

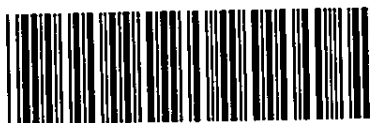
REGISTERED NUMBER 3095963
CHARITY REGISTRATION NUMBER 1049103

**THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF TRUSTEES AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MAY 2013

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AND FINANCIAL STATEMENTS**
For The Year Ended 31 May 2013

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**THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

Charity Name: The Living Paintings Trust

Charity Registration Number: 1049103

Company Registration Number: 3095963

Address: Queen Isabelle House
Unit 8, Kingsclere Park
Kingsclere
Newbury
Berkshire
RG20 4SW

Registered Office: As above

Trustees: Robin Althaus
Derek Coulson (Resigned as Treasurer October 2012 and as a Trustee July 2013)
Danuta Curtis
Stuart Fletcher (Vice Chairman)
Richard Lane (Resigned October 2012)
Felicity Moffat
Jennifer Scott
Colin Storm
Neil Walke (Appointed Trustee and Treasurer October 2012)
Alex Wilson (Chairman)
Alex Wilson and Neil Walke are members of the Management Committee

Chief Executive: Camilla Oldland

Bankers: **Bank of Scotland**, Beaulerc House, 3 Queens Road, Reading, Berkshire, RG1 4AR
Newbury Building Society, 105b Northbrook Street, Newbury, Berkshire RG14 1AA
CAF Bank Limited, PO Box 289, West Malling, Kent, ME19 4TA
The Royal Bank of Scotland, 30 Market Place, Newbury, Berkshire RG14 5AG
National Westminster Bank, 30 Market Place, Newbury, Berkshire RG14 5AG

Auditors: **James Cowper**, Mill House, Overbridge Square, Hambridge Lane, Newbury, Berkshire RG14 5UX

Solicitors: **Pitmans**, 47 Castle Street, Reading, Berkshire, RG1 7SR

Secretary Camilla Oldland

**REPORT OF THE TRUSTEES
For The Year Ended 31 May 2013**

Objectives and Activities

The objects of the Living Paintings Trust, known as Living Paintings, set out in the Memorandum and Articles of Association are **"To relieve and educate blind and partially sighted people"**

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit

About our work - Ending Isolation and Promoting Inclusion

Living Paintings are publishers of unique Touch to See books for blind and partially children, young people and adults. Our purpose is to relieve the social and educational isolation that they suffer throughout their lives. Our method is to make the visual images that colour and inform our lives accessible to them.

We design, create and publish Touch to See books for all ages, these include raised tactile pictures accompanied by atmospheric, educational and entertaining audio guides. The audio guides, often narrated by famous people, help fingers explore the tactile images, tell the stories of the pictures and describe their features. In this way, the senses of touch and hearing combine to make up for the missing sense of sight. By including colour images of the topics in the tactile pictures, our books can be shared with sighted friends, family and classmates.

Our Touch to See books are provided completely free of charge from our postal library so all visually impaired people, no matter where they live or their financial circumstances, can borrow them and gain a feel for the visual world.

With us, **adults** explore subjects such as British wildlife and countryside, English gardens, architecture, the history of the teddy bear, history of art, and they can even take a tour of Edinburgh and other cities. They can enjoy all these topics and many more as part of one of our Touch to See Book Clubs, or at home with family and friends.

Children have fun and learn with our Touch to See versions of well known illustrated children's books such as The Very Hungry Caterpillar and The Gruffalo. Our educational range of books assist the teaching and learning of subjects across the National Curriculum - and they are excellent for homework help too. These books creatively communicate through touch and sound what the Romans did, what happened in World War II, how people in Tudor Times lived and much more. We know that most of our young visually impaired members attend integrated schools, so our resources offer the opportunity for positive, shared learning experiences in class. In addition our special interest range stimulates a visually impaired child's own enjoyment and exploration of topics including Dinosaurs, World Music, Seashore and Space.

Teenagers can absorb themselves in our new collection designed to stimulate teen interest areas such as, Fashion, Football, Film, Theatre and Music.

As a small charity, **volunteers** are the key to the creation and delivery of our work and their contribution is what makes it possible to achieve so much with donations received. Our team of 280 volunteers undertake a range of tasks, many of which require specialist skills and training including hand-painting raised images, research and script writing for audio guides, manual, assembly and repairs, and processing transactions through the Library. Our volunteer team includes, much loved British actor Sir Derek Jacobi - he lends his voice to the audio guides; Angela Harvey - she has volunteered for Living Paintings for 23 years, pressing the tactile pictures and repairing the books, and Anne, who has enjoyed her first 3 months in the library, checking in and out the children's books.

The Need for our Work - the invisible millions

Evidence from the UK Vision Strategy confirms that sight loss is now a major concern in the UK with significant health, social and economic impacts. The RNIB state that there are **two million people who are blind or partially sighted**. Of these 'invisible millions' as the RNIB call them we know that

For children and young people

- 26,000 are under the age of 18,
- 65% of visually impaired children are in mainstream education,
- 80% of the information that we receive reaches us via our eyes, a fact particularly pertinent for
- blind and partially sighted children as they struggle to learn alongside their sighted peers,
- They are more likely to
 - have had their condition from very early life (identified in the first year),
 - be from areas of social and economic disadvantage

For adults

- 85% are over the age of 65 and in the large part lost sight due to ageing,
- 60% live at the "extremes of poverty",
- half live alone,
- 20% are housebound,
- Guide Dogs estimate that 180,000 blind and partially sighted people never go out alone
- many older people struggle to retain a 'will to live' in the face of increasing sight loss from research conducted in 2010
- Nearly half of blind and partially sighted people feel 'moderately' or 'completely' cut off from people and things around them

These 'invisible millions' face challenges of mobility, social inclusion, achieving an education and securing a job. Many are struggling with the harsh realities of the emotional and practical devastation of losing sight at an age when new challenges are not easily met, whilst finding themselves increasingly cut off and with little or no support from severely limited and fast diminishing community services.

For blind and partially sighted children the provision of education varies in each county and recent reports suggest that inclusion policies are failing due to support in schools. The findings of the Organisation for Economic Co-operation and Development state that, *"Reading was a more important indicator of future success than any socio-economic factors"* a statement that is key to the importance of our service, as we are enabling and encouraging visually impaired children to learn to read and inspire an enjoyment of books in doing so.

What impact does our service have on the lives of blind and partially sighted people?

Our Touch to See books provide the catalyst for blind and partially sighted people to **learn, aspire and achieve**.

Thanks to comprehensive independent market research conducted over 3 years to 2011, we know that

- **Living Paintings has improved the quality of life for 98% of new users** with 44% rating the level of improvement as 8/10 or more. 23% rated it as 10/10 (excellent)
- **50% of respondents have discovered a new interest** as a result of using Living Paintings as compared to 40% in the previous year
- **Living Paintings' overall service is rated as excellent**, with an average of 76% considering it to be 'Excellent'. The mean score of 92% is exceptional.

Our Touch to See library service helps blind and partially sighted people of all ages to

- engage with new learning and interests,
- broaden their horizons,
- learn essential life skills,
- socialise to a far-greater extent and beyond the scope of their home,
- take on new activities/challenges,
- start new/develop existing friendships,
- be stimulated, have fun and want to do more,
- integrate with their sighted peers on an equal basis,
- take a more active part in their local community and benefit to a greater extent, from community services,
- grow their self confidence and self esteem

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All of the above has been learnt through, extensive, direct feedback from members over the years, our 3 year independent market research project, and the various case studies and trials recently completed. (These studies and research are available to view on request)

We are all individuals and as such take a multitude of different things from the opportunities that life offers us. This is, of course, also true for our library members, in addition they each have their own special experiences as a result of what Living Paintings' gives to them. Our library service undeniably improves the quality of life and level of well-being of our members.

What our blind and partially sighted Library Members say

We regularly receive letters and emails from our library members. Here is a selection of their comments from the past year.

"I very much enjoyed 'A History of the World in 100 Objects'. I am an avid fan of history and archaeology, which some people think is strange as I am totally blind. Thank you for allowing me to be able to have a look at these artefacts, this is very much appreciated." Michelle, adult library member

"It was a real treat to be able to enjoy the wonderful album on 'British Birds'. The thermoforms are very easy to follow and the shapes and textures really bring the birds to life for me. Thank you for all the work you put into these albums, they are always packed with knowledge and I find I learn so much from each one." Jennifer, adult library member

"I have just finished listening to the wonderful 'British Wild Flowers' and I felt compelled to write to you. It is beautifully and lovingly put together, and you have taught me so much through this album. How lonely I would have felt without it - I thoroughly enjoyed going on the 'walks' with you." Paul, adult library member

"When I could see more I took enormous pleasure in the visual aspects of the countryside and wildlife. Your beautifully read texts and tactile pictures in 'The Nature of Britain' brought it all back to me." Michael, adult library member

"I know the charity is going through difficult times. I know also that you have the sympathy of all the members as well as their deep appreciation. You certainly make a difference in our lives. Age and sensory deficiency sometimes leads us to experience the rather patronising efforts of do-gooders and it is refreshing that Living Paintings is always inclusive and we are always regarded as fellow human beings!" Caroline, adult library member

"I am really impressed with 'Fun With Spot'. It was my first time using your library and I was positively surprised and delighted with the range you are offering. The child I am supporting loved the Spot story and thanked you for your Spot toy gift. He loved to listen and feel the pictures and book. He also enjoyed sharing it with his friends." Primary School Teacher

"The high quality of each book ensures that learners with a visual impairment are able to access literature and other educational topics - this is fantastic. Keep up the good work!" Primary School Teacher

"This was our first experience of using your free library. It is a wonderful service. 'Fun With Spot' was a good introduction for our child (and for us!)." Mum of VI child

"Jessica loved the feely pictures. I thought it was brilliantly done and my daughter wanted to read it most days. If only all books came like this." Mum of VI child

Highlights of the last 12 months

Library Membership

At 31st May 2013 our library was reaching **9,767** people across Britain and Ireland

- **5,040 adults**
- **4,727 children including 500 schools**

This number has increased by **2,500** in the past five years

During the year the total Library Membership rose by 5.4% from 9,263 to 9,767 and we saw 504 new people take advantage of our service

Our **Touch to See Book Clubs** are spreading across the country and there are now over 100 operating reaching approx 1,000 blind and partially sighted adults plus their sighted friends and carers. These Clubs use partnership working to create social opportunities for isolated and excluded blind and partially sighted people within communities, whether living in urban or rural areas. Thanks to extensive work to develop this project visually impaired adults are now coming out of their homes to meet regularly, explore the fascinating world created by visual images, enjoy socializing and making friends. This new approach to using our unique resources as the catalyst for the greater benefit of blind and partially sighted people is proving highly successful in bringing new experiences to many whose lives were shutting down due to their sight loss.

New Publications

In 2012-2013 we published **10 new** Touch to See books designed to expand our range for children, teenagers and adults.

We published Touch to See adaptations of children's books

'More Pants', 'I Like Books', 'The Very Hungry Caterpillar' (new edition) and **'The Loon on the Moon'** whose author, Chae Strathie, was inspired to write,

"I was utterly flabberboozled by the whole thing. It was just so perfectly presented. A wonderful gift from the charity to the children and parents who will hopefully get the chance to enjoy it for years to come. It is such an honour that Loon On The Moon was chosen to be turned into a Touch To See book and I am humbled that, through Living Paintings' superb work, a small corner of my little Loon world will be opened up to those who may not have been able to experience it as fully without the special 'added extras'."

'Painting Stories' with works of art from the National Gallery and featuring our children's patron Dame Jacqueline Wilson and **'World Music'**, a journey around the world, complete with weird and wonderful shaped instruments and a soundtrack featuring world musicians and exploring world religions and cultures were completed.

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'Anglo-Saxons' was brought to life by archaeologist and 'Time Team' presenter Phil Harding. Phil takes the listeners on a dig and uncovers objects from an Anglo-Saxon village. This is what he had to say after receiving a copy of the published book,

"Very many thanks for letting me have the opportunity to see at first hand the results of our labours and to hear the finished product. I hope you are as happy with the pack as I am. It's a pleasure to have contributed to the project. As ever if I can be of any use in the future please feel free to get in touch."

TV and film actor Timothy Spall lent his voice to 'Explore the Seashore' and shared his passion for sailing on the audio soundtrack, as well as describing the journey around the Great British coastline and its wildlife in the tactile pictures. Timothy also re-counted a few of his own stories of sailing the high seas for the children to enjoy,

"When I'm not acting I love to sail round the coast of Great Britain in my Dutch seafaring barge the Princess Matilda, with my wife Shane. We've had many adventures and memorable experiences including 12 dolphins jumping over the front of our boat on the Welsh coast leading us towards Pwelli from Aberystwyth."

'ABC UK', a multi-interest title for teenagers and the first of 12 books being published for this age group. They can pick and choose between short guides to subjects from 'British Inventions', 'Sherlock Holmes', to 'Myths and legends – King Arthur, Stonehenge and Loch Ness' plus cook-along to recipes for Vindaloo and Yorkshire Pudding, listen to famous quotes from plays and literature, contemporary music and sound effects.

'A History of the World in 100 Objects' has illuminated the British Museum's collection for our blind and partially sighted adults. Thanks to the support of Neil McGregor, director of the British Museum, and the collaboration of the BBC, this book contains 13 tactile pictures of treasures from the British Museum's collection including, Sutton Hoo Helmet, Easter Island Statue and Hokusai's 'The Great Wave'. Each is accompanied by Living Paintings' audio description and its corresponding BBC Radio 4 programme, describing the history of the object voiced by Neil McGregor. We've received fantastic feedback from not only our members but also the BBC.

Social Media

In support of our plans to 'go digital' we have worked hard to achieve a growing 'digital footprint' in the past year. A particular highlight was to raise the number of views on our Youtube channel from 4,833 views in 2011-12 to **28,968** at the end of 2012-13. Highlights were

- Sean Bean's reading of epic story of 'Beowulf' recorded for Living Paintings which attracted **3,066** views
- Rock Choir singing 'Mr Blue Sky' at our Indigo Rock event attracting **2,297** views
- The 'inside Football' chat between Alan Davies and Arsenal's Carl Jenkinson (that we created for our Teens' Football book) attracting **2,016** views
- Our 'Olympic and Paralympic Hero' series of videos and interviews was hugely popular during London 2012. The most viewed video was Karen Pickering (Olympic Swimmer) chatting to Clare Balding with **1,426** views

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Our Work Plan

We know that in our library membership we only have a minority of the blind and partially sighted children, teenagers and adults who could benefit from the proven value our service brings. Our continuing challenge is to reach them in order to support their education, life-long learning and to become an integral part of their lifestyle.

Therefore our work plan this year encompasses reaching new members, enhancing our services for existing members and developing our user experience and engagement. To this end we will be pursuing four key areas:

- 1 **Publishing** - Developing the range of Touch to See Books
- 2 **Digital Vision** – Delivering our Online Vision
- 3 **Library Service** - Developing Delivery
- 4 **Community** – Expanding Touch to See Book Clubs

These four areas are intrinsically linked and will complement one another. Our target is to raise our library membership to over **10,000 in celebration of our 25th anniversary year**.

1. Publishing: Developing the range of Touch to See Books

Our library is filled with an ever growing collection of Touch to See books that are rich in story, creatively communicate subjects across the national curriculum, offer inspirational journeys of learning and discovery for all ages. To meet the existing interests of our members and inspire new ones we continually work hard to design and create publications. Our young library members, their teachers and parents expect a flow of new books for them to enjoy - we have helped to give them the flying start they need and assisted them to learn Braille and developed their love of reading. However, there is still more to do, particularly in reaching children in their early years and when they become teenagers.

In 2013/14, we are looking to strengthen areas in the library catalogue where there is scope for growth and broaden the diversity of subjects available, in order to widen the community that our resources benefit. We are continuing to work on more titles for all age groups, but in particular for pre-school children, teenagers and book clubs.

Touch to See books we will complete and publish include:

For adults

- **'Women in Art'**, a magazine-style book containing 3 tactile pictures of works of art by iconic 20th century female artists
- 10 new Book Club titles which include a range of genres and themes to suit all interests such as **'Eternal Love'**, **'Dickensian Hard Times'** and **'Surreal Dreams'**

For children:

- **Touch to See picture books** of illustrated children's books including best loved stories and characters, **'Lost and Found'**, **'One Year With Kipper'**, **'Charlie and Lola'** and **'The Flying Diggers'**
- **4 Pre-School Learning Library books** featuring Spot the Dog for our littlest members
- **'Super Transport'** a guide to super fast, sporty and hero vehicles presented by Dallas Campbell, BBC science entertainment presenter, **'Star Seeker'** a child's guide to the night sky, complete with tactile star map and space exploration story book

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For teenagers:

Fashion Now!, Art Now! curated by pop artist Sir Peter Blake, **'Football', 'Music Now!', 'Film', 'Theatre', 'Ka-Boom: a guide to the Universe', 'Healthy Eating', 'Picture This' and 'Brilliant Buildings'** This collection of vibrant and interactive Touch to See books will not only be informative and fun but will also meet one of their key purposes, that of helping our blind teenagers to achieve far greater levels of social inclusion with their sighted peers in an era informed by ever more rapidly changing images. There have been many excellent collaborations in developing this series, with eminent fashion designers, famous faces and the equally important backstage staff from the worlds of film, theatre and contemporary music and even The Arsenal Football Club players and support staff.

2. Digital Vision: Delivering our Online Vision

Our vision is that Living Paintings Online will provide a creative, inspirational, interactive, live and accessible library service for blind and partially sighted people, of every age and interest. It will enable our members to have memorable experiences using our Touch to See books in a digital atmosphere of exploration and enjoyment. Our aim is that our website be a relevant part of blind and partially sighted people's everyday lives - their number 1 destination website for lifestyle, leisure, education, life-long learning and culture.

Using our online library, members will be able to browse, choose and order book titles. The tactile pictures will be delivered in a box 'Articles for the Blind' to their door by Royal Mail. Members can then go to Living Paintings website to access their Touch to See books online. All this will be delivered completely free in order to ensure that there is no financial barrier to benefitting from this life changing resource.

Online, members will be able to explore and enjoy our growing collection of Touch to See titles

- listen to the Touch to See audio guides featuring, tactile descriptions, information, music & sound effects,
- view and magnify the colour images,
- view and print out the audio scripts and educational notes for parents and teachers,
- enjoy added extras such as videos, interviews, blog posts and click on links to relevant websites of interest online,
- benefit from suggestions for further reading e.g. *'if you like, this you'll love'* and member's reviews

In addition, Living Paintings online will be live and interactive and enable members to join in the conversation, share experiences and stories, swap tips and ideas, ask questions and share solutions, have a chat, post a book review, upload their own videos, pictures, audio clips and blog posts.

Teachers will be able to access high quality titles to support the teaching of subjects across the National Curriculum and help them develop a blind child's enthusiasm for books, reading, writing and the visual world. **Parents** will be able to access their child's favourite picture books and stories and enjoy the lively descriptive audio guides read by actors (some well-known, such as Martin Clunes, the voice of Kipper the Dog). They will also be able to click on links to activities on other appropriate educational websites to increase learning and fun.

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Teenagers will be empowered to independently discover, be inspired by, share, discuss and get involved in the visual world, from art, fashion, film and music to football

Adults and Book Clubs will be able to easily access resources to help them with Lifelong Learning Topics which they can listen to and interact with are interesting and diverse, ranging from Weather in Art, British Wildflowers, museum and gallery collections, city and county tours

In order to achieve this we will be developing our online library provision and delivery, designing and building a new website including a blog that enhances the exploration of subjects within our Touch to See books

In all that we do to pursue this we will ensure that our online offerings are attractive to sighted people in order to promote the shared experience which is at the core of all our Touch to See publications

3. Library Service: Developing delivery

We plan to launch a new **Online Library Service**, build a **USB suite** and create a **Media Hub**, all of which will innovate the way that we deliver our Touch to See books and enhance our members' user experience of our service

The long-term vision is that all of the content of our Touch to See books, apart from the raised images which we will continue to deliver free via the post, will be available online for those of our Library Members who can access it. For those who can't or choose not to we will continue to deliver our Touch to See content in 'hard copy' form. This way we ensure we meet the needs of all our library members

Online Library

We plan to

- **Install a new Library Management System:** This will provide a fully functional Living Paintings online library service where visitors can search, reserve, order and find other services such as links to complementary resources
- **Create a Member's Only area with secure access:** This will come with the new Library Management System which includes secure log in features and is essential in order to enable safe interactions between our blind children and adults

USB Suite

We will install and equip a purpose built area or 'USB Suite' within our Library. This will enable us to deliver audio guides, colour images and guidance notes on USB stick. The tactile pictures and USB stick will be delivered together via the post. This development will give us the ability to update information, provide key messages and stay in touch with our library members to a far greater extent. In addition we will make considerable savings, as the current design of our Touch to See books means that we incur high costs on printing, collating and packaging the components

Media Hub

We will implement a server, Media Hub, that contains all the Touch to See content that we have published in order that it can be accessed on demand via our website and online library. The audio soundtracks consisting of thousands of hours must be made available in digital format and filed into the Media Hub's data storage system. Alongside this we need to add all colour images (having obtained appropriate permissions) and other documents such as Guidance Notes for teachers

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During the development of these digital projects we will be taking into account and placing great emphasis on accessibility, security and compliance. It is essential that our website meets accessibility guidelines and has the functionality for visually impaired people. It is crucial to protect the data of our Library Membership and their security on our website. It is also vital that we ensure that all those who generously provide us with reproduction rights, copyrights and performing rights have their interests protected.

Whilst these are extremely important and exciting digital development projects, it must be remembered that a proportion of our library members do not have the facilities and ability to access our service via the internet or a computer. Therefore, we will always continue to provide our materials in the accessible formats that meet their needs.

Other continuing digital developments

Social Media - Twitter, Youtube and Facebook, are a continuing part of our daily lives and are responsible for a large number of good quality referrals to our website. We will continue to review and pursue social media opportunities which broaden and strengthen the awareness of our free library service and our online profile.

Touch to See Icon - The icon is designed for use online. It allows galleries, museums, publishers, authors, illustrators and bookstores to make sure that blind and partially sighted people know which of their works of art or books is available in our accessible, Touch to See format. The aim is to make this icon a nationally recognised mark for Touch to See accessibility.

Finally, we will continue to watch emerging technologies with a view to future delivery of the raised images, in particular 3D printing and its burgeoning mass market availability and use.

4. Community: Expanding Touch to See Book Clubs

Touch to See Book Clubs are designed to encourage our community of often older, isolated and excluded blind and partially sighted people to go out of their homes, meet with others and participate in interests they had once enjoyed or, indeed, that are new to them. They will be sharing this experience with sighted companions (they don't want to be excluded further by engaging in an activity solely for those who cannot see), and, of course, with others who have suffered similar severe sight loss, which will make it easier for them to sustain existing friendships and find new ones. The key is to work in collaboration with local community groups to create the opportunity and environment to achieve this, bringing blind and partially sighted people together on a regular basis to enjoy interesting, stimulating and fun subjects/topics.

The need having been established, the feasibility completed, the foundations set and 100 Touch to See Clubs successfully started it is now time to scale up the delivery of this project. This will be achieved with the appointment of a Touch to See Book Clubs Development Officer, a role which will transform our ability to support existing club members and reach a far greater number of new members in the community. Our target is to increase the number of Touch to See Book Clubs to 250 over the next 3 years reaching 2,500 blind and partially sighted adults.

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Structure Governance and Management

Governing Document

The Living Paintings Trust was formed in 1988. The Trust was registered with the Charity Commission on 15 February 1989 as a charity. On 31 December 1995 the activities of the charity were transferred to The Living Paintings Trust, a company not having a share capital, limited by guarantee. The company is entitled to those exemptions from UK taxation which are available in law to charities. The Trust is governed by the Memorandum and Articles of Association.

Our Patrons

We are delighted to continue to benefit from the patronage of **Christopher Lloyd CVO, Dame Jacqueline Wilson, Sir Timothy and Lady Sainsbury**. Christopher was Surveyor of The Queen's Pictures 1988 – 2005 and is a Trustee of the National Art Collections Fund, President of the National Association of Decorative & Fine Arts Societies, former Curator at Christ Church Oxford and Ashmolean Museum Oxford. Dame Jacqueline Wilson was the Children's Laureate 2005-07. She works full-time as a writer and is a best selling, popular children's author. She has sold over ten million books. Sir Timothy is a former MP and Minister of State. He is a former Trustee of the V & A Museum. Sir Timothy and Lady Sainsbury have been keen supporters of Living Paintings for 20 years.

Trustees

The Trustees are also the Directors of the company. Under the requirements of the Memorandum and Articles of Association at the Annual General Meeting one third of the Trustees retire from office, being those who have been longest in office since their last appointment or re-appointment.

Trustee Changes During the Year

Derek Coulson resigned as Trustee and Treasurer in October 2012 and Neil Walke was appointed as Trustee and Treasurer in October 2012.

Trustee Recruitment

The responsibility for appointing new members of the Board rests with the existing Trustees. The aim is to ensure that the membership of the Board includes people with varied skills and interests such as business strategy, charity sector, education, finance, art history, human resources, law and visual impairment and any other expertise which is needed. The Trustees use their extensive networks to source possible new appointees and their details are brought to and discussed at a Trustees' Meeting. A potential Trustee is then invited to meet with the Chief Executive and talk with two existing Trustees prior to a formal proposal for appointment being made.

Induction and Training of Trustees

The induction and training process is two fold. Arrangements are made to familiarise a new Trustee with their responsibilities using the Charity Commission's guide 'The Essential Trustee' and the Living Paintings Memorandum and Articles of Association. New Trustees are extensively briefed about Living Paintings' current position, finances, plans for the future and their expected role. They will meet with members of the staff team and some of the many volunteers.

The Trustees have overall responsibility for the work of the charity. They agree policies, strategies and the financial budgets. There is a Management Committee which includes a minimum of two Trustees, currently the Chairman and Treasurer, and appropriate staff members which has the responsibility for reviewing in detail the work of the charity. Progress on policy, strategy, the financial budgets and operational issues is reported through the Management Committee to the Trustees on a quarterly and annual basis. The day to day operation of the Trust's affairs is delegated to the Chief Executive.

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Our Trustees At 31st May 2013

Robin Althaus	Former stockbroker and member of the Securities Industry Trustee of the National Hospital Development Foundation for The National Hospital for Neurology and Neurosurgery Former Chairman of the City Liaison Group with Parliament
Dani Curtis	Beneficiary of Living Paintings Formerly with RNIB, Projects by the Blind and Fundraising Manager with Guide Dogs
Stuart Fletcher (Vice Chairman)	Chief Executive Bupa, formerly President International Diageo plc, following various management, financial and operational roles within the Group in USA, Asia Pacific and Europe Previously with Procter & Gamble and United Glass
Felicity Moffat	Qualified Solicitor Formerly Associate General Counsel Diageo plc and solicitor at Clifford Chance LLP
Jennifer Scott	Curator of Paintings at The Royal Collection Previously with National Museums Liverpool and the National Gallery London
Colin Storm	Former Board member Diageo Plc, Chief Executive Guinness Limited, Chief Executive Officer Burger King, Miami Former Trustee Dublin City University Educational Trust Vice President Middlesex Young People's Clubs
Neil Walke (Treasurer)	ACA Project Process Leader at Vodafone Group Formerly Deloitte
Alex Wilson (Chairman)	Formerly Group Human Resources Director BT Group Previously with Ford, Grand Metropolitan, Guinness, Diageo and ICI Trustee of Kids Out

Administration

The administrative and secretarial duties of the charity are undertaken in our office which is also the company's registered office Details of the professional advisors are set out on page 4

Volunteers

Our wonderful team of volunteers has continues to make an essential, committed contribution to Living Paintings They now number 280 meaning that our staff to volunteer ratio now stands at 1:45 Unfortunately, due to the complexity of financially accounting for their invaluable contribution we do not reflect this in the balance sheet However, this year we calculate their donations of time and expertise to be worth approx £200,000 which clearly shows that they are one of our most valuable assets Our volunteers help with every stage of the production process, - researching, writing, recording, editing sound recordings, manufacturing packs, painting feely pictures They undertake the day to day library services, help with fundraising, record keeping and the promotion of Living Paintings

Such a team merits a high level of professional support, and every Living Paintings activity includes a substantial volunteer component whether at Kingsclere, or working from home So we go to great lengths to recruit, train and support our volunteers, communicate news to them, and give them the warm welcome they deserve and the gratitude they earn

**THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

Financial Review

The financial results for the year are shown on pages 20-21. We achieved an income of £321,363 while expenditure was £308,874 giving a surplus of £12,489 for the year.

Income This year we raised £321,363, a reduction of just 6% on the previous year. We receive no statutory funding and are entirely dependent on voluntary donations. We are very reliant on donations from grant making trusts to fund the majority of our work. During the year grants from such organisations amounted to 80% of our income. We are grateful to all those trusts who supported us again or for the first time during the year. They are listed on page 17.

There are two main components which make up income in the year:

- 1 Donations and gifts of £154,298 for the Unrestricted fund (as defined on page 20). These donations support our core work of operating a free library service to blind and partially sighted people in Britain and Ireland.
- 2 Donations and gifts of £166,823 for the Restricted Fund (as defined on page 20). This income relates to the production of specific new Touch to See books and specific areas of our bespoke library service to members.

The Trustees have set the budget for 2013/14 at similar levels to last year, to reflect the difficult economic circumstances in which all charities are operating and our charity's continuing period of consolidation. Only a small amount of our income is promised in advance therefore the support of our donors is absolutely crucial to our ability to continue to provide our much needed service to our members.

Expenditure This year we spent £308,874, a decrease of 14% over the previous year, on providing an expanded service to a membership of blind and partially sighted people that has grown by 5.4%.

Our Fund Balances at 31st May 2013

1 The Unrestricted Fund comprises

- a) £86,567 as a General Reserve
- b) £80,818 which is the net book value of the property and equipment for use by the charity, after deduction of the amount outstanding on the loans from Charity Bank Ltd and the private grant making trust (see page 20)

2 The Restricted Fund comprises

- a) £88,481 funded projects that are not yet completed. This mainly relates to the production of new Touch to See books, where the production period is usually between 9 and 18 months.
- b) £27,430 for the Library Fund. This relates to donations which have been given specifically for various elements of the Library Service, including donations for the provision of the library service in specific geographical areas.

Our Reserves Policy

The Trustees have set Reserves policy which states that a reserve of available or received funds be held that is equivalent to 6 months non-discretionary expenditure. The management team proactively work to maintain reserves above the policy threshold through routinely monitoring the funding position combined with the on-going forecasting of anticipated income. Should reserves fall below the threshold, there are clear procedures in place to assess the situation and determine whether mitigating actions are required to recover the position.

Risk Management

The Trustees have continued to refine our risk management strategy. This has included a review of the major risks which the charity may encounter, and the establishment and enhancement of procedures to mitigate these identified risks. The Trustees are satisfied that adequate systems are in place to mitigate any exposure to our major risks, in particular financial and operational.

**THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

Our Donors: 1st June 2012 – 31st May 2013

Living Paintings is entirely dependent on voluntary donations, listed below are organisations who made donations

The Underwood Trust	The Sir James Roll Charitable Trust
The John Ellerman Foundation	The Dr & Mrs A Darlington Charitable Trust
The Headley Trust	Acres of Fun Ltd
May & Stanley Smith Charitable Trust	The Charles S French Charitable Trust
The Freemasons Grand Charity	Lions Club of Chichester
Garfield Weston Foundation	The Simon Whitbread Charitable Trust
The Band Trust	Miss E F Rathbone Charitable Trust
The Brian Mercer Charitable Trust	The P F Charitable Trust
The Drapers Charitable Fund	Sir John Priestman Charity Trust
The Eveson Charitable Trust	The Charles Irving Charitable Trust
Help for Health	The Colefax Charitable Trust
Anton Jurgens Charitable Trust	The Marjorie and Geoffrey Jones Charitable Trust
John Horniman's Childrens Trust	The N & P Hartley Memorial Trust
The 29th May 1961 Charitable Trust	The Sylvia Adams Charitable Trust
The Harebell Centenary Fund	The W M Mann Foundation
The Liz & Terry Bramall Foundation	The Ormsby Charitable Trust
The Percy Bilton Trust	The David Saunders Family Charitable Trust
The D'Oyly Carte Charitable Trust	The Highclere Society
The Sandra Charitable Trust	P V Projects Ltd
The Charles and Elsie Sykes Trust	John Lewis PLC
The Carmen Butler-Charteris Charitable Trust	Marsh Christian Trust
Bradfield College	Baron Davenport's Charity
Unicorn Basingstoke	Benham Charitable Settlement
The A W Gale Charitable Trust	Berkshire Community Foundation
The Ernest Kleinwort Charitable Trust	Douglas After Foundation
The Gerald Palmer Eling Trust	Mr and Mrs J A Pye's Charitable Settlement
The Shanly Foundation	The Alan Jenkins Stokes Memorial Trust
The Swire Charitable Trust	The Coutts Charitable Trust
The Wilfred & Elsie Elkes Charity Fund	The Gilbert & Eileen Edgar Foundation
The George A Moore Foundation	The Jessie Spencer Trust
The Ulverscroft Foundation	The Lady Hind Trust
Peasemore Run Committee	The Lynn Foundation
The Gibbons Family Trust	The Ormonde Charitable Trust
Lordsfield Swimming Club	The Tay Charitable Trust

Additionally, we received highly valued gifts made by friends to Living Paintings and beneficiaries
We also received invaluable support in kind from organisations, companies and individuals

To each and every person, group, business and grant making trust who have supported us this year we extend the greatest of thanks. It is their generosity that makes our work possible.



**Camilla Oldland
Chief Executive**

**THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

Statement Of Trustees Responsibilities

The Trustees are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations

Company and charity 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). The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the Company for that period. In preparing these 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 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 company will continue in operation

The Trustees are responsible for keeping proper 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in England & Wales governing the preparation and dissemination of financial statements and other information included in Annual reports may differ from legislation in other jurisdictions.

Provision of information to auditor


Each of the persons who are Trustees at the time when this Trustees' report is approved have confirmed that

- so far as that Trustee is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Company's auditor in connection with preparing its report and to establish that the Company's auditor is aware of that information

AUDITORS

In accordance with Section 489 and 491 of the Companies Act 2006, the auditors, James Cowper LLP, will be proposed for re-appointment at the forthcoming AGM.

ON BEHALF OF THE BOARD:


Alex Wilson
Chairman


Camilla Oldland
Chief Executive

Dated 17.10.13

**THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF THE LIVING PAINTINGS TRUST

We have audited the financial statements of The Living Paintings Trust for the year ended 31 May 2013 set out on pages 20 to 21. 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 charity'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 charity's members those matters we are required to state to them in an Auditor's 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 charity and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charity 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.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

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 31 May 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 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 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 trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Michael Farwell MA FCA DChA (Senior Statutory Auditor)

for and on behalf of

James Cowper LLP

Chartered Accountants and Statutory Auditor

Mill House

Overbridge Square

Hambidge Lane

Newbury

Berkshire

RG14 5UX

Date

30/10/2013

THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st MAY 2013
(including Income and Expenditure Accounts)

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2013	Total 2012
INCOMING RESOURCES					
Incoming resources from generated funds:					
<i>Voluntary Income</i>					
Donations and Gifts	2	154,298	166,823	321,121	313,633
<i>Activities for generating funds</i>					
Product sales		145	-	145	126
Fundraising					27,219
Investment income	2	97	-	97	266
TOTAL INCOMING RESOURCES		154,540	166,823	321,363	341,244
RESOURCES EXPENDED					
Cost of generating funds:					
<i>Voluntary income</i>	2	15,215	-	15,215	67,857
<i>Charitable activities</i>	2	82,160	199,144	281,304	278,201
<i>Governance</i>	2	4,057	8,298	12,355	18,161
TOTAL RESOURCES EXPENDED	5	101,432	207,442	308,874	364,219
NET INCOME/EXPENDITURE		53,108	(40,619)	12,489	(22,975)
Total funds brought forward at 1 June 2012		<u>114,277</u>	<u>156,530</u>	<u>270,807</u>	<u>293,782</u>
TOTAL FUNDS CARRIED FORWARD AT 31 May 2013		167,385	115,911	283,296	270,807

The statement of financial activities includes all gains and losses recognised in the period and all incoming resources and resources expended derive from continuing activities

ANALYSIS OF FUNDS CARRIED FORWARD AT 31 May 2013:

Unrestricted Fund		
General Reserve		86,567
Property & Fixed Assets for use by charity		<u>80,818</u>
		167,385
Restricted Fund		
Funded Projects awaiting completion		88,481
Library Fund		<u>27,430</u>
		115,911
Total Funds Carried Forward		283,296

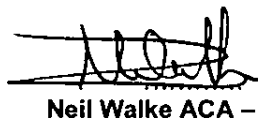
**THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET
31 May 2013**

	Notes	2013 £	£	2012 £	£
FIXED ASSETS:					
Tangible assets	7		270,764		278,014
CURRENT ASSETS:					
Debtors	8	36,128		42,621	
Cash at bank & in hand		<u>175,180</u>		<u>154,545</u>	
		211,308		197,166	
CREDITORS: Amounts falling due within one year	9	<u>(17,029)</u>		<u>(18,404)</u>	
NET CURRENT ASSETS:			<u>194,279</u>		<u>178,762</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			465,043		456,776
CREDITORS: amounts falling due after more than one year	10		<u>(181,747)</u>		<u>(185,969)</u>
TOTAL NET ASSETS	12		<u>283,296</u>		<u>270,807</u>
UNRESTRICTED FUNDS:	2				
General Reserve			86,567		26,209
Property and Fixed Assets for use by charity			<u>80,818</u>		<u>88,068</u>
			167,385		114,277
RESTRICTED FUNDS	2				
Projects Funded not yet completed			88,481		139,343
Library Fund			<u>27,430</u>		<u>17,187</u>
			<u>115,911</u>		<u>156,530</u>
			<u>283,296</u>		<u>270,807</u>

ON BEHALF OF THE BOARD:


Alex Wilson – CHAIRMAN


Neil Walke ACA – TREASURER

Approved by the Board on 17.10.13

REGISTERED NUMBER 3095963
CHARITY REGISTRATION NUMBER 1049103

**THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 May 2013**

1 STATUS OF THE COMPANY

The Living Paintings Trust is a registered charity and a company limited by guarantee. The liability of the members of the company is limited by their guarantee to contribute £1 each towards the liabilities of the company in the event of liquidation. At 31 May 2013 there were 8 members (2012 9)

2 ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (revised 2005), applicable accounting standards and the Companies Act 2006

Fund accounting

The charity's reserves have been allocated to separate funds for future application

Unrestricted funds

These resources arose from donations given for general charitable purposes and investment income

Restricted funds

These resources arose from donations given by the donors to finance specific projects. This relates mainly to production of new Touch to See books for which the production period is usually between 9 and 18 months and specific elements of the Library Service

Incoming resources

- Income from donations and gifts arose from a variety of sources together with the associated tax refunds where applicable
- Income from product sales represents income generated from the principal activity of the company
- Investment income comprises interest received from the investment of money on short term deposits

Resources expended

Resources expended are accounted for on an accruals basis in accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (revised 2005)

- All direct charitable expenditure relates to production of Library resources and provision of services
- Governance expenditure comprises central overheads not directly attributable to direct charitable expenditure. They relate to the management of the charity's funds, organisational administration and compliance with charity requirements
- Voluntary Income expenditure relates to costs directly attributable to raising income
- Irrecoverable VAT is charged as a cost to the SOFA

The Trustees consider that it is impracticable to allocate individual items of expenditure to direct charitable expenditure, fund-raising and the governance of the charity. Instead, for the purpose of these financial statements, the Trustees have apportioned total expenditure between these headings on a proportionate basis, in accordance with the Trustees' careful consideration and judgement

Salaries are allocated according to each staff members' time contribution to each of the headings

Purchase costs for the components of the Touch to See books are all allocated to direct charitable expenditure

All other expenditure is apportioned to each of the headings according to either time or use of space and in some cases where deemed appropriate, by a specific apportionment

Once the allocations have been made they are then broken down into those costs applicable to the Restricted Funds and those costs applicable to the Unrestricted Fund

The apportionments are allocated according to a detailed grid that is reviewed annually, or in the interim if deemed necessary, by the Trustees

**THE LIVING PAINTINGS TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 May 2013**

Production costs of all Touch to See packs

The costs of producing Touch to See packs are treated as an expense during the period in which it is incurred

Fixed assets and depreciation

Depreciation is provided by the charity to write off the cost of fixed assets on a straight line basis over their estimated useful economic lives as follows

Computer Equipment	-	3 years
Leasehold buildings	-	50 years
Office Equipment	-	5-10 years

Generally it is the policy of the Trust to capitalise expenditure of greater than £100 when it will be used within the charity for a number of years

3 NET INCOMING RESOURCES

	2013 £	2012 £
Results for the year are stated after charging		
Depreciation	9,871	14,243
Auditors' remuneration	<u>3,100</u>	<u>2,500</u>

4 DIRECTORS REMUNERATION

During the 2012/13 financial year £132 was paid out as expenses to the Trustees, of these none received amounts during 2012

5 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff costs £	Other £	Depreciation £	Total 2013 £	Total 2012 £
Cost of generating funds:					
Fund-raising	-	15,215	-	15,215	67,857
Charitable expenditure					
Direct charitable expenditure	206,018	65,415	9,871	281,304	278,201
Governance					
Legal, audit and professional fees	<u>206,018</u>	<u>12,355</u>	<u>9,871</u>	<u>12,355</u>	<u>18,161</u>
	<u>206,018</u>	<u>92,985</u>	<u>9,871</u>	<u>308,874</u>	<u>364,219</u>

6 STAFF NUMBERS AND COST

The average number of persons employed by the company during the year, analysed by category, was as follows

	2013	2012
Production	3	3
Fund-raising and publicity	2	1
Administration and management	2	2
Library	<u>2</u>	<u>3</u>
	<u>9</u>	<u>9</u>

THE LIVING PAINTINGS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 May 2013

The aggregate payroll costs of these persons plus casual staff not included in the above figures were as follows

	2013 £	2012 £
Wages and salaries	189,030	192,526
Social security costs	<u>16,988</u>	<u>17,460</u>
	<u>206,018</u>	<u>209,986</u>

No employee earned £60,000 per annum or more

7 TANGIBLE FIXED ASSETS

	Leasehold premises £	Computer Equipment £	Equipment £	Total £
COST:				
At beginning of year	340,510	35,217	46,627	422,354
Additions	-	2,621	-	2,621
At end of year	<u>340,510</u>	<u>37,838</u>	<u>46,627</u>	<u>424,976</u>
DEPRECIATION:				
At beginning of year	64,943	34,986	44,411	144,340
Charge for year	<u>6,810</u>	<u>1,091</u>	<u>1,970</u>	<u>9,871</u>
At end of year	<u>71,753</u>	<u>36,077</u>	<u>46,381</u>	<u>154,211</u>
NET BOOK VALUE				
At 31 May 2013	<u>268,757</u>	<u>1,761</u>	<u>246</u>	<u>270,764</u>
At 31 May 2012	<u>275,569</u>	<u>230</u>	<u>2,215</u>	<u>278,014</u>

The leasehold premises comprise 2 leases each of 999 years calculated from 29th September 1986 each at a rent of £100 per annum

8 DEBTORS

	2013 £	2012 £
Accrued income	31,100	38,801
Other debtors	<u>5,028</u>	<u>3,820</u>
	<u>36,128</u>	<u>42,621</u>

THE LIVING PAINTINGS TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 May 2013

9 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Trade creditors		
Bank loans and overdrafts	4,222	3,977
Other creditors	<u>12,807</u>	<u>14,427</u>
	<u>17,029</u>	<u>18,404</u>

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2013 £	2012 £
Bank and grant making trust loans	<u>181,747</u>	<u>185,969</u>

In order to finance the acquisition of one of its leasehold premises, Unit 9, Kingsclere Park, the Trust raised two loans in April 2006, one from The Chantry Bank Limited for £155,000 and one from a grant making trust for £55,000. The bank loan is secured by a first fixed charge over the leasehold premises, Unit 9, Kingsclere Park. The loan from the grant making trust is secured by a second fixed charge over these premises.

Analysis of debt

	2013 £	2012 £
Debt can be analysed as falling due		
In one year or less	4,222	3,977
Between two and five years	25,329	23,856
Over five years	<u>156,418</u>	<u>162,113</u>
	<u>185,969</u>	<u>189,946</u>

11 FUNDS

The movement in the unrestricted and restricted funds is disclosed in the Statement of Financial Activities on page 20. The nature and purpose of such funds is described in note 2 to the financial statements.

	Brought Forward	Incoming Resources	Resources Expended	Carried Forward
General Funds	114,277	154,540	101,432	167,385
Restricted Funds				
Touch to See Book Clubs	139,343	106,763	157,625	88,481
Library Fund	17,187	59,060	48,817	27,430

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted income funds £	Total £
Fund balances at 31 May 2013 are represented by			
Tangible fixed assets	270,764	-	270,764
Current assets	95,397	115,911	211,308
Current liabilities	(17,029)	-	(17,029)
Creditors amounts falling due after more than one year	<u>(181,747)</u>	<u>-</u>	<u>(181,747)</u>
	<u>167,385</u>	<u>115,911</u>	<u>283,296</u>

13 RELATED PARTY TRANSACTIONS

During the 2012/13 financial year £132 was paid out as expenses and donations of £6,920 were received from the Trustees. There were no other related party transactions.

14 CONTROLLING PARTY

The Charity is controlled by its Trustees as listed on page 4.