Book Aid International
2017 Annual Report

Including Trustees’ Report and Accounts for the year ended 31st December 2017

Book Aid International is a charity and limited company registered in England and Wales. Charity no: 313869 Company no: 880754

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Welcome to our new-look Annual Report which reflects on the successes and challenges of 2017.

At Book Aid International we know that books change lives. Our vision is a world where everyone, whatever their circumstances, has access to the books they need. We believe that if this vision of a book-rich world were fully realised we would see transformational change: for individuals, for communities and for nations.

In 2017 the 938,330 brand new books we sent reached public, school and community libraries. They reached prisons, hospitals and refugee camps in even the remotest and most disadvantaged communities: places where people would otherwise have very little opportunity to read.

But we recognise that this is a small contribution to a much greater need. In 2017 we developed our Vision 2020: Where Books Change Lives strategy, setting ourselves the target of sending 1.5 million books a year by 2020 and reaching even more people around the world who currently have little or no access to books. In this strategy, we are committing in particular to ensuring that the books we send reach the people who face the greatest barriers to reading and learning.

When we talk to our beneficiaries they tell us how much they value the high-quality, relevant books we send. For these books we have British publishers to thank: their generous donations of wonderful new books are appreciated around the world.

Our work is all about partnership: with publishers, with our inspiring library and NGO partners, and with all of those who support our work. Without these partnerships, millions of people around the world would not have access to the new books they need.

So to all of you who support us I say: thank you very much and do please keep supporting us as we continue our much-needed work.

Reaching those who need books most

Alison Tweed, Chief Executive

Rising to the challenge

The Rt Hon The Lord Paul Boateng, Chair

We believe that everyone, whatever their circumstances, must have access to books because we know that every book represents an opportunity: to learn, to discover a new solution or to imagine a brighter future. Yet globally, millions of people do not have the books that could change their lives.

In 2017, we set ourselves the challenge of reaching out to the people around the world who face the greatest barriers to reading and we began working in communities where even accessing books is at its most challenging.

We forged new partnerships with organisations that share our vision of a book-rich world and we rose to the challenge of shipping books to places where the route in was not always clear.

For me, the year’s highlight came when we sent a small shipment of books to support the people of Barbuda forced to evacuate after a hurricane destroyed their island home. That shipment embodies our commitment to reaching out to those who most need books – wherever they might be in the world.

Where books go, change follows, and I am incredibly proud to lead a ‘small’ charity that has such a big impact. In 2017, our staff and volunteers made books available to millions of readers. Of course, this accomplishment would not have been possible without our many partners and supporters. Thank you for being a part of our work in 2017 and we hope that you continue standing beside us in 2018 and beyond.
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The Trustees present their report and the audited financial statements for the year ended 31st December 2017. Reference and administrative information set out on page 28 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This Trustees’ Annual Report includes a directors’ report as required by company law.
The need for books

Millions of people live in a world without books. They cannot afford to buy books for their homes and in schools many pupils must share tattered textbooks.

Libraries often have only a few out-of-date books and cannot afford to buy the new books that will inspire people to read. Even universities and hospitals often lack the funding to purchase reference and text books that their students need to learn.

Without easy access to books children cannot learn to read, pupils are less able to succeed in education, adults cannot find the information to help them build a more prosperous future and everyone is denied the simple pleasure of reading.

Improved levels of literacy and easier access to information could transform the lives of millions. UNESCO’s 2016 Education for All Global Monitoring Report estimates that if all pupils worldwide left school with basic reading skills 171 million people could be lifted out of poverty.

Books are a key part of making this positive change possible.

“"There is a hunger"

Many of the people who read the books we send are quick to tell us that people in their communities want to read and value the new books we provide.

“We have a problem in Malawi. People want to read but they cannot afford to get books.

But there is a hunger, especially in the rural areas, for materials to read. If you go to the rural areas, most of the time you are greeted, ‘have you brought anything for us to read?’

They don’t have any literature in that area – the disposable income is not available.

It is not fair to judge reading culture by saying ‘people are not buying books’ – it is actually that they cannot afford them. The potential is right here – there is that hunger to read a book.”

Alfred, President of the Book Publishers’ Association of Malawi
At Book Aid International, our vision is a world where everyone has access to books that will enrich, improve and change their lives.

To make our vision a reality, we provide books, resources and training to support an environment in which reading for pleasure, study and lifelong learning can flourish.

Providing books: access for all

Every year we send around one million carefully selected books to thousands of public and community libraries, schools, refugee camps, hospitals, universities and prisons. All the books we send are brand new, recent editions donated by the UK publishing industry. By supporting libraries, we make books available to all without discrimination, ensuring that each book impacts as many people as possible.

Our network of partners includes libraries, schools, NGOs and community-based organisations. We send only books that our partners need and our team here in the UK selects the most appropriate books on a request basis. Our partners then distribute the books we send to a wide range of organisations, reaching people of all ages and backgrounds.

Running projects: investing in readers

As well as providing books, we offer innovative projects and programmes that create inspirational spaces for children in public and community libraries, provide much-needed Book Box Libraries in schools and train librarians and teachers in how to support young readers and run effective libraries.

Many of our projects focus on pupils and students. For example, *Inspiring Readers* increases children’s access to books in primary schools and *Study Hubs* ensures that secondary school students have the resources they need when approaching exams. We also run programmes which focus on creating welcoming spaces for children in public libraries, including the integration of e-books wherever possible, such as our *Children's Corners* and *Book Havens* programmes.

Whatever its size or scope, each project aims to create sustainable impact through building local capacity, thus enabling long-term change.

A vision for the future

In 2017, we launched our *Vision 2020: Where Books Change Lives* strategy and committed to sending books to the people who face the greatest barriers to accessing the books they need throughout and beyond Africa.

We are focusing on providing books for displaced people and those living in fragile states, children learning in poorly resourced schools, learners in the community, healthcare providers, educators and students and those excluded through imprisonment, discrimination or marginalisation.

Our values

In all we do, we are guided by our core values:

- **Equality.** Everyone deserves the opportunity to read, whatever their circumstances.
- **Quality.** No one should have to make do with old, out-of-date books.
- **Sustainability.** Change must be sustainable in the long term.
- **Collaboration.** Partnership is vital to ensuring that books are available to all and meet communities’ real needs.

Kenyan children with disabilities enjoy reading books their school received in 2017
2017 in numbers

An estimated 32 million people have access to the books we sent in 2017.

We reached readers in

- **801** public and community libraries
- **1,911** primary and secondary schools
- **287** university libraries
- **25** refugee camps
- **184** medical libraries
- **22** prison libraries

The books we provided

- Children and primary: **443,656**
- Leisure reading: **112,507**
- Development: **51,895**
- Medicine and health care: **53,462**
- English language skills: **80,586**
- Reference and secondary: **109,920**
- Higher education: **42,632**
- Vocational, technical and business: **43,672**
Where we sent books in 2017

- 938,330 books provided
- 39,186 local books purchased
- 75 Book Box school libraries established
- 607 librarians and teachers trained
- 25 libraries refurbished
- 86 library, NGO, school and government partners

2,119 books went to other countries
Easy access to books creates opportunities for people from all walks of life to enrich and improve their lives and we are committed to ensuring that as many people as possible have the books they need.

Books in public and community libraries are available to all, but we recognise that some people need additional support to access books.

That is why in 2017 we launched our Vision 2020 and committed to reaching out to people who face huge barriers to reading, whether through displacement, discrimination, poverty or imprisonment.

Over the course of the year, we provided books to seven new countries and 30 new partners serving refugees, marginalised communities and some of the world’s most poorly resourced schools.

The rest of this section describes our work reaching out to displaced people and those affected by conflict, to poorly resourced schools, to healthcare providers and educators, to people learning in their communities and to people facing discrimination and isolation.

Reaching displaced people and those living in fragile states

Books offer refugees and people affected by conflict the chance to continue learning and to escape the challenges of day-to-day life.

Last year, we worked with NGOs supporting refugees in transit camps in southern Europe, many fleeing Syria’s devastating war. We sent more than 6,000 books for informal libraries in camps, for their schools and even for mobile libraries moving between camps.

We also continued to support the long-term residents of Kenya’s two largest refugee camps, Kakuma and Dadaab, providing thousands of books for Kakuma’s community library and for secondary school libraries in both camps.

People who are living with the consequences of conflict also need access to books, and in 2017 we sent a shipment of 3,608 higher education, English language and teacher training books to South Sudan, which has experienced years of conflict and instability since independence in 2011. We also provided higher education books for students in Mogadishu, Somalia, where violence continues to be a daily reality.
Enriching children's education

Books in schools are essential as they put vital information at students’ fingertips, helping them learn to read and succeed in school.

In 2017, the books we sent reached 1,911 primary and secondary school libraries where pupils would otherwise have no reading books at all and only a few textbooks. These books ranged from beautiful picture books selected to encourage reluctant young readers to children’s non-fiction on topics such as science. They will all help pupils improve their reading and get excited about learning.

2017 also saw the expansion of our school library programme, Inspiring Readers. The programme aims to bring reading into the classrooms of 250,000 African primary school pupils by creating small Book Box Libraries and training teachers in how to bring books to life in their classrooms.

Over the course of the year, we worked closely with schools in Kenya, Malawi and Uganda to set up 75 school libraries, bringing the total number of school libraries created to date through the programme to 175. In total, 71,560 children have books in their classrooms and 224 teachers have been trained in how to use books to enrich their teaching.

The books from Book Aid International have been distributed all over the country and children in the most marginalised and remote areas now have access to books. Pass rates at schools have improved.

Jackson Ndlovu. Edward Ndlovu Memorial Library, Zimbabwe

Reaching learners in the community

For people who did not have the chance to complete their education, books provide an essential opportunity to read and learn.

We work with many volunteer groups, local NGOs and community organisations that provide vital opportunities for people to continue learning, gain new skills or simply to discover the joy of reading by running community libraries. These libraries often serve people who cannot easily access a public library or mainstream education.

In Ethiopia, we sent 19,879 books to a network of 21 community libraries run by local NGO CODE Ethiopia. These books included vocational books and English language books that will contribute to life-long learning for the entire community.

In 2017 we also sent our first shipment of books to Rwanda. Many of the 31,000 books we provided now stock the shelves of Rwanda’s thriving network of community libraries.

These libraries are run by NGOs and many are located in youth and sport centres where young people gather. The inspiring local people who run these community libraries are using the books we provide to help young people learn English and develop a love of reading.
Providing information for healthcare professionals, educators and students

Books ensure that practising professionals can make decisions with current research and medical students can learn the most up-to-date techniques.

Medical books are often difficult or impossible to find in the countries where we work as there are few bookshops and those that are there often do not stock current books. Where they are available, medical texts are often simply too expensive for local universities and hospitals to purchase.

In 2017, we provided brand new medical texts to 184 hospitals and medical colleges in 15 countries. These books are particularly valuable in places such as the Occupied Palestinian Territories, Somalia and Eritrea where there are very few books available.

These books will help to ensure that patients receive the best possible care as their doctors, nurses, midwives and dentists will all be able to use the most up-to-date information when making critical decisions.

Supporting excluded or disadvantaged people

Books have a special role to play for those who have been excluded from opportunities to learn because of disability, imprisonment or discrimination.

For people facing exclusion, books offer a window into new opportunities and hope for the future. Many libraries, schools and NGOs around the world use the brand new books we provide in their work supporting readers with special needs.

In 2017 we made special donations of Braille books in Kenya. We also donated Braille books to the Dorothy Duncan Library for the Blind in Zimbabwe.

We also continued our commitment to providing books for prison libraries. These books will enable prisoners to continue their education and prepare for release while helping them cope with the experience of incarceration. We supplied general fiction, study guides and legal texts to 22 prison libraries in six countries, including Zambia.

“Having a library in the correctional facilities has given the inmates the possibility of increasing their level of knowledge or just starting to receive an education for the first time in their life.”

Gianclaudio Bizzotto, Country Representative, Zambian NGO CELIM

Nurses in Sierra Leone receiving donated books
The impact of our work

Through our work we aim to give as many people as possible access to the transformational change books make possible. Our Theory of Change summarises the impact that our work has and how we help children succeed in education, give adults new opportunities and help create tomorrow’s leaders.

Theory of Change summary

**WHAT WE DO**
- Support and train librarians and teachers
- Source and send books
- Provide grants for library refurbishment and local book purchase

**RESULTING IN**
- Teachers teach more effectively and use books to enhance learning
- Libraries are well stocked and managed in schools, universities, public and community libraries, refugee camps and other locations
- Libraries are safe and attractive spaces for reading, learning and community activities
- Librarians are confident, promote reading and support readers
- Community members use local libraries for reading and learning
- Everyone – including refugees and marginalised people – can access information

**LEADING TO**
- **Children** learn to value and enjoy reading, improving their levels of education
- **Adults** can improve their knowledge and skills, earning more and managing that income
- **Higher level students and professionals** can access wider opportunities for self-improvement

The impact of children’s books

In 2017, we worked with library partners in five countries to open 22 *Children’s Corners*: vibrant, child-friendly spaces full of brand-new books where young readers will be inspired to read. Six of these were funded by the Stavros Niarchos Foundation. The project also provided 200 tablets full of e-books to five *Children’s Corners*.

28,520 children have access to the 22 *Children’s Corners* we opened in 2017.

“In Sierra Leone there is a book famine for many of our children. Few families have the means to purchase books. The need is even greater now because Sierra Leone is still in the recovery period after Ebola. In the long term, we hope to see a growing reading culture as librarians use their new expertise to do outreach activities with schools in their areas. This in turn will improve literacy and support efforts to rebuild after the Ebola crisis.”

Sallieu Turay, Chief Librarian, Sierra Leone Library Board

A busy *Children’s Corner* in the Kissy Branch Library in Sierra Leone.
Our impact on children

Children who develop a love of reading early are more likely to succeed in education and throughout their lives. By supporting children, our work can have the maximum possible impact in the long-term.

In 2017, the books we provided had a clear impact on children in primary schools, secondary schools and on those reading in libraries located in slum communities.

We found that access to books encouraged children to read more, improved their academic performance and increased young readers’ confidence.

Increasing reading in slum communities

Children in Nairobi’s Mathare and Kibera slum communities have few opportunities to discover books and improve their life chances. They live in crowded communities with few public services and crime, gangs and drug use are daily realities.

In 2017, we worked with the Kenya National Library Service and local NGO The Mathare Youth Sports Association to create Book Havens in three slum libraries, producing beautiful children’s books, local books, murals, child-sized furniture and inviting book displays. We also trained librarians in how to support young readers. After the Book Havens opened we saw several key changes:

More children are visiting all three libraries. The refurbishment has made the libraries more inviting for children and more children are drawn in to see the colourful murals on the wall and read the new books.

Children are reading more. Newly trained librarians are more able to help children discover books and begin to read. All three libraries have reported that children are reading more in the library and borrowing more books.

“The staff offer direction. They helped me prepare for my interview for my new school by giving me all the books to revise and refer to as I prepared. It was because of them that I got 431 marks out of 500 in the exam I was given in the new school.”

Kelly, 13 year old Book Haven user

276% increase in the average number of books read every month
Enriching primary schools

In 2017, we looked at the impact of the first 25 Inspiring Readers Book Box Libraries which opened in Kenya in 2015.

We found that having books in classrooms combined with teachers who had the skills to bring those books to life had resulted in two key outcomes:

**Improved academic performance.** Across the board, teachers noted an improvement in children’s reading fluency and confidence, and this has improved performance in other subjects.

Results from Muringato Primary School, shown below, are typical of the changes in pass rates:

- **7% increase in science exam pass rate after just one year**

**New-found confidence.** Perhaps even more significantly, children report feeling more confident, more able to take steps towards a brighter future and a new love of books.

Reaching secondary school pupils

Passing exams is critical for young people’s futures and many students use their libraries to revise. But all too often those libraries lack the books students need and librarians do not have the skills to support exam takers.

In 2017, we created 16 Study Hubs in Zambian public libraries and schools where pupils would find revision books, textbooks, a study guide and librarians who had received training in how to guide them. As a result:

- **Pupils are using their libraries more.** Visits to the 16 Study Hubs to utilise the materials have increased from 4,512 to 18,485 a month.

  - **310% increase in the average monthly visits to the Study Hubs**

- **Pupils are approaching exams confidently.** Across the board, students reported being able to find what they needed in the donated books and feeling more prepared for their exams.

**“At the beginning, I was given two lower primary books and from then on I have never stopped reading. I was able to convince pupils to give me votes to be the Head Boy because I can now communicate well in English.”**

Joseph, Class 7 School Head Boy, Getembe Primary School, Kenya

**“The book AQA Maths really helped for the exam. Calculus was not done in class but was in the exam. Because I read it from the book in the Study Hub, I was able to answer the question on the exam.”**

Orance, Year 12 Study Hub user, Zambia
Our impact on adults

All adults should have easy access to information that can help them learn new skills and create new opportunities for the future.

Last year, we sent thousands of vocational books, English language learning books, technical guides and how-to guides to all of the 20 countries we supported. Each of these books will have a direct impact on the people who read them by helping them gain new language and practical skills.

In Kenya a group of adults also made use of some of the books we sent with younger readers in mind, with unexpected results.

Learning to read at 60

Chesengoch is a tiny, remote village in Kenya’s vast Great Rift Valley. The area is rugged with steep cliffs and poor roads and most people lead a simple pastoral lifestyle. Poverty and illiteracy levels are high.

Chesengoch is part of our Inspiring Readers programme, so the local schools are fortunate to have brand new books in their classrooms.

When parents and grandparents saw children coming home reading, they also saw an opportunity to improve their own reading. So they demanded support from government to fund an adult education teacher and began improving their own literacy using the Inspiring Readers books.

Some, like 60-year-old Florence, below, even learned to read for the first time. Florence left school when she was seven to help out on her family’s farm. Before the class began, she could not even write her name. Now she is literate, and being able to read has transformed her life.

“I joined the class so I could learn to read and write. Now I can read prices, so I get a fair price when shopping and I can use a mobile phone!”

Florence, 60-year-old adult learner, Lagam, Kenya

Florence, centre, and her fellow readers
No student or professional should be forced to learn from out-of-date information, yet that is the reality for millions around the world.

In 2017, we continued our work providing the books lawyers, teachers, professionals in all fields, higher education students and healthcare providers require.

**The impact of new medical texts**

The medical books we send improve the care that individual healthcare providers can offer and contribute directly to the education of the next generation of healthcare professionals.

In Sierra Leone, the Nixon Memorial Hospital trains over 75% of nurses for Sierra Leone’s Eastern region, yet it had so few books and teaching materials that it was threatened with closure because it did not offer sufficient resources for trainee nurses.

Today, the hospital remains open thanks in large part to the 1,000 brand new medical books we provided in 2017. These books are providing the up-to-date information that trainee nurses require to earn their qualifications.

**Educating the next generation of teachers**

Teachers have a direct impact on every nation’s young people, but all too often their skills are out of date.

The 21,882 brand new teacher training books we provided in 2017 will help to create the next generation of highly skilled and qualified teachers, ensuring the pupils of the future receive a high standard of education.

The books will also support practising teachers who rely on them to find new ideas, enrich their teaching and keep their skills up to date.

> Many elementary and junior school teachers in Eritrea are not qualified and thus lack knowledge in how to handle a classroom. The new books are therefore helpful in order to fill the gap.

— Gebrenegus Berhane Engda, National School Library Coordinator, Eritrea

**One midwife’s story**

Malawian midwife Fikanayo has used books we provided at every stage of her education, from primary school right through to the books she uses today while studying for her PhD in community healthcare. She explained how books help her provide care.

> Working as a midwife in Malawi – especially in the remote area where I work – it is like you are the obstetrician, the gynaecologist, the anaesthetist, the paediatrician. You have to manage the baby, the mother and the pregnant women at the same time. You are manning the antenatal clinic, you are in charge in the labour ward and the nursery. There are times that you are not sure what to do! For instance, you might have a lady in labour who has a condition you have never come across.

A book does wonders because you can look and see how you can go about something. If the books were not here it would have been very hard. The Internet might tell you something but books are better. They give you more information.”
We receive no government grants; all the income we receive is from voluntary donations. In 2017 our total income was £9,960,744, of which £2,036,333 was cash income and £7,924,411 the value of the books donated to us by UK publishers.

Total expenditure was £11,999,144, of which £1,699,095 was cash expenditure and £10,300,049 the value of the donated books we sent to partners around the world.

**Cash income and expenditure**

We are supported by a wide range of funders: individuals who donate through regular and one-off gifts, trusts that make single and multi-year grants, schools that fundraise on World Book Day and corporate partners who help fund our projects.

In 2017 we received cash income of £2,036,333 (just below the 2016 level of £2,168,791). Of this total, 56.5% was unrestricted income that we used to fund our core activity of providing books around the world and 43.5% was income restricted to projects including *Children’s Corners* and *Inspiring Readers*.

Our total cash income in 2017 fell compared to 2016, which was boosted by two unusually high legacy gifts. However, 2017’s income was boosted by generous support from players of People’s Postcode Lottery, by legacies and by schools across the UK who gave more on World Book Day than ever before.

Cash expenditure in 2017 was £1,699,095, which was invested in the cost of sending books, implementing projects, running our organisation and raising funds to support our work.

**Reserves policy**

We maintain sufficient unrestricted cash reserves to ensure that we can deliver our planned commitments in the event of unforeseen financial challenges. The minimum level of reserves we must hold are agreed by our Board of Trustees and monitored regularly. In 2017 that level was £450,000 and we ended the year with £528,020 in free reserves thanks to a generous unrestricted legacy.

For more information on our finances, including our full audited accounts, see pages 32 to 46.
In-kind donations

In 2017 we received donations of books valued at £7,924,411, significantly lower than in 2016, when the total value of the books we received was just over £13 million. This higher figure in 2016 was due to the large number of medical and higher education textbooks we received. Many of these high-value books were retained for use in 2017.

As a result, while the total value of the books received in 2017 was lower than in 2016, the value of the books we sent in 2017 remained stable, at £10,300,049, against £10,550,433 in 2016.

The following table demonstrates our total income and expenditure in the past three years, including books, showing how cash income has remained relatively stable since 2015 while the value of the books we received has fluctuated.

How our income and expenditure have changed

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<th>INCOME</th>
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<th>EXPENDITURE</th>
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<td></td>
<td>BOOKS IN</td>
<td>CASH INCOME</td>
<td>BOOKS OUT</td>
<td>CASH EXPENDITURE</td>
</tr>
<tr>
<td>2017</td>
<td>£7,924,411</td>
<td>£10,300,049</td>
<td>£2,036,333</td>
<td>£1,699,095</td>
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<tr>
<td>2016</td>
<td>£13,291,621</td>
<td>£10,550,433</td>
<td>£2,168,791</td>
<td>£1,834,273</td>
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<td>2015</td>
<td>£12,306,409</td>
<td>£9,819,816</td>
<td>£1,858,035</td>
<td>£1,688,813</td>
</tr>
</tbody>
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How we spend every pound

In 2017, 95p in every pound of our total expenditure (including the value of donated books) supported the costs of providing books and other charitable activities. We are proud of our efficiency and continue to seek ways of ensuring all the gifts we receive have the greatest possible impact on the people who benefit from our work.

86p Use of donated books
9p Training, projects and other charitable activities
5p Raising funds

If you remove the value of donated books used, in every pound of cash expenditure we spent 33p on raising funds, 66p on training, projects and other charitable activities and 1p on governance.

In 2017, we spent a total of £9,828 on governance – less than 1p in every pound of expenditure.
Our supporter community

We are proud to be supported by a wide range of individuals, companies, trusts, foundations, publishers, book sellers and authors.

Growing support from individuals

In 2017, more than 5,000 individuals supported us through monthly donations, and many more made a one-off gift to support our work. We also received several larger gifts from individuals to support specific projects as well as £131,789 in legacy income. In total, our generous individual donors gave £989,914, almost half of our total income.

Building trust and corporate partnerships

Our long-standing relationships with our trust and corporate partners are vital to funding our projects and programmes, particularly Inspiring Readers and Children’s Corners. In 2017, 39 trusts provided £784,686 and corporate partners gave £101,982.

We were pleased to continue our ongoing relationships with companies such as Aggreko while forging new partnerships, becoming Blackwell’s Charity of the Year.

In 2017 new trust funders, including the Thomas Cook Children’s Charity, joined our long-term trust supporters which included players of People’s Postcode Lottery, the Stavros Niarchos Foundation, The Dulverton Trust, The Beatrice Laing Trust and The Beit Trust.

Our book donors

Our work is only possible thanks to the generosity of British publishers, authors and booksellers who donate the brand new books that we send. In 2017, a total of 89 publishers donated the books we sent to our partners.

“We’ve supported Book Aid International for many years now and are always impressed by how tirelessly they work to help people access books and educational resources, even in some of the hardest-to-reach parts of the world.”

Rachel Goode, Group Communications Director, Oxford University Press

The people who support us in their communities

Every year on World Book Day, schools, families and individuals fundraise to help us send books around the world.

2017 was our most successful World Book Day fundraising campaign ever, with more than £140,000 raised. From penny collections in nursery schools to dressing up as a favourite book character in primary school to book sales in university libraries, more than 1,000 schools, nurseries, libraries, community groups and individuals across the UK took part.

Their generosity has enabled us to send thousands of books to those who need them most.

Community ambassador Jess held a bake sale at her company, Cengage, on World Book Day

Our supporter promise

We hold ourselves to the highest standards when it comes to our supporters. We believe that fundraising should be a positive experience for all potential and existing donors.

Our Supporter Promise commits us to treating our supporters with respect, communicating with them honestly and by their preferred method and always respecting their privacy.

Read our full supporter promise: www.bookaid.org/aboutus/our-supporters/our-supporter.promise/
One teacher’s perspective
Bay House School is one of the schools which fundraised for us on World Book Day 2017.

The school’s learning resource assistant, Karen, spoke about what including Book Aid International in their celebrations means to them:

“We fundraise for Book Aid International as part of our World Book Day celebrations because we believe every person should have access to books.

In the run-up to World Book Day we show our pupils Book Aid International videos to highlight the disparity between our library and other libraries around the world and every year pupils are stunned at how lucky they are. This then spurs them on to help make sure every person is as lucky as them!”

Our inspiring volunteers
Our work is supported by our team of dedicated volunteers in our warehouse.

Over the course of 2017 we had on average 13 volunteers at any one time working on a rota basis preparing books in our warehouse for shipping. Many of our volunteers have been with us for many years.

In 2017 we marked the retirement of our longest-serving volunteer, Jean, who volunteered with us for more than 20 years. Over the course of her time as a volunteer she has packed many thousands of books and has made an extraordinary contribution to our work. We would like to extend a very warm thank you to Jean for all her work and we wish her well in her retirement.

Choosing to dedicate at least one day a week contributing what I can to support Book Aid International was a quick and easy decision to reach. I found myself inspired by the work done by the organisation to support and equip libraries and librarians in Africa. I also share Book Aid International’s belief that books have the power to change lives.

Portia, Book Aid International volunteer
In 2018 and beyond we will work to ensure that we give as many people as possible the opportunity to access the transformational change that books can bring.

As part of our Vision 2020 strategy we have set ourselves clear targets against which we will measure our achievements and performance.

Throughout the period we will continue to develop the monitoring and evaluation processes which measure the impact of our work, so that we can better understand and improve the contribution our work makes to developing more literate, book-rich communities.

**By 2020, we plan to be sending over 1.5 million books every year to those who need them most.** In 2018 we will invest in and scale up our operational base in London to meet this higher target.

We will assess need in new countries and will establish a range of dynamic new partnerships that enable us to reach and support communities with no books. And we will aim to donate at least 35% of the books we send to the people around the world who face the greatest barriers to reading and learning.

*We want to see everyone able to access books for pleasure, for study and for lifelong learning.*

By 2020, we aim to be supporting more than 250,000 primary pupils through our schools outreach programme *Inspiring Readers*. We also aim to reach out to more of the world’s most poorly resourced schools, providing books in the classrooms of students who would otherwise have only a few tattered textbooks.

*We want to see these children reading confidently and doing better in school.*

**We will also continue to promote and advocate for the value and importance of reading.** We will continue to support libraries however small, train librarians and fund activities to promote reading.

*We want libraries to be vibrant places that are well-resourced, well-used by their communities and able to offer everyone the opportunity to discover books and begin to read.*

In all that we do our strategic principles will guide our work. We will work in places where there is strong demand for books in English, with dynamic partners who can articulate what their communities need and develop innovative projects. And we will work toward a future where everyone, whatever their circumstances, has the books they need.

**Books where they’re needed most**

We know that books have the greatest power to change lives when they reach marginalised and vulnerable people.

The words of one nine-year-old Syrian refugee who reads the books we provided remind us of the power of books:

“I like it when the teacher takes us to the library to read. I forget about the war and that I live in a tent.”

Moving forward, we will seek to increase the books we provide to refugees who would otherwise have few or no chances to read.

Together, we can reach those who need books most in 2018 and beyond.
Below is a full list of all our overseas partners to whom we sent books directly in 2017. Through our partners, we were able to reach more than 3,200 libraries. We could not do this without the continued support, creativity and passion of our partners and we thank them all for their hard work.

**Antigua**
Ministry of Education
National Public Library of Antigua and Barbuda

**Cameroon**
Education Information Services International

**Eritrea**
Ministry of Education
Library & Information Association

**Ethiopia**
British Council
CODE Ethiopia
Ethiopia Reads
Ethiopia Knowledge and Technology Transfer Society
Arbagona Primary School
Jesuit Refugee Service

**Gambia**
Switched On-Gambia

**Ghana**
Rainbow Trust Foundation
Principal’s College

**Greece**
Drop in the Ocean
Hero Centre
Echo Centre
Metadrazi
InterVolve

**Kenya**
AMREF Health Africa
Kenya Medical Training College
Kenya National Library Service
Lewa Wildlife Conservancy
Library of the Year Award
Mathare Youth Sports Association
Thika Community Library
Windle Trust Dadaab Refugee Camp
Windle Trust Kakuma Refugee Camp
Kenya Medical Training College
Generation for Change and Development
Lutheran World Services Dadaab
Lutheran World Services Kakuma
St Paul’s University

**Lebanon**
Jusoor Syria

**Liberia**
We-Care Foundation
University of Liberia
Plan International Liberia

**Malawi**
Malawi National Library Service
St John of God College of Medicine
Malawi College of Health Science
Gumbi Education Fund
Chikwawa District Hospital

**The Occupied Palestinian Territories**
British Council
Tamer Institute for Community Education
Gaza Health Sciences Library

**Rwanda**
Kigali Public Library
University of Rwanda
VSO Rwanda
Reaching Rwanda

**Sierra Leone**
Sierra Leone Library Board
Plan International Sierra Leone
Institute of Public Administration and Management-Sierra Leone-Freetown
Practical Tools Initiative
African Hospital Libraries

**Somalia**
Africa Educational Trust
Benadir University
Somaliland National Library
Somalia National University

**South Sudan**
University of Juba
Windle Trust
Ibba School for Girls
St Mary’s College

**Tanzania**
Evangelical Lutheran Church of Tanzania
Muhimbili University of Health and Allied Sciences
Tanzania Library Services Board
Tanzanian Training Centre for International Health
State University of Zanzibar
Sumait University
Zanzibar Library Services

**Uganda**
Gulu Regional Referral Hospital
Kyambogo University
National Library of Uganda
Uganda Community Libraries Association

**Zambia**
Copperbelt University
Lions Club of Mukuba
University of Zambia, Kitwe campus
Zambia Library Service
Zambia Open Community Schools
University of Zambia, Lusaka Campus
CELIM
Senanga School of Nursing
Lusaka Apex Medical University
Zambia Episcopal Conference Health Institutions

**Zimbabwe**
Bulawayo Book Distribution Committee
Harare Distribution Committee
Zambezi Schoolbook Project
With thanks to...

We would like to thank the following supporters in particular as well as those who wish to remain anonymous:

Our book donors and corporate partners
A & C Black
Agency for the Legal Deposit Libraries
Aggreko Plc
Amalion Publishing
Amazon
Andersen Press
Andrew Nurnberg Associates
Andy Godfrey
Anshan
Appleseed
Arachne Press
Baker Books
Barrington Stoke
Blackwells
Bloomsbury Publishing
BookTrust
Brilliant Publications
British Library
Cambridge Assessment
Cambridge University Press
Centre for International Forestry Research
CGP
Cheshire East Schools
Class Professional Publishing
Commonwealth Pharmacists Association
Comparative Research Programme on Poverty
David Norrington
Digital Leaf
Dooks a Dee Publishing
Elsevier
Emma Jonas
Encyclopaedia Britannica
Gale, a Cengage Company
Gilead Sciences, Inc
Globe Law and Business
Government Legal Department Library
Hachette UK
HarperCollins Publishers
Hodder
International African Institute
International Bar Association
International Institute for Environment and Development
James Currey
JP Medical Publishing
Judith Kay
Letterbox Library
Lucy Blackwell
Luminous World
Magnag Large Print Books
Martin Woodcock
Meg Harris Williams
Merlin Unwin Books
Miles Kelly
Mills & Boon
Monica Murphy
National Book Tokens
National Library of Wales
Oxford University Press
Pan Macmillan UK
Pearson UK
Penelope Lively
Penguin Random House
Phaidon
Pitman Progressive Publishing
Practical Action Publishing
Profile Books
Quarto Publishing Group UK
RELX Group
Reproductive Health Matters
Rising Stars part of Hodder Education
Royal Institute of British Architects (RIBA)
Royal National Institute of Blind People (RNIB)
Sage Publications Ltd
Scholastic
Springer-Verlag London Ltd
Strawberry Jam Books
Summersdale Publishers
Taylor & Francis Group
Tearfund
Technical Centre for Agricultural and Rural Co-operation
Teeth Relief
The Book People
The British Museum
The Clackett Press
The Folio Society
The Qur’an Project
The Wilbur & Niso Smith Foundation
Threefold Ltd
Tomlinsons Book Service
Trentham Books
Usborne Publishing
Walker Books Ltd
Wiley
Willoughby Book Club
Zed Books

Our trust supporters
Chris Stevinson Charitable Settlement
John S Cohen Foundation
Fresh Leaf Charitable Foundation
Inchcape Foundation
Kilpatrick Fraser Charitable Trust
Montier Charitable Trust
Peacock Charitable Trust
Players of People’s Postcode Lottery
Schoedler Charity Trust
Sobeil Foundation
Stavros Niarchos Foundation
Susanna Peake Charitable Trust
The 29th May 1961 Charitable Trust
The Beit Trust
The Bernard Sunley Charitable Foundation
The British and Foreign School Society
The Dulverton Trust
The Fulmer Charitable Trust
The Haramead Trust
The Hilden Charitable Fund
The Law Society Charity
The Rhododendron Trust
The Thomas Cook Children’s Charity
The Tony and Audrey Watson Charitable Trust
Unwin Charitable Trust
Westcroft Trust
Zochonis Charitable Trust
Our volunteers, ambassadors and individual supporters

Alice Corrigan
Alice Konig
Andrew Hewitt
Ann Matthews
Ava Charles
Bess Ryder
Beverley Yakuba
Carolyn Steyn
Christine Lindop
Clara Vulliamy
David and Eleanor Holloway
Diana Barnes
Emily Reddon
Gillian Lowther
Helen Harradine
Helen Hughes
Holly Smale

James Swallow
Jane Tappuni
Jean-Charles Roghi
John Vidal
Jonathan Dimbleby
Kaye Stearman
Margaret Martindale
Mary Scherer
Meg Rosoff
Michelle Fisher
Mike Shelley
Neil Pearson
Paul and Janet Boateng
Peter Goodwin
Philip Walters
Robert Baker
Rosanna Salbashian
Ruth Ware
Susana Rodrigues
Veronica Re

And also thanks to

A Grape Night In
BookBrunch
BookMachine
Costa Book Awards
London Book Fair
Paines Plough Theatre Company
The Bookseller
The School of Life
The Society of Young Publishers
The Warwick
World Book Day
Writers & Artists

In addition to all those named above, we would like to thank all of those who supported us in 2017.

Patrons, Trustees and officials

Patron: HRH The Duke of Edinburgh KG KT OM
President: Nigel Newton
Vice President: Professor Kingo Mchombu
Chief Executive and Company Secretary: Alison Tweed

Board
Chair: Lord Paul Boateng
Honorary Treasurer: Edward Bowers

Trustees:
Fergus Cass (retired 29th June 2017)
Edward Bowers
Rosie Glazebrook
Shoba Ponnappa (resigned 1st Aug 2017)
Robert Sulley
Pamela Dix
Charly Nobbs
Nicholas Allen (appointed 21st Sept 2017)
Jonathan Macintosh (appointed 14th Dec 2017)
Our fundraising

In 2017 we exceeded our fundraising target of £1,818,101 by more than £200,000. Trust and Community fundraising significantly exceeded their objectives due to an additional award on top of expected support from players of People’s Postcode Lottery and a very strong year for fundraising through schools as part of our World Book Day activities. Legacy income was also significantly above income targets.

Our Major Donor Programme and Corporate Fundraising Programme both fell short of income objectives. In 2018, we intend to prioritise these areas to ensure continued income growth.

Our fundraising standards

In 2017 we were registered with the Information Commissioner’s Office and with the Fundraising Regulator. We adhere to the standards of both organisations and will continue to respond to changes to the regulatory framework in fundraising.

We maintain a Treating Donors Fairly policy which identifies groups of individuals who may be vulnerable and sets out our approach to ensuring they are treated with respect and care.

We recognise the importance of ensuring that our supporters hear from us in a way that is right for them. In 2017 we wrote to all supporters and sent them a Communications Preference questionnaire so that they could update the way they heard from us by mail, email and telephone, following which we amended our records.

Feedback about our fundraising

In 2017 we received three fundraising complaints, all of which were included in a complaint return for the year filed with the Fundraising Regulator. Two of the complaints related to telephone fundraising as part of the Care2 recruitment campaign and one related to general communications. All are considered resolved with no further action arising from the original complaints.

Investing in future income

In 2017 we continued our commitment to sourcing long-term income through our individual giving programme by investing in donor acquisition activities, largely through unaddressed media inserts but also through two new digital tests (digital lead generation and crowd funding). Complete return on investment through these activities does not occur in the year of the investment, but is based on taking a longer-term view of the lifetime value of each new donor.

Many donors gained through these acquisition activities will support for many years, make additional donations or increase the amount they give on a regular basis.
Managing our finances

We are committed to outstanding financial management that safeguards the money we receive and ensures that our organisation is sustainable in the long-term. By providing full details of all of our financial management, how we comply with all relevant regulation and how we manage our funds, we aim to ensure that we earn the trust placed in us by our partners, beneficiaries and supporters.

Staff and staffing costs

In 2017, our work was delivered by 21 staff based in Camberwell who are divided into teams: Operations, Fundraising, Communications, Programmes and Finance. We have an additional two staff members in Nairobi, Kenya, who are part of our Programmes team. This table describes our salary costs:

<table>
<thead>
<tr>
<th>Team</th>
<th>Salary costs</th>
<th>FT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book Provision</td>
<td>£296,963</td>
<td>7.1</td>
</tr>
<tr>
<td>Restricted Projects and Training</td>
<td>£154,311</td>
<td>4.8</td>
</tr>
<tr>
<td>Fundraising</td>
<td>£202,988</td>
<td>5.4</td>
</tr>
<tr>
<td>Management and Operational</td>
<td>£188,932</td>
<td>4.9</td>
</tr>
<tr>
<td>Total</td>
<td>£843,194</td>
<td>22.2</td>
</tr>
</tbody>
</table>

Pension liability

We are part of The Pensions Trust scheme, a multi-employer scheme that provides benefits to around 1,300 participating employers. The scheme is a defined benefit scheme subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30th December 2005. The provision in respect of the deficit repayment plan is £234,000 (2016: £258,000) and this has been recognised in the accounts as required by FRS 102. Please see note 16 on page 40 for more detail.

Reserves policy and actuals

Our Board meets annually to consider the resources that will be required to meet our long-term objectives and fulfil our commitments. The board also considers the risks we face then sets a minimum free reserves policy at a level it believes would sustain our work while we recovered from any future shortfalls in income or unforeseen expenditure.

In 2017 the minimum free reserve set by the board was £450,000. Our free reserves were £528,020 at the end of 2017 thanks to a generous unrestricted legacy.

Restricted reserves are not available for general purposes and are for restricted programmes spanning two or more financial years. Of the £749,166 balance at the end of 2017, £177,400 was pledged income not yet received and £533,000 was income received in December 2017 for use in 2018 and beyond.

<table>
<thead>
<tr>
<th>Reserves</th>
<th>31-Dec-17</th>
<th>31-Dec-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total unrestricted reserves</td>
<td>£5,806,256</td>
<td>£7,721,937</td>
</tr>
<tr>
<td>Less donated books reserve</td>
<td>-415,073</td>
<td>-6,526,711</td>
</tr>
<tr>
<td>Less unrestricted net fixed assets</td>
<td>-886,163</td>
<td>-917,504</td>
</tr>
<tr>
<td>Less designated</td>
<td>-241,000</td>
<td>-</td>
</tr>
<tr>
<td>Free reserves</td>
<td>£528,020</td>
<td>277,722</td>
</tr>
<tr>
<td>Restricted reserves</td>
<td>749,166</td>
<td>871,886</td>
</tr>
</tbody>
</table>

Donations in kind

In 2017 99% of the books we sent were donated as Gifts in Kind by the UK publishing industry. The following table expresses the value of the books we received, retained and supplied in 2017 compared with preceding years:

<table>
<thead>
<tr>
<th>Three-year stock</th>
<th>BOOKS SUPPLIED</th>
<th>BOOKS RECEIVED</th>
<th>BOOKS RETAINED</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>£10,300,049</td>
<td>£7,924,411</td>
<td>£4,151,073</td>
</tr>
<tr>
<td>2016</td>
<td>£10,550,433</td>
<td>£13,291,521</td>
<td>£6,526,711</td>
</tr>
<tr>
<td>2015</td>
<td>£9,819,816</td>
<td>£12,306,409</td>
<td>£3,785,523</td>
</tr>
</tbody>
</table>

Our stock valuation is based on Nielsen Bookscan prices after applying a 30% discount from the full recommended retail price to allow for the estimated market discount for third-party commercial buyers (see Note 1g on page 35).
Structure, governance and management

We are a company limited by guarantee, governed by its Memorandum and Articles of Association.

Our purpose, as set out in our Articles of Association, is to advance education and literacy by:

- Procuring and distributing reading and information materials to developing and other countries for educational purposes
- Distributing these materials to public and community libraries, universities, colleges, schools, hospitals, youth and children’s centres and other charitable institutions according to local needs and priorities
- Promoting and supporting any training or other activity which is designed to enhance the use of books, reading and other information material in developing countries.

The Board has considered the legislative and regulatory requirements for disclosing how its charitable objectives have provided benefit to the public and has complied with the duty set out in Section 17 of the Charities Act 2011. The Strategic Report on pages 4 to 23 outlines how our achievements during 2017 have benefitted the public, either directly or indirectly.

Our Board of Trustees

The members of the charitable company are also the members of the Board which consists of between five and 15 members. New members with specialist relevant skills and experience are appointed from time to time and their appointment is ratified at a meeting of the Board. Members serve a three-year term, renewable for up to two further terms by re-election. New Trustees receive an induction and information pack and spend time in the offices and warehouse in London.

Our Trustees bring a range of experience from both the corporate and the not-for-profit sectors and individual members contribute expertise from publishing, finance, fundraising, librarianship, administration and international development. The Trustees are actively engaged with strategic direction and policy.

They discuss and approve a strategic plan every three years and an annual budget each November and staff report regularly on progress against the plan.

The Board meets quarterly and reviews strategy, finances and the organisation’s charitable activities and approves matters reserved for the Board. These include issues relating to strategy and management, structure of the charity, financial controls, internal controls and risk management, contracts, communication, board membership, remuneration, delegation of authority, corporate governance, policies and any other matters of importance for the charity.

Two committees formed by the Board meet and report regularly back to the Trustees: the Finance and Audit Committee, meeting twice annually to review the annual accounts, budgets and audit findings and chaired by the Honorary Treasurer; and the Remuneration Committee, meeting annually to approve salary recommendations and other HR matters, and chaired by the Chair of Trustees.

Our Senior Management Team

Our Senior Management Team consists of the Chief Executive and Heads of Programmes, Fundraising and Development, Finance, Communications and Operations and this team communicates regularly with the board.

The Trustees have delegated the day-to-day operations of the charity to this Senior Management Team, while reserving for itself ultimate decision-making on the matters listed above where deemed necessary.

Salaries for the Senior Management Team are reviewed biennially along with those of other staff and approved by the Remuneration Committee. The Chief Executive is currently the only staff member receiving a salary of between £60,000 and £70,000.
How we assess and manage risk

Our Trustees formally assess risks annually using Charity Commission guidelines. Our position is regularly reviewed against this assessment and mitigating actions taken as necessary. The Trustees are satisfied that appropriate measures to manage all these risks are now in place, taking into consideration the charity’s size and financial resources.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Mitigation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The new regulatory framework in fundraising and across the charity sector could lead to reputational damage or unintended legal mismanagement.</td>
<td>We tasked senior staff to research these new regulations, joined the Direct Marketing Association for legal advice and sought expert professional guidance on incoming GDPR requirements for 2018.</td>
</tr>
<tr>
<td>The fundraising landscape is becoming increasingly competitive, particularly with regard to schools fundraising.</td>
<td>We are constantly testing new ways to engage individual supporters, as well as refreshing our tried and tested regular giving propositions. In 2017 we also developed a new schools fundraising pack for World Book Day fundraising.</td>
</tr>
<tr>
<td>The consequences of Brexit and climate of economic uncertainty will have an unknown impact on the sector during and beyond the transition period.</td>
<td>We are monitoring legislative and economic changes and any potential impact on our income, in particular from corporate supporters.</td>
</tr>
<tr>
<td>Warehouse capacity has been identified as a limitation to our scope to grow our activities in line with our strategic goal of sending 1.5 million books by 2020.</td>
<td>A short-term solution was identified in 2015, with space leased at low cost in a warehouse in Peterborough. A flexible plan to deliver this growth through the introduction of an additional shift in the Camberwell warehouse was approved by Trustees in 2017.</td>
</tr>
</tbody>
</table>

Safeguarding vulnerable beneficiaries

We believe that it is always unacceptable for a child to experience abuse of any kind and recognise our responsibility to safeguard the welfare of all children under 18 in contact with our projects. We are committed to practice which protects them.

In 2017, we worked to our Ethical Conduct Policy, Whistleblowing Policy and Child Safeguarding Policy. We plan to update and develop these policies further in 2018.
Reference and administrative details

Patron: HRH The Duke of Edinburgh  KG KT OM  
President: Nigel Newton  
Vice President: Professor Kingo Mchombu

The following served as members and Board members throughout 2017:

Chair  
Lord Paul Boateng

Honorary Treasurer:  
Edward Bowers

Trustees  
Fergus Cass (retired 29th June 2017)  
Edward Bowers  
Rosie Glazebrook  
Shoba Ponnappa (resigned 1st Aug 2017)  
Robert Sulley  
Pamela Dix  
Charly Nobbs  
Nicholas Allen (appointed 21st Sept 2017)  
Jonathan Macintosh (appointed 14th Dec 2017)

Company Secretary  
Alison Tweed

Address and Registered Office  
39-41 Coldharbour Lane  
Camberwell  
London SE5 9NR

Bankers  
Barclays Bank Plc  
Camberwell Branch  
London SE5 8RW

Solicitor  
Stone King LLP  
Boundary House  
91 Charterhouse Street  
London EC1M 6HR

Senior Management  
Chief Executive  
Alison Tweed

Head of Fundraising and Development  
Hannah Watson

Head of Programmes  
Samantha Thomas-Chuula

Head of Operations  
Simon Mercer

Head of Communications  
Emma Taylor

Head of Finance  
Ade Soremekun

Charity Number  
313869 (England and Wales)

Company Number  
880754 (England and Wales)

Auditors  
Sayer Vincent LLP  
Invicta House  
108-114 Golden Lane  
London EC1Y 0TL
Directors and members

The directors and members of the company are the Board members named on the preceding page.

Statement of Trustees’ responsibilities

The Trustees are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year. In preparing those financial statements the Trustees are required to:

• Select suitable accounting policies and then apply them consistently
• Observe the methods and principles in the Charities SORP
• Make judgments and accounting estimates that are reasonable and prudent
• Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity’s transactions and 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 requirements of the Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity’s website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Auditors

All of the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company’s auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

The Trustees’ Annual Report, which includes the strategic report, has been approved by the Trustees on 5th July 2018 and signed on their behalf by

Lord Paul Boateng
Chair

Edward Bowers
Honorary Treasurer
Independent auditor’s report to the members of Book Aid International

Opinion

We have audited the financial statements of Book Aid International (the ‘charitable company’) for the year ended 31st December 2017 which comprise the statement of financial activities, 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 charitable company’s affairs as at 31st December 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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 Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 Trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 other information comprises the information included in the Trustees’ Annual Report, including the strategic 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 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 Trustees’ Annual Report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Trustees’ Annual Report, including the strategic report, 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees’ Annual Report including the strategic report.
We have nothing to report in respect of the following matters in relation to which 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 Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' Annual Report, the Trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable 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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities 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 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees’ use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Use of our report**

This report is made solely to the charitable company’s members as a body, in accordance with Chapter three of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company’s members 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 charitable company and the charitable company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)
13th July 2018
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108–114 Golden Lane, London, EC1Y 0TL
# Statement of financial activities (incorporating an income and expenditure account)
For the year ended 31st December 2017

## Income from:

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>2017 total</th>
<th>2016 total (restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value of donated books</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Donations and legacies</td>
<td>2</td>
<td>1,144,611</td>
<td>-</td>
<td>886,143</td>
</tr>
<tr>
<td>Value of donated books received</td>
<td>-</td>
<td>7,924,411</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other trading activities</td>
<td>4</td>
<td>2,434</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Investments</td>
<td>3,145</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>1,150,190</td>
<td>7,924,411</td>
<td>886,143</td>
<td>9,960,744</td>
</tr>
</tbody>
</table>

## Expenditure on:

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raising funds</td>
<td>514,472</td>
<td>-</td>
<td>512,413</td>
</tr>
<tr>
<td>Charitable activities</td>
<td>512,413</td>
<td>565,713</td>
<td>612,565</td>
</tr>
<tr>
<td>Book provision</td>
<td>204,887</td>
<td>-</td>
<td>329,092</td>
</tr>
<tr>
<td>Value of donated books sent</td>
<td>-</td>
<td>10,300,049</td>
<td>-</td>
</tr>
<tr>
<td>Restricted projects and training</td>
<td>-</td>
<td>-</td>
<td>599,403</td>
</tr>
<tr>
<td>Loss on pension scheme</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>519,359</td>
<td>10,300,049</td>
<td>979,736</td>
</tr>
</tbody>
</table>

## Net income / (expenditure) for the year

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>2017 total</th>
<th>2016 total (restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value of donated books</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td></td>
<td>430,831</td>
<td>(2,375,638)</td>
<td>(93,593)</td>
<td>(2,038,400)</td>
</tr>
<tr>
<td>Transfers between funds</td>
<td>29,127</td>
<td>-</td>
<td>(29,127)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net income / (expenditure) before other recognised gains and losses</strong></td>
<td>459,958</td>
<td>(2,375,638)</td>
<td>(122,720)</td>
<td>(2,038,400)</td>
</tr>
<tr>
<td><strong>Net movement in funds</strong></td>
<td>459,958</td>
<td>(2,375,638)</td>
<td>(122,720)</td>
<td>(2,038,400)</td>
</tr>
</tbody>
</table>

## Reconciliation of funds:

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>2017 total</th>
<th>2016 total (restated)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value of donated books</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Total funds brought forward</td>
<td>1,195,225</td>
<td>6,526,711</td>
<td>871,886</td>
<td>8,593,822</td>
</tr>
<tr>
<td><strong>Total funds carried forward</strong></td>
<td>1,655,183</td>
<td>4,151,073</td>
<td>749,166</td>
<td>6,555,422</td>
</tr>
</tbody>
</table>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18a to the financial statements.

The notes on pages 35 to 46 form part of these financial statements.
### Balance sheet
**At 31st December 2017**

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>11</td>
<td>886,163</td>
<td>-</td>
<td>886,163</td>
</tr>
<tr>
<td></td>
<td></td>
<td>886,163</td>
<td>-</td>
<td>886,163</td>
</tr>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock - donated books</td>
<td>12</td>
<td>4,151,073</td>
<td>-</td>
<td>4,151,073</td>
</tr>
<tr>
<td>Debtors</td>
<td>13</td>
<td>49,637</td>
<td>177,400</td>
<td>227,037</td>
</tr>
<tr>
<td>Investments</td>
<td>14</td>
<td>300,000</td>
<td>-</td>
<td>300,000</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>14</td>
<td>743,373</td>
<td>571,766</td>
<td>1,315,139</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5,244,083</td>
<td>749,166</td>
<td>5,993,249</td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>15</td>
<td>(89,990)</td>
<td>-</td>
<td>(89,990)</td>
</tr>
<tr>
<td><strong>Net current assets / (liabilities)</strong></td>
<td>5,154,093</td>
<td>749,166</td>
<td>5,903,259</td>
<td>7,934,319</td>
</tr>
<tr>
<td><strong>Net assets excluding pension asset / (liability)</strong></td>
<td>6,040,256</td>
<td>749,166</td>
<td>6,789,422</td>
<td>8,851,823</td>
</tr>
<tr>
<td>Defined benefit pension scheme asset / (liability)</td>
<td>16</td>
<td>(234,000)</td>
<td>-</td>
<td>(234,000)</td>
</tr>
<tr>
<td><strong>Total net assets / (liabilities)</strong></td>
<td>5,806,256</td>
<td>749,166</td>
<td>6,555,422</td>
<td>8,593,823</td>
</tr>
<tr>
<td><strong>The funds of the charity:</strong></td>
<td>18a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted income funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed assets</td>
<td></td>
<td>269,404</td>
<td>-</td>
<td>269,404</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td></td>
<td>616,759</td>
<td>-</td>
<td>616,759</td>
</tr>
<tr>
<td>Value of donated books</td>
<td></td>
<td>4,151,073</td>
<td>-</td>
<td>4,151,073</td>
</tr>
<tr>
<td>Free reserves</td>
<td></td>
<td>528,020</td>
<td>-</td>
<td>528,020</td>
</tr>
<tr>
<td>Designated funds</td>
<td></td>
<td>241,000</td>
<td>-</td>
<td>241,000</td>
</tr>
<tr>
<td><strong>Total unrestricted funds</strong></td>
<td>5,806,256</td>
<td>-</td>
<td>5,806,256</td>
<td>7,721,937</td>
</tr>
<tr>
<td><strong>Total charity funds</strong></td>
<td>5,806,256</td>
<td>749,166</td>
<td>6,555,422</td>
<td>8,593,823</td>
</tr>
</tbody>
</table>

Approved by the Trustees on 5th July 2018 and signed on their behalf by

[Signature]

Lord Paul Boateng
Chair of the Board of Trustees

The notes on pages 35 to 46 form part of these financial statements
## Statement of cash flows
For the year ended 31st December 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>£</th>
<th>2016</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income / (expenditure) for the reporting period</td>
<td>(2,038,400)</td>
<td>3,075,706</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(as per the statement of financial activities)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation charges</td>
<td></td>
<td>43,702</td>
<td>48,754</td>
<td></td>
</tr>
<tr>
<td>(Gains)/losses on investments</td>
<td></td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Dividends, interest and rent from investments</td>
<td>(3,145)</td>
<td>(2,690)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/decrease in stocks</td>
<td>2,375,638</td>
<td>(2,741,188)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase)/decrease in debtors</td>
<td>(76,320)</td>
<td>168,229</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase/(decrease) in creditors</td>
<td>(19,409)</td>
<td>(24,357)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase/(decrease) in provisions</td>
<td>(24,000)</td>
<td>(9,000)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net cash provided by / (used in) operating activities</strong></td>
<td>258,066</td>
<td>515,454</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Cash flows from investing activities: |         |     |         |     |
| Dividends, interest and rents from investments |         | 3,145 | 2,690 |
| Purchase of fixed assets | (12,362) | (19,588) |
| **Net cash provided by / (used in) investing activities** |         | (9,217) | (16,898) |

| Change in cash and cash equivalents in the year | 248,849 | 498,556 |
| Cash and cash equivalents at the beginning of the year | 1,366,290 | 867,734 |
| **Cash and cash equivalents at the end of the year** | 1,615,139 |1,366,290 |

The notes on pages 35 to 46 form part of these financial statements.
Notes to the financial statements - For the year ended 31st December 2017

1 Accounting policies

a) Statutory information
Book Aid International is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 39-41 Coldharbour Lane, Camberwell, London SE5 9NR.

b) Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity
The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern
The Trustees consider that there are no material uncertainties about the charitable company’s ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include the valuation of donated books as explained below.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

f) Legacy income policy
For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor’s intention to make a distribution.

g) Donated books
Donated books are valued at fair value on receipt. This is determined using Nielsen Bookscan for identifying published prices and then applying a 30% discount from the full RRP to allow for the estimated market discount for third party commercial buyers. This discount rate is reviewed by an independent expert on an annual basis.

Books held are recognised as expenditure at the point they are dispatched from the Book Aid International warehouse. Books in transit at the year end are accounted for as expenses as it is deemed highly probable that they will reach their intended beneficiaries in good condition. Any material damage or loss of stock would be adjusted in the accounts in the following year.

There was no damage or loss of stock in transit at year end 31st December 2017 to be reflected in these accounts.

h) Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

i) Fund accounting
Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

j) Expenditure and irrecoverable VAT
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. It is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

- Expenditure on charitable activities includes the costs of book provision and restricted projects and training undertaken to further the purposes of the charity and their associated support costs.

- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged against book provision.

k) Grants payable
Grants payable are made to third parties in furtherance of the charity’s objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.
Notes to the financial statements - For the year ended 31st December 2017

l) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time and book delivery attributable to each activity.

- Raising funds: 10%
- Book provision: 64%
- Restricted projects and training: 26%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity’s activities.

m) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

n) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided on a straight line basis at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Furniture: 4 years, 25% per annum on costs
- Computer equipment: 4 years, 25% per annum on costs
- Forklift truck: 10 years, 10% per annum on costs
- Other plant and machinery: 10 years, 10% per annum on costs

o) Stocks

Donated books held at year end are valued as explained in policy (g) above. Purchased books are measured at the lower of cost and net realisable value.

p) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

q) Short-term deposit investments

Short-term deposits include cash balances that are invested in accounts with a maturity date of between three and 12 months.

r) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

s) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

u) Pensions

The charity contributes to a pension scheme administered by the Pensions Trust, as independent company. The pension cost charge indicated in note 8 represents the contributions payable to the fund for the year, and note 16 gives details of the movements during the year of the agreed deficit repayment plan liability, which has been included as a liability under the requirements of FRS102.

2. Donations

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Restricted</th>
<th>2017 Total</th>
<th>2016 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable trusts and NGOs</td>
<td>19,411</td>
<td>765,275</td>
<td>784,686</td>
<td>807,530</td>
</tr>
<tr>
<td>Government bodies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15,000</td>
</tr>
<tr>
<td>Companies</td>
<td>35,657</td>
<td>66,325</td>
<td>101,982</td>
<td>107,280</td>
</tr>
<tr>
<td>Community sources</td>
<td>154,172</td>
<td>-</td>
<td>154,172</td>
<td>142,686</td>
</tr>
<tr>
<td>Individuals</td>
<td>935,371</td>
<td>54,543</td>
<td>989,914</td>
<td>1,061,093</td>
</tr>
<tr>
<td>Total donations</td>
<td>1,144,611</td>
<td>886,143</td>
<td>2,030,754</td>
<td>2,133,589</td>
</tr>
</tbody>
</table>
3. Gifts in kind

The table below shows the discounted value of the 938,330 donated books distributed to partner organisations in 2017 (2016: 1,032,610). The process of valuation is described in note (tg) and the total adjusted value of books distributed in 2017 was £10,300,049 (2016: £10,189,929).

<table>
<thead>
<tr>
<th></th>
<th>2017 Total number</th>
<th>2017 Total</th>
<th>2016 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children’s and teenagers</td>
<td>443,656</td>
<td>2,234,665</td>
<td>2,922,178</td>
</tr>
<tr>
<td>Leisure reading (fiction, non-fiction and literature)</td>
<td>112,507</td>
<td>782,833</td>
<td>464,584</td>
</tr>
<tr>
<td>Reference</td>
<td>4,534</td>
<td>50,197</td>
<td>117,125</td>
</tr>
<tr>
<td>Secondary textbooks</td>
<td>105,386</td>
<td>728,326</td>
<td>1,709,747</td>
</tr>
<tr>
<td>Vocational skills and development</td>
<td>55,822</td>
<td>293,168</td>
<td>309,081</td>
</tr>
<tr>
<td>Professional</td>
<td>17,863</td>
<td>454,673</td>
<td>609,604</td>
</tr>
<tr>
<td>Higher education</td>
<td>39,511</td>
<td>1,270,171</td>
<td>1,218,711</td>
</tr>
<tr>
<td>Education and teacher training</td>
<td>21,882</td>
<td>308,707</td>
<td>310,289</td>
</tr>
<tr>
<td>English as a foreign language</td>
<td>80,586</td>
<td>460,062</td>
<td>451,369</td>
</tr>
<tr>
<td>Health and medicine</td>
<td>53,462</td>
<td>2,849,791</td>
<td>1,992,325</td>
</tr>
<tr>
<td>Law</td>
<td>3,121</td>
<td>123,693</td>
<td>84,916</td>
</tr>
<tr>
<td>Stock adjustments</td>
<td>(19,626)</td>
<td>763,763</td>
<td>360,504</td>
</tr>
<tr>
<td>Total income from charitable activities</td>
<td>918,704</td>
<td>10,300,049</td>
<td>10,550,433</td>
</tr>
</tbody>
</table>

Stock adjustments relate to adjustments in values and location of individual books.

4. Income from other trading activities

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Events</td>
<td>1,945</td>
<td>2,343</td>
</tr>
<tr>
<td>UK book sales</td>
<td>484</td>
<td>79</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
<td>30,090</td>
</tr>
<tr>
<td>Total</td>
<td>2,434</td>
<td>32,512</td>
</tr>
</tbody>
</table>

5. Analysis of expenditure

<table>
<thead>
<tr>
<th>Charitable activities</th>
<th>Raising funds</th>
<th>Book provision</th>
<th>Value of donated books sent</th>
<th>Restricted projects and training</th>
<th>Governance costs</th>
<th>Support costs</th>
<th>Pension scheme gain/loss</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs (note 8)</td>
<td>296,827</td>
<td>154,450</td>
<td>-</td>
<td>202,999</td>
<td>-</td>
<td>188,918</td>
<td>-</td>
<td>843,194</td>
<td>781,574</td>
</tr>
<tr>
<td>Other staff costs</td>
<td>8,822</td>
<td>4,590</td>
<td>-</td>
<td>6,033</td>
<td>-</td>
<td>5,615</td>
<td>-</td>
<td>25,060</td>
<td>96,331</td>
</tr>
<tr>
<td>Travel and workshop costs</td>
<td>6,431</td>
<td>24,716</td>
<td>-</td>
<td>29,772</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>60,919</td>
<td>54,853</td>
</tr>
<tr>
<td>Book purchase</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>28,747</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>28,747</td>
<td>78,949</td>
</tr>
<tr>
<td>Value of donated books</td>
<td>-</td>
<td>-</td>
<td>10,300,049</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,300,049</td>
<td>19,550,433</td>
</tr>
<tr>
<td>Overseas project partners (note 6)</td>
<td>-</td>
<td>-</td>
<td>164,382</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>166,790</td>
<td>226,727</td>
</tr>
<tr>
<td>Shipping and book disposal</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>95,872</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>95,872</td>
<td>105,064</td>
</tr>
<tr>
<td>Fundraising, PR and design</td>
<td>200,752</td>
<td>-</td>
<td>26,812</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>227,564</td>
<td>245,034</td>
</tr>
<tr>
<td>Professional fees and irrecoverable VAT</td>
<td>1,640</td>
<td>-</td>
<td>-</td>
<td>34,757</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>35,407</td>
<td>23,781</td>
</tr>
<tr>
<td>Other direct costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,314</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,314</td>
<td>2,755</td>
</tr>
<tr>
<td>Other project and training costs</td>
<td>-</td>
<td>-</td>
<td>18,723</td>
<td>7,397</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>26,120</td>
<td>16,609</td>
</tr>
<tr>
<td>Governance cost</td>
<td>-</td>
<td>-</td>
<td>9,828</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>9,828</td>
<td>13,390</td>
</tr>
<tr>
<td>Support cost</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>176,753</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>176,753</td>
<td>177,206</td>
</tr>
<tr>
<td>Total expenditure 2017</td>
<td>514,472</td>
<td>204,887</td>
<td>10,300,049</td>
<td>465,669</td>
<td>9,828</td>
<td>504,239</td>
<td>-</td>
<td>11,999,144</td>
<td>12,372,706</td>
</tr>
<tr>
<td>Support costs</td>
<td>50,258</td>
<td>322,812</td>
<td>-</td>
<td>111,159</td>
<td>-</td>
<td>(504,239)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Governance costs</td>
<td>983</td>
<td>6,280</td>
<td>-</td>
<td>2,565</td>
<td>(9,828)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Gain/loss on pension scheme</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12,000</td>
<td>-</td>
</tr>
<tr>
<td>Total expenditure 2016</td>
<td>615,955</td>
<td>651,511</td>
<td>10,550,433</td>
<td>558,407</td>
<td>-</td>
<td>12,000</td>
<td>-</td>
<td>12,384,706</td>
<td>-</td>
</tr>
</tbody>
</table>

Of the total expenditure, £11,021,083 was unrestricted (2016: £11,664,387) and £978,061 was restricted (2016: £720,319).

Notes to the financial statements

Limited company registered in England and Wales number 880754
### 6. Grant payments to project partners

<table>
<thead>
<tr>
<th>Partners</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Edward Ndlovu Memorial Trust</td>
<td>5,970</td>
<td>19,546</td>
</tr>
<tr>
<td>Africa Educational Trust</td>
<td>16,820</td>
<td>-</td>
</tr>
<tr>
<td>CODE Ethiopia</td>
<td>500</td>
<td>-</td>
</tr>
<tr>
<td>E-Limu Learning Company Ltd</td>
<td>954</td>
<td>-</td>
</tr>
<tr>
<td>Malawi National Library Service</td>
<td>27,306</td>
<td>31,623</td>
</tr>
<tr>
<td>Zambia Open Community Schools</td>
<td>7,469</td>
<td>22,200</td>
</tr>
<tr>
<td>Zanzibar Library Service</td>
<td>5,428</td>
<td>14,850</td>
</tr>
<tr>
<td>Mathare Youth Sports Association</td>
<td>2,400</td>
<td>-</td>
</tr>
<tr>
<td>National Library of Uganda</td>
<td>28,358</td>
<td>28,856</td>
</tr>
<tr>
<td>VSO Tanzania</td>
<td>-</td>
<td>7,246</td>
</tr>
<tr>
<td>WHO Uganda</td>
<td>-</td>
<td>13,651</td>
</tr>
<tr>
<td>Library Information Association Of Eritrea</td>
<td>1,000</td>
<td>-</td>
</tr>
<tr>
<td>Education Information Services International</td>
<td>18,990</td>
<td>41,151</td>
</tr>
<tr>
<td>Sierra Leone Library Board</td>
<td>21,750</td>
<td>-</td>
</tr>
<tr>
<td>Kenya National Library Services</td>
<td>24,609</td>
<td>36,729</td>
</tr>
<tr>
<td>Tanzania Library Service Board</td>
<td>802</td>
<td>17,375</td>
</tr>
<tr>
<td>Yeukai Chimuka</td>
<td>1,317</td>
<td>-</td>
</tr>
<tr>
<td>Grants to other institutions</td>
<td>709</td>
<td>951</td>
</tr>
</tbody>
</table>

**At the end of the year**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>164,382</td>
<td>234,178</td>
</tr>
</tbody>
</table>

### 8. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>694,289</td>
<td>648,721</td>
</tr>
<tr>
<td>Employer’s NI contributions</td>
<td>69,913</td>
<td>62,831</td>
</tr>
<tr>
<td>Pension contributions</td>
<td>37,006</td>
<td>33,172</td>
</tr>
<tr>
<td>Overseas staff costs</td>
<td>41,986</td>
<td>36,439</td>
</tr>
<tr>
<td></td>
<td>843,194</td>
<td>781,163</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>No.</td>
<td></td>
<td>No.</td>
</tr>
<tr>
<td>Average head count</td>
<td>23</td>
<td>22</td>
</tr>
<tr>
<td>Full-time equivalent</td>
<td>22.2</td>
<td>21.4</td>
</tr>
</tbody>
</table>

Number of staff whose emoluments were between £50,000 and £70,000

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

The total employee benefits received by key management personnel were £365,278 (2016: £284,808), as all senior management posts were filled in 2017.

Trustees received no remuneration during the year (2016: £nil). No Trustees received any payments for professional services during the year (2016: £nil).

There were no travel expenses reimbursed to Trustees in 2017 (2016: £nil).

### 7. Net income / (expenditure) for the year

This is stated after charging / (crediting):

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Depreciation</td>
<td>43,703</td>
<td>48,755</td>
</tr>
<tr>
<td>Interest payable</td>
<td>10,091</td>
<td>9,580</td>
</tr>
<tr>
<td>Operating lease rentals:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>13,464</td>
<td>12,066</td>
</tr>
<tr>
<td>Auditors’ remuneration (excluding VAT):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit</td>
<td>9,500</td>
<td>10,040</td>
</tr>
<tr>
<td>Other services</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Foreign exchange (gains) or losses</td>
<td>280</td>
<td>1,445</td>
</tr>
</tbody>
</table>
9. Related party transactions

Aggregate donations from related parties were £23,077 (2016: £19,747).

Edward Bowers is a Director at Pearson Education, and Robert Sulley is a Director at Hodder Education Group (part of Hachette Group). These Trustee-related organisations donated the following to Book Aid International during the year:

<table>
<thead>
<tr>
<th>Trustee-related organisations</th>
<th>2017 - value of books donated £</th>
<th>2017 - cash donated £</th>
<th>2016 - value of books donated £</th>
<th>2016 - cash donated £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Education Ltd</td>
<td>622,788</td>
<td>5,000</td>
<td>1,689,355</td>
<td>18,755</td>
</tr>
<tr>
<td>Hachette Group</td>
<td>330,408</td>
<td>10,000</td>
<td>116,329</td>
<td>270</td>
</tr>
<tr>
<td></td>
<td>953,196</td>
<td>15,000</td>
<td>1,805,684</td>
<td>19,025</td>
</tr>
</tbody>
</table>

10. Taxation

The charitable company is exempt from corporation tax as all its income is deemed charitable and is applied for charitable purposes.

11. Tangible fixed assets

The original (1987) cost of the charity’s freehold premises in Coldharbour Lane, Camberwell was £230,000. The premises have been revalued four times, the most recent detailed valuation was in June 2013 when the Land and Building were valued at £355,000 and £540,000 respectively based on Existing Use value. Freehold land and buildings are subject to a full revaluation every five years, the next being due in 2018. Yearly checks are carried out to ensure there are no market or specific property changes that would have a material effect on the valuation recorded in the accounts.

All of the above assets are used for charitable purposes.
12. Stock

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donated books</td>
<td>£4,151,073</td>
<td>£6,526,711</td>
</tr>
<tr>
<td></td>
<td>£4,151,073</td>
<td>£6,526,711</td>
</tr>
</tbody>
</table>

Not included in the stock balance above is 43 pallets of stock that were unopened at year end (2016: 40 pallets). These could not be opened or valued for the year-end accounts with the resources at the charities disposal and are deemed not to be of material value.

13. Debtors

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>£10,000</td>
<td>£5,950</td>
</tr>
<tr>
<td>Other debtors and prepayments</td>
<td>£29,046</td>
<td>£20,724</td>
</tr>
<tr>
<td>Gift Aid recoverable</td>
<td>£10,591</td>
<td>£10,561</td>
</tr>
<tr>
<td>VAT recoverable</td>
<td>-</td>
<td>£1,002</td>
</tr>
<tr>
<td>Accrued income</td>
<td>£177,400</td>
<td>£112,480</td>
</tr>
<tr>
<td></td>
<td>£227,037</td>
<td>£150,717</td>
</tr>
</tbody>
</table>

All the charity’s financial instruments, both assets and liabilities, are measured at amortised cost.

14. Bank and short term investments

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and bank</td>
<td>£1,135,139</td>
<td>£1,266,290</td>
</tr>
<tr>
<td></td>
<td>£1,135,139</td>
<td>£1,266,290</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>£300,000</td>
<td>£100,000</td>
</tr>
<tr>
<td>Total cash and short-term investments</td>
<td>£1,435,139</td>
<td>£1,366,290</td>
</tr>
</tbody>
</table>

Short-term investments are funds invested in 12-month fixed-term deposit accounts.

15. Creditors: amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>£51,136</td>
<td>£28,947</td>
</tr>
<tr>
<td>Staff tax, social security and pensions</td>
<td>£28,163</td>
<td>£28,576</td>
</tr>
<tr>
<td>VAT payable</td>
<td>£3,612</td>
<td>-</td>
</tr>
<tr>
<td>Other creditors and accruals</td>
<td>£7,079</td>
<td>£51,876</td>
</tr>
<tr>
<td></td>
<td>£89,990</td>
<td>£109,399</td>
</tr>
</tbody>
</table>

16. Pension scheme

The company participates in The Pensions Trust Growth Plan scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004, which came into force on 30th December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a ‘last-man standing arrangement’. Therefore the company is potentially liable for other participating employers’ obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity-purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30th September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m.

Subsequently, a full actuarial valuation for the scheme was carried out at 30th September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

- From 1st April 2016 to 30th September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)
- From 1st April 2016 to 30th September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Not included in the stock balance above is 43 pallets of stock that were unopened at year end (2016: 40 pallets). These could not be opened or valued for the year-end accounts with the resources at the charities disposal and are deemed not to be of material value.

All the charity’s financial instruments, both assets and liabilities, are measured at amortised cost.

Short-term investments are funds invested in 12-month fixed-term deposit accounts.

From 1st April 2016 to 30th September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)

From 1st April 2016 to 30th September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.
### Pension scheme (continued)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of provision</td>
<td>£234</td>
<td>£258</td>
</tr>
</tbody>
</table>

**Reconciliation of opening and closing provisions:**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision at start of period</td>
<td>£258</td>
<td>£267</td>
</tr>
<tr>
<td>Unwinding of discount factor (interest expense)</td>
<td>£4</td>
<td>£5</td>
</tr>
<tr>
<td>Deficit contribution paid</td>
<td>-£(28)</td>
<td>-£(26)</td>
</tr>
<tr>
<td>Provision at end of period</td>
<td>£234</td>
<td>£258</td>
</tr>
</tbody>
</table>

#### Income and expenditure impact

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest expense</td>
<td>£4</td>
<td>£5</td>
</tr>
<tr>
<td>Remeasurments - changes in assumptions</td>
<td>-</td>
<td>£12</td>
</tr>
<tr>
<td>Remeasurments - amendments to contributions schedule</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Contributions paid in respect of future service</td>
<td>-</td>
<td>-£(33)</td>
</tr>
<tr>
<td>Costs recognised on SOFA</td>
<td>-</td>
<td>-£(33)</td>
</tr>
</tbody>
</table>

*Includes defined contribution schemes and future service contributions (that is, excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

### Assumptions

**Rate of discount**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>% per annum</td>
<td>£1.39</td>
<td>£1.44</td>
</tr>
</tbody>
</table>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The estimated contingent liability for the charity as at June 2017 in the event of withdrawal for the Growth Plan was £625,413 (less the £234,000 provided above). There is no intention at present to cease participation or to wind up the Growth Plan.

### Income and expenditure impact

#### Income from:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Value of donated books</th>
<th>Restricted</th>
<th>2016 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations and legacies</td>
<td>£1,059,020</td>
<td>-</td>
<td>£1,074,569</td>
<td>£2,133,589</td>
</tr>
<tr>
<td>Donated books</td>
<td>-</td>
<td>£13,291,621</td>
<td>-</td>
<td>£13,291,621</td>
</tr>
<tr>
<td>Other trading activities</td>
<td>£32,512</td>
<td>-</td>
<td>-</td>
<td>£32,512</td>
</tr>
<tr>
<td>Investments</td>
<td>£2,690</td>
<td>-</td>
<td>-</td>
<td>£2,690</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>£1,094,222</td>
<td>£13,291,621</td>
<td>£1,074,569</td>
<td>£15,460,412</td>
</tr>
</tbody>
</table>

#### Expenditure on:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Value of donated books</th>
<th>Restricted</th>
<th>2016 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raising funds</td>
<td>£589,314</td>
<td>-</td>
<td>£23,251</td>
<td>£612,565</td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Book provision</td>
<td>£512,640</td>
<td>-</td>
<td>£138,871</td>
<td>£651,511</td>
</tr>
<tr>
<td>Value of donated books</td>
<td>-</td>
<td>£10,550,433</td>
<td>-</td>
<td>£10,550,433</td>
</tr>
<tr>
<td>Projects and training</td>
<td>-</td>
<td>-</td>
<td>£558,197</td>
<td>£558,197</td>
</tr>
<tr>
<td>Loss on pension scheme</td>
<td>£12,000</td>
<td>-</td>
<td>-</td>
<td>£12,000</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>£1,113,954</td>
<td>£10,550,433</td>
<td>£720,319</td>
<td>£12,384,706</td>
</tr>
</tbody>
</table>
### Detailed comparatives for the statement of financial activities (prior year - 2016) continued

<table>
<thead>
<tr>
<th>Unrestricted</th>
<th>Value of donated books</th>
<th>Restricted</th>
<th>2016 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Net income/expenditure before gains/(losses) on investments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(19,732)</td>
<td>2,741,188</td>
<td>354,250</td>
<td>3,075,706</td>
</tr>
<tr>
<td><strong>Net gains/(losses) on investments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net income/expenditure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(19,732)</td>
<td>2,741,188</td>
<td>354,250</td>
<td>3,075,706</td>
</tr>
<tr>
<td><strong>Transfers between funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1,425)</td>
<td>-</td>
<td>1,425</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net income/expenditure before other recognised gains and losses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(21,157)</td>
<td>2,741,188</td>
<td>355,675</td>
<td>3,075,706</td>
</tr>
<tr>
<td><strong>Gains/(losses) on revaluation of fixed assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Other gains/(losses)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net movement in funds</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(21,157)</td>
<td>2,741,188</td>
<td>355,675</td>
<td>3,075,706</td>
</tr>
<tr>
<td><strong>Total funds brought forward</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,216,383</td>
<td>3,785,523</td>
<td>516,212</td>
<td>5,518,118</td>
</tr>
<tr>
<td><strong>Total funds carried forward</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,195,226</td>
<td>6,526,711</td>
<td>871,887</td>
<td>8,593,824</td>
</tr>
</tbody>
</table>

### 18a. Movements in funds (current year - 2017)

<table>
<thead>
<tr>
<th>At 1 Jan 2017</th>
<th>Income &amp; gains</th>
<th>Expenditure &amp; losses</th>
<th>Transfers</th>
<th>At 31st Dec 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Restricted funds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>'BookLinks - publication for library partners - internationally'</td>
<td>22,815</td>
<td>-</td>
<td>(6,583)</td>
<td>-</td>
</tr>
<tr>
<td>General book provision - international</td>
<td>7,000</td>
<td>27,135</td>
<td>(58,985)</td>
<td>30,542</td>
</tr>
<tr>
<td>Book provision - Occupied Palestinian Territories</td>
<td>6,420</td>
<td>-</td>
<td>(6,383)</td>
<td>-</td>
</tr>
<tr>
<td>Rising Stars - book provision - Kenya</td>
<td>5,000</td>
<td>-</td>
<td>(5,000)</td>
<td>-</td>
</tr>
<tr>
<td>Inspiring Readers - primary schools - Africa</td>
<td>70,576</td>
<td>109,923</td>
<td>(149,975)</td>
<td>18,725</td>
</tr>
<tr>
<td>Impact Assessment Project - BAI systems improvement</td>
<td>12,054</td>
<td>25,000</td>
<td>(1,030)</td>
<td>(11,024)</td>
</tr>
<tr>
<td>Open Doors Children's Corners - children's library spaces - Africa</td>
<td>103,760</td>
<td>-</td>
<td>(77,624)</td>
<td>(26,136)</td>
</tr>
<tr>
<td>Digital Connections - book &amp; e-book project - Tanzania</td>
<td>42,000</td>
<td>-</td>
<td>(42,315)</td>
<td>3,105</td>
</tr>
<tr>
<td>Regional Referral Hospital Libraries - hospital library support - Uganda</td>
<td>391</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>People's Postcode Lottery 2016-17 - various (book provision &amp; projects)</td>
<td>408,000</td>
<td>-</td>
<td>(218,000)</td>
<td>(190,000)</td>
</tr>
<tr>
<td>People's Postcode Lottery 2017-18 - various (book provision &amp; projects)</td>
<td>-</td>
<td>425,000</td>
<td>-</td>
<td>(48,000)</td>
</tr>
<tr>
<td>Children's Corners - children's library spaces - Cameroon</td>
<td>-</td>
<td>25,000</td>
<td>(43,746)</td>
<td>21,900</td>
</tr>
<tr>
<td>Children's Corners - children's library spaces - Sierra Leone</td>
<td>-</td>
<td>5,000</td>
<td>(53,684)</td>
<td>50,000</td>
</tr>
<tr>
<td>Book Havens - community library support - Ethiopia</td>
<td>-</td>
<td>5,000</td>
<td>-</td>
<td>48,000</td>
</tr>
<tr>
<td>Study Hubs - public library &amp; secondary school support - Zambia</td>
<td>-</td>
<td>-</td>
<td>(35,804)</td>
<td>35,804</td>
</tr>
<tr>
<td>Southern Africa book provision - Malawi/Zambia/Zimbabwe</td>
<td>75,003</td>
<td>75,000</td>
<td>(74,134)</td>
<td>-</td>
</tr>
<tr>
<td>Schools Outreach Project - Kenya</td>
<td>949</td>
<td>-</td>
<td>-</td>
<td>(949)</td>
</tr>
<tr>
<td>Digital Futures - book &amp; e-book library project - Uganda</td>
<td>18,422</td>
<td>10,000</td>
<td>(22,818)</td>
<td>-</td>
</tr>
<tr>
<td>Children's Corners - children's library spaces - Zambia</td>
<td>-</td>
<td>15,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>STEM Study Hubs - support for secondary school students in libraries and schools - Zambia</td>
<td>-</td>
<td>24,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Open Community Schools - primary School support project - Zambia</td>
<td>1,868</td>
<td>-</td>
<td>(1,945)</td>
<td>77</td>
</tr>
<tr>
<td>Book Havens - community library support - Kenya</td>
<td>20,000</td>
<td>-</td>
<td>(20,276)</td>
<td>276</td>
</tr>
</tbody>
</table>

---

Notes to the financial statements

Book Aid International 2017 Audited Accounts
Limited company registered in England and Wales number 880754
<table>
<thead>
<tr>
<th></th>
<th>At 1 Jan 2017 £</th>
<th>Income &amp; gains £</th>
<th>Expenditure &amp; losses £</th>
<th>Transfers £</th>
<th>At 31st Dec 2017 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>YES to Reading - school support project - Kenya</td>
<td>-</td>
<td>24,705</td>
<td>(36,820)</td>
<td>13,850</td>
<td>1,735</td>
</tr>
<tr>
<td>Reading promotion - library promotion project - Africa</td>
<td>-</td>
<td>-</td>
<td>(21,169)</td>
<td>21,169</td>
<td>-</td>
</tr>
<tr>
<td>Book provision for rural and remote primary schools - Kenya</td>
<td>-</td>
<td>3,563</td>
<td>-</td>
<td>-</td>
<td>3,563</td>
</tr>
<tr>
<td>Children's book provision - international</td>
<td>-</td>
<td>6,790</td>
<td>(6,790)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Law book provision - international</td>
<td>-</td>
<td>4,000</td>
<td>(4,000)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Medical book provision - international</td>
<td>-</td>
<td>25,291</td>
<td>(25,291)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>World Book Day - community fundraising promotion - UK</td>
<td>2,382</td>
<td>8,333</td>
<td>(11,545)</td>
<td>830</td>
<td>-</td>
</tr>
<tr>
<td>Caribbean book provision - disaster support - Antigua/Barbuda</td>
<td>-</td>
<td>7,405</td>
<td>(3,000)</td>
<td>-</td>
<td>4,405</td>
</tr>
<tr>
<td>Restricted legacies - various projects/ book provision - international</td>
<td>75,446</td>
<td>-</td>
<td>(5,000)</td>
<td>(37,025)</td>
<td>33,421</td>
</tr>
<tr>
<td>Total restricted funds</td>
<td>871,886</td>
<td>886,145</td>
<td>(979,738)</td>
<td>(29,127)</td>
<td>749,166</td>
</tr>
<tr>
<td>Unrestricted funds:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed asset reserve</td>
<td>275,604</td>
<td>-</td>
<td>-</td>
<td>(6,200)</td>
<td>269,404</td>
</tr>
<tr>
<td>Revaluation reserve</td>
<td>641,900</td>
<td>-</td>
<td>-</td>
<td>(25,141)</td>
<td>616,759</td>
</tr>
<tr>
<td>Stock reserve</td>
<td>6,526,711</td>
<td>7,924,411</td>
<td>(10,300,049)</td>
<td>-</td>
<td>4,151,073</td>
</tr>
<tr>
<td>Free reserves</td>
<td>277,722</td>
<td>1,150,190</td>
<td>(743,359)</td>
<td>(156,533)</td>
<td>528,020</td>
</tr>
<tr>
<td>Designated reserves</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>214,000</td>
<td>214,000</td>
</tr>
<tr>
<td>Total funds</td>
<td>7,721,937</td>
<td>9,074,601</td>
<td>(11,043,408)</td>
<td>53,126</td>
<td>5,806,256</td>
</tr>
<tr>
<td>Total funds</td>
<td>8,593,823</td>
<td>9,960,746</td>
<td>(12,023,146)</td>
<td>23,999</td>
<td>6,555,422</td>
</tr>
<tr>
<td>Pension reserve</td>
<td>258,000</td>
<td>-</td>
<td>-</td>
<td>(24,000)</td>
<td>234,000</td>
</tr>
<tr>
<td>Total funds including pension fund</td>
<td>8,851,823</td>
<td>9,960,746</td>
<td>(12,023,146)</td>
<td>(1)</td>
<td>6,789,422</td>
</tr>
<tr>
<td>Total unrestricted funds (less stock)</td>
<td>1,195,226</td>
<td>1,150,190</td>
<td>(743,359)</td>
<td>53,126</td>
<td>1,655,183</td>
</tr>
<tr>
<td>Total funds including pension fund (less stock)</td>
<td>2,325,112</td>
<td>2,036,335</td>
<td>(1,723,097)</td>
<td>(1)</td>
<td>2,638,349</td>
</tr>
</tbody>
</table>

Of the £749,166 restricted reserve balance at year end, £177,400 was pledged income not yet received and £533,000 of restricted income was received in December 2017.
2017 Transfers between funds

The total £29,957 net transfers between restricted and unrestricted funds is made up of the following:

1. General book provision £30,542 - Transfers from People’s Postcode Lottery funding and unrestricted funds to help cover project cost.

2. Inspiring Readers £18,725 - Transfers from legacies and unrestricted funds to help cover Inspiring Readers Malawi project cost.

3. Impact Assessment Project £11,024 - Transfer excess funding back to unrestricted funds.


5. Digital Connections - Tanzania £3,105 - Transfers from excess Open Doors funds to help cover project cost.

6. Digital Connections - Kenya £39,729 - Transfers from excess Open Doors funds and unrestricted funds to help cover project cost.

7. People’s Postcode Lottery 2016-17 (£190,000) - Funds used to cover various project costs: including Zambia Study Hubs and Sierra Leone Children’s Corners as well as unrestricted activity associated with growing the East Africa team and book provision.

8. People’s Postcode Lottery 2017-18 (£48,000) - Funds used to cover the cost of the Ethiopia Book Havens project.

9. Children’s Corners - Cameroon £21,900 - Transfers from Open Doors project and unrestricted funds to help cover the cost the project.

10. Children’s Corners - Sierra Leone £50,000 - Transfer from People’s Postcode Lottery and legacies to cover cost of project.

11. Book Havens - Ethiopia £48,000 - Transfer from People’s Postcode Lottery to cover cost of project.

12. Study Hubs - Zambia £35,804 - Transfer from People’s Postcode Lottery, unrestricted funds and legacies to cover cost of project.

13. Schools Outreach Project - Kenya (£949) - Transfer excess funding to unrestricted.

14. Open Community Schools - Zambia £77 - Unrestricted funds transferred to cover overspend on the project.

15. Book Havens - Kenya £276 - Unrestricted funds transferred to cover overspend on the project.

16. Yes to Reading - Kenya £13,850 - Transfer from legacies to part cover cost of project.

17. Reading Promotion £21,169 - Transfer from People’s Postcode Lottery and unrestricted funds to cover cost of project.

18. World Book Day £830 - Unrestricted funds transferred to cover overspend on the project.

19. Restricted legacies (£37,025) - Legacy funds used to help cover various project costs: Kenya Digital Connections, Zambia Study Hub, Inspiring Readers Malawi & Uganda, Yes to Reading, Sierra Leone and Cameroon Children’s Corners.

* All transfers are within parameters allowed by funders and any excess funding transferred to unrestricted have been agreed with funders.

Purposes of designated funds

The total £241,000 in designated funds at 31st December 2017 is made up of the following:

At the 21st September 2017 Board meeting, the Trustees approved the setting up of a £191,000 designated fund to be used to increase the numbers of books we send yearly from 1 million to 1.5 million by 2020. Costs associated with this designation include extra staffing, shipping, utilities and office costs.

At the 14th December 2017 Board meeting, the Trustees approved the setting up of an additional £50,000 designated fund for the costs associated with upgrading our Children’s Corner projects in 2018 to include e-books.
### 18b. Movements in funds (prior year - 2016)

<table>
<thead>
<tr>
<th>Restricted funds:</th>
<th>At 1st Jan 2016</th>
<th>Income &amp; gains</th>
<th>Expenditure &amp; losses</th>
<th>Transfers</th>
<th>At 31st Dec 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BookLinks - book publications for library partners - internationally</strong></td>
<td>2,525</td>
<td>27,580</td>
<td>(7,290)</td>
<td>-</td>
<td>22,815</td>
</tr>
<tr>
<td><strong>General book provision - international</strong></td>
<td>-</td>
<td>39,500</td>
<td>(32,500)</td>
<td>-</td>
<td>7,000</td>
</tr>
<tr>
<td><strong>Book Provision - Occupied Palestinian Territories</strong></td>
<td>6,400</td>
<td>6,400</td>
<td>(6,380)</td>
<td>-</td>
<td>6,420</td>
</tr>
<tr>
<td><strong>Children’s books and elearning pilot project - Kenya</strong></td>
<td>9,186</td>
<td>-</td>
<td>(9,186)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Rising Stars - book provision - Kenya</strong></td>
<td>-</td>
<td>5,000</td>
<td>-</td>
<td>-</td>
<td>5,000</td>
</tr>
<tr>
<td><strong>Inspiring Readers - primary schools - Africa</strong></td>
<td>27,300</td>
<td>103,349</td>
<td>(174,880)</td>
<td>114,807</td>
<td>70,576</td>
</tr>
<tr>
<td><strong>Impact Assessment Project - BAI systems improvement</strong></td>
<td>25,000</td>
<td>-</td>
<td>(12,946)</td>
<td>-</td>
<td>12,054</td>
</tr>
<tr>
<td><strong>Open Doors Children’s Corners - children’s library spaces - Africa</strong></td>
<td>147,437</td>
<td>38,961</td>
<td>(162,342)</td>
<td>79,704</td>
<td>103,760</td>
</tr>
<tr>
<td><strong>School Library in a Box - book provision - Tanzania (Unguju)</strong></td>
<td>2,255</td>
<td>(30)</td>
<td>(2,225)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Regional Referral Hospital Libraries - hospital library support - Uganda</strong></td>
<td>35,000</td>
<td>3,193</td>
<td>(38,002)</td>
<td>-</td>
<td>191</td>
</tr>
<tr>
<td><strong>School Library in a Box - book provision - Tanzania (Zanzibar)</strong></td>
<td>17,631</td>
<td>7,000</td>
<td>(24,631)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>People’s Postcode Lottery 2014-15 - Various (book provision &amp; projects)</strong></td>
<td>5,305</td>
<td>-</td>
<td>-</td>
<td>(5,305)</td>
<td>-</td>
</tr>
<tr>
<td><strong>People’s Postcode Lottery 2015-16 - various (book provision &amp; projects)</strong></td>
<td>100,000</td>
<td>-</td>
<td>(30,000)</td>
<td>(70,000)</td>
<td>-</td>
</tr>
<tr>
<td><strong>People’s Postcode Lottery 2016-17 - various (book provision &amp; projects)</strong></td>
<td>-</td>
<td>475,000</td>
<td>-</td>
<td>(67,000)</td>
<td>408,000</td>
</tr>
<tr>
<td><strong>Southern Africa book provision - Malawi/Zambia/Zimbabwe</strong></td>
<td>75,000</td>
<td>75,000</td>
<td>(74,997)</td>
<td>-</td>
<td>75,003</td>
</tr>
<tr>
<td><strong>Schools mother tongue project - Kenya</strong></td>
<td>2,702</td>
<td>-</td>
<td>(2,702)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Schools Outreach Project - Kenya</strong></td>
<td>6,038</td>
<td>-</td>
<td>(5,089)</td>
<td>-</td>
<td>949</td>
</tr>
<tr>
<td><strong>School library development - Uganda</strong></td>
<td>360</td>
<td>-</td>
<td>-</td>
<td>(360)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Digital Futures - book &amp; e-book library project - Uganda</strong></td>
<td>40,085</td>
<td>-</td>
<td>(21,663)</td>
<td>-</td>
<td>18,422</td>
</tr>
<tr>
<td><strong>Open Community Schools - primary school support project - Zambia</strong></td>
<td>-</td>
<td>31,700</td>
<td>(36,800)</td>
<td>6,968</td>
<td>1,868</td>
</tr>
<tr>
<td><strong>Book Havens - community library support - Kenya</strong></td>
<td>-</td>
<td>20,000</td>
<td>-</td>
<td>-</td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Law book provision - international</strong></td>
<td>-</td>
<td>5,000</td>
<td>(5,000)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Children’s book provision - international</strong></td>
<td>-</td>
<td>2,500</td>
<td>(2,500)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>World Book Day - community fundraising promotion - UK</strong></td>
<td>(1)</td>
<td>18,575</td>
<td>(16,192)</td>
<td>-</td>
<td>2,382</td>
</tr>
<tr>
<td><strong>Book provision - international</strong></td>
<td>18</td>
<td>-</td>
<td>-</td>
<td>(18)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Mace legacy - book provision and projects - Africa</strong></td>
<td>6,968</td>
<td>-</td>
<td>(6,968)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Restricted legacies - various projects/book provision - international</strong></td>
<td>7,003</td>
<td>121,490</td>
<td>(2,644)</td>
<td>(50,403)</td>
<td>75,446</td>
</tr>
<tr>
<td><strong>Total restricted funds</strong></td>
<td>516,212</td>
<td>1,074,568</td>
<td>(720,319)</td>
<td>1,425</td>
<td>871,886</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Unrestricted funds:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed assets reserve</strong></td>
<td>227,671</td>
<td>-</td>
<td>-</td>
<td>47,933</td>
<td>275,604</td>
</tr>
<tr>
<td><strong>Revaluation reserve</strong></td>
<td>719,000</td>
<td>-</td>
<td>-</td>
<td>(77,100)</td>
<td>641,900</td>
</tr>
<tr>
<td><strong>Stock reserve</strong></td>
<td>3,785,523</td>
<td>13,291,621</td>
<td>(10,650,433)</td>
<td>-</td>
<td>6,526,711</td>
</tr>
<tr>
<td><strong>Free reserve</strong></td>
<td>269,712</td>
<td>1,094,223</td>
<td>(1,113,955)</td>
<td>27,742</td>
<td>277,722</td>
</tr>
<tr>
<td><strong>Designated reserves</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total funds</strong></td>
<td>5,518,118</td>
<td>15,460,412</td>
<td>(12,384,707)</td>
<td>(1,425)</td>
<td>8,593,823</td>
</tr>
</tbody>
</table>

Notes to the financial statements
Movements in funds (prior year - 2016) continued

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension reserve</td>
<td>267,000</td>
<td>-</td>
<td>(9,000)</td>
<td>-</td>
<td>258,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds including pension fund</td>
<td>5,785,118</td>
<td>15,460,412</td>
<td>(12,393,707)</td>
<td>-</td>
<td>8,851,823</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total unrestricted funds (less stock)</td>
<td>1,216,383</td>
<td>1,094,223</td>
<td>(1,113,955)</td>
<td>(1,425)</td>
<td>1,195,226</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds including pension fund (less stock)</td>
<td>1,999,595</td>
<td>2,168,791</td>
<td>(1,843,274)</td>
<td>-</td>
<td>2,325,112</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Unrestricted income funds are available for use at the discretion of the Trustees in furtherance of the charity’s objectives. Unrestricted funds include designated funds, fixed assets and revaluation reserves representing the excess of the net book value of the property at acquisition. The remainder of the unrestricted funds are the charities free reserves.

Designated funds are unrestricted funds ‘earmarked’ by the Trustees for use against specific future activities and commitments.

Restricted income funds are subject to specific restrictions imposed by donors or by the purpose of an appeal. Details of all restricted funds held are in note 18a above.

19. Operating lease commitments

The charity’s total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

<table>
<thead>
<tr>
<th>Equipment</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>13,464</td>
<td>12,066</td>
</tr>
<tr>
<td>One to five years</td>
<td>20,840</td>
<td>39,377</td>
</tr>
<tr>
<td>Total</td>
<td>34,304</td>
<td>51,443</td>
</tr>
</tbody>
</table>

20. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each of the seven members in the event of winding up is limited to £1.
Thank you to all of our supporters and partners for helping to make 2017 such a success.
I walk all the way from my house to school and from school to the library. It’s a tiring distance, but I like to come to the library to read books. When I am older, I want to be an architect because I like drawing. Books will help me become an architect because they help me to think in different ways and give me ideas about drawings.

8-year-old Yosef, West Bank