



Ben Okri, poet & novelist
Presenting the 2017 Authors' Awards

2017

ANNUAL REPORT & ACCOUNTS

2017 was the year of 'Member 10K', as membership exceeded 10,000 for the first time. Numbers grew by 3.7% throughout the year and we entered 2018 with 10,214 members.

CAMPAIGNS & LOBBYING

Brexit dominated the headlines throughout 2017 and remains a concern for SoA members, particularly with lingering uncertainty over the UK's future relationship with the EU and the benefits we currently derive from our membership. In August we made a submission to the Culture, Media and Sport Select Committee's investigation into the impact of Brexit on the creative industries. We highlighted the need to retain harmonisation of copyright law with the rest of Europe, urged the Government to maintain free movement for creators and performers after Brexit, and stressed the importance of retaining (at the very least) current funding levels for higher education, arts and translation.

We also published our manifesto *More Than Just Words* in the run up to the General Election, calling on the new Government to review laws applicable to creator contracts, maintain a strong copyright regime and ensure that the tax and benefit framework works for authors. We are pleased that the Government has identified the creative industries as one of the UK's five 'world-leading sectors' in its Industrial Strategy, and we responded to its consultation in which we stressed the importance of that fact.

The Digital Economy Bill, passed into law just before the

General Election, included an extension of Public Lending Right (PLR) to ebooks. This was a great victory, and followed years of campaigning on the issue, working with authors, libraries, publishers, agents, bookshops and the Department for Culture, Media and Sport (DCMS). From 1st July 2018, PLR will apply to ebooks and digital audiobooks loaned remotely, with the first payments to authors due to be paid in arrears in January 2020. The rate of payment will be the same as for physical books (7.8p per loan in 2017, rising to 8.2p per loan in 2018).

We continued to lobby over the 'transparency triangle' in the EU's Draft Directive on Copyright in the Digital Single Market. If implemented, these three articles would introduce greater transparency in the value chain, as well as bringing in a 'bestseller clause' and dispute resolution mechanism. We hope the Directive will be passed into EU law before the UK's exit from the EU in March 2019.

In response to concerns first raised by members of the Children's Writers & Illustrators Group (CWIG) committee, we began campaigning around special and ultra-high discount sales. These are copies sold by the publisher in bulk at a very highly discounted rate, sometimes leaving the author with a very low return. We proposed seven simple steps to give authors the right of approval of these types of sales, and to ensure that they are sufficiently remunerated. We wrote to all main trade

publishers outlining our concerns. Both Hachette and Simon & Schuster responded positively. We continue to raise the issue with publishers. The campaign also received coverage in the Guardian, led by Philip Pullman, as well as in the trade press.

We also have CWIG to thank for our work around school libraries. We continued to make the case for well-funded school libraries, highlighting dedicated librarians as vital components of a child's education as well as encouraging reading for pleasure. To support this campaign we created the CWIG Reading for Pleasure Awards, enabling visiting authors to nominate an exceptional school library. A number of schools received certificates in 2017.

We joined forces with English PEN and the Publishers Association on Speak Out, a new campaign to raise awareness of imprisoned authors around the world. We sponsored a vigil outside the Saudi Arabian Embassy in May, calling for the release of writer and activist Raif Badawi, who was sentenced to ten years in prison and 1,000 lashes for insulting Islam in 2012. We also worked with Ahmet Altan, imprisoned in Turkey since the uprising in 2016. He wrote an essay for The Author on the eve of his trial in September, the publication of which gained widespread coverage from the trade and national press.

We continued to push for fairer terms and contracts for authors, raising concerns regularly with the publishing industry.

“To the SoA’s 10,000th new member: Congratulations! You have joined an organisation that will support and encourage your writing life ... that will champion your rights and campaign noisily on your behalf.”

Sarah Waters



Translators Ruth Martin and Daniel Hahn

And in August we focused on authors' wellbeing in our social media campaign, #SoADoesYoga. With the help of Philip Pullman, Joanne Harris, Lemn Sissay, Neil Gaiman and Joanna Trollope, this weeklong series of book themed yoga poses attracted national and trade press coverage.

EVENTS, TALKS & GROUPS

We hosted many events, talks and workshops across the UK throughout the year.

Staff and management committee members gave regular talks at trade conferences, including the London Book Fair (where we also ran a trade stand for the first time), Westminster Media Forum, International Public Lending Right Conference and the FutureBook conference, as well as at universities and to our regional groups.

We hosted various practical events designed to assist authors and advise them on their careers. These included our website and social media workshops from The Curved House, in which Yen Ooi and Kirsten Harrison provided hour-long one-on-one surgeries for authors on managing their online presence. Accounting firm HW Fisher ran its annual tax talk for authors. We also held workshops on a variety of practical topics for authors run by external speakers, including interviews, copyright, ebooks and making the most of YouTube.

Networking and social events included a Writers' Conference in Newcastle, a How to Make a Living as a Writer event in Bristol, the Writers in Oxford party and regular New Members events.

The Children's Writers and Illustrators Group hosted nine events, including an Empowering Authors Day Conference with speakers from the CWIG committee and guests Tony Bradman, Nicky Singer and Justin Somper. Panels such as Earning More From What We Do, Making the Most of Events and New Publishing Opportunities focused on the business side of things. Other events included: a publisher focus on children's historical fiction, in association with Hysteria; Jonathan Emmett on virtually visiting schools via Skype; a series of YouTube workshops with Shoo Rayner; Bringing up Bing with Ted Dewan on children's animation; and creativity days with Jenny Alexander and Lucy Coats where delegates overcome their blocks using collage and shamanic techniques.

The Poetry and Spoken Word Group held four Making a Living as a Poet events at poetry festivals in St Andrews, Ilkley, Aldeburgh and London. The speakers shared advice on tax-deductible expenses, secondary incomes, and how to approach organisations. The London event was part of Free Verse: The Poetry Book Fair, where members of the committee also ran a stall for the day.

The Educational Writers Group held an all-day Spring Seminar,

with a talk on the US educational publishing market and a session on how to run a successful webinar. There was an opportunity for educational authors to share experiences and concerns at the February Discussion Forum, and a panel discussion on self-publishing educational materials was held in October.

The Writers as Carers Group held monthly online Skype chats and a summer lunch at the SoA offices.

The Broadcasting Group held a panel event in Waterstones on fair use, copyright and commissioning for authors and producers, and its AGM featured a panel discussion on factual drama.

Authors North organised three events over the course of the year, starting with a Broadcasting Day in Leeds. Members gathered at Manchester Art Gallery over a weekend in November to learn from experts in the field of business negotiation, digital marketing, self-publishing and tax. The Summer Social was held in Barnsley in July, a day of poetry talks and readings with Ian McMillan, Zaffar Kunial and a performance skills workshop with Cat Weatherill. Joanne Harris hosted a social event for members to discuss the regional groups pilot scheme. On Saturday the programme focused on how writers can maximise their income, while Sunday featured a workshop on creative techniques to beat writer's block.

The Translators Association was once again involved in the Literary Translation Centre at the London Book Fair and the annual 'LBF-Minus One' translation seminar sold out at Free Word Centre. The TA also contributed to the programme for International Translation Day held at the British Library. The #NameTheTranslator campaign continues to raise awareness of the need to credit translators' work.

Our local and regional groups continue to thrive and meet regularly, with meetings held in Cornwall, Dorset, Gloucestershire, Hertfordshire, London, The New Forest, Southampton and Warwickshire.

ADVICE

Our advisors answered approximately 2,180 queries, and vetted 780 contracts in 2017. The advice given to members about contracts has helped inform, and was itself supported by, the principles enshrined in the CREATOR campaign which seeks to ensure clear, fair and reasonable terms.

OUTREACH

We published four editions of The Author, covering issues as broad as alternative facts, diversity, school visits, writing for video games, tax, wellbeing and plagiarism.

Theatre in Richmond. An 'entertaining re-polishing of Shaw's neglected gem' was the verdict of the Telegraph.

The British Library published a new collection of Walter de la Mare's supernatural stories, *Out of The Deep*. Valancourt Books brought out a collection of L P Hartley's stories, *The Travelling Grave and Other Stories*. Templar published two new editions from Alison Uttley's Little Grey Rabbit series, *Little Grey Rabbit's Paint-box* and *The Speckled Hen*.

GRANTS, PRIZES & AWARDS

We awarded grants to authors in financial difficulty totalling £63,225 from the Authors' Contingency Fund and the Francis Head Bequest, while the Authors' Foundation awarded more than £200,000 as grants to support work in progress.

Thanks to sponsorship from the Francis W Reckitt Arts Trust, we were able to offer financial support totalling £1,180 to professional writers wishing to make a residential stay for a holiday or a working trip but unable to afford it.

The Translation Awards took place on 22 February at the British Library. We presented six awards, worth £13,000 in total, for translation from the Arabic, Spanish, Italian, German, Hebrew and French.



“Without the Society of Authors, I would have felt very lonely and disconnected from the writing community, but with them, I feel confident to deal with authority with publishers, agents and festival organisers.”

Joanne Harris

We saw a 15% increase in activity on the website, going from an average of 115,000 to 134,000 views per quarter. We also saw a 20% increase in new users, and user retention increased as well.

Our Twitter following is now over 41,000-strong, growing by nearly eight thousand people over the course of the year. Our Facebook following has also grown and is now over 7,500 people.

And our monthly newsletters for members and supporters continued to grow engagement, with opening and click rates more than twice as high as similar organisations.

All of which basically means that SoA messages and news are getting through more successfully to a wider range of people.

LITERARY ESTATES

John Masefield's classic children's book *The Box of Delights* was adapted for the stage by Piers Torday for a festive run at Wilton's Music Hall in December. Stephen Fry was among those enthused by the production, saying 'I couldn't be more excited that such a talented team is bringing *The Box of Delights* to life for a new generation - and at Wilton's - wonderful!' One of Bernard Shaw's lesser-known plays, the 1909 comedy *Misalliance*, was directed by Paul Miller at the Orange Tree

At our annual Authors' Awards reception in June, novelist and poet Ben Okri presented £94,000 in prizes - £35,000 for poetry, £31,500 for fiction, £22,500 to enable authors to enrich their work through foreign travel. £5,000 was awarded for historical biography.

In the same month, we announced a new prize for translation. The TA First Translation Prize was launched by Management Committee member Daniel Hahn with his share of the winnings from the International Dublin Literary Award - an annual £2,000 prize for a debut literary translation into English published in the UK, to be awarded for the first time in 2018.

THE SoA'S FUTURE PREMISES

After five years of discussion, consultation and searching, we took the next major step in SoA history - deciding to sell our current home in Drayton Gardens, South Kensington, and purchasing a six-storey central London home in Bedford Row, Bloomsbury.

The new premises will offer better transport links, full disabled access, a better events and meeting space, a drop-in space for members to work or meet, and better working conditions for staff.

FINANCIAL REPORT 2017

The directors present their report with the financial statements of the company for the year ended 31 December 2017.

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.

DIVIDENDS

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

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

DIRECTORS

The directors in the left column have held office during the whole of the period from 1 January 2017 to the 1 December 2017. Changes in directors holding office are shown in the right column.

- | | |
|---|---|
| <ul style="list-style-type: none">• Mr E Clark• Mr D C P Donachie• Mr D Hahn• Dr J M S Harris• Ms A Klaushofer• Ms J Laurence• Ms C A Lee• Mr C Palliser• Ms C Rees | <ul style="list-style-type: none">• Mr F Dennis (elected Nov 2017)• Dr P J Groves (retired Nov 2017)• Ms L A D Hawksley (retired Nov 2017)• Ms M Hoffman (elected Nov 2017)• Mr P Womack (elected Nov 2017) |
|---|---|

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

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

We have audited the financial statements of The Society Of Authors (the 'company') for the year ended 31 December 2017 on pages six to eleven.

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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

Our opinion on the financial statements does not cover the other information and 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, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate

- for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing,

as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

OUR RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2017 £	2016 £
INCOME			
Operating Income		1,124,971	1,066,149
Investment and Rental Income		91,031	85,575
Donations and Other Income		302,650	50,664
Total Income		<u>1,518,652</u>	<u>1,202,388</u>
EXPENDITURE			
Operating Expenditure		1,319,756	1,267,620
Operating Loss	4	<u>198,896</u>	<u>(65,232)</u>
Gain on Investments		176,690	184,416
Profit/(Loss) before Taxation		<u>375,586</u>	<u>119,184</u>
Tax on Profit/(Loss)	13	35,126	36,883
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>340,460</u>	<u>82,301</u>

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

BALANCE SHEET 31 DECEMBER 2016

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	5	293,946	305,032
Investments	6	1,699,878	1,523,187
Investment property	7	3,225,000	3,225,000
		5,218,824	5,053,219
CURRENT ASSETS			
Debtors	8	90,284	40,605
Cash in hand		409,842	200,753
		500,126	241,358
CREDITORS			
Amounts falling due within one year	9	727,279	678,492
NET CURRENT LIABILITIES		(227,153)	(437,134)
TOTAL ASSETS LESS CURRENT LIABILITIES		4,991,671	4,616,085
PROVISIONS FOR LIABILITIES	10	461,966	426,840
NET ASSETS		4,529,705	4,189,245
CAPITAL AND RESERVES			
Called up share capital		72	72
Capital Reserve	14	-	141,482
Retained earnings	14	4,529,633	4,047,691
		4,529,705	4,189,245

NOTES TO THE FINANCIAL STATEMENTS FOR Y/E 31 DECEMBER 2017

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the

provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Income

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

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

Tangible fixed assets

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

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

Investment property

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

Taxation

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

Deferred tax

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

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

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

Pension costs and other post-retirement benefits

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

Foreign currencies

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

3. EMPLOYEES AND DIRECTORS

The average monthly number of employees during the year was 20 (2016 - 19). The Directors did not receive any remuneration during the year. The total employee benefits of key management personnel amounted to £118,946.

4. OPERATING PROFIT / (LOSS)

The operating loss is stated after charging:

	2017	2016
	£	£
Depreciation - owned assets	20,641	17,643
Auditors' remuneration	6,200	7,200
Lease costs	20,920	20,956

5. TANGIBLE FIXED ASSETS

	Land and property	Fixtures, fittings & equipment	Totals
	£	£	£
COST			
At 1 January 2017	285,499	279,273	564,772

Additions	-	9,555	9,555
At 31 December 2017	285,499	288,828	574,327
DEPRECIATION			
At 1 January 2017	39,386	220,354	259,740
Charge for year	2,785	17,856	20,641
At 31 December 2017	42,171	238,210	280,381
NET BOOK VALUE			
At 31 December 2017	243,328	50,618	293,946
At 31 December 2016	246,113	58,919	305,032

6. FIXED ASSET INVESTMENTS

	Other investments £
COST OR VALUATION	
At 1 January 2017	1,523,187
Revaluations	176,691
At 31 December 2017	1,699,878
NET BOOK VALUE	
At 31 December 2017	1,699,878
At 31 December 2016	1,523,187

Cost or valuation at 31 December 2017 is represented by:

	Other investments £
Valuation in 2013	524,962
Valuation in 2014	39,778
Valuation in 2015	32,118
Valuation in 2016	184,416
Valuation in 2017	176,691
Cost	741,913
	1,699,878

7. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 January 2017 and 31 December 2017	3,225,000
NET BOOK VALUE	
At 31 December 2017	3,225,000
At 31 December 2016	3,225,000

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Other debtors	90,284	40,605

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Bank loans and overdrafts	-	105,246
Taxation and social security	120,592	28,839
Other creditors	606,687	544,407
	727,279	678,492

10. PROVISIONS FOR LIABILITIES

	2017 £	2016 £
Deferred tax	<u>461,966</u>	426,840
		Deferred tax
		£
Balance at 1 January 2017		<u>426,840</u>
Provided during year		<u>35,126</u>
Balance at 31 December 2017		<u>461,966</u>

11. RELATED PARTY DISCLOSURES

The Society of Authors is trustee for a number of charitable trusts for which it carries out management services. A management fee is charged which in 2017 amounted to £101,439.

12. OPERATING LEASE COMMITMENTS

At 31 December 2017 the following operating lease payments are committed to be paid.

Expiring:
Within 1 year
Within 2 -5 years

2017 £	2016 £
<u>20,956</u>	20,956
<u>23,713</u>	44,669
<u>44,669</u>	65,625

13. TAX ON PROFIT/(LOSS)

	2017 £	2016 £
Current Year Corporation Tax Charge	-	-
Movement on Deferred Tax Provision	<u>35,126</u>	<u>36,883</u>

14. RESERVES

At 1 January 2017
Profit for the financial year
Release to Retained earnings
At 31 December 2017

Capital Reserve £	Retained Earnings £
<u>141,482</u>	<u>4,047,691</u>
-	<u>340,460</u>
<u>(141,482)</u>	<u>141,482</u>
-	<u>4,529,633</u>

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2017

	2017		2016	
	£	£	£	£
INCOME				
Members Annual Subscriptions	847,006		821,405	
Commissions on Royalty Collections	75,019		83,500	
Royalty Income	51,774		49,354	
Management Fees	151,172		111,890	
Other Income	33		306	
Donations and Legacies	302,617		50,358	
Rents Received Less Expenses	58,803		55,806	
Investment Income	31,169		29,769	
		<u>1,517,593</u>		<u>1,202,388</u>
OTHER INCOME				
Investment Revaluation	176,690		184,416	
Profit on sale of fixed asset investments	1,059		-	
		<u>177,749</u>		<u>184,416</u>
		<u>1,695,342</u>		<u>1,386,804</u>
EXPENDITURE				
Salaries	735,026		710,116	
Fees	30,872		27,555	
Employee Benefits	17,530		19,994	
National Insurance Contributions	78,625		74,673	
Pension Contributions	59,192		49,572	
Postage and Communications	24,028		26,952	
Printing and Stationery	12,349		11,287	
Advertising and Marketing	3,672		3,763	
Travelling and Entertaining	11,035		10,377	
Publications and Guides	68,471		74,346	
Rates and Insurance	40,893		36,296	

	2017		2016	
	£	£	£	£
EXPENDITURE (CONT.)				
Cleaning, Heating and Lighting	11,362		12,106	
Repairs and Maintenance	25,568		37,004	
Books, Papers and Subscriptions	3,821		4,225	
AGM and Events	9,082		9,541	
Group Activities	23,171		19,824	
Computer and IT	50,836		60,705	
Sundry Expenses	2,337		2,850	
Affiliation Fees	7,024		5,540	
Professional Fees	18,757		23,226	
Irrecoverable VAT	53,523		16,335	
Auditors' Remuneration	6,200		7,200	
Grants and Donations	212		175	
Depreciation of Tangible Fixed Assets	20,642		17,643	
		<u>1,314,228</u>		<u>1,261,315</u>
		<u>381,114</u>		<u>125,489</u>
FINANCE COSTS				
Bank and Card Charges		<u>5,528</u>		<u>6,304</u>
NET PROFIT/(LOSS)		<u>375,586</u>		<u>119,185</u>

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

It is impossible to thank all those who so generously devote their time and expertise to the work of the SoA, not least every member who supports to our causes. However, we want publicly to thank all those who fulfilled key roles during 2017.

President: Philip Pullman

The Management Committee: David Donachie (Chair), Eric Clark, Ferdinand Dennis, Peter Groves (retired), Daniel Hahn, Joanne Harris, Lucinda Hawksley (retired), Mary Hoffman, Alex Klaushofer, Janet Laurence, Carol Lee, Charles Palliser, Celia Rees, Philip Womack.

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

Writers as Carers: Jim Green (founding member).

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

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

Stig Abell, Moniza Alvi, Claire Armitstead, Paul Bailey, Simon Brett, Elizabeth Buchan, Jeremy Cameron, Jen Campbell, Wendy Cope, Richard Davenport-Hines, Imtiaz Dharker, Maura Dooley, Tamar Drukker, Anne Enright, Paul Farley, Roy Foster, Antonia Fraser, Flora Fraser, Frances Fyfield, Judy Garton-Sprenger, John Greening, Romesh Gunsekera, Alexandra Harris, James Hamilton, Joanne Harris, Philip Hensher, Andrew Holgate, Paul Howard, Lucy Hughes-Hallett, Aamer Hussein, Helen Ivory, Adrianna Jacobs, Emily Jeremiah, James Jordan, Alan Judd, Joanna Kavenna, Mimi Khalvati, Christina Koning, Lee Langley, Mark Lawson, Mark Le Fanu, Marion Le Lannou, Andrew Lycett, Rod Mengham, Neel Mukherjee, Adam O'Riordan, Ian Patterson, Pascale Petit, Lucy Popescu, Munro Price, Sameer Rahim, Mike Reeves, Jane Ridley, Michéle Roberts, Carol Rumens, Elif Shafak, Zahia Smail Salhi, Paul Starkey, Bill Swainson, Bob Swarup, Boyd Tonkin, Cristina Viti, Ahren Warner, Fay Weldon, Caragh Wells, Jason Wilson, Annemarie Young.

We are extremely grateful for the many generous donations we received throughout 2017, supporting our work and helping us to spread the benefits to authors of our annual programme of grants and prizes.

Photographs: Adrian Cope (front cover) and Paul Reich (interior)

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