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- PRINT ON ONE SIDE ONLY

# FORM AR21

Trade Union and Labour Relations (Consolidation) Act 1992

## ANNUAL RETURN FOR A TRADE UNION

Name of Trade Union:	THE SOCIETY OF AUTHORS
Year ended:	31 DECEMBER 2013
List no:	577
Head or Main Office:	84 DARTON GARDENS LONDON SW10 9 SB
Website address (if available)	societyofauthors.org
Has the address changed during the year to which the return relates?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (Click the appropriate box)
General Secretary:	NICOLA SOLOMON
Telephone Number:	02073736642
Contact name for queries regarding	JOHN ANDREW WARTHAN
Telephone Number:	02073736642
E-mail:	johnandrew@theauthors.org

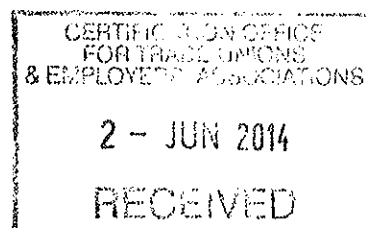
**PLEASE FOLLOW THE GUIDANCE NOTES IN THE COMPLETION OF THIS RETURN.**

Any difficulties or problems in the completion of this return should be directed to the Certification Officer as below or by telephone to: 020 7210 3734

The address to which returns and other documents should be sent are:

For Unions based in England and Wales:  
Certification Office for Trade Unions and Employers' Associations  
22<sup>nd</sup> Floor, Euston Tower, 286 Euston Road, London NW1 3JJ

For Unions based in Scotland:  
Certification Office for Trade Unions and Employers' Associations  
Melrose House, 69a George Street, Edinburgh EH2 2JG



(Revised February 2011)

## THE SOCIETY OF AUTHORS

### INDEX

#### **DIRECTORS:**

Anne Sebba	(Chair)
Patrick Barwise	Retired
Alison Baverstock	
Nicola Beauman	Appointed
Andrew Crofts	
Gregor Dallas	
Juliet Gardiner	
Philip Gross	
Daniel Hahn	
David Kynaston	Retired
Nell Leyshon	Appointed
Andrew Lycett	Appointed
Charles Palliser	Appointed
Bali Rai	Retired
James Runcie	

# RETURN OF MEMBERS

(see notes 10 and 11)

NUMBER OF MEMBERS AT THE END OF THE YEAR					
	Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (including Channel Islands)	TOTALS
MALE	4029	21	44	324	4418
FEMALE	4378	20	36	348	4782
TOTAL	8407	41	80	672	A 9,200

Number of members included in totals box 'A' above for whom no home or authorised address is held:

0
9,200

Number of members at end of year contributing to the General Fund

## OFFICERS IN POST

(see note 12)

Please attach as an annexe to this form a complete list of all officers in post at the end of the year to which his form relates, with the title of each persons office.

## RETURN OF CHANGE OF OFFICERS

Please complete the following to record any changes of officers during the twelve months covered by this return.

Title of Office	Name of Officer ceasing to hold office	Name of Officer Appointed	Date
DIRECTOR	PATRICK BARWISE	NICOLA BEAUMAN	21/11/13
DIRECTOR	DAVID KYNASTON	NELL LEYSHON	21/11/13
DIRECTOR	BALI RAI	ANDREW LYCETT	21/11/13
DIRECTOR	<del>CHARLES PALLISER</del>	CHARLES PALLISER	21/11/13

State whether the union is:

a. A branch of another trade union?

Yes

No

If yes, state the name of that other union:

b. A federation of trade unions?

Yes

No

If yes, state the number of affiliated unions:

and names:

# GENERAL FUND

(see notes 13 to 18)

	£	£
<b>INCOME</b>		
<b>From Members:</b> Contributions and Subscriptions		
<b>From Members:</b> Other income from members (specify)		
<b>Total other income from members</b>		
<b>Total of all income from members</b>		
<b>Investment income (as at page 12)</b>		
<b>Other Income</b>		
Income from Federations and other bodies (as at page 4)		
Income from any other sources (as at page 4)		
<b>Total of other income (as at page 4)</b>		
	<b>TOTAL INCOME</b>	
<b>EXPENDITURE</b>		
<b>Benefits to members (as at page 5)</b>		
<b>Administrative expenses (as at page 10)</b>		
<b>Federation and other bodies (specify)</b>		
<b>Total expenditure Federation and other bodies</b>		
<b>Taxation</b>		
	<b>TOTAL EXPENDITURE</b>	
Surplus (deficit) for year		
Amount of general fund at beginning of year		
Amount of general fund at end of year		

# ANALYSIS OF INCOME FROM FEDERATION AND OTHER BODIES AND OTHER INCOME

(see notes 19 and 20)

DESCRIPTION	£	£
<b>Federation and other bodies</b>		
<b>TOTAL FEDERATION AND OTHER BODIES</b>		
<b>Other income</b>		
<b>TOTAL OTHER INCOME</b>		
<b>TOTAL OF ALL OTHER INCOME</b>		

# ANALYSIS OF BENEFIT EXPENDITURE SHOWN AT GENERAL FUND

(see notes 21 to 23)

	£		£
Representation – Employment Related Issues		<b>brought forward</b>	
		Education and Training services	
Representation – Non Employment Related Issues			
		Negotiated Discount Services	
Communications			
		Salary Costs	
Advisory Services			
		Other Benefits and Grants (specify)	
Dispute Benefits			
Other Cash Payments			
<b>carried forward</b>		<b>Total (should agree with figure in General Fund)</b>	

(See notes 24 and 25)

<b>FUND 2</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
<b>Amount of fund at the end of year (as Balance Sheet)</b>			
<b>Number of members contributing at end of year</b>			

<b>FUND 3</b>		<b>Fund Account</b>	
<b>Name:</b>		<b>£</b>	<b>£</b>
<b>Income</b>	From members		
	Investment income (as at page 12)		
	Other income (specify)		
	<b>Total other income as specified</b>		
	<b>Total Income</b>		
<b>Expenditure</b>	Benefits to members		
	Administrative expenses and other expenditure (as at page 10)		
	<b>Total Expenditure</b>		
	<b>Surplus (Deficit) for the year</b>		
	<b>Amount of fund at beginning of year</b>		
<b>Amount of fund at the end of year (as Balance Sheet)</b>			
<b>Number of members contributing at end of year</b>			







(see notes 26 to 31)

<b>POLITICAL FUND ACCOUNT 1</b>		<b>To be completed by trade unions which maintain their own fund</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	Members contributions and levies			
	Investment income (as at page 12)			
	Other income (specify)			
		Total other income as specified		
		Total income		
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	
			Surplus (deficit) for year	
			Amount of political fund at beginning of year	
			Amount of political fund at the end of year (as Balance Sheet)	
			Number of members at end of year contributing to the political fund	
			Number of members at end of the year not contributing to the political fund	
			Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund	

<b>POLITICAL FUND ACCOUNT 2</b>		<b>To be completed by trade unions which act as components of a central trade union</b>		
		<b>£</b>	<b>£</b>	
<b>Income</b>	Contributions and levies collected from members on behalf of central political fund			
	Funds received back from central political fund			
	Other income (specify)			
		Total other income as specified		
		Total income		
<b>Expenditure</b>	Expenditure under section 82 of the Trade Union and Labour Relations (Consolidation) Act 1992 (specify)			
	Administration expenses in connection with political objects (specify)			
	Non-political expenditure			
			Total expenditure	
			Surplus (deficit) for year	
			Amount held on behalf of trade union political fund at beginning of year	
			Amount remitted to central political fund	
			Amount held on behalf of central political fund at end of year	
			Number of members at end of year contributing to the political fund	
			Number of members at end of the year not contributing to the political fund	
		Number of members at end of year who have completed an exemption notice and do not therefore contribute to the political fund		

# ANALYSIS OF ADMINISTRATIVE EXPENSES AND OTHER OUTGOINGS EXCLUDING AMOUNTS CHARGED TO POLITICAL FUND ACCOUNTS

(see notes 32 and 33)

		£
<b>Administrative Expenses</b>		
Remuneration and expenses of staff		
Salaries and Wages included in above	£	
Auditors' fees		
Legal and Professional fees		
Occupancy costs		
Stationery, printing, postage, telephone, etc.		
Expenses of Executive Committee (Head Office)		
Expenses of conferences		
Other administrative expenses (specify)		
<b>Other Outgoings</b>		
Interest payable:		
Bank loans (including overdrafts)		
Mortgages		
Other loans		
Depreciation		
Taxation		
Outgoings on land and buildings (specify)		
Other outgoings (specify)		
		<b>Total</b>
Charged to:	General Fund (Page 3)	
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
	Fund (Account )	
		<b>Total</b>





# BALANCE SHEET as at

(see notes 47 to 50)

Previous Year		£	£
	<b>Fixed Assets</b> (at page 14) <b>Investments</b> (as per analysis on page 15) Quoted (Market value £       ) Unquoted <div style="text-align: right;"><b>Total Investments</b></div> <b>Other Assets</b> Loans to other trade unions Sundry debtors Cash at bank and in hand Income tax to be recovered Stocks of goods Others (specify) <div style="text-align: right;"><b>Total of other assets</b></div> <div style="text-align: right;"><b>TOTAL ASSETS</b></div>		
	<div style="text-align: right;">Fund (Account    )            Fund (Account    )            Fund (Account    )            Superannuation Fund (Account    )            Political Fund (Account    )            Revaluation Reserve</div> <b>LIABILITIES</b> Amount held on behalf of central trade union political fund Loans: From other trade unions Loans: Other Bank overdraft Tax payable Sundry creditors Accrued expenses Provisions Other liabilities <div style="text-align: right;"><b>TOTAL LIABILITIES</b></div> <div style="text-align: right;"><b>TOTAL ASSETS</b></div>		

# FIXED ASSETS ACCOUNT

(see notes 51 to 55)

	Land and Buildings		Furniture and Equipment £	Motor Vehicles £	Not used for union business £	Total £
	Freehold	Leasehold				
<b>Cost or Valuation</b>						
At start of year						
Additions						
Disposals						
Revaluation/Transfer s						
At end of year						
<b>Accumulated Depreciation</b>						
At start of year						
Charges for year						
Disposals						
Revaluation/Transfer s						
At end of year						
<b>Net book value at end of year</b>						
<b>Net book value at end of previous year</b>						

# ANALYSIS OF INVESTMENTS

(see notes 56 and 57)

QUOTED	All Funds Except Political Funds £	Political Fund  £
Equities (e.g. Shares)		
Government Securities (Gilts)		
Other quoted securities (to be specified)		
TOTAL QUOTED (as Balance Sheet)		
Market Value of Quoted Investment		
<b>UNQUOTED</b> Equities		
Government Securities (Gilts)		
Mortgages		
Bank and Building Societies		
Other unquoted investments (to be specified)		
TOTAL UNQUOTED (as Balance Sheet)		
Market Value of Unquoted Investments		



# ANALYSIS OF INVESTMENT INCOME (CONTROLLING INTERESTS)

(see notes 58 and 59)

<b>Does the union, or any constituent part of the union, have a controlling interest in any limited company?</b>		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If YES name the relevant companies:			
COMPANY NAME	COMPANY REGISTRATION NUMBER (if not registered in England & Wales, state where registered)		
<b>Are the shares which are controlled by the union registered in the names of the union's trustees?</b>		YES <input type="checkbox"/>	NO <input type="checkbox"/>
If NO, state the names of the persons in whom the shares controlled by the union are registered.			
COMPANY NAME	NAMES OF SHAREHOLDERS		

# SUMMARY SHEET

(see notes 60 to 71)

	All funds except Political Funds £	Political Funds £	Total Funds £
<b>INCOME</b>			
From Members	728,209	-	728,209
From Investments	98,681	-	98,681
Other Income (including increases by revaluation of assets)	233,383	-	233,383
<b>Total Income</b>	1,060,273	-	1,060,273
<b>EXPENDITURE</b> (including decreases by revaluation of assets)			
<b>Total Expenditure</b>	1,053,529	-	1,053,529
<b>Funds at beginning of year</b> (including reserves)	805,660	-	805,660
<b>Funds at end of year</b> (including reserves)	812,404	-	812,404
<b>ASSETS</b>			
Fixed Assets			266,725
Investment Assets			748,628
Other Assets			331,400
		<b>Total Assets</b>	1,346,753
<b>LIABILITIES</b>			<b>Total Liabilities</b>
			534,349
<b>NET ASSETS (Total Assets less Total Liabilities)</b>			812,404

# NOTES TO THE ACCOUNTS

(see notes 72 and 73)

All notes to the accounts must be entered on or attached to this part of the return.

SEE ATTACHED ACCOUNTS

# ACCOUNTING POLICIES

(see notes 74 and 75)

SEE ATTACHED ACCOUNTS

## SIGNATURES TO THE ANNUAL RETURN

(see notes 76 and 77)

including the accounts and balance sheet contained in the return.

Secretary's Signature: <u>Nicole S</u> Name: <u>N Solomon</u> Date: <u>29/5/14</u>	Chairman's <u>COMPANY ACCOUNTANT</u> Signature: <u>J. Andrewartha</u> (or other official whose position should be stated) Name: <u>JON ANDREWARTHA</u> Date: <u>29/5/14</u>
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## CHECK LIST

(see notes 78 to 80)

(please tick as appropriate)

IS THE RETURN OF OFFICERS ATTACHED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN OF CHANGE OF OFFICERS BEEN COMPLETED? (see Page 2 and Note 12)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE RETURN BEEN SIGNED? (see Pages 19 and 21 and Notes 76 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
HAS THE AUDITOR'S REPORT BEEN COMPLETED? (see Pages 20 and 21 and Notes 2 and 77)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
IS A RULE BOOK ENCLOSED? (see Notes 8 and 78)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
A MEMBER'S STATEMENT IS: (see Note 80)	ENCLOSE D	<input checked="" type="checkbox"/>	TO FOLLOW	<input type="checkbox"/>
HAS THE SUMMARY SHEET BEEN COMPLETED (see Page 17 and Notes 7 and 59)	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>

# AUDITOR'S REPORT

(see notes 81 to 86)

made in accordance with section 36 of the Trade Union and Labour Relations (Consolidation) Act 1992.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate?  
(See section 36(1) and (2) of the 1992 Act and notes 83 and 84)

YES/NO

If "No" please explain below.

2. Have the auditors or auditor carried out such investigations in the preparation of their audit report as will enable them to form an opinion as to:
- (a) whether the trade union has kept proper accounting records in accordance with section 28 of the 1992 Act;
  - (b) whether it has maintained a satisfactory system of control over its transactions in accordance with the requirements of that section; and
  - (c) whether the accounts to which the report relates agree with the accounting records?
- (See section 36(3) of the 1992 Act, set out in note 83)

YES/NO

If "No" please explain below.

3. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:
- (a) kept proper accounting records with respect to its transactions and its assets and liabilities; and
  - (b) established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.
- (See section 36(4) of the 1992 Act set out in rule 83)

YES/NO

If "No" please explain below.

4. Please set out a copy of the report made by the auditors or auditor to the union on the accounts to which this AR21 relates. The report is to set out the basis upon which the audit has been conducted and/or such other statement as the auditor considers appropriate. Such a statement may be provided as a separate document.  
(See note 85)

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

We have audited the financial statements of The Society of Authors for the year ended 31 December 2013 on pages four to ten. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the union's members, as a body, in accordance with Trade Union and Labour Relations (Consolidation) Act 1991 (Amended). Our audit work has been undertaken so that we might state to the union's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the union members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Trustees' Responsibilities set out on page two, the union trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the union's trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

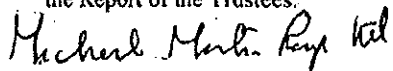
In our opinion the financial statements:

- give a true and fair view of the state of the union's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended).

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

We have nothing to report in respect of the following matters where the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) 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 officers' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the officers were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

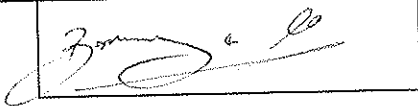


Martin Ades (Senior Statutory Auditor)  
for and on behalf of Michael Martin Partnership Limited  
3 Queen Street  
Ashford  
Kent  
TN23 1RF

Date: 17 July 2014

# AUDITOR'S REPORT (continued)

SEE ATTACHED ACCOUNTS

Signature(s) of auditor or auditors:		
Name(s):	BERRY & CO	
Profession(s) or Calling(s):	CHARTERED ACCOUNTANTS	
Address(es):	24 OSFORD ROAD TENTERDEN KENT TN30 6QH	
Date:	27/5/2014	
Contact name and telephone number:	N MAY 01780 79555	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

THE SOCIETY OF AUTHORS  
FINANCIAL STATEMENTS  
FOR THE  
YEAR ENDED 31ST DECEMBER 2013

CERTIFICATION OFFICE  
FOR TRADE UNIONS  
& EMPLOYERS ASSOCIATIONS  
2 - JUN 2014  
RECEIVED



## THE SOCIETY OF AUTHORS

### REPORT OF THE DIRECTORS

The Directors, who also form the Committee of Management, present their Report with the Financial Statements of the Society for the year ended 31<sup>st</sup> December 2013.

#### PRINCIPAL ACTIVITY

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

#### REVIEW OF BUSINESS

A summary of the results of the year's activities is given on pages four to ten of the Financial Statements.

Movements in the 2013 year compared to the 2012 year together with the movements in the 2012 year compared to the 2011 year, were as follows:-

	2013 compared to 2012	2012 compared to 2011
Members' Annual Subscriptions	Increase £23,572	Increase £20,206
Commissions on Royalty Collections	Decrease (13,615)	Decrease (13,874)
Royalty Income	Increase 466	Decrease (3,502)
Income from Investments and Interest	Increase 852	Increase 558
Other Income	Increase 37,434	Decrease (56,445)
Management Fees	Increase 11,604	Increase 16,659
Rents Receivable	Increase 2,511	Increase 11,550
Total Income	Increase £62,824	Decrease (£24,848)
Total Expenditure	Increase £25,667	Increase £32,615

The Surplus for the year after Taxation is £6,744 (2012 £58,181) which includes a deficit on the sale of investments £2,031 (2012: £87,137 which included surpluses from the sales of investments and property). The surplus for the year is transferred to the General Fund.

The Net Current Assets of the Society have increased during the year by about £14,000 (2012: £32,000) and the Fixed Assets have decreased during the year by £7,000 (2012: increased by £25,000), making the total assets of the Society £812,000 (2012: £805,000). The market value of the investments at the year-end date exceeded the cost price by £525,000 (2012: £420,000).

#### DIVIDENDS

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

#### DIRECTORS

The Directors in office during the year under review were as follows:-

Patrick Barwise  
Alison Baverstock  
Nicola Beaman  
Andrew Crofts  
Gregor Dallas  
Juliet Gardiner  
Philip Gross  
Daniel Hahn  
David Kynaston  
Neil Leyshon  
Andrew Lycett  
Charles Palliser  
Bali Rai  
James Runcie  
Anne Sebba

#### TANGIBLE FIXED ASSETS

Acquisitions and disposals of tangible fixed assets during the year are shown in Note 6 to the Financial Statements.

**THE SOCIETY OF AUTHORS  
REPORT OF THE DIRECTORS**

(Continued)

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors acknowledge their responsibilities for:

- (a) ensuring that the Society keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Society as at the end of each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Society.

BY ORDER OF THE COMMITTEE OF MANAGEMENT

.....

NICOLA SOLOMON - SECRETARY

Date :

**CHARTERED ACCOUNTANTS' INDEPENDENT ASSURANCE REPORT  
TO THE DIRECTORS  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
THE SOCIETY OF AUTHORS**

We have performed certain procedures in respect of the Society's unaudited financial statements for the year ended 31<sup>st</sup> December 2013 on pages four to ten, made enquiries of the Society's directors and assessed accounting policies adopted by the directors, in order to gather sufficient evidence for our conclusion in the report.

This report is made solely to the Society's directors in accordance with our terms of engagement. It has been released to the directors on the basis that this report shall not be copied, referred to or disclosed, in whole (save for the directors' own internal purposes or as may be required by law or by a competent regulator) or in part, without our prior written consent. Our work has been undertaken so that we might state to the directors those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any one other than the Society and the Society's directors for our work, for this report or the conclusions we have formed.

**Respective responsibilities**

You have confirmed that you have met your duty as set out in the directors' agreement on page two. You consider that the Society is exempt from the statutory requirement for an audit for the year. Our responsibility is to form and express an independent conclusion, based on the work carried out, to you on the financial statements.

**Scope**

We conducted our engagement in accordance with the Institute of Chartered Accountants in England and Wales Interim Technical Release AAF 03/06. Our work was based primarily upon enquiry, analytical procedures and assessing accounting policies in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). If we considered it to be necessary, we also performed limited examination of evidence relevant to certain balances and disclosures in the financial statements where we became aware of matters that might indicate a risk of material misstatement in the financial statements.

The terms of our engagement exclude any requirement to carry out a comprehensive assessment of the risks of material misstatement, a consideration of fraud, laws, regulations or internal controls, and we have not done so. We are not required to, and we do not, express an audit opinion on these financial statements.

**Conclusion**

Based on our work, nothing has come to our attention to refute the directors' confirmation that in accordance with the Companies Act 2006, the financial statements give a true and fair view of the state of the Society's affairs as at 31 December 2013 and of its profit for the year then ended and have been properly prepared in accordance with the Financial Reporting Standard from Smaller Entities (effective April 2008).

Berry & Co  
Chartered Accountants  
24 Ashford Road  
Tenterden  
Kent  
TN30 6QU

Date: 28 May 2014

**THE SOCIETY OF AUTHORS**  
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE**  
**YEAR ENDED 31 DECEMBER 2013**

	NOTES	2013 £	2012 £
Income for the year	1	1,062,304	999,480
Administration Costs and Other Operating Charges		1,051,110	1,025,443
<b>SURPLUS</b>		----- 11,194	----- (25,963)
(Deficit)/Surplus on Sale of Investments and Property		(2,031)	87,137
		----- 9,163	----- 61,174
Less: Bank Interest Paid		-	-
<b>SURPLUS BEFORE TAXATION</b>		----- 9,163	----- 61,174
Taxation	5	(2,419)	(2,993)
<b>SURPLUS AFTER TAXATION</b>		----- 6,744	----- 58,181
Decrease in Provision for Fall in Value of certain Investments	8	-	-
<b>RETAINED SURPLUS TRANSFERRED TO GENERAL FUND</b>		----- 6,744	----- 58,181
General Fund Brought Forward		664,106	605,925
<b>SURPLUS OF GENERAL FUND CARRIED FORWARD</b>		----- 670,850	----- 664,106
		=====	=====

The notes form part of these financial statements.

**THE SOCIETY OF AUTHORS**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2013**

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>	1		
Tangible Fixed Assets	6	266,725	273,191
Quoted Investments at Cost	8(i)	748,628	749,225
		1,015,353	1,022,416
<b>CURRENT ASSETS</b>			
Debtors and Prepayments	11	78,609	54,718
Cash at Bank and in Hand		252,791	276,051
		331,400	330,769
<b>CREDITORS:</b> Amounts falling due within one year	10	534,349	547,525
<b>NET CURRENT ASSETS</b>		(202,949)	(216,756)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		812,404	805,660
<b>Represented by:</b>			
Share Capital	2	72	72
Capital Reserve	7	141,482	141,482
General Fund		670,850	664,106
		812,404	805,660

**ON BEHALF OF THE MANAGEMENT COMMITTEE:**

..... )  
 ..... )  
 ..... ) *MEMBERS OF THE MANAGEMENT COMMITTEE*  
 ..... )

..... ) *HON. TREASURER*  
*B. Kernon F.C.A.*

..... ) *CHIEF EXECUTIVE*  
*Nicola Solomon*

Date:

The notes form part of these financial statements.

**THE SOCIETY OF AUTHORS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE**  
**YEAR ENDED 31 DECEMBER 2013**

**1. ACCOUNTING POLICIES**

The Financial Statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The freehold properties at 82 and 84 Drayton Gardens, London, SW10 9SB are recorded at cost. The opinion of the Committee of Management is that the current market value is still substantially in excess of cost and therefore a professional valuation was not considered necessary.

Members' subscriptions are annual payments due at varying dates throughout the year. The amount of subscriptions applicable to any period after 31<sup>st</sup> December 2013 is prepaid by the Society and is included in Creditors shown in Note 10. Other income is also included on the basis of amounts receivable in the year.

Income for the year represents the net income of the Society excluding Value Added Tax, and is attributable to the principal activity.

The Society is managed by a Committee whose Members are not remunerated for their services and the "Close Company" provisions of the Income and Corporation Taxes Act 1988 do not apply.

Depreciation is provided to write off assets over their estimated useful lives at the following rates:-

Freehold Property and Improvements (excluding Land)	1% per annum on cost
Furniture, Fittings and Equipment	20% per annum on cost
Motor Vehicles	25% per annum on cost

Overseas currencies are converted at the rates of exchange applying at the date of each transaction.

The Management Committee has relied upon the exemptions available for small companies and has not produced a cash flow statement.

The Society operates defined contribution pension schemes. Contributions payable for the year are included in the Income and Expenditure Account.

Quoted Investments are included at cost price except where, in the opinion of the Management Committee, any fall in the value of individual holdings is likely to reflect a permanent diminution of value. These holdings are included at market value, and the remaining holdings continue to be included at cost.

**2. SHARE CAPITAL AT 31 DECEMBER 2013 AND 2012**

		<b>Authorised</b>	<b>Issued and Fully Paid</b>
2013	Shares of £1 each	1,000 =====	72 ===
2012	Shares of £1 each	1,000 =====	72 ===

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

**THE SOCIETY OF AUTHORS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE**  
**YEAR ENDED 31 DECEMBER 2013**

(Continued)

**3. FOUNDATION FUND**

In 1968, the Society established a Foundation Fund to receive donations or loans for the benefit of the Society. Separate financial statements are prepared for this fund.

There is no political fund held or operated by the Society.

**4. CHARITABLE FUNDS**

The Society is responsible for the administration of various Charitable Trust Funds for the benefit of authors for which separate financial statements are prepared.

<b>5. TAXATION</b>	<b>2013</b>	<b>2012</b>
	£	£
Tax Paid on Investment Income Received	2,743	2,868
Tax Paid on Interest Received	26	34
	-----	-----
	2,769	2,902
Corporation Tax payable for the year at 20% (2012: 20%)		91
Refundable Tax on Interest paid	(345)	-
Interest received on Tax refunded	(5)	-
	-----	-----
Taxation Charge	<u>2,419</u>	<u>2,993</u>
	=====	=====

There is no provision for deferred taxation as in the opinion of the Management Committee no deferred tax liability is likely to arise.

**THE SOCIETY OF AUTHORS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE**  
**YEAR ENDED 31 DECEMBER 2013**

(Continued)

6. TANGIBLE FIXED ASSETS	PROPERTIES & IMPROVEMENTS	FURNITURE FITTINGS AND EQUIPMENT	MOTOR VEHICLES	TOTAL
	£	£	£	£
<b>COST</b>				
At 1 January 2013	285,499	222,260	7,000	514,759
Additions	-	3,827	-	3,827
	-----	-----	-----	-----
	285,499	226,087	7,000	518,586
LESS: Disposals	-	-	(7,000)	(7,000)
	-----	-----	---	-----
As at 31 December 2013	285,499	226,087	-	511,586
	=====	=====	==	=====
<b>DEPRECIATION</b>				
As at 1 January 2013	28,246	206,323	6,999	241,568
Charge for the year	2,785	7,507	-	10,292
	-----	-----	-----	-----
	31,031	213,830	6,999	251,860
LESS: Disposals	-	-	(6,999)	(6,999)
	-----	-----	---	-----
As at 31 December 2013	31,031	213,830	-	244,861
	=====	=====	---	=====
<b>NET BOOK VALUE</b>				
At 31 December 2013	254,468	12,257	-	266,725
	=====	=====	==	=====
At 31 December 2012	257,253	15,937	1	273,191
	=====	=====	==	=====
 7. CAPITAL RESERVES		<b>2013</b>		<b>2012</b>
		£		£
Brought Forward		141,482		141,482
		=====		=====



**THE SOCIETY OF AUTHORS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE**  
**YEAR ENDED 31 DECEMBER 2013**

(Continued)

**8. QUOTED INVESTMENTS**

i) The cost and market value of Quoted Investments at 31<sup>st</sup> December 2013 (and 2012) are as follows:-

		2013		2012	
		Cost	Market Value	Cost	Market Value
		£	£	£	£
General Fund - Cost brought forward	749,225			714,648	
Additions (less disposals)	(597)			34,577	
	-----	748,628	1,273,590		1,169,014
Less: Provision for Fall in Value of certain Investments		-		-	
		-----	-----	-----	-----
		748,628	1,273,590	749,225	1,169,014
		=====	=====	=====	=====

ii) Investment Income produced by these investments in 2013 is as follows:-

		GROSS	TAX
		Income	Deducted
		£	£
General Fund -	Unfranked Investment Income	1,069	214
	Franked Investment Income	24,243	2,424
	Interest received Net of Tax	524	105
	Interest received Gross	3,814	-
		-----	-----
		29,650	2,743
		=====	=====

**9. STAFF COSTS**

	2013	2012
	£	£
Wages and Salaries	587,462	576,258
Benefits	6,493	8,030
Social Security Costs	65,164	63,773
Fees	23,475	21,471
Pension Contributions	54,770	54,955
	-----	-----
	737,364	724,487
	=====	=====

The average weekly number of employees during the year was as follows:-

	16	16
	==	==

The Trade Union and Labour Relations (Consolidation) Act 1992 (amended) requires details of the salary and other benefits paid to each member of the executive, the President and the Chief Executive to be disclosed. No member of the executive or the President is remunerated and the disclosure requirement in respect of the Chief Executive in total is £107,843 inclusive of benefits, pension contributions, death in service life insurance and Employer's National Insurance.

**THE SOCIETY OF AUTHORS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE**  
**YEAR ENDED 31 DECEMBER 2013**

(Continued)

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2013	2012
	£	£
Members' Subscriptions (prepaid)	321,265	319,895
National Insurance and Income Tax	22,090	20,836
Value Added Tax	17,519	9,925
General Creditors and Accruals	21,022	11,345
Literary Estates	152,453	185,433
Corporation Tax payable	-	91
	-----	-----
	534,349	547,525
	=====	=====

- i) There were no contingent liabilities at 31<sup>st</sup> December 2013 (2012: None).
- ii) There are no major capital commitments authorised by the Management Committee.

**11. DEBTORS AND PREPAYMENTS**

Debtors (due within one year)	49,827	37,509
Income Tax Repayable	345	653
Prepayments	28,437	16,556
	-----	-----
	78,609	54,718
	=====	=====

**12. OPERATING SURPLUS**

The Operating (Deficit)/Surplus for the year is arrived at after charging inter alia:-

Staff Costs (See Note 9)	737,364	724,487
Depreciation and Loss on disposal of Tangible Fixed Assets	10,292	15,163
	-----	-----

**13. PENSION COSTS**

The Society operates defined contribution pension schemes for the benefit of its staff members. Contributions are paid monthly and the charge in the Income and Expenditure Account is the amount payable for the year (See Note 9). The funds are held separately from those of the Society in independently administered funds. Included in general creditors is the sum of £Nil (2012: £Nil) in respect of amounts payable to the schemes at the year-end.

**THE SOCIETY OF AUTHORS  
DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE  
YEAR ENDED 31 DECEMBER 2013**

	NOTES	2013 £	2012 £
<b>INCOME</b>			
Members Annual Subscriptions	1	728,209	704,637
Commissions on Royalty Collections		93,759	107,374
Royalty Income		42,976	42,510
Management Fees		84,904	73,300
Rents Receivable Less Expenses		70,919	68,408
Interest Receivable		143	191
Income from Quoted Investments	8(ii)	29,650	28,750
Other Income		11,744	358
Donations and Legacies		-	(26,048)
		-----	-----
		1,062,304	999,480
<b>EXPENDITURE</b>			
Salaries and Fees		620,330	605,743
National Insurance Contributions		65,164	63,773
Pension Contributions		54,770	54,955
Printing and Stationery		13,016	14,870
Postage and Communications		29,384	25,688
Legal and Professional Fees		22,523	29,307
Rates and Insurance		34,134	32,751
Heating, Lighting and Cleaning		17,938	17,407
Repairs and Maintenance		19,727	23,742
Travelling and Entertaining		7,900	8,355
Net Cost of Publications		72,642	70,378
Books and Periodicals		1,769	2,888
Society Functions		9,642	6,569
Grants and Donations		388	290
Bank Charges		7,379	6,422
Society Groups		13,683	8,383
Sundry Expenses		8,572	8,566
Advertising and Marketing		13,765	1,070
Computer and IT		28,091	29,123
Depreciation of Fixed Assets	1&6	10,292	15,163
(Profit)/Loss on Sale of Fixed Assets		1	-
		-----	-----
		1,051,110	1,025,443
Bank Interest Paid		-	-
		---	---
		1,051,110	1,025,443
		-----	-----
<b>SURPLUS/(DEFICIT) for the year</b>		11,194	(25,963)
(Loss)/Profit on Sale of Investments		(2,031)	37,522
Profit on Sale of Easement		-	49,615
		-----	-----
<b>TOTAL SURPLUS for the year</b>		9,163	61,174
		=====	=====

This page does not form part of the Statutory Financial Statements.