BOOKER PRIZE TRADING LIMITED

Company No. 04394720

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31st DECEMBER 2015

BOOKER PRIZE TRADING LIMITED

Contents

BOOKER PRIZE TRADING LIMITED

Company Information

Directors	Christopher Pearce (Chairman) Dotti Irving Andrew Nairn Ion Trewin (deceased 8 April 2015) Sally Unwin Anthony Damer (appointed 9 November 2015)
Secretary	Evelyn Smith
Company Number	04394720
Registered Office	28 St James's Walk London EC1R 0AP
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD

Booker Prize Trading Ltd
Report of the Directors
For the year ended 31st December 2015

The directors submit their annual report and audited financial statements for the year ended 31st December

Activities

The company carries out the commercial activities of the Booker Prize Foundation, the company's parent company, a registered charity. These activities include the promotion of the Man Booker Prizes and the running of the award ceremonies.

Donations

The company makes a payment under gift aid and equal to the taxable surplus for the year, as a donation to The Booker Prize Foundation. The payment for 2015 is £763,243 (2014: £734,718).

Directors

The directors of the company throughout the year were as shown on page 1.

Auditors

Kingston Smith LLP have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

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. 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 the 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 judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that 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 of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the Board

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Christopher Pearce
Director

Date: 7 July 2016

Independent Auditors' Report to the Members of Booker Prize Trading Limited

We have audited the financial statements of Booker Prize Trading Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities), including Financial Reporting Standard 102.

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 migh state to the company's members those matters which we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor
As explained more fully in the Directors' Responsibilities Statement, the directors 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 (APB'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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially inconsistent 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 company's affairs as at 31 December 2015 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 Companies Act 2006.

Opinion on other matter 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
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 in preparing the directors' report and from preparing a Strategic Report.

Kingston Smith LLP

Nicholas Brooks (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Stautory Auditor

31/8/16

Devonshire House
60 Goswell Road
London

Booker Prize Trading Ltd
Profit and Loss Account
For the year ending 31st December 2015

	Note	2015 £	2014 £
Turnover	3	1,647,293	1,397,606
Cost of Sales		(679,206)	(569,551)
Gross Profit		968,087	828,055
Administrative Expenses		(205,118)	(95,741)
Operating profit	4	762,969	732,314
Interest receivable and similar income	10	274	2,404
Gift Aid payment to parent	5	(763,243)	(734,718)
Profit before taxation		-	-
Taxation		-	-
Profit for the financial year		-	-
Retained profit brought forward		5,000	5,000
Retained profit carried forward		5,000	5,000

All gains and losses arising are included in the profit and loss account and arise from continuing activities

The notes on pages 7 to 11 form part of these financial statements.

Booker Prize Trading Ltd
Balance Sheet as at 31st December 2015

	Note	2015 £	2014 £
Current assets			
Debtors falling due within one year	6	7,000	94,781
Cash at bank and in hand		1,030,710	737,704
		1,037,710	832,485
Creditors: amounts falling due within one year	7	(1,032,709)	(827,484)
Net current assets		5,001	5,001
Net Assets		5,001	5,001
Capital and Reserves			
Called up share capital	8	1	1
Profit and loss reserves		5,000	5,000
Total Equity		5,001	5,001

The notes on pages 7 to 11 form part of these financial statements.

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

Approved by the board and authorised for issue on 7 July 2016 and are signed on its behalf by:

Christopher Pearce
Director

Company Number: 04394720

Booker Prize Trading Ltd
Statement of Cash Flows
For the year ended 31st December 2015

	Note	2015 £	2014 £
Cash flows from operating activities			
Cash generated from operations	14	293,006	91,114
Net cash inflow from operating activities		293,006	91,114
Net increase in cash and cash equivalents		293,006	91,114
Cash and cash equivalents at beginning of year		737,704	646,590
Cash and cash equivalents at end of year		1,030,710	737,704

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006. This is the first set of financial statements prepared under FRS102 . The date of transition is 1 January 2014. There have been no adjustments to net assets on the transition to FRS102.

1.2 Going concern

The directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the company to continue as a going concern. The directors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the directors have considered the company's forecasts and projections and have taken account of pressures on sponsorship income. After making enquiries the directors have concluded that the financial statements are prepared on a going concern basis and have reasonable expectation that the company will continue operational existence for the forseeable future.

1.3 Income and expenditure

Income and expenditure are generally accounted for on an accruals basis.

1.4 Turnover

Turnover, which excludes VAT, represents the value of sponsorship and other services provided.

1.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

1 Accounting policies

1.6 Financial instruments (continued)

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Taxation

The tax expenses represents the sum of the tax currently payable.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.8 Consolidiated Financial Statements

The company is a wholly owned subsidiary of The Booker Prize Foundation, a registered charity and is included in the consolidated financial statements of The Booker Prize Foundation which are publicly available. Therefore the company is exempt by section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

2 Judgements and key sources of estimation uncertainty

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the directors in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Booker Prize Trading Ltd
Notes to the Financial Statements
For the year ended 31st December 2015 (Continued)

3 Turnover

An analysis of the company's turnover is as follows:

	2015	2014
	£	£
Sponsorship Income	1,613,293	1,362,606
Publishers credit	35,000	35,000
Other Income	(1,000)	-
	1,647,293	1,397,606

4 Operating profit

	2015	2014
	£	£
Operating profit is stated after charging:		
Audit fees - Current Year	4,160	4,060
- Non-audit services	780	765

5 Charitable payment

The company has agreed to make a payment each year equivalent to the excess of taxable income over expenditure for each year to the extent that distributable reserves are available to The Booker Prize Foundation, a registered charity.

6 Debtors

	2015	2014
	£	£
Other debtors	7,000	94,781

7 Creditors: amount falling due within one year

	2015	2014
	£	£
Amount owed to parent undertaking	828,535	791,022
Other creditors and accruals	204,174	36,462
	1,032,709	827,484

8 Share capital

	2015	2014
	£	£
Authorised: 100 ordinary shares of £1 each	100	100
Called up and fully paid: 1 ordinary share of £1 each	1	1

9 Financial Instruments

	2015	2014
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	7,000	94,781
Carrying amount of financial liabilities		
Measured at amortised cost	204,174	36,462

10 Interest receivable and similar income

	2015	2014
	£	£
Interest on bank deposits	274	2,404

11 Controlling party

The ultimate controlling party is The Booker Prize Foundation, a charity (Charity No. 1090049) and company (Company No. 04213467) registered in England and Wales. Copies of the group accounts may be obtained from the registered office.

12 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 £160,000 (2014 - £155,000) for the Man Booker Prize and £83,000 (2014 - £82,000) for the Man Booker International Prizes and £42,000 (2014 - £nil) for other activities. Four Colman Getty also received £465,431 (2014 - £345,159) from Booker Prize Trading Limited for the re-imbursement of third party costs incurred. Of these costs £18,350 (2014 - £nil) related to a memorial service which celebrated the contribution of Ion Trewin over many years to the Man Booker Prizes. In addition to this, Four Colman Getty received £133,045 (2014 - £47,240) from the Booker Prize Foundation for re-imbursement of third party costs incurred. Income collected by Four Colman Getty and then credited to Booker Prize Trading Limited amounted to £35,000 (2014 - £35,000).

The aggregate of balances in respect of recharges to and from Four Colman Getty at the year end amounted to £nil (2014: £1,490) being owed by Four Colman Getty and £78,004 (2014: £nil) being owed to Four Colman Getty. These are reflected in the Balance Sheets of the Consolidated Accounts.

I Trewin, a director of Booker Prize Trading Limited who died in April 2015, in his role as Literary Director of the Booker Prize Foundation, received fees of £5,833 (£54,584 - 2014), £1,264 (£10,674 - 2014) for reimbursement of expenses, and a bonus of £nil (£10,000 - 2014) during the year and from Booker Prize Trading Limited a payment of £10,000 (2014 - £nil) in connection with termination of employment by reason of disability/death.

The Booker Prize Foundation was due £763,243 (2014: £734,718) as a gift aid donation from Booker Prize Trading, its subsidiary, to be paid in 2016. This amount is still owing to the Booker Prize Foundation at the time of the audit.

Anthony Damer, a director of Booker Prize Trading Limited provided bookkeeping and accountancy support services during the year for a total fee of £2,250 (2014: £nil).

The company has taken advantage of the exemption in Financial Reporting Standard 102 from the requirement to disclosure transactions with group companies on the grounds that consolidated accounts are prepared by the ultimate parent company.

13 Remuneration of key management personnel

The remuneration of key management personnel is as follows:

	2015 £	2014 £
Aggregate compensation	27,500	25,000

14 Cash generated from operations

	2015 £	2014 £
Profit for the year	-	-
Movements in working capital		
Decrease/(increase) in debtors	87,781	(23,461)
Increase in creditors	205,225	114,575
Cash generated from operations	293,006	91,114