ("the company") entitled to vote at the Seventh Annual General Meeting ("the meeting") of the company, hereby appoint the Chairman of the meeting as my proxy to act generally at the meeting on my behalf and to vote in accordance with the following directions or if no directions have been given as the proxy sees fit at the meeting and at any adjournment of the meeting.

Voting directions to your proxy – please tick a box for each item to indicate your directions

Resolution	For	Against	Abstain*
1 To re-appoint Michael Fowle as a director of the company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 To re-appoint Jo Lunt as a director of the company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 To re-appoint Jim Rayner as a director of the company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\*If you tick the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll. If you tick more than one box on an item your vote on that item will be invalid.

### PLEASE SIGN HERE

\_\_\_\_\_

Name in block letters

Date