

The Authors' Awards & Summer Party 2018
Thursday 19 July

2018 ANNUAL REPORT & ACCOUNTS

A pivotal year in SoA history as we completed the purchase of our new home in Bloomsbury, led on successful campaigns and ended 2018 with 10,583 members – a growth of 3.6% throughout the year.

CAMPAIGNS & LOBBYING

Public Lending Right (PLR) was finally extended to ebooks and audiobooks in 2018 after several years of exerting pressure on the Government. We worked closely with officials from the Department for Digital, Culture, Media and Sport to overcome the final legislative hurdles, supported by more than 100 emails from SoA members to the Culture Secretary. PLR was applied from 1 July 2018 to ebooks and audiobooks loaned remotely. The first payments to authors will be paid in arrears in January 2020.

The vexed issue of authors' earnings was central to much of our campaigning throughout the year. In March, SoA President Philip Pullman spoke in *The Guardian* about the decline in authors' incomes while publisher profits continued to rise. In June, the Authors' Licensing and Collecting Society (ALCS) published the results of their survey into authors' earnings, which found that the median income of a professional author was just £10,500 – a 42% drop in real terms from 2005.

We responded to these findings in the national media and called on publishers to do more to ensure a fairer deal for authors. The All Party Parliamentary Writers Group conducted its own inquiry into authors' earnings. We submitted written evidence to the inquiry, and gave evidence to a panel of MPs to

outline the causes of the fall in earnings, recommend solutions, and to highlight the importance of Universal Credit and other state benefits to authors.

We continued to lobby politicians and liaise with the wider industry over the impact of Brexit on authors. In September, we issued a joint statement with the Irish Writers' Union about the dangers of a 'no-deal Brexit'. We criticised the Government's proposals for a post-Brexit immigration system and warned against using copyright as a bargaining chip in negotiations on trade deals. Alongside ALCS, the Writers' Guild and Directors UK, we organised a drop-in event at Parliament for MPs on the impact of Brexit on the audiovisual sector. In December, we published a briefing on our key concerns around Brexit, which we circulated widely to MPs and the media.

The EU removed a restriction that had prevented member states from bringing VAT on digital publications in line with print, so the UK is now free to reduce or remove VAT on ebooks. We are supporting the Publishers Association's 'Axe the Reading Tax' campaign, and have been encouraging our members to get involved by signing the petition and writing to their MP.

Throughout the year, the EU Copyright Directive was a hotly debated topic. We strongly support the Directive which aims to modernise copyright for the digital age and contains various provisions to strengthen the rights of authors in publishing

contracts, including a transparency obligation, a bestseller clause and a right of reversion.

We continued to raise concerns on subjects such as library closures, freedom of expression, diversity in the arts and special sales. We responded to various consultations over the course of the year, including on Arts Council England's new strategy, the Department for International Trade's proposals on future trade deals, HMRC's proposals on tax relief for the self-employed and the Scottish Government's culture strategy.

We continue to work closely with like-minded organisations to advance our campaigning aims, and regularly meet with MPs and government officials to ensure that the concerns of all authors, scriptwriters, illustrators and translators are heard and understood by policymakers. Chief Executive Nicola Solomon sits on the board of the British Copyright Council and the council of the Creative Industries Federation, and we have been working hard to reinvigorate the Creators' Rights Alliance, representing all creators including authors, musicians and visual artists.

We worked throughout the year with the Association of Authors' Agents, the Booksellers Association and the Publishers Association to draft an industry-wide Commitment to Professional Behaviour, designed to raise awareness of and tackle harassment in the workplace. We launched and signed up to this in December.

The Scriptwriters Group (SWG) hosted its AGM in November with chair Elizabeth-Anne Wheal and Hayley McKenzie, founder of Scriptangel Consultancy, discussing the pitfalls, opportunities and challenges involved in getting your book to screen.

The Writers as Carers Group (WaC) continued to host monthly online Skype chats, with an afternoon tea in June to mark Carers Week. The group remains a valuable source of peer support for members with caring responsibilities, helping them stay connected through its Facebook discussion group, monthly newsletters and useful resources.

The Poetry and Spoken Word Group (PSWG) ran a stand at the Poetry Book Fair in September, held a How to Make a Living as a Poet event at the Winchester Poetry Festival with poets Harry Man and Matt West, chaired by Sarah Hesketh in October, and in December contributed to a New Writing North event in York.

In June, the **Educational Writers Group (EWG)** hosted its annual Seminar Day looking at the importance of textbooks, writing Graded Readers, generating income from online courses and the author-editor relationship.

The Society of Authors in Scotland (SoAIS) continued to host a lively programme of events including a crime event at Glamis Castle, a writing retreat at Moniack Mhor, get-togethers in the Borders, and a Future Proof event focused on traditional publishing and self-publishing alongside Creative Scotland.

“For anybody making a career in literary translation, being a member of the SoA's Translators Association is essential. It's never been more important for us as individual translators to be part of a collective body.”

Daniel Hahn



EVENTS, TALKS & GROUPS

We began 2018 with a focus on events outside London. Staff gave various talks at meetings and conferences across the UK.

There were topical sessions on performance, website and social media training, tax, ebooks, poetry, and interview skills. The SoA had a stand at the London Book Fair in April for the second year running, while internationally we supported get-togethers in Spain and Japan, and Nicola Solomon spoke at the Dublin Writers' Conference.

Our AGM took place in Manchester – our first outside London – with insights into the world of writing, publishing and broadcast.

Our special interest groups held a variety of events across the year, with the **Translators Association (TA)** taking the lead by hosting a 60th anniversary translator symposium in April – a year-long celebration that was echoed across social media, with Charlotte Collins' #TA60 blog featuring one book a year from 1958-2018.

The Children's Writers and Illustrators Group (CWIG) hosted five meetings, including a combined CWIG and Authors North event on writing murder, mystery and adventure. At the CWIG AGM, Sita Brahmachari, Keren David and James Mayhew shared tips on getting work from page to stage.

The Society of Authors in Wales: 2018 was a big year for Wales, with the founding of this new geographic group, with talks and socials in Abergavenny, Aberystwyth, Newport, Cardiff and Swansea via collaborations with the Welsh Books Council, Literature Wales, Honno, Graffeg and Amazon Academy.

Regional groups continued to be active with new groups forming in the East Midlands, North East, Worthing and Brighton, and Tufnell Park in London. Regular meetings took place in Bath, Bristol, Hertfordshire, Oxford and Cornwall. With the appointment of a new Development Manager, our activities outside London will go from strength to strength in the coming years.

ADVICE

Our team of expert advisers vetted more than 700 contracts and handled over 2,000 queries in 2018. This invaluable personalised service continues to be highly praised and appreciated by members. Advisers spoke at universities, conferences and meetings throughout the year.

Concerns raised by members included ultra-high discount sales, failure to revert rights to struggling books, the contracts and practices of some small publishers, magazines moving to 'all rights' contracts, and the rise in online book piracy. We saw a

flurry of pre-contract offers from publishers of illustrated works as they prepared proposals to take to the imminent Frankfurt Book Fair. While our focus is on supporting individual members with specific issues, all these issues helped to inform our own campaign work, including the CREATOR campaign which seeks to ensure clear, fair and reasonable terms, and strengthened our battle against online piracy.

We supported many members affected by the demise of Freight books in Scotland, contributing to an advice day on the subject and continued to meet with key players in the Scottish publishing industry to ensure Scottish authors' rights and interests are represented.

OUTREACH

We published four issues of our quarterly print journal, *The Author*, under the editorship of James McConnachie, covering topics such as reading for pleasure, the translator-writer relationship, author earnings, writing competitions, and the audiobook market. Online, we saw a 10% jump in activity on our website; we ended the year with over 45,000 followers on Twitter (up by 5,000), and 8,000 followers on Facebook (up by 500), and we launched an Instagram page so we can be more active around our events, document the SoA relocation and target a wider audience.

audio publication, was sold to Big Finish Productions.

Foreign rights sales remained strong, with highlights including a stage production of Shaw's *Pygmalion* touring across Europe, LP Hartley's *The Go-Between* licensed for publication in Turkish, Greek and German, and E.M. Forster's *Aspects of the Novel* in Turkish.

Heralded by *The Guardian* as a 'forgotten gem', *What Not* by Rose Macaulay was brought back into print by Handheld Press, generating significant foreign rights and film interest. We concluded the year by entering into negotiations for film rights in Mackenzie's novel *Extraordinary Women*.

GRANTS, PRIZES & AWARDS

We awarded £369,500 in grants to authors for works in progress from the Authors' Foundation – £47,500 more than in the previous year – and £59,499 in grants from our contingency funds. Many of the 63 recipients were authors whose ability to work was affected by ill health, or who were dealing with difficult domestic situations. In addition, £2,072 was given to seven authors enabling them to take a residential stay, with thanks to the Francis W Reckitt Arts Trust.

The annual Translation Prizes ceremony took place on 1 March



“I’ve found joining the SoA to be one of the best things I’ve ever done as a writer... You take the lonely writer from a marginal place (within their vibrant, fragile minds) to... a place of upbuilding and dignity and respect, it’s wonderful!”

Cheryl Hardacre

Our monthly newsletters to members and supporters continue to increase engagement with our online channels, particularly the regional group mailings, which have seen huge spikes of interest across the year and attracted member interest around our regional work.

Altogether we welcomed 1,241 new members in 2018. There will be even more opportunities to engage with a wider group of people in our new premises with a dedicated member and events space – and room to experiment with our communication channels and digital resources to spread the SoA message.

LITERARY ESTATES

The year began with a successful production of Shaw's *Saint Joan* opening on Broadway, with reviews in the US press describing it as 'chilling, powerful and timely'. We saw a new adaptation of Compton Mackenzie's *Whisky Galore* at Oldham Coliseum in March, and the world premiere of Harley Granville Barker's *Agnes Colander* opened at Theatre Royal Bath in the same month. Piers Torday's adaptation of John Masefield's *Box of Delights* returned to Wilton's Music Hall, which we celebrated with an event chaired by the SoA's Theo Jones and featuring Torday, playwright Patricia Cumper and actor Tom Kanji, discussing the challenges of adapting existing works. Another dramatic version of *The Box of Delights*, this time for

at the British Library, with awards presented for translation from the Arabic, German, French, Spanish and Dutch, worth £8,000 in total. The winner of the inaugural TA First Translation Prize for a debut translation into English, Bela Shayevich, was also awarded £2,000, generously endowed by Daniel Hahn with support from the British Council.

Actor, comedian and author Stephen Fry presented our annual Authors' Awards at RIBA on 19 July, sharing £98,000 in prize money between 31 winning authors, before an audience of more than 300 members and industry professionals.

THE SoA's FUTURE PREMISES

In March 2018, the exchange of contracts on our new home in Bloomsbury marked the start of a new phase of SoA history. We completed the purchase of 24 Bedford Row and the sale of our historic offices in Drayton Gardens in October, with the aim of relocating in early 2019.

Developers started work on the six-storey building in September, with architects working on an exciting new space for member events and networking on the ground floor. Our vision is for a larger, more inclusive events, meeting and member drop-in space, with better disabled access and better working conditions for staff.

FINANCIAL REPORT 2018

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the Society of Authors (SoA) in the year under review was to protect the rights and further the interests of authors of all kinds of literary works and publications.

DIVIDENDS

Under item IV of the SoA's Memorandum of Association, no dividend may be paid by the SoA.

Shareholders have no right to participate in any surplus either by way of dividends or on winding up, and as a result the shareholders' interests are limited to the Called Up Share Capital.

DIRECTORS

The directors in the left column below have held office during the whole of the period from 1 January 2018 to the date of this report. Changes in directors holding office are shown in the right column.

- | | |
|------------------|---|
| • D C P Donachie | • E Clark (deceased 22 Oct 2018) |
| • J M S Harris | • D Hahn (resigned 29 Nov 2018) |
| • CA Lee | • A Klaushofer (resigned 31 Aug 2018) |
| • C Palliser | • J Laurence (resigned 29 Nov 2018) |
| • C Rees | • S J Collett (appointed 29 Nov 2018) |
| • F Dennis | • W Phoenix (appointed 29 Nov 2018) |
| • M Hoffman | • K Quarmby (appointed 29 Nov 2018) |
| • P Womack | • M H P Roberts (appointed 29 Nov 2018) |

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SOCIETY OF AUTHORS

We have audited the financial statements of The Society Of Authors (the 'company') for the year ended 31 December 2018 which comprise the Income Statement, Balance Sheet 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 company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not

made; or

- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Statement of Directors' Responsibilities set out on the previous page, the directors 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 directors determine 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the

company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

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

Kevin Lally (Senior Statutory Auditor), for and on behalf of Knox Cropper, 8/9 Well Court, London EC4M 9DN.

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
INCOME			
Operating Income		1,202,805	1,124,971
Investment and Rental Income		70,210	91,031
Donations and Legacies		218,507	302,616
Grant and Project Income		21,000	-
Other income		(3,706)	34
Total Income		1,508,816	1,518,652
EXPENDITURE			
Operating Expenditure		1,449,056	1,319,756
Operating Loss	4	59,760	198,896
(Loss)/Gain on Investments		(137,780)	176,690
Profit on sale of Tangible fixed assets		4,859,683	-
Profit on sale of Investment property		241,831	-
Interest payable and similar charges		14,315	-
Profit/(Loss) before Taxation		5,009,179	375,586
Tax on Profit/(Loss)	5	(233,306)	35,126
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		5,242,485	340,460

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

BALANCE SHEET 31 DECEMBER 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	6	5,099,199	293,946
Investments	7	1,439,515	1,699,878
Investment property	8	1,870,000	3,225,000
		8,408,714	5,218,824
CURRENT ASSETS			
Debtors	9	3,799,571	90,284
Cash in hand		570,384	409,842
		4,369,955	500,126
CREDITORS			
Amounts falling due within one year	10	2,850,650	727,279
NET CURRENT LIABILITIES		1,519,305	(227,153)
TOTAL ASSETS LESS CURRENT LIABILITIES		9,928,019	4,991,671
PROVISIONS FOR LIABILITIES			
	12	155,829	461,966
NET ASSETS		9,772,190	4,529,705
CAPITAL AND RESERVES			
Called up share capital		72	72
Retained earnings	13	9,772,118	4,529,633
		9,772,190	4,529,705

NOTES TO THE FINANCIAL STATEMENTS FOR Y/E 31 DECEMBER 2018

1. STATUTORY INFORMATION

The Society of Authors is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the back page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard

102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Income

Income is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Members subscriptions are annual payments due at varying dates throughout the year. The amount of subscriptions applicable to any period after the year end is treated as prepaid by the SoA and is included in creditors shown in the notes. Other income is also included on the basis of amounts receivable in the year.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

- Freehold property - 1% on cost
- Fixtures, fittings and equipment - 20% on cost

Tangible fixed assets under construction are not depreciated until the asset is brought into use.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. Current or deferred taxation assets and liabilities are not discounted. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 24 (2017 - 20). The Directors did not receive any remuneration during the year. The total employee benefits of key management personnel amounted to £122,336 (2017 - £118,946).

4. OPERATING PROFIT / (LOSS)

The operating loss is stated after charging:

	2018 £	2017 £
Depreciation - owned assets	19,912	20,642
Auditors' remuneration	6,220	6,200
Lease costs	27,079	20,920

5. TAXATION

The tax (credit)/charge on the profit for the year was as follows:

	2018 £	2017 £
UK corporation tax	72,831	-

Deferred tax	(306,137)	35,126
Tax on profit	(233,306)	35,126

6. TANGIBLE FIXED ASSETS

	Land and property £	Property in development £	Plant & machinery £	Total £
COST				
At 1 January 2018	285,499	-	288,828	574,327
Additions	-	5,099,199	8,114	5,107,313
Disposals	(285,499)	-	(296,942)	(582,441)
At 31 December 2018	-	5,099,199	-	5,099,199
DEPRECIATION				
At 1 January 2018	42,171	-	238,210	280,381
Charge for year	1,669	-	18,243	19,912
Eliminated on disposal	(43,840)	-	(256,453)	(300,293)
At 31 December 2018	-	-	-	-
NET BOOK VALUE				
At 31 December 2018	-	5,099,199	-	5,099,199
At 31 December 2017	243,328	-	50,618	293,946

At 31 December 2018 the company was part way through the refurbishment of its' new premises at 24 Bedford Row. At 31 December 2018 the unspent element of the budget for the project was £0.9 million.

7. FIXED ASSET INVESTMENTS

	Other investments £
COST OR VALUATION	
At 1 January 2018	1,699,878
Disposals	(122,553)
Revaluations	(137,810)
At 31 December 2018	1,439,515

8. INVESTMENT PROPERTY

	Total £
VALUATION	
At 1 January 2018	3,225,000
Additions	1,870,000
Disposals	(3,225,000)
At 31 December 2018	1,870,000

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Accrued property sale proceeds	3,633,750	
Prepayments and accrued income	73,324	90,284
Other debtors	92,497	
	3,799,571	90,284

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts	2,000,000	-
Taxation and social security	73,340	120,592
Other creditors	343,185	208,239
Membership fees received in advance	434,125	398,448
	2,850,650	727,279

11. OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Within one year	19,322	20,956
Between one and five years	20,138	23,713
	<u>39,460</u>	<u>44,669</u>

12. PROVISIONS FOR LIABILITIES

	2018 £	2017 £
Deferred tax	155,829	461,966
		Deferred tax £
Balance at 1 January 2018		461,966
Credit to Income Statement during year		<u>(306,137)</u>
Balance at 31 December 2018		<u>155,829</u>

13. RESERVES

	Retained Earnings £
At 1 January 2018	4,529,633
Profit for the financial year	5,242,485
At 31 December 2018	<u>9,772,118</u>

14. RELATED PARTY DISCLOSURES

The Society of Authors is trustee for a number of charitable trusts for which it carries out management services. A management fee is charged which in 2018 amounted to £115,859.

The SoA is also trustee of a non-charitable trust, the purpose of which is to support the SoA. At the year end the total net assets held by the trust amounted to £491,662 (2017 - £525,067). There were no transactions between the SoA and the trust in either 2018 or 2017.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

	2018		2017			2018		2017	
	£	£	£	£		£	£	£	£
INCOME					EXPENDITURE (CONT.)				
Members' Annual Subscriptions	915,983		847,006		Cleaning, Heating and Lighting	11,936		11,362	
Commissions on Royalties	84,935		75,019		Repairs and renewals	26,344		25,568	
Royalty Income	50,509		51,774		Books, Papers and Subscriptions	3,730		3,821	
Management Fees	151,378		151,172		Events & AGM net of income	16,712		9,082	
Other Income	(3,706)		33		Group Activities	24,218		23,171	
Donations and Legacies	218,507		302,617		Computer and IT costs	68,513		50,836	
Grant and Project Income	21,000		-		Computer and IT costs	68,513		50,836	
Net Rents Received	36,404		58,803		Sundry Expenses	3,707		2,336	
Investment Income	33,806		32,227		Affiliation Fees	6,511		7,024	
		<u>1,508,816</u>		<u>1,518,651</u>	Professional Fees	14,694		7,091	
OTHER INCOME					Investment management charges	12,340		11,666	
Profit/(loss) on investments	(137,780)		176,690		Irrecoverable VAT	14,616		53,523	
Profit on sale of tangible fixed assets	4,859,683		-		Auditors' Remuneration	6,220		6,200	
Profit on sale of investment property	241,831		-		Grants and Donations	57		212	
		<u>4,963,734</u>		<u>176,690</u>	Depreciation of Tangible Fixed Assets	19,912		20,642	
		<u>6,472,550</u>		<u>1,695,341</u>		<u>1,440,021</u>		<u>1,314,227</u>	
EXPENDITURE						<u>5,032,529</u>		<u>381,114</u>	
Salaries	831,359		735,026		FINANCE COSTS				
National Insurance	87,116		78,625		Loan interest payable	14,315		-	
Pension Contributions	66,732		59,192		Bank and Card Charges	9,035		5,528	
Fees	21,494		30,872		NET PROFIT/(LOSS)	<u>5,009,179</u>		<u>375,586</u>	
Employee Benefits	21,545		17,530						
Postage and Communications	18,796		24,028						
Printing and Stationery	16,278		12,349						
Advertising and Marketing	2,665		3,672						
Travelling and Entertaining	13,873		11,035						
Publications and Guides	75,123		68,471						
Rates and Insurance	55,530		40,893						

AND LAST, BUT NOT LEAST... THANK YOU!

It is impossible to thank all those who so generously devote their time and expertise to the work of the SoA, not least every member who supports our causes. However, we want to mention all those who fulfilled key roles during 2018.

President: Philip Pullman.

The Management Committee: David Donachie (Chair), Ferdinand Dennis, Joanne Harris, Mary Hoffman, Carol Lee, Charles Palliser, Celia Rees and Philip Womack. We thank the Committee members who completed their term at the 2018 AGM: Daniel Hahn, Alex Klaushofer and Janet Laurence and we remember Eric Clark, who died in October 2018. The new Management Committee members appointed at the 2018 AGM were Sam Collett, Woodrow Phoenix, Katharine Quarmby and Hugh Roberts.

The Scriptwriters Group Committee: Elizabeth-Anne Wheal (Chair), Stefan Buczacki, Jamila Gavin, Isla Gray (retired), Sean Grundy, Catherine Johnson (retired), Nell Leyshon, David Morley, Hilary Robinson (retired), Hannah Silva.

The Children's Writers and Illustrators Group Committee: Shoo Rayner (Chair), Daniel Blythe, Lucy Coats (retired), Keren David, Dawn Finch, Candy Gourlay, Curtis Jobling, James Mayhew (retired), Miriam Moss (retired).

The Educational Writers Group Committee: Anne Rooney (Chair), Sarah Ackroyd, Chris Barker, Peter Clarke, Ignaty Dyakov, Terry Freedman, Mark Griffiths, Julie Pratten.

The Poetry and Spoken Word Group Committee: Tamar Yoseloff (Chair), Atar Hadari, Sarah Hesketh, Shazea Quraishi, John Rice, Jacqueline Saphra, Helen Shay, Rachel McCarthy.

Translators Association Committee: Charlotte Collins (Co-Chair), Ruth Martin (Co-Chair), Kareem Abdulrahman, Kari Dickson, Marta Dziurosz, Sasha Dugdale, Paul Garrett (retired), Roland Glasser (ex-officio), William Gregory, Daniel Hahn, Nicky Harman (retired), Ruth Ahmedzai Kemp, Louise Rogers Lalaurie (retired), Deborah Smith (retired) and Shaun Whiteside.

The Committee of the Society of Authors in Scotland: Lucinda Byatt (retired), Caroline Dunford (Co-Chair), Helen Forbes (retired), Merryn Glover (Co-Chair), Allan Guthrie, Wendy H. Jones, Chris Longmuir (retired), Philip Paris (retired), Margaret Skea and Linda Strachan (retired). New Committee members: Mary Craig, Mac Logan and Louise Robertson.

The Authors North Events Planning Committee: Niel Bushnell (retired), Rhoda Baxter (new Chair), Daniel Ingram-Brown, Colin Shelbourn and Rhona Whiteford.

Writers as Carers Group: Jim Green (founding member).

James McConnachie, editor of **The Author**.

Our prizes, grants and awards rely on the hard work and dedication of our many judges and assessors, including:

Tahmima Anam, Philip Arkinstall, Paul Bailey, Simon Brett, Ben Brooks, Katie Brown, Elizabeth Buchan, Jeremy Cameron, Jen Campbell, Wendy Cope, Richard Davenport-Hines, Maura Dooley, Jane Draycott, Inua Ellams, Paul Farley, Roy Foster, Antonia Fraser, Flora Fraser, Frances Fyfield, Donald Gardner, Judy Garton-Sprenger, Annemarie Goodridge, Elspeth Graham, Matthew Green, John Greening, Daniel Hahn, James Hamilton, Joanne Harris, Rosalind Harvey, Susan Hill, Eva Hoffman, Andrew Holgate, Andrew Lycett, Aamer Hussein, Andrew Hussey, Helen Ivory, Emily Jeremiah, James Jordan, Alan Judd, Peter Kalu, Oliver Kamm, John King, Lee Langley, Rod Mengham, Abir Mukherjee, Daljit Nagra, Grace Nichols, Alastair Niven, Barney Norris, Irenosen Okojie, Adam O'Riordan, Wen-chin Ouyang, Ian Patterson, Pascale Petit, Munro Price, Sameer Rahim, Jane Ridley, Carol Rumens, Salam Sarhan, Kamila Shamsie, Samantha Shannon, Bill Swainson, Bob Swarup, Michael Symmons Roberts, Ian Thomson, Océane Toffoli, Ahren Warner and Laura Watkinson.

We are extremely grateful for the many generous donations we received throughout 2018, supporting our work and helping us to spread the benefits to authors of our annual programme of grants and prizes.

Photographs: Tom Pilston (front cover), Adrian Pope (interior, first page) and Martin Reed (interior, second page)

President Philip Pullman
Chief Executive Nicola Solomon

24 Bedford Row, London WC1R 4EH
E info@societyofauthors.org
T 020 7373 6642
www.societyofauthors.org