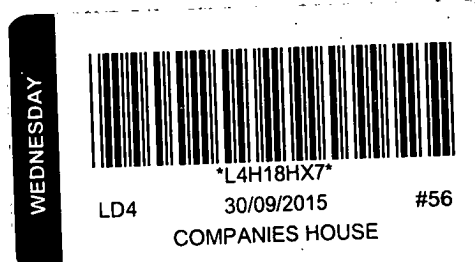


The Booker Prize Foundation
(A company limited by guarantee and not having a share capital)

Company Number: 04213467
Registered Charity Number: 1090049

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2014



**The Booker Prize Foundation
Trustees' Report
For the year ended 31 December 2014**

The trustees present their report and the accounts for the year ended 31st December 2014. These have been prepared in accordance with the Statement of Recommended Practice (2005) "Accounting and Reporting by Charities", current legislation and the Memorandum and Articles of Association. The trustees have taken advantage of the simplified disclosures available to smaller companies through Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Legal and administrative information

Name	Booker Prize Foundation
Company Registration Number	4213467 (company limited by guarantee)
Registered Charity Number	1090049
Trustees	The trustees (who are the directors of the company for the purposes of company law) throughout the year and up to the date of signing this report were: Jonathan Taylor CBE (Chairman) The Rt Hon the Lord Baker of Dorking CH The Hon Victoria Glendinning MBE Sir Ronald Harwood CBE FRSL (retired 13 November 2014) Baroness Kennedy QC Bidisha Shonarkoli Mamata Sir Andrew Peter Motion (retired 2 July 2015) Alexander James Naughtie Christopher Pearce FCA (Treasurer) Professor Louise Richardson (appointed 5 January 2015)
Company Secretary	Evelyn Smith
Registered Office	28 St. James's Walk London EC1R 0AP
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	HSBC The Peak, 333 Vauxhall Bridge Road Victoria, London SW1V 1EJ
Solicitors	Bates Wells & Braithwaite 2-6 Cannon Street London EC4M 6YH

Structure Governance and Management

Booker Prize Foundation ("the Foundation") is a private company incorporated under the Companies Act 1985 and is limited by guarantee. It was registered as a company on 10 May 2001 and as a charity on 11 January 2002. The conduct of the company is governed by its memorandum and articles of association. Since 2002 the Foundation has been responsible for awarding the annual Man Booker Prize, which previously had been established for over 30 years as the Booker Prize. In 2005 the Foundation inaugurated the Man Booker International Prize to be awarded biennially. More on the charitable objectives and activity of the Foundation appears later in this report.

**The Booker Prize Foundation
Trustees' Report
For the year ended 31 December 2014**

Trustees

The board of trustees is responsible for overall policy, strategic guidance and the selection of a sponsor, and also for the appointment of the people and organisations that implement, administer and organise the affairs of the Foundation and its trading subsidiary, Booker Prize Trading Limited.

The composition of the board reflects a combination of governance expertise with an understanding of the literary world. However, trustees should not generally be directly involved in the authorship or publication of contemporary literary fiction (and insofar as they are, while they are trustees, their work may not be submitted to the Man Booker Prize), nor have a current vested professional interest in any aspect of its production, promotion or sales. When making appointments to their number, the board of trustees looks for individuals who have an engagement with literature and the wider cultural environment, and who understand the voluntary sector. The board consults with individuals and organisations involved with literary matters to identify a potential trustee (or trustees) who will best augment and enhance the overall mix of skills and experience of the board. At its meeting on 13 November 2014, the board approved in principle the appointment of Professor Louise Richardson (Principal and Vice-Chancellor, University of St Andrews) as a trustee which took effect on 5 January 2015.

Trustees must understand clearly the responsibilities of governance and the majority have longstanding and varied experience of the governance of charities, voluntary sector and other not for profit organisations as well as the public and private sectors. Parliamentary trustees are all active in developing legislation and regulations affecting charities and the voluntary sector. In addition trustees are kept up to date in developments in legal, regulatory and policy issues through briefings and materials provided by professional advisers (eg solicitors, accountants) and other well recognised sector commentators (eg DSC, NCVO, ACEVO) and where necessary by the presentation of papers on new developments (generally in the course of board meetings) compiled and/or collated by the Company Secretary.

Advisory Committee

In accordance with the articles of association, the Foundation established an advisory committee which reflects the various elements of the book trade. The committee advises on aspects of the operation of the annual and international prizes, including any changes to rules and, in particular, the selection each year of the new panel of judges and (every two years) the judges for the international prize. During 2014 the committee members were:

Ion Trewin (Chairman)
Richard Cable
Mark Chilton
Basil Comely
James Daunt
Jonathan Douglas
Maggie Fergusson
Derek Johns
Peter Kemp
Nigel Newton
Fiammetta Rocco

Emmanuel Roman
Evelyn Smith
Robert Topping

Literary Director, Man Booker Prizes
Publisher (Random House)
Company Secretary Booker plc
BBC TV
Bookseller (Managing Director Waterstones)
Director of the National Literacy Trust
Author and Secretary, Royal Society of Literature
Literary Agent (consultant, A P Watt Ltd)
Chief Fiction Reviewer, The Sunday Times
Publisher (Bloomsbury)
Literary Editor, The Economist & Man Booker International
Prize Administrator
CEO Man Group plc
Company Secretary Booker Prize Foundation
Bookseller (Topping & Company)

Administration

The day to day activities of the Foundation and Booker Prize Trading Limited, including in particular the organisation of the awards ceremonies and promotion of the prizes, are undertaken with the assistance of Four Colman Getty. Evelyn Smith continues as Company Secretary for an annual fee, with responsibilities for maintaining the administration, books and records of both the Foundation and Booker Prize Trading Limited (of which she is also Company Secretary).

**The Booker Prize Foundation
Trustees' Report
For the year ended 31 December 2014**

Ion Trewin was the literary director of the Booker Prize Foundation and chairman of the Foundation's advisory committee throughout 2014 and remained in post until his death on 8 April 2015. Fiammetta Rocco, working in collaboration with Ion Trewin, is administrator of the international prize. Ion Trewin was also a director of Booker Prize Trading Limited. In 2014 he received £54,584 (£52,750 – 2013) plus £10,674 (£10,576 – 2013) reimbursement of expenses. As international prize administrator, Fiammetta Rocco receives an annual fee plus reimbursement of expenses.

The trustees are not remunerated (but are entitled to receive reimbursement for travel and out of pocket expenses).

The Foundation has one wholly owned subsidiary, Booker Prize Trading Limited (company registration number 4394720, a private company limited by shares), which undertakes the commercial activities connected with the prizes under licence from the Foundation. These commercial activities comprise, in particular, the promotion of the prizes and the awards ceremonies.

Dotti Irving is a director of Booker Prize Trading Limited and is also a director of Four Colman Getty. In 2014 Four Colman Getty received total fees of £272,000 (£230,000 – 2013) plus reimbursement of expenses for its marketing, event management, organisational and administration services.

The other directors of Booker Prize Trading Limited are not remunerated (but are entitled to be reimbursed expenses).

Sponsorship

2014 was the third year of a ten year sponsorship agreement with Man Group plc which began in October 2011 immediately after the award of the 2011 Man Booker Prize. This is for an annual index-linked fee of £1.5 million. In 2014 it was agreed that the mutual option to break at 6 years would be relinquished, with a corresponding one off reduction in the sponsorship fee in 2014 of £225,000. The current sponsorship agreement is now subject to a mutual option to break at 8 years (and to renewal by Booker plc of various longstanding name and trademark licensing arrangements after 5 years).

Risk Analysis

The trustees have reviewed the risks to which the Foundation and its trading subsidiary are exposed, assessed their likely impact and where appropriate have established systems, procedures or insurance to mitigate these risks.

Object, Objectives and Activities

The Foundation is established under its memorandum to promote the art of literature for the public benefit and in particular it fosters and promotes contemporary fiction of literary merit. The Foundation's main activities comprise the charitable activities of organising, judging and awarding the Man Booker and the Man Booker International prizes.

2014 was the first year in which the annual Man Booker Prize was awarded to the author of the best full-length novel in English published in the UK in the year, irrespective of the nationality or country of citizenship of its author. In previous years eligibility was restricted to novels written by a Commonwealth, Irish or Zimbabwean citizen. 2014 was also the first year of operation of new rules as to the number of submissions which publishers may make (the changes were reported in detail in 2013).

The Foundation's international prize is awarded biennially, to a living author, in recognition of an outstanding contribution to literary fiction on the world stage in a body of work which is either originally written in English or generally available in English translation. 2014 was the first year of the sixth prize cycle.

In any year, the primary objective of the Foundation is to ensure that the prizes are awarded after an independent, professional, robust and impartial judging process so as to promote high quality fiction to the widest audience. These processes are year round, with preparation for, and judging of, the international prize taking place over a two year cycle.

The Booker Prize Foundation
Trustees' Report
For the year ended 31 December 2014

Throughout 2014, the Foundation has again undertaken a number of activities in addition to, and by way of enhancement of, the awarding of the annual and international prizes. In so doing, the Foundation seeks to support projects which foster and promote high quality contemporary literary fiction to diverse audiences. These activities are reviewed below (under "Achievements, Performance and Impact").

Achievements, Performance and Impact

The trustees are conscious of the need to assess the success and impact of the Foundation in meeting its objectives. They aim to ensure that, with the guidance of the literary director, the administrator of the international prize and the advisory committee, considerable care and judgment goes into the choice of judges for both prizes. The trustees also assess, both quantitatively and qualitatively, the media, critical and academic coverage of the books and authors selected, the coverage of the awards, and the public response in terms of the sales of the selected books.

The winner of the 2014 annual prize awarded at a ceremony held on Tuesday 14 October 2014 in the Guildhall, City of London, was "*The Narrow Road to the Deep North*" by the Australian author, Richard Flanagan.

In the run up to the Guildhall ceremony, the 2014 shortlisted authors took part in a number of events. These included a second (after the success of 2013) event at the Library of Birmingham as well as the well established readings and discussion at the Cheltenham Literature Festival. On 13 October, the eve of the Guildhall announcement of the winner, all six shortlisted authors took part in readings and a discussion chaired by Kirsty Wark at the Royal Festival Hall in London's Southbank Centre.

The BBC continued as the broadcast partner for the prize in 2014 committing to numerous programmes at key stages of the prize. In a new departure, BBC 2's *Newsnight* became involved. It ran a special shortlist feature in September. Then it broadcast six short films, each featuring a shortlisted novel with one film per night from Monday 6 October (designated their "*Booker at Bedtime*"). Clips from these films were also shown repeatedly on the BBC News Channel and BBC World. Another innovation was the BBC Arts Hub livestreaming both the shortlist authors event at the Cheltenham Literature Festival, and the ceremony itself at the Guildhall.

Coverage on the night of the winner announcement included news packages across the BBC News Channel, BBC World News and BBC TV's *News at Ten*, and an interview with Richard Flanagan on BBC2 TV *Newsnight*. He was also interviewed on BBC TV *Breakfast*, BBC Radio 4 *Today* and BBC World *News Today* the following day.

2014 also saw a completely new and exciting way to promote and celebrate the winner. Royal Mail issued a special postmark featuring a congratulatory message to Richard Flanagan on all UK stamped post franked from Thursday 16 October to Saturday 18 October 2014.

Analysis of cuttings and of website activity demonstrates the ongoing UK and worldwide interest in the annual prize and its place as an international benchmark for other prizes. The first appearance of US authors on the shortlist (Joshua Ferris and Karen Joy Fowler) ensured that the narrative around the prize included discussion about contemporary fiction in the US, while a Commonwealth winner kept up the prize's heritage of establishing a world stage for a writer from its traditional constituency.

The Foundation remains committed to its libraries and schools programme, which has been developed over a number of years. The Foundation assists public libraries in promoting the annual prize, in particular the shortlist, to library users. Once again six schools from across the country and three public library reading groups officially shadowed the prize in 2014. They read each of the shortlisted titles, contributed to an online forum and attended the shortlist event at the Library of Birmingham.

As previously reported, in addition to the libraries and schools programme, the trustees are aware of the influence the annual prize has in the study of literature in schools, universities and adult education programmes. This was an important consideration in the registration of the Foundation as a charity back in 2002. Both in UK and overseas, curricula and teaching are structured around novels connected to the annual prize.

The Booker Prize Foundation
Trustees' Report
For the year ended 31 December 2014

In the UK academic year 2013 - 14 the Foundation co-funded Sarah Jane Young from New Zealand as its fifth one year post graduate scholar with the University of East Anglia at its School of Literature and Creative Writing. The scholarship has now been awarded for a sixth time in the academic year 2014-15. Previous scholars (notably David Wilson and Eliza Robertson) have gone on to publish both novels and short stories to significant critical acclaim.

In its sixth year in 2014, the Foundation's universities initiative introduced Bristol University to its readership programme for all new undergraduates. In the academic year commencing in autumn 2014, the other universities running events in the first term were Brighton, Birkbeck College (London), Newcastle, Sheffield and St Andrews, and in the second term, Stirling. As before, the Foundation was involved in facilitating and co-funding each initiative. The model for the programme is that each university selects a book which has been on a recent Man Booker Prize shortlist. Freshmen, irrespective of their field of study, are given a copy (free of charge) of that book and asked to read it prior to a visit by the author to the university. The freshmen are invited to an event during that visit where the author discusses the book. Each university refines the model but the overriding principle is that freshmen of all disciplines are given the opportunity to meet the author and discuss the book. The programme creates a sense of common experience and endeavour across disciplines and also goes some way to bridge the gap between science and the humanities. It also encourages a more culturally inquisitive and literate student community.

The Foundation continued its important activities linking the promotion of the art of literature and improvement in literacy skills. The Foundation continues to collaborate with the National Literacy Trust (NLT) into a third year on the two major projects which have been established, funded by the Foundation and administered by the NLT.

The first, known as *Books Unlocked* (with Foundation funding of £25,000 in 2014) involves reading in prisons. 2014 saw further expansion of reading programmes in conjunction with the prison libraries (the 2014 funding covers activities continuing into 2015). These focussed on seven novels from Man Booker Prize shortlists, five of which are new to the project and include the 1993 winner, *Paddy Clark Ha Ha Ha* by Roddy Doyle. In 2014 the Foundation had also supported the commissioning of a new work by Roddy Doyle in the Quick Reads series, which seeks to engage and encourage readers to improve literacy skills. The new title, *Dead Man Talking*, was introduced into the 2014 -15 *Books Unlocked* project to encourage participation by emergent or lapsed readers, so increasing the potential for participation. As in previous years, prison visits by authors have taken place, including Roddy Doyle to HMP Brixton in February 2015. The visit was recorded by National Prison Radio which has continued to play an important part in the project by serialising all the titles (the seven novels and the Quick Read). An important development within the 2014 project funding has been the expansion of a community model by Staffordshire Prisons Library Service. *Dead Man Talking* will be read in 11 selected settings in Staffordshire, including prisons, young offender institutions, secondary schools and public library groups. The prison librarians will facilitate the sharing of responses. The aim is to promote greater engagement with literature, increased awareness of the importance of literacy, improved self-esteem, empathy and an enhanced sense of social inclusion.

As part of its reporting obligations to the Foundation, NLT carries out a detailed evaluation of these prison programmes; as the 2014 funding supports activity into 2015, this detailed evaluation is not yet available but interim reporting shows that more prisons and young offender institutions have been involved, with enhanced resource materials being made available to prison librarians to support their reading groups.

The second NLT project (with Foundation funding of £50,000 for its third year in 2014) is the continuation and expansion of the first NLT "Literacy Action Hubs" in Middlesbrough.

As previously reported, Middlesbrough is an area where literacy levels and the demand for literacy skills are amongst the lowest in the country. The aim of the project is to promote reading and increase access to books across Middlesbrough by bringing together "Hub" partners at strategic, operational and community levels. The activities include involving authors associated with the Man Booker Prize in community and public library reading programmes. The project has also forged links with the public library service in Middlesbrough to plan how local volunteers can be used to deliver library reading activities in community locations, thereby increasing the library service's capacity to become a local leader in community literacy linked literature activities. Since the inauguration of activities with the Foundation's funding in June 2012, the Hub has created a network of organisations (private, public and voluntary sector) committed to working together over a number of years to realise sustainable improvement in literacy skills to promote reading.

The Booker Prize Foundation Trustees' Report For the year ended 31 December 2014

As with the prisons project, the Foundation's 2014 funding covers activities continuing into 2015 which includes engaging secondary schools in shadowing the Man Booker Prize shortlist. The Foundation's funding has acted as a catalyst for access to other funding streams, and, in its initial report, the NLT has identified that since June 2012 Booker Prize Foundation funding has helped NLT's Hub project to reach over 310,000 people in Middlesbrough.

We turn now to other 2014 activities which enhance and extend the outreach of the Man Booker prizes and further the Foundation's objective to promote the art of literature for the public benefit. The Foundation:

- has continued funding the RNIB to ensure novels shortlisted for the annual prize are available to visually impaired people in a range of formats. In 2014 the Foundation continued its annual contribution of £20,000 so that braille editions, as well as talking books and giant print formats, are produced by the RNIB within a timescale which enables the visually impaired fully to participate in the discussions and debate which are a feature of each year's annual prize cycle;
- has continued its annual charitable donation to the Cheltenham Literature Festival; this year's festival took place in October immediately before the award of the 2014 annual prize, and the Foundation's support provided both the opportunity for the 6 shortlisted authors to share a stage to discuss their contending novels and also funded the ever popular 'Cheltenham Booker' event;
- gave a donation to the Edinburgh International Book Festival to generate discussion and debate about the annual prize longlist (announced in the week preceding the festival) which focussed on longlisted writers participating in the festival programme;
- carried on into a second three year cycle (2013 to 2015) its support for the work of the Asham Atelier, a short story writing programme run during the Small Wonder Festival at Charleston, East Sussex (September 2014);
- continued its support of the Royal Society of Literature masterclasses in fiction writing, with its 2014 funding directed to increasing the dissemination of the teaching guidance to a wider audience via online materials;
- approved funding to enable the distribution of the Quick Read (Roddy Doyle's *Dead Man Talking*, see the report on the prisons project above) on World Book Night in April 2015.
- supported literary events in Nigeria and London to celebrate and champion the work of Chinua Achebe, winner of the 2007 Man Booker International Prize, who died in March 2013.

In seeking further to foster, promote and recognise contemporary literary fiction of merit worldwide, throughout 2014 key Foundation personnel have continued to offer guidance and acted as mentors to those involved in the International Prize for Arabic Fiction ("IPAF"). This prize was awarded for the seventh time in Abu Dhabi in April 2014 and will complete its eighth cycle in May 2015. It continues to draw international recognition and acclaim, with interest heightened by the social and political events taking place in many Arab countries. While IPAF is established to foster and promote fiction in Arabic, it offers the winner an opportunity for translation and publication in English so that the quality and diversity of modern Arabic fiction can be shared with an international audience. Also, as reported last year, a donation of £15,000 was made in December 2013 to support the 2014 activities of the Caine Prize for African Writing (which is awarded annually for a short story by an African writer published in English, whether in Africa or elsewhere).

Plans for Future Periods

As in previous years the trustees will continue to direct the activities of the charity by:

- (1) ensuring the prizes (annual and international) are awarded after an independent, robust and impartial judging process so as to promote high quality literary fiction to the widest audience and in particular to a new generation of readers in English;
- (2) maintaining the reputation of the annual prize as an internationally recognised benchmark of literary excellence, and where possible further extending its outreach and appeal, in particular by the introduction in 2014 of the new rules on eligibility and submission quotas,
- (3) further establishing the reputation of the international prize as a prestigious international recognition of the work of the winning author and bringing worldwide public attention to a diverse, stimulating and eminent range of contemporary literary fiction available in English; and

**The Booker Prize Foundation
Trustees' Report
For the year ended 31 December 2014**

- (4) ensuring the prizes are well placed to reflect and promote excellence in literary fiction with particular reference to the impact of digital technology and changes in the publishing industry worldwide.

Public Benefit

We have referred to the Charity Commission's guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how these activities will contribute to the aims and objectives they have set. In reporting on the public benefit achieved in 2014, the evidence and indicators which the trustees have considered follow the pattern first identified in our 2009 report, and then followed in subsequent years.

Many aspects of how the Foundation provides public benefit have already emerged earlier in this report in the review of the Foundation's activities, in the "Achievements, Performance and Impact" section, and also in explaining our plans for future periods.

The charity's beneficiaries are the general public, both in UK and worldwide. The annual and international prizes are important signposts for the public which direct to excellence in contemporary literary fiction. They provoke fierce debate, some controversy, and great acclaim. Discussions as to what has been included and what has been excluded from longlists, shortlists and in selecting a winner are an important stimulus to foster a literate social and cultural environment. The extension of the eligibility for the annual prize in 2014 brings increased public benefit now that the Man Booker Prize is associated with all high quality contemporary literary fiction written in English and published in UK, irrespective of the author's nationality or country of citizenship.

In addition, the trustees believe that the prizes provide a cultural focus, a sense of common engagement with the cultural life of society. This is demonstrated in public response to the prizes, whether measured by media, critical and academic comment or by sales of books. As reading is an essentially private activity, the prizes prompt a personal, more reflective and intellectual cultural engagement.

The worldwide prestige and reputation of the prizes is underpinned by the independence and integrity of the prize processes which the Foundation safeguards. In maintaining this prestige and reputation, and seeking to find new ways to extend its influence, the trustees direct the activities of the Foundation to ensure that they are not focussed solely on the book-buying public. In the UK, the libraries and schools project, the funding of the adaptation of books into formats for the visually impaired and, most recently, the funding of its literacy linked literature projects, are all examples of how the trustees seek to ensure (at no cost to those involved) the widest access to, and engagement with, the best contemporary fiction. The partnership with the BBC, the universities initiative and the projects administered by the NLT all disseminate awareness of the prizes and of the novels associated with them to an audience beyond those who already read contemporary literary fiction.

While the individual winners of the prizes (and authors shortlisted for the annual prize) receive personal financial reward from the Foundation in the form of prize money, the scope and value of the wider public benefit of the prizes far exceeds any private benefit bestowed. The trustees are dedicated to safeguarding the status of the annual and international prizes. In doing so they provide a stimulus for readership; and a public focus on the place of contemporary literary fiction of the highest quality in the cultural life of society. In this way, public benefit is derived from all the activities undertaken to support the Foundation's objectives.

Financial Review

Financial results for 2014

Total consolidated income in the year was £1,403,819 (£1,367,928 in 2013) comprising the sponsorship (taking into account the one off reduction of £225,000 to reflect the removal of the mutual break clause at 6 years), credits towards costs of £35,000 from the publishers of annual prize short-listed authors and interest of £6,213.

**The Booker Prize Foundation
Trustees' Report
For the year ended 31 December 2014**

The award of the main annual prize was £65,000 including the shortlist awards. Judges' fees and expenses incurred for the annual prize were £55,487 (£47,155 in 2013 when the judges incurred high travel costs) and for the international prize £32,120 (£72,874 in 2013; the 2014 reduction reflects that this was the first year of the biennial cycle when expenditure is lower). Other charitable donations and activities of the Foundation and Trading Company totalled £193,368 (£216,810 in 2013).

The cost of generating funds were £580,894 (2013 – £684,901) to leave a surplus for the year of £317,586 (2013 – £66,090). The consolidated cash position of £1,639,985 (2013 – £1,335,579) at the end of the year reflects the accumulated surplus and some working capital items. The funds are invested in cash deposits for the time being.

Reserves and Investment Policy

The policy of the trustees is to accumulate any surpluses for the time being so as to provide for any discontinuity in sponsorship of both prizes, taking into account the two year cycle of the international prize. The current reserves of £1,647,196 (2013 – £1,329,610) are now at the level of one year's income as determined under the new sponsorship agreement.

This build up of the reserves and investment income provides a prudent fund against unexpected problems in future years and some separate income, additional to the sponsorship, for other charitable activities.

Statement of Trustees' Responsibilities

The trustees (who are also directors of The Booker Prize Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and the group 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 financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Booker Prize Foundation
Trustees' Report
For the year ended 31 December 2014

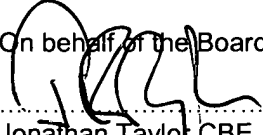
Auditors

The company's auditors, Kingston Smith LLP, have indicated their willingness to continue in office and offer themselves for reappointment at the next Annual General Meeting.

Small Company Rules

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

On behalf of the Board


.....
Jonathan Taylor CBE, Chairman

9 / 7 / 2015
Date:

Independent Auditors' Report to the Members of The Booker Prize Foundation

We have audited the financial statements of The Booker Prize Foundation for the year ended 31 December 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets and the related notes. 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 charitable 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 for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditors' report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Trustees' Responsibilities Statement, 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.

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 (including "APB Ethical Standard - Provisions Applicable for Small Entities (Revised)" in the circumstances set out in note 1 to the financial statements.

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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Annual Report 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 group's and the parent charitable company's affairs as at 31 December 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and from preparing a Strategic Report.


.....
Nicholas Brooks, Senior Statutory Auditor
for and on behalf of Kingston Smith LLP, Statutory Auditors

Devonshire House
60 Goswell Road
London EC1M 7AD
Date: 3/9/15

The Booker Prize Foundation
Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For the year ended 31st December 2014

	Note	Total 2014 £	Total 2013 £
Incoming resources			
<i>Incoming resources from generated funds</i>			
Activities for generating funds:			
Trading income from Booker Prize Trading Limited	4	1,397,606	1,366,338
Interest received		<u>6,213</u>	<u>1,590</u>
Total incoming resources		<u>1,403,819</u>	<u>1,367,928</u>
Resources expended			
<i>Costs of generating funds</i>			
Costs of trading activities		580,894	684,901
<i>Charitable expenditure</i>			
Cost of activities in furtherance of the charity's objects			
Man Booker Prize			
Prizes		65,000	65,000
Judges' fees and expenses		55,487	47,155
Administrator's fees and expenses		75,259	62,992
Man Booker International Prize			
Prizes		-	60,000
Judges' fees and expenses		32,120	72,874
Administrator's fees		19,151	18,308
International travel and expenses		4,867	11,752
Other charitable expenditure		9,560	12,263
Donations	5	193,368	216,810
Governance	2	<u>50,527</u>	<u>49,783</u>
Total resources expended		<u>1,086,233</u>	<u>1,301,838</u>
Net incoming resources for the year		317,586	66,090
Fund balance brought forward			
at 1st January 2014		<u>1,329,610</u>	<u>1,263,520</u>
Fund balance carried forward			
at 31st December 2014		<u><u>1,647,196</u></u>	<u><u>1,329,610</u></u>

All gains and losses arising are included in the statement of financial activities and arise from continuing activities

The notes on pages 13 to 15 form part of these financial statements.

The Booker Prize Foundation
Balance Sheet as at 31st December 2014

	Note	Group		Charity	
		2014 £	2013 £	2014 £	2013 £
Fixed assets					
Investments	7	-	-	1	1
Current Assets					
Debtors	8	114,815	72,859	811,056	671,927
Cash at bank and in hand		1,639,985	1,335,579	902,281	688,989
		1,754,800	1,408,438	1,713,337	1,360,916
Creditors: amounts falling due within one year	9	(107,604)	(78,828)	(71,142)	(36,307)
Net Current Assets		1,647,196	1,329,610	1,642,195	1,324,609
Total Net Assets		1,647,196	1,329,610	1,642,196	1,324,610
Funds					
Unrestricted funds		1,642,196	1,324,610	1,642,196	1,324,610
Non Charitable - trading funds		5,000	5,000	-	-
		1,647,196	1,329,610	1,642,196	1,324,610

These accounts have been prepared in accordance with the provisions of the Companies Act 2006, Part 15, relating to small companies and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the trustees, and authorised for distribution, on
and signed on their behalf by:



Jonathan Taylor CBE
Trustee

The notes on pages 13 to 15 form part of these financial statements.

Company number: 4213467

The Booker Prize Foundation

Notes to the Financial Statements

For the year ended 31st December 2014

1 Accounting Policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (2005) (SORP) "Accounting and Reporting by Charities", the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006 and paragraph 304 of the SORP.

Company status

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member.

Fund accounting

All funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the objects of the charity.

Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

All expenditure is accounted for on an accruals basis. Costs of generating funds are those costs directly related to the activities for the generation of funds. Governance costs are those costs incurred in compliance with constitutional and statutory obligations.

In accordance with the SORP donations are recognised in the accounting period in which the decision to make an award is made and communicated to the intended recipient. Amounts outstanding at the period end are included in creditors.

Fixed asset investments

The only investment held by the charity is that in its trading subsidiary and is included at cost. This is a deviation from the treatment prescribed by the SORP but is considered appropriate because market value is unlikely to be materially different.

2 Governance

	2014	2013
	£	£
Legal expenses	5,444	14,796
Audit fees* - current year	5,750	5,766
- prior year under provision	-	161
Company secretarial fees	26,945	25,047
Meetings & administration	3,973	1,860
Insurance	8,152	1,638
Bank charges	263	515
	<u>50,527</u>	<u>49,783</u>

* Audit fees of a further £4,060 (2013: £3,960) relating to the subsidiary, are included in costs of generating funds.

The Booker Prize Foundation
Notes to the Financial Statements
For the year ended 31st December 2014

3 Trustees

No remuneration was paid to any trustee for services as a trustee, this year or last. £456 was paid to 2 (2013: 2) Trustees as reimbursement of expenses (2013: £4,780). The charitable company incurred the cost of trustees indemnity insurance during this year and the previous year.

4 Trading subsidiary

The charity owns the entire issued share capital of Booker Prize Trading Limited, a company registered in England. The subsidiary carries out commercial activities which support the main function of the Foundation including the promotion of the Man Booker Prizes and the organisation of the award ceremonies. The subsidiary has undertaken to gift aid substantially all of its taxable profits to the charitable foundation. A summary of the results of the subsidiary is shown below:

	2014 £	2013 £
Turnover	1,397,606	1,366,338
Direct costs	<u>(569,551)</u>	<u>(601,006)</u>
Gross profit	828,055	765,332
Administration costs	(95,741)	(164,947)
Interest received	2,404	1,295
Gift aid payment to Booker Prize Foundation	<u>(734,718)</u>	<u>(601,680)</u>
Profit on ordinary activities for the year	-	-
Retained profit brought forward	<u>5,000</u>	<u>5,000</u>
Retained profit carried forward	<u><u>5,000</u></u>	<u><u>5,000</u></u>

The assets, liabilities and funds of the subsidiary were:

Assets	832,485	717,910
Liabilities	<u>(827,484)</u>	<u>(712,909)</u>
Capital and reserves	<u><u>5,001</u></u>	<u><u>5,001</u></u>

5 Donations

	2014 £	2013 £
Royal National Institute of Blind People	20,000	20,000
Designer Bookbinders	10,775	10,725
Cheltenham Literature Festival	5,000	5,000
University of East Anglia	11,285	11,907
Caine Prize for African Writing	-	30,000
National Literature Trust	80,000	75,000
Royal Society of Literature	10,000	3,750
University of London	5,000	-
Universities Programme	23,792	34,318
Libraries Project	22,450	19,398
Other (less than £5,000)	<u>5,066</u>	<u>6,712</u>
	<u><u>193,368</u></u>	<u><u>216,810</u></u>

The Booker Prize Foundation
Notes to the Financial Statements
For the year ended 31st December 2014

6 Taxation

All of the activities undertaken by the charity fall within the exemptions granted to charities by legislation.

7 Investments

The investments represent a £1 investment in the subsidiary company (note 4) which was acquired in 2002 and is shown at cost.

8 Debtors

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Amount due from subsidiary undertaking	-	-	791,022	670,388
VAT receivable	27,129	3,709	-	-
Other debtors	87,686	69,150	20,034	1,539
	<u>114,815</u>	<u>72,859</u>	<u>811,056</u>	<u>671,927</u>

9 Creditors: amounts falling due within one year

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Other creditors and accruals	107,604	78,828	71,142	36,307
	<u>107,604</u>	<u>78,828</u>	<u>71,142</u>	<u>36,307</u>

10 Related parties

D Irving, a director of Booker Prize Trading Limited, is also a director of Four Colman Getty which received PR and consultancy fees of £155,000 (£145,000 - 2013) for the Man Booker Prize and £82,000 (£50,000 - 2013) for the International Prize. Four Colman Getty also received £345,159 (£433,517 - 2013) from Booker Prize Trading Limited and £47,240 (£46,009 - 2013) from the Booker Prize Foundation for reimbursement of third party costs incurred. Income collected by Four Colman Getty and then credited to Booker Prize Trading Limited amounted to £35,000 (2013 - £35,000).

The aggregate of balances in respect of recharges to and from Four Colman Getty at the year end amounted to £1,490 (2013: £nil) being owed by Four Colman Getty and £nil (2013: £2,748) being owed to Four Colman Getty. These are reflected in the Balance Sheets of the Consolidated Accounts.

I Trewin, a late director of Booker Prize Trading Limited, in his role as literary director of the Man Booker Prizes, received fees of £54,584 (£52,750 - 2013), £10,674 (£10,576 - 2013) for reimbursement of expenses and £10,000 (£nil - 2013) as a bonus during the year.

The Booker Prize Foundation was due £734,718 (2013: £601,820) as a gift aid donation from Booker Prize Trading, its subsidiary, to be paid in 2015. This amount is still owing to the Booker Prize Foundation at the time of the audit.

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclosure transactions with group companies on the grounds that consolidated accounts are prepared by the ultimate parent company.

The Booker Prize Foundation
Charity Statement of Financial Affairs
For the year ended 31st December 2014

	Total 2014 £	Total 2013 £
Incoming resources		
<i>Incoming resources from generated funds</i>		
Activities for generating funds:		
Trading activity	55,904	55,654
Gift aid donation from subsidiary	734,718	601,680
Interest received	3,809	295
Total incoming resources	<u>794,431</u>	<u>657,629</u>
Resources expended		
<i>Charitable expenditure</i>		
Cost of activities in furtherance of the charity's objects		
Man Booker Prize		
Prizes	65,000	65,000
Judges' fees and expenses	55,487	47,155
Administrator's fees and expenses	75,259	62,992
Man Booker International Prize		
Prizes	-	60,000
Judges' fees and expenses	32,120	72,874
Administrator's fees	19,151	18,308
International travel and expenses	4,867	11,752
Other charitable expenditure	9,560	12,263
Donations	164,874	191,412
<i>Governance</i>	<u>50,527</u>	<u>49,783</u>
Total resources expended	<u>476,845</u>	<u>591,539</u>
Net incoming resources for the year	317,586	66,090
Fund balance brought forward at 1st January 2014	<u>1,324,610</u>	<u>1,258,520</u>
Fund balance carried forward at 31st December 2014	<u><u>1,642,196</u></u>	<u><u>1,324,610</u></u>

Trustees use only - not for publication

Booker Prize Trading Limited
Detailed Profit and Loss Account
For the year ended 31st December 2014

	2014 £	2014 £	2013 £	2013 £
Turnover		1,397,606		1,366,338
Direct costs				
Licence fees	55,904		55,654	
Man Booker Prize				
PR fee	155,000		145,000	
Meeting expenses	3,290		7,188	
Judges' Expenses	590		8,816	
Award dinner and other events	143,759		127,611	
Display, design and production	40,852		33,827	
Shortlist	24,359		25,826	
Web site costs	25,454		36,516	
Photography	-		2,060	
Man Booker International Prize				
PR fee	82,000		50,000	
Meeting expenses	4,929		3,058	
Award event	21,500		79,495	
Display, design and production	4,401		16,132	
Judges' and Finalists' Expenses	818		2,667	
Administrative expenses	6,695		7,156	
		(569,551)		(601,006)
Gross profit		828,055		765,332
Administration costs				
Bank charges	233		413	
Auditors' remuneration: current year	5,725		4,880	
Auditors' remuneration: in respect of prior year			(757)	
Administration costs	36,081		33,219	
Company secretarial fees	25,208		23,711	
Charitable activities: libraries	22,450		19,398	
Charitable activities: universities	6,044		6,000	
Charitable activities: eligibility changes	-		71,405	
Insurance	-		6,678	
		(95,741)		(164,947)
Operating profit		732,314		600,385
Interest received		2,404		1,295
Profit on ordinary activities before charitable payment		734,718		601,680

This page is for management information only and does not form part of the statutory financial statements.