

## SUBSCRIPTION RULES 2019

Subscriptions must be paid on the member's total applicable turnover. Relevant turnover is defined on page 2. Companies acquired in the course of the previous year should be included in the total turnover declared.

Subscription is calculated on a scale based on the band in which the member's turnover falls, calculated as either a fixed fee for membership in bands 1 - 3 or a minimum payable on turnover up to the bottom of the band plus an increment payable per £1,000 of turnover (or part thereof) over the bottom of the band. Subscription rates for 2019 are:-

<u>Band</u>	<u>Turnover in last financial year</u>	<u>Minimum</u>	<u>Rate per £1,000 of turnover over bottom of band</u>	
1	Up to £250,000	£250	N/A	
	£250,001 - £500,000	£495	N/A	
	£500,001 - £1,000,000	£995	N/A	
	£1,000,001 - £2,500,000	£1,995	N/A	
2	£2.5m. - £4.5m.	£3,085	N/A	
3	£4.5m. - £9m.	£5,145	N/A	
4	£9m. - £18m.	£14,740	£0.945	and pro rata
5	£18m. - £34m.	£23,257	£0.675	and pro rata
5a	Over £34m.	£34,072	£0.460	and pro rata

NB (1): 50% discount on learned journal turnover – excludes publishers in band 1 - 3

NB (2): All subscriptions are subject to VAT

## Qualification for Membership

Membership of the PA is open to enterprises which the Council deem to be *bona fide* publishers of books, journals or electronic publications in the United Kingdom.

Divisional membership: Members may opt to join one or more of the divisions of the PA: the Trade Publishers Council, the Educational Publishers Council, and the Academic and Professional Division, without additional payment. Membership of the International Division is automatic.

Cessation of membership: A member who has not notified the PA in writing by 30 September of the preceding year of its wish to resign from the Association remains liable for the coming year's subscription.

Consolidation of turnover: Companies in the same group (as defined for accounting purposes in the Finance Acts) are entitled to consolidate their turnover for subscription purposes. When subscriptions are consolidated in this way, only the company which actually pays the subscription is entitled to vote at a General Meeting or in an election.

Membership of publishing groups: The Memorandum and Articles of Association provide that, except as may be determined otherwise by the Council in any particular case, all the associated parts of any company or group which the Council considers to be under common control, and which are eligible for membership, must be in membership of the PA.

In exercising its discretion under this paragraph, the Council normally requires that companies which are required to consolidate their accounts by the appropriate legislation shall be regarded as being under common control, but exceptions may be made for companies in a group that do not have common management links between them.

Disputes: In the event of a dispute about membership requirements, the decision of a sub-committee of Council appointed for this purpose is final.

## **Financial year for subscription purposes**

For subscription purposes, the financial year in respect of which turnover must be declared is the member's accounting year that terminated during the twelve months to the end of September 2018.

## **Definition of turnover**

For the purpose of calculating subscription, the turnover that must be declared is that resulting from:-

- **Book sales:** Home and export sales by member companies (including sales to overseas offices, subsidiary companies and agents) of books, learned journals, ebooks, audiobooks, book related materials, including audio-visual aids, software, and electronic publications; book and/or printed sheet sales to book clubs, other publishers (including foreign publishers), etc.; remainders and all other special sales; packaging activities.
- **Sublease Income:** this includes the publisher's share of all income deriving from subleasing of volume, electronic and reprographic rights<sup>1</sup>.
- **Learned Journals:** for subscription purposes, a learned journal is defined as one that exists mainly to publish the results of original research, discussion, analytical papers and associated materials, such as reviews and the current state of subject knowledge, for academic or other scholarly readership and whose primary source of revenue is not the sale of advertisement space.
- **Electronic publications** (including software)

## **VAT**

Subscriptions are liable to VAT at the standard rate.

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<sup>1</sup> Paperback rights; book club rights; special editions (e.g. educational, large print, library); extract, anthology and quotation; digest; one-shot; second serial; picturisation; right of entry into publisher's market; translation rights; mechanical reproduction and reprographic rights; electronic and software publishing rights