
EDINBURGH BOOKSELLERS' SOCIETY LIMITED

(A company limited by guarantee)

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

**COMPANIES HOUSE
EDINBURGH**

01 JUL 2019

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EDINBURGH BOOKSELLERS' SOCIETY LIMITED

(A company limited by guarantee)
REGISTERED NUMBER: SC000879

**BALANCE SHEET
AS AT 31 MARCH 2019**

	Note	2019 £	2018 £
Fixed assets			
Investments	6	13,500,767	12,950,918
		<u>13,500,767</u>	<u>12,950,918</u>
Current assets			
Debtors: amounts falling due within one year	7	206	-
Cash at bank and in hand	8	30,643	21,720
		<u>30,849</u>	<u>21,720</u>
Creditors: amounts falling due within one year	9	(19,699)	(59,042)
Net current assets/(liabilities)		<u>11,150</u>	<u>(37,322)</u>
Total assets less current liabilities		<u>13,511,917</u>	<u>12,913,596</u>
Provisions for liabilities			
Deferred tax	10	(578,030)	(533,550)
		<u>(578,030)</u>	<u>(533,550)</u>
Net assets		<u>12,933,887</u>	<u>12,380,046</u>
Capital and reserves			
Profit and loss account		12,933,887	12,380,046
		<u>12,933,887</u>	<u>12,380,046</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

EDINBURGH BOOKSELLERS' SOCIETY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: SC000879

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

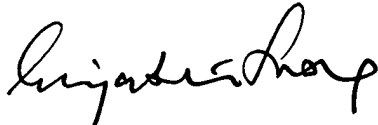
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

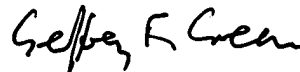
The financial statements were approved and authorised for issue by the board and were signed on its behalf on

25th June 2019

E A Strong
Director



G F Green
Director



The notes on pages 3 to 8 form part of these financial statements.

EDINBURGH BOOKSELLERS' SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. General information

Edinburgh Booksellers' Society Limited is a company limited by guarantee incorporated in Scotland. Its registered office is 7 Exchange Crescent, Conference Square, Edinburgh, EH3 8AN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Income from investments

Investment income comprises dividends receivable during the accounting period on listed and unlisted investments and gross interest receivable. Investment income is recognised when receivable. Also included are realised and unrealised gains/losses on investments.

2.3 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.4 Annuities

An actuarial review of the funds of the Society is carried out every three years and the actuary makes recommendations on changes to the amounts of annuities to be paid to members qualifying by reason of age and to widows of members. Annuities are payable half yearly in advance on 15 April and 15 October.

2.5 Valuation of investments

Investments in listed company shares are remeasured to market close at the valuation date. All realised and unrealised gains and losses on remeasurement are recognised in profit or loss for the period.

All realised and unrealised gains and losses on investments are recognised as net capital gains/(losses) in the Statement of Total Return. Unrealised gains and losses comprise changes in the fair value of investments for the period and from reversal of prior period's unrealised gains and losses for investments which were realised in the accounting year. Realised gains and losses represent the difference between an instruments' initial carrying amount and disposal amount.

A proportion of brokers' fees are included in the calculation of realised gains or losses on the disposal of investments.

EDINBURGH BOOKSELLERS' SOCIETY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.6 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

EDINBURGH BOOKSELLERS' SOCIETY LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Turnover

Turnover includes a change in fair value of £532,546 (2018: £(239,641)) which comprises realised gains of £389,476 (2018: £738,772) and unrealised gains of £179,032 (2018:unrealised losses £941,499). The realised gains and losses represent the difference between an investments' initial carrying amount and disposal proceeds less a proportion of brokers' fees.

Also included in turnover is dividend income and bank interest receivable.

4. Other operating income

	2019 £	2018 £
Members' subscriptions	1,125	4,578
	<u>1,125</u>	<u>4,578</u>

5. Employees

The average monthly number of employees, including directors, during the year was nil (2018 - nil).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. Fixed asset investments

	Listed investments £	Cash held £	Total £
Cost or valuation			
At 1 April 2018	12,381,349	569,569	12,950,918
Additions	2,288,281	-	2,288,281
Disposals	(2,096,334)	-	(2,096,334)
Revaluations	179,032	-	179,032
Movement in cash	-	178,870	178,870
At 31 March 2019	<u>12,752,328</u>	<u>748,439</u>	<u>13,500,767</u>
Net book value			
At 31 March 2019	<u>12,752,328</u>	<u>748,439</u>	<u>13,500,767</u>
At 31 March 2018	<u>12,381,349</u>	<u>569,569</u>	<u>12,950,918</u>

Listed investments are included at market value. The original cost of these investments was £8,789,614 (2018: £8,574,050).

The cash of £748,439 at 31 March 2019 (2018: £569,569) is committed for re-investment.

In addition, the Society owns a painting which is not included above, but which has been valued by the directors for insurance purposes at £50,000 (2018: £40,000).

7. Debtors

	2019 £	2018 £
Prepayments and accrued income	206	-
	<u>206</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

8. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	30,643	21,720
	<u>30,643</u>	<u>21,720</u>

9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Corporation tax	-	38,201
Other taxation and social security	1,039	715
Other creditors	18,660	20,126
	<u>19,699</u>	<u>59,042</u>

10. Deferred taxation

	2019 £	2018 £
At beginning of year	533,550	729,912
Charged/(credited) to profit or loss	44,480	(196,362)
At end of year	<u>578,030</u>	<u>533,550</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Deferred tax on share portfolio	578,030	533,550
	<u>578,030</u>	<u>533,550</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

11. Company status

The company is a private company limited by guarantee and consequently does not have share capital. The amount to be guaranteed by each member of the society in the event of its being wound up while he is a member, or within one year thereafter, is £10.

12. Related party transactions

The officers of the Society are also members, and those officers over retirement age who received annuities under the Society's rules during their period of appointment were as follows:

	2019 £	2018 £
W K Campbell	19,998	19,175
G F Green	19,998	19,175
P M MacKenzie	19,998	19,175
E A Strong	19,998	19,175
	<u>79,992</u>	<u>76,700</u>

Two of the directors, G F Green and G S Waterston, received honoraria for their work as Treasurer and Secretary of £9,500 and £6,250 respectively (2018 - £8,500 and £6,250). They were also reimbursed expenses of £275 and £15 respectively (2018: £254 and £nil).