

national talking newspapers and magazines

Part of **RNIB** **Group**

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Annual Report

**The Talking Newspaper Association of the
United Kingdom**

(Limited by Guarantee)

Year ended 31st March 2013

Registered No. 01973092
Registered Charity No. 293656

The Talking Newspaper Association of the United Kingdom

(Limited by Guarantee)

Registered No. 01973092

There are over a million people in the UK with visual impairment, and many more who find reading a strain because of a physical disability. Our aim is to provide all visually impaired and disabled people access to the same choice of newspapers, magazines and other information as sighted people have in print.

"I thought losing my sight meant losing my reading" "NTNM brings the local newsagent right into my living room" "I love reading on my way to work" "The people who read the magazines are fantastic" "The service is lovely if you are lonely" "It's a life saver"

The Talking Newspaper Association of the UK wishes to thank
the following major donors to the Association
in the Financial Year ended 31st March 2013

HB Allen Charitable Trust
Anson Charitable Trust
Roy and Pixie Baker Charitable Trust
Lord Barnby's Foundation
H & A Bridges Charitable Trust
Chapman Charitable Trust
Charlotte Bonham-Carter Charitable Trust
Helen Jean Cope Charity
Felix Dennis
The Dickon Trust
Eveson Charitable Trust
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Hugh Fraser Foundation
Friarsgate Trust
The Worshipful Company of Grocers
Robert and Evelyn Maud Hall Charitable Trust
Harebell Centenary Fund
The Harapan Trust
The C L Hill Trust

Jane Hodge Foundation
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Ernest Kleinwort Charitable Trust
Leathersellers Charitable Fund
John Lewis Partnership
George A Moore Foundation
Peacock Charitable Trust
Dowager Countess Eleanor Peel Trust
PF Charitable Trust
Rowan Charitable Trust
Saints and Sinners Trust
The Scotshill Trust
Michael Shanly Trust
The Jessie Spencer Trust
Miss Doreen Stanford Trust
W O Street Charitable Foundation
The Tolkien Trust
RD Turner Charitable Trust
The Ulverscroft Foundation
Zochonis Charitable Trust

Also various major donations from trusts who wish to remain anonymous.

national talking newspapers and magazines

Part of RNIB Group

Financial Statements
For the year ended 31st March 2013

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The Talking Newspaper Association of the United Kingdom

(Limited by Guarantee)

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Report of the Trustees For the year ended 31st March 2013

The trustees present their report and the audited financial statements for the year ended 31st March 2013.

Reference and administrative details

The Talking Newspaper Association of the United Kingdom is incorporated under the Companies Act 2006 (number 01973092) and registered under the Charities Act 2011 (number 293656).

The financial statements comply with current statutory reporting requirements, the memorandum and articles and the Statement of Recommended Practice "Accounting and Reporting by Charities" (March 2005).

Trustees

L-A. Alexander

C. Davis (Resigned 21/2/2013)

K. Hickey

M. Meredith

J. Waddell

L. Boase

P. Driver Chairman

N. McLachlan

I. Porat

I. Yule

Chief Executive

J. Kerby

Registered Office

10 Browning Road

Station Road Industrial Estate

Heathfield

East Sussex TN21 8DB

Company Secretary

A. Ledward

Statutory Auditors

Clark Brownscombe Limited

2 St Andrews Place

Lewes

East Sussex BN7 1UP

Solicitors

J.M. Rix and Kay

The Courtyard, River Way

Uckfield

East Sussex TN22 1SL

Bankers

Unity Trust Bank plc

Nine Brindleyplace

4 Oozells Square

Birmingham B1 2HB

The Charities Aid Foundation

Kings Hill

West Malling

Kent ME19 4TA

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Report of the Trustees

For the year ended 31st March 2013 (continued)

Structure, governance and management

The charity is a U.K. company limited by guarantee and not having a share capital. It is governed by its Articles of Association which were last amended on 1st February 2010. Its objective is to provide information in an accessible form for those unable to read printed text.

On 1st February 2010 the Royal National Institute of Blind People (RNIB), registered charity number 226227 and incorporated under Royal Charter in 1949 with a Supplemental Charter in 1993 (revised in 2002), became the sole member of this charity. This charity is therefore a member of the RNIB Group. An Association Agreement was signed with RNIB on 3rd February 2010 and this agreement governs the relationship between the two charities. The Association Agreement will end on 30th June 2013 when all the activities, assets and liabilities of the charity will be transferred into RNIB. The National Talking Newspapers and Magazines service will continue as an integral part of the services provided by RNIB.

Trustees

The trustees of the Association during the year are as set out above. The Board of trustees is the voluntary body appointed by the member to oversee the management of the Association. The trustees are also the directors for the purposes of company legislation. The trustees are appointed for a three year term which may be renewed.

New trustees are provided with information on the legal and financial background of the charity together with demonstrations of the services provided by the charity. Appropriate training is made available to all trustees when required including inhouse technical demonstrations and training relating to service developments.

Organisation

The board of trustees meets every two months to administer the charity. A part time Chief Executive, John Kerby, oversees the day to day management of the charity.

The charity has a wholly owned subsidiary, Talking Newspaper Enterprises Limited (company number 02189461). The subsidiary was inactive in this period.

Objectives and activities

The Talking Newspaper Association has the long term objective of giving people who are unable to read normal print, because of visual and physical impairment, access to a wide range of newspapers and magazines.

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Report of the Trustees

For the year ended 31st March 2013 (continued)

The principal activity of the charity is to provide newspapers, magazines and information in accessible forms using audio recordings and electronic text for the benefit of visually impaired and disabled people.

National newspapers and magazines are recorded digitally by the Association at its National Recording Centre at Heathfield in East Sussex. In total around 1 million audio recordings of over 185 major national publications are distributed annually to over 5,000 people, primarily on CD and cassette tape. A DAISY audio service is available using this specialised compressed speech format on CD, compatible with the players used by the RNIB Talking Books service, and compressed speech files of the studio recordings can also be downloaded from our website.

A growing range of publications are also distributed in electronic text by email and website for use with computer speech synthesis software. New methods of distributing information are being developed as changes in technology create new opportunities.

Subscribers pay a subsidised subscription for these services.

The cassette tapes and CDs are distributed free by the Royal Mail under the Articles for the Blind concession. The Association receives no grants from government bodies. Through RNIB Group it relies on voluntary donations and monies raised through fundraising activities, applying for grants and donations from individuals, companies and charitable trusts and encouraging legacy donations, to meet the major part of the operating costs.

Over 200 volunteers play a significant role in the recording of publications, assisting at all stages of the production process and providing most of the voices. The value of this contribution is estimated to exceed £250,000 and without this continued support the service would not be able to operate.

Services which are similar to this subscription service are provided to businesses, other charities and public bodies, under the name of Soundtalking. This activity enables more information to be made accessible for visually impaired and blind people.

Public Benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit". The activities of the charity described in this report contribute directly towards achieving the stated objective of the charity and deliver a public benefit as stated below. All these activities contribute to the

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Report of the Trustees For the year ended 31st March 2013 (continued)

overall aim of giving people who are unable to read normal print the same choice of information and entertainment as those able to read printed material.

The unique service enables visually impaired people to access information and entertainment that would otherwise not be available to them. No equivalent charitable or commercial service for national media is available but we know from the comments of subscribers that the talking newspapers and magazines make a real difference to the lives of visually impaired people. The charity aims to make its service available to everyone who could benefit from it, eligibility is limited only by the requirement for a disability that prevents normal reading.

Fees charged are set at a low level and bursaries made available to those of limited means, thanks to the generous support of charitable trusts, to ensure that the service can be available to all who wish to receive it.

Achievements and performance

The charity has managed to maintain and improve the extensive service of audio and electronic versions of newspapers and magazines despite a continuing difficult financial position. The volume and speed of production remain an impressive achievement for a charity with very limited resources. Improvements to the services are continually being developed to take advantage of the opportunities arising from new technology.

The number of subscribers has continued to decline, reflecting a trend experienced by many organisations serving blind people. However the planned merger of the service within RNIB offers the opportunity become part of an integrated reading service reaching more blind people.

Financial review

The consolidated statement of financial activities for the year is set out on page 11. The subscriptions from individuals and organisations receiving services are the key element of the income of the charity. This income is supplemented by voluntary donations and grants, channelled through RNIB, from a variety of sources and primary purpose trading income.

The Association agreement with RNIB provides a promise of support and underwrites the voluntary income of the charity to give a fixed level of income. This arrangement places the charity in a more secure financial position. The costs of providing services by the charity have been tightly controlled to reflect the limited reserves and uncertain income.

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Report of the Trustees For the year ended 31st March 2013 (continued)

Reserves Policy

The aim of Trustees is to manage the level of reserves in line with the overall policy for the RNIB Group. The level of free reserves, excluding restricted and designated funds, is calculated annually on the basis of the financial impact of the current risks facing the RNIB Group.

The Trustees have reviewed the main risks facing the charity which reflect the current very difficult economic climate and impact of rapid changes in technology on the services provided by the charity. The Trustees agreed last year that the level of reserves required to manage these risks was £157,000.

The transfer of the services, assets and liabilities at 30th June 2013 means that the reserves at that point will be transferred to RNIB to become part of the overall reserves of that charity to be managed in accordance with the overall policy for the RNIB Group.

The current level of unrestricted reserves in this charity is £152,236 (2012: £159,349).

Plans for the future

The services, assets and liabilities of the charity will be transferred into RNIB on 30th June 2013 to become part of a new division focussing on accessible services. The key objective of the Trustees is to ensure that this restructuring will work towards increasing the number of subscribers benefiting from the service.

This aim directly contributes towards the overall mission of RNIB Group to challenge blindness by empowering people who are blind or partially sighted, removing the barriers they face and helping to prevent blindness.

The high fixed costs involved with providing audio recordings and full text files mean that an increase in subscribers will also increase the regular income of the Group and reduce the reliance on voluntary income.

Risk management

A review of the major risks to which the charity is exposed focused on the difficulty of reaching people who could benefit from the service, the impact of changing technology and the control of costs together with a detailed review of Health and Safety matters. This risk review highlighted the importance of using the resources of all of RNIB Group.

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Report of the Trustees For the year ended 31st March 2013 (continued)

Trustees' interests in shares of the company

The Association is a company limited by guarantee and none of the trustees held beneficial interests in the company at 31st March 2013, or at any time during the year. Lesley-Anne Alexander and Keith Hickey are employed by RNIB, the sole member of the company.

Statement of trustees' responsibilities for the financial statements

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees 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 trustees 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 Charity and the group and the incoming resources and application of resources, including the net income or expenditure of the group for the year. In preparing those financial statements, the Trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and the group and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and irregularities.

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Report of the Trustees For the year ended 31st March 2013 (continued)

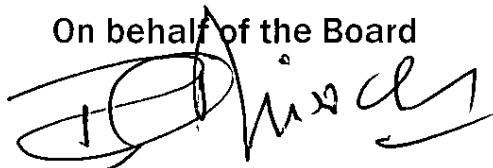
Statement as to disclosure of information to Auditors

So far as the trustees 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 all trustees has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Exemption Statement

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

On behalf of the Board



Peter Driver
Chairman

Registered office:
10 Browning Road
Station Road Industrial Estate
Heathfield
East Sussex TN21 8DB
Date: 21st June 2012

The Talking Newspaper Association of the United Kingdom

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE TALKING NEWSPAPER ASSOCIATION OF THE UNITED KINGDOM (LIMITED BY GUARANTEE)

We have audited the group and charity financial statements ('the financial statements') of The Talking Newspaper Association of the United Kingdom for the year ended 31st March 2013 as set out on pages 11 to 23. 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).

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 so that we might state to the charitable company's members those matters 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 anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the Directors of The Talking Newspaper Association of the United Kingdom for the purpose of Company law) are responsible for preparing 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.

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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE TALKING NEWSPAPER ASSOCIATION OF THE UNITED KINGDOM (LIMITED BY GUARANTEE) (continued)

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. 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 charity's affairs as at 31st March 2013 and of its incoming resources and application of resources, including its income and expenditure 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 Companies Act 2006.

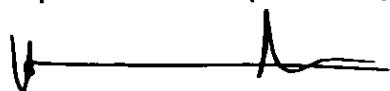
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual 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 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made;
- 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' Annual Report.



21/6/2013

V.M.R. Anderson (Senior Statutory Auditor)
for and on behalf of Clark Brownscombe Limited
Chartered Accountants & Statutory Auditors
2 St Andrews Place,
Lewes, East Sussex BN7 1UP

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Group Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31st March 2013

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 31st March 2013 £	Total Funds 31st March 2012 £
Incoming resources					
From generated funds					
Voluntary income					
- Grants		459,660	6,500	466,160	450,000
Income from trading activities	3	27,022	0	27,022	38,766
Investment income		179	0	179	123
From charitable activities					
- National Talking Newspapers and Magazines	2	249,945	0	249,945	270,875
- Soundtalking	2	230,183		230,183	227,162
Other incoming resources					
Sundry income		0	0	0	421
Total incoming resources		<u>966,989</u>	<u>6,500</u>	<u>973,489</u>	<u>987,347</u>
Resources expended					
Costs of generating funds					
Fundraising		0	0	0	36
Costs of trading activities		14,769	0	14,769	14,692
Charitable activities					
Production of talking newspapers		725,455	4,499	729,954	741,136
Costs of Soundtalking		198,698		198,698	198,250
Governance costs	8	20,829	0	20,829	21,721
Other resources expended					
Interest payable	4	14,351	0	14,351	15,009
Total resources expended	8	<u>974,102</u>	<u>4,499</u>	<u>978,601</u>	<u>990,844</u>
Net incoming /(outgoing) resources for the year		-7,113	2,001	-5,112	-3,497
Total funds brought forward		<u>159,349</u>	<u>18,338</u>	<u>177,687</u>	<u>181,184</u>
Total funds carried forward		<u>152,236</u>	<u>20,339</u>	<u>172,575</u>	<u>177,687</u>

The notes on pages 14 to 23 form part of these financial statements.

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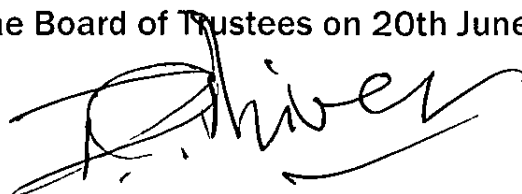
Balance Sheet as at 31st March 2013

		Group 2013 £	Group 2012 £	Charity 2013 £	Charity 2012 £
FIXED ASSETS:					
Tangible fixed assets	9	380,896	394,670	380,896	394,670
Investments	10	0	0	100	100
		<u>380,896</u>	<u>394,670</u>	<u>380,996</u>	<u>394,770</u>
CURRENT ASSETS:					
Stock		18,273	17,410	18,273	17,410
Debtors	11	45,474	62,170	45,474	62,170
Cash at bank and in hand	12	96,358	82,642	96,358	82,642
		<u>160,105</u>	<u>162,222</u>	<u>160,105</u>	<u>162,222</u>
LIABILITIES:					
Creditors: Amounts falling due within one year	13	<u>163,618</u>	<u>166,339</u>	<u>163,718</u>	<u>166,439</u>
Net current liabilities		-3,513	-4,117	-3,613	-4,217
Total assets less current liabilities		<u>377,383</u>	<u>390,553</u>	<u>377,383</u>	<u>390,553</u>
Creditors: Amounts falling due after more than one year	14	204,808	212,866	204,808	212,866
Net assets		<u>172,575</u>	<u>177,687</u>	<u>172,575</u>	<u>177,687</u>
REPRESENTED BY:					
Unrestricted Funds	19	152,236	159,349	152,236	159,349
Restricted Funds	20	20,339	18,338	20,339	18,338
		<u>172,575</u>	<u>177,687</u>	<u>172,575</u>	<u>177,687</u>

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

Approved on behalf of the Board of Trustees on 20th June 2013.

Peter Driver Chairman



The notes on pages 14 to 23 form part of these financial statements

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Group Cashflow Statement for the year ended 31st March 2013

	2013	2012
	£	£
Operational Cashflows		
Incoming Resources		
Receipts from voluntary income	466,160	450,000
National Talking Newspapers and Magazines	239,556	260,056
Soundtalking	245,107	212,168
Other incoming resources	179	544
Trading income	27,022	38,766
Taxation	-2,212	-61
	<u>975,812</u>	<u>961,473</u>
Resources Expended		
Payments for goods and services	-227,148	-240,663
Payment for Soundtalking goods	-136,968	-122,629
Payments for trading goods	-14,769	-14,692
Payments for employees	-557,523	-564,019
	<u>-936,408</u>	<u>-942,003</u>
Net cashflow from operating activities	<u>39,404</u>	<u>19,470</u>
Capital expenditure		
Purchase of fixed assets	-17,630	0
Long term mortgage loan	-8,058	-7,845
Movement in cash balances	<u>13,716</u>	<u>11,625</u>
Management of Liquid Resources		
Bank and cash balances	<u>13,716</u>	<u>11,625</u>
Reconciliation between net resources and net cash flow from operating activities		
Net Resources from		
Statement of Financial Activities		
	-5,112	-3,497
Change in stock	-863	9,942
Change in debtors	16,696	-14,625
Change in creditors	-2,721	-3,904
Depreciation charged	21,411	24,978
Loss on disposal of fixed assets	9,993	6,576
Net cashflow from operating activities	<u>39,404</u>	<u>19,470</u>

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Notes to the financial statements For the year ended 31st March 2013

1. GROUP FINANCIAL STATEMENTS

These financial statements consolidate the results of the charity and its wholly owned subsidiary Talking Newspaper Enterprises Limited on a line by line basis. A separate Statement of Financial Activities or Income and Expenditure Account for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of the Statement of Recommended Practice "Accounting and Reporting by Charities" (March 2005). The charity's deficit for the year was £5,112 (2012: £3,497) and gross income £973,489 (2012: £987,347).

2. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the most important accounting policies, which have been applied consistently, are set out below.

a) Basis of accounting

The financial statements have been prepared in accordance with the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. In addition they have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (March 2005).

b) Membership income

Membership income is recognised on an accruals basis whereby income relating to a future accounting period is shown as deferred income and is credited to income in the year to which it relates so as to match it with future costs.

c) Donations

Donations represent cash and gifts in kind received from corporate, other bodies and individuals and are recognised on a receipts basis. The related income tax recoverable is included in the same period.

d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable objectives. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

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Notes to the financial statements

For the year ended 31st March 2013 (Continued)

e) Fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a reducing balance basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Recording studios	10%	Fixtures and fittings	10%
Office equipment	25%	Computer equipment	33%
Recording equipment	25%		

Amortisation of improvements to leasehold property is on a straight line basis over the period of the current lease. Freehold buildings are depreciated on a straight line basis over a period of 50 years.

f) Finance and operating leases

Costs in respect of operating leases are charged on a straight line basis over the lease term. Where fixed assets are financed by leasing agreements which transfer to the company substantially all the benefits and risks of ownership, the assets are treated as if they had been purchased outright and are included in tangible fixed assets.

g) Stock

Stock is valued at the lower of cost and net realisable value.

h) Pension costs

The company operates a group personal pension scheme. The pension cost represents contributions payable by the company to the scheme together with administration charges and is shown in note 5 below.

i) Restricted Funds

Grants or donated funds received for a particular purpose specified by the donor are allocated to restricted funds in the financial statements and only costs relating to that particular purpose are charged to that fund. All other funds are unrestricted and may be used by the trustees for any purpose within the aims of the charity. Unrestricted funds may be designated by the trustees for a specific purpose but the trustees can remove or alter this designation if they wish.

3. NET INCOME FROM TRADING ACTIVITY OF SUBSIDIARY

The Charity has a subsidiary, Talking Newspaper Enterprises Limited, which is incorporated in Great Britain. Its principal activities were the recording and sale of audio productions to major institutes, companies and other organisations and the sale of promotional goods. This trading was transferred to the charity on 31st March 2011 and the company is now dormant. Financial statements will be filed with the Registrar of Companies.

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Notes to the financial statements For the year ended 31st March 2013 (Continued)

The assets and liabilities of the subsidiary were:

Assets	100	100
Creditors: amounts falling due within one year	0	0
	<u>100</u>	<u>100</u>
Aggregate share capital and reserves	<u>100</u>	<u>100</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Group		Charity	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	£	£	£	£
Interest payable on sums; Repayable within five years, not by instalments				
In charity	9,148	9,594	9,148	9,594
Repayable in more than five years	5,203	5,415	5,203	5,415
	<u>14,351</u>	<u>15,009</u>	<u>14,351</u>	<u>15,009</u>

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Notes to the financial statements For the year ended 31st March 2013 (Continued)

5. RESULT FOR THE YEAR

The result for the year is stated after charging:

	Group		Charity	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	£	£	£	£
Depreciation of tangible fixed assets	21,411	24,798	21,411	24,798
Pension costs	4,331	5,710	4,331	5,710
Auditor's remuneration	7,940	8,713	7,940	8,713
Operating lease rentals:				
Office equipment and vehicle	6,687	9,068	6,687	9,068
	<u>21,411</u>	<u>24,798</u>	<u>21,411</u>	<u>24,798</u>

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost above represents the contributions paid by the company to the fund and administration fees.

6. TRUSTEES' EMOLUMENTS

The trustees received no emoluments during the year (2012: - nil) and no expenses (2012: - nil) were paid to cover travel and other costs connected with trustee meetings.

7. EMPLOYEE COSTS

	Group		Charity	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Number of employees - Full Time Equivalent	<u>28</u>	<u>28</u>	<u>28</u>	<u>28</u>
	£	£	£	£
Salaries	533,108	526,664	533,108	526,664
National Insurance Costs	35,390	36,904	35,390	36,904
	<u>£568,498</u>	<u>£563,568</u>	<u>£568,498</u>	<u>£563,568</u>

No employees received emoluments of £60,000 or above.

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8. ALLOCATION OF COSTS

Expenditure which cannot be completely allocated to a heading in the Statement of Financial Activities is apportioned using the following factors:

- The cost of the Chief Executive, Company Secretary and their support staff is allocated using an estimate of the time spent actively involved with the relevant activities with the balance included in the general management costs below.
- Property overheads are apportioned on the basis of the floor area occupied by the activities.
- Management costs generally supporting the operational activities of the charity are apportioned on the basis of the number of full time equivalent employees involved in the activities.

	Allocated Costs £	Management Salaries £	Property Costs £	General Management £	Total £
Production	605,099	0	42,078	82,777	729,954
Publicity	0	0	0	0	0
Governance	7,940	9,440	0	3,449	20,829
Soundtalking	180,490	0	7,861	10,347	198,698
Trading	14,769	0	0	0	14,769
General Management	37,528	53,496	5,549	-96,573	
Total 2013	845,826	62,936	55,488	0	964,250
Total 2012	847,738	61,072	67,025	0	975,835

	Group	
	<u>2013</u>	<u>2012</u>
	£	£
Costs as above	964,250	975,835
Interest payable	14,351	15,009
Costs of trading subsidiary	0	0
	<u>£978,601</u>	<u>£990,844</u>

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	Freehold Property	Recording Studios	Recording And Other Equipment	Computer Equipment	Fixtures and Fittings	Total
COST	£	£	£	£	£	£
At 1st April 2012	334,813	140,374	280,732	219,179	86,511	1,061,609
Additions	0	0	0	7,970	9,660	17,630
Disposals	0	0	0	0	-16,195	-16,195
At 31st March 2013	<u>334,813</u>	<u>140,374</u>	<u>280,732</u>	<u>227,149</u>	<u>79,976</u>	<u>1,063,044</u>
DEPRECIATION						
At 1st April 2012	20,233	114,757	265,743	200,189	66,017	666,939
Charge for the year	4,496	2,562	3,500	8,749	2,104	21,411
Disposals	0	0	0	0	-6,202	-6,202
At 31st March 2013	<u>24,729</u>	<u>117,319</u>	<u>269,243</u>	<u>208,938</u>	<u>61,919</u>	<u>682,148</u>
NET BOOK VALUE						
At 31st March 2012	314,580	25,617	14,989	18,990	20,494	394,670
At 31st March 2013	<u>310,084</u>	<u>23,055</u>	<u>11,489</u>	<u>18,211</u>	<u>18,057</u>	<u>380,896</u>

The charity purchased the freehold of the National Recording Centre on 14th September 2007. The purchase price was £325,000 and associated costs £9,813. The value of the freehold land included has been estimated at £110,000 including costs.

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10. FIXED ASSET INVESTMENT

Shares in group undertaking (par value) £100 2013 and 2012
100 Ordinary Shares at £1 each allotted, issued and fully paid

This comprises the cost of the investment in the subsidiary undertaking. There has been no movement in this investment during the year and no amounts have been written off in respect of it.

Details of the subsidiary undertaking are as follows:-

Name of company and country of incorporation and operation	Description of shares held	Proportion of nominal value of issued shares held	Principal activity
Talking Newspaper Enterprises Limited (United Kingdom)	Ordinary	100%	Dormant.

The company existed to enable funds to be raised for the Association through the recorded audio and other goods.

11. DEBTORS

	Group		Charity	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	£	£	£	£
Trade debtors	33,482	48,406	33,482	48,406
Other debtors	0	450	0	450
Prepayments and accrued income	11,992	13,314	11,992	13,314
	<u>£45,474</u>	<u>£62,170</u>	<u>£45,474</u>	<u>£62,170</u>

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12. CASH AT BANK AND IN HAND

	Group		Charity	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	£	£	£	£
General Fund				
Cash at bank	46,010	42,382	46,010	40,632
Cash in hand	120	124	120	124
Deposit accounts	50,228	40,136	50,228	40,136
	<u>£96,358</u>	<u>£82,642</u>	<u>£96,358</u>	<u>£82,642</u>

13. CREDITORS: Amounts falling due within one year

	Group		Charity	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	£	£	£	£
Trade creditors	20,783	20,384	20,783	20,384
Social security and other taxes	19,569	11,255	19,569	11,255
Other creditors	2,031	1,394	2,131	1,494
Accruals and deferred income	8,070	9,752	8,070	9,752
Deferred membership income	113,165	123,554	113,165	123,554
	<u>£163,618</u>	<u>£166,339</u>	<u>£163,718</u>	<u>£166,439</u>

14. CREDITORS: Amounts falling due in more than one year

	Group		Charity	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	£	£	£	£
Bank mortgage loan	<u>204,808</u>	<u>212,866</u>	<u>204,808</u>	<u>212,866</u>

Unity Trust Bank plc provided a loan of £250,000 in September 2007 to enable the purchase of the National Recording Centre, secured by a first charge over the building. The loan is repayable in instalments based on a repayment period of 25 years.

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15. CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

Lease Commitments

The company has financial commitments in respect of non-cancellable operating leases of office equipment. The rentals payable under these leases in the next year are as follows:

	Group		Charity	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Date of lease termination	£	£	£	£
Two to five years	6,639	6,639	6,639	6,639
	<u>£6,639</u>	<u>£6,639</u>	<u>£6,639</u>	<u>£6,639</u>

In addition the group leases properties in Heathfield, East Sussex. The total rent payable in respect of these properties is currently £15,000 per annum.

16. LEGACIES

There are some residual legacies which have been notified to the charity at 31st March 2013 for which the final amount could not be confirmed. These financial statements do not include any estimates for future amounts receivable.

17. TAXATION

The company was formed as a non-profit making organisation and is a Registered Charity, thus incurring no liability to Corporation Tax.

18. GUARANTEE

The company is limited by guarantee, having no share capital. In the event of the charity being wound up the maximum amount the member is liable to contribute is £1.

19. UNRESTRICTED FUNDS

	Balance at 1st April <u>2012</u>	Movement in year	Balance at 31st March <u>2013</u>
	£	£	£
General Fund	<u>159,349</u>	<u>7,113</u>	<u>152,236</u>

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20. RESTRICTED FUNDS

	Balance at 1st April <u>2012</u> £	Movement in year £	Balance at 31st March <u>2013</u> £
Other Funds	18,338	2,001	20,339
	<u>£18,338</u>	<u>£2,001</u>	<u>£20,339</u>

Other Restricted Funds reflects grants for the purchase of specific assets for use by the charity.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Net Current Assets £	Long Term Liabilities £	Total £
Restricted Funds				
Other Restricted Funds	23,178	-2,839	0	20,339
Unrestricted Funds	357,718	-674	-204,808	152,236
	<u>£380,896</u>	<u>-£3,513</u>	<u>-£204,808</u>	<u>£172,575</u>