THE LIVING PAINTINGS TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2018

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COMPANIES HOUSE

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE PERIOD ENDED 31 MAY 2018

Trustees
Alex Wilson, Chairman
Neil Walke, Treasurer
Cat Bailey
Corienda Brown
Danuta Curtis
Vicki Harris
Andrew Leach
Catriona Macritchie
Jennifer Scott

Alex Wilson and Neil Walke are members of the Management Committee

Trustees appointed during the year
Andrew Leach (January 2018)

Trustees resigned during the year
Robert Talson (November 2017)

Company registered number
3095963

Charity registered number
1049103

Registered office
Queen Isabelle House
Unit 8, Kingsclere Park
Kingsclere
Newbury
Berkshire
RG20 4SW

Company secretary
Camilla Oldland

Chief Executive
Camilla Oldland

Independent auditor
James Cowper Kreston
Chartered Accountants and Statutory Auditor
Mill House
Overbridge Square
Hambridge Lane
Newbury
RG14 5UX

Bankers
Bank of Scotland
The Edinburgh Royal Mile Branch
300 Lawn Market
Edinburgh
EH1 2PH

Newbury Building Society
105b Northbrook Street
Newbury
Berkshire
RG14 1AA

CAF Bank Limited
PO Box 289
West Malling
Kent
ME19 4TA

Solicitors
Pitmans
47 Castle Street
Reading
Berkshire
RG1 7SR

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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2018

Welcome

Every 15 minutes someone new is told that they will lose their sight. This number includes 4 children every day whose parents will hear that their precious child is, or will become, blind. It is a devastating diagnosis, leaving parents uncertain as to how their child can join in with story time at nursery, follow school work with their sighted peers, and make friends. For as well as the educational impact, blind children face real social exclusion, as they struggle to join in conversations about the visually informed subjects that form the basis for so much social interaction. For older people, who often live alone, we know only too well that blindness can lead to life shattering isolation, leaving them cut off from the world around them and activities that brought them joy.

Our work at Living Paintings is designed to address the significant challenges that living with sight loss brings whatever the age. Our unique Touch to See books, with their raised images and audio guides, website and Book Clubs create the unique opportunity to explore the visual world which in turn brings pleasure, learning and new friendships to blind and partially sighted children, young people and adults. I am delighted to report that, thanks to generous support from funders and volunteers alike, **we are today achieving this for 15,250 blind and partially sighted people across the UK, with free loans of our Touch to See books from our nationwide, postal library. We have 1,000 more people benefitting compared to this time last year.**

It is the real life stories of the true difference that our work makes that daily touch my heart and so I thought I would share three of these from the last year:



Olivia is six years old and is in care. She has very poor vision and found it difficult to concentrate on reading – her teacher Heather reported that she was in danger of becoming disengaged from literacy. ***'We contacted Living Paintings and they sent a beautiful selection of books, about Olivia's favourite topics. The colours really stood out from the tactile pictures, they were so cheerful and fun to use. Olivia was mesmerised, and shared the beautiful books with her foster mother. Little by little Olivia's ability to recognise letters has improved as she realised that books are not something to be afraid of. She has achieved Level One in all her school subjects - something we thought was impossible two years ago. It was described as a "miracle" at a meeting we had about Olivia recently. Thank you.'***



Teddy is two years old and is one of our youngest library members. Teddy was diagnosed with Norrie's disease at six months, a rare genetic disease causing detached retinas and resulting blindness. Thanks to the wonderful support of his family and helped by our Touch to See books, Teddy and his younger, sighted brother can now share in story time together.

His mum says: ***'Teddy will now independently choose a book off the shelf and bring it to us and say 'read it' which is something I could never have imagined him doing. Thanks to Living Paintings Teddy's love for books has massively increased, as has his vocabulary and independence in making choices. As a family we love sitting down and reading the books together and seeing the pure delight on Teddy's face.'***

Maureen experienced sight loss in later life and now has partial vision in one eye and is completely blind in the other eye. She had to 'relearn' how to do lots of day to day tasks she had taken for granted before – from choosing an outfit to wear, through cooking a meal, to getting out and about without driving. She has found invaluable support through her local Touch to See Book Club, making lifelong friends with others affected by sight loss. ***'I love the Book Club meetings. As well as enjoying the Touch to See books, we do special day trips together. Recently we visited Highclere Castle and went around their Egyptian exhibition – it was wonderful. We look out for each other.'***



Members of the Thatcham Book Club visiting Highclere Castle, including Maureen, second from right

Within our beneficiary group we now have 7,500 children and 7,750 adults. A particular highlight has been an increase of 75% in our teenage beneficiaries thanks not only to new recruitment but also to the fact that our children are now staying with us as they grow up because we have the new Teen Reads library range for them.

Alongside growing the number of people we reach and meeting their needs with tailor made loans from our free library **we have also published new Touch to See titles including**:

Touch to See adaptations of three popular children's titles, including the colourful story, 'Goodnight Spaceman' to which ESA Astronaut Major Tim Peake lent his voice to the audio description.



One Young Explorer book title which is the last is a series of 3 about dinosaurs called Dinosaurs Roar! Crazy Cretaceous.

Two titles in our new SCIENCE ALIVE! series, that we created following requests from teachers and parents. This series is designed to inspire curiosity and grow confidence in STEM subjects. To date, we have published: *The Body Owner's Guidebook* - an illustrated guide to the human body; *The Wonder of Life* - exploring the cellular building blocks of plant and animal life; and *The World Below* - exploring the world beneath our feet. These have been joined by *Fantastic Light* featuring the book 'The Lighthouse Keeper's Rescue' – explaining the key concepts of light such as shadows and reflections and *Science Experiments* – investigating 5 scientific principles each with a fun experiment to do at home or in school.



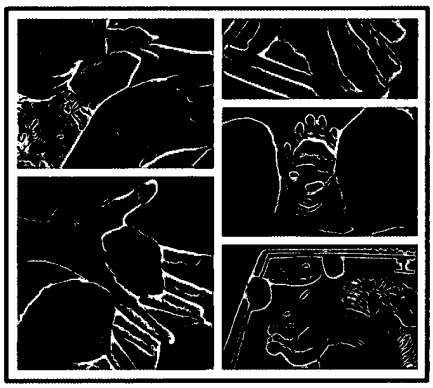
We have also worked hard to deliver new, culturally reactive content through our 16 online Discovery Hubs which extend the experience of our Touch to See books. As you can imagine, there is a huge amount of content that has been generated in the last year to reflect upon and I have picked three of my highlights:

Tim Peake landed in studio for us in April. As well as recording the audio for our adaptation of 'Goodnight Spaceman' he generously gave us some wonderful insights into the life of an astronaut that we captured on audio alongside answers to the fantastic questions that our childrens' library members sent in. These were uploaded to Soundcloud and added to our Science Alive! Discovery Hub.

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The audio description for our long awaited adaptation of the much loved children's story 'Stick Man' was voiced by actor, Martin Freeman. Whilst in the studio Martin told us all about his favourite books as a child. We added this to our Wigwam Discovery Hub for all to hear and enjoy.



Inspired by a young library member who used the tactile image of animal footprints included in our Touch to See Book, British Wildlife, to create replicas in Play-Doh, we came up with some other ideas of fun, multi-sensory activities to do. These included a guide for creating a tactile collage from things to be found in the countryside such as leaves and conkers. For each activity we signposted a nature-inspired read from our Touch to See library.

Driven by a growing body of evidence being published that demonstrates the significant impact that loneliness has on people's lives it has become an important cross-sector theme this year. An important part of our work is to help tackle the ongoing feeling of loneliness and the impact of isolation felt by many blind and partially sighted people and our Touch to See Book Clubs programme is specifically designed for this purpose. Though the programme has been impacted by swathing funding cuts in both the vision and social care sectors, I am delighted to report that during the year more than 5,000 people have benefitted from this community based service through 330 of our Clubs.

Overall, Living Paintings has experienced another excellent year of growth in both the number of people whose lives we touch as well the resources and services that we provide for blind and partially sighted people young and old. There is much to do in the coming twelve months and we look forward to standing alongside our friends, volunteers and funders as we make it an extra special 30th Anniversary year.

Camilla Oldland
Chief Executive



TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2018

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.

What we do

Living Paintings are publishers of unique Touch to See books for blind and partially sighted 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.

For Adults
With us, adults explore subjects such as British wildlife and the 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 a member of one of our community **Touch to See Book Clubs**, or at home with family and friends.

For Children
Our young library members can grow with the library, as pre-school children develop their fine motor skills by tracing the shapes of the well-loved characters Spot and Peppa Pig, as well as learning to listen and follow simple instructions. Children have fun and learn with our Touch to See versions of best-selling titles such as Julia Donaldson's *The Gruffalo* and *Stick Man.* Our educational range of books tie in to subjects across the National Curriculum and are excellent for homework help, too. We know that most of our young visually impaired members attend mainstream schools, so our resources offer the opportunity for positive, shared learning experiences. 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.

For Young People
Teenagers and young people can absorb themselves in our collection designed to support and stimulate teen interest areas such as; Fashion, Football, Film, Theatre and Music.

"I loved being able to read the braille in the book to my younger brothers. Zog is perfect for them and it means all three of us can be included in the story. I was able to feel the characters, the details on Zog, his horns and wings and tail, Princess Pearl, and the knight with his sword." Jacob, young library members

"My son's confidence has sky rocketed since he started receiving his Living Paintings books. Now he is much more outspoken and contributes to classroom debates and discussions." Parent

"We all know each other. But since we started the book club we have developed our friendships even more as we have found out so much more about one another. It opens our minds and makes us take note about things around us. Makes us more observant. Brightens out horizon." Book Club member

OBJECTIVES AND ACTIVITIES CONTINUED

Volunteers

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. This year our wonderful team of volunteers has continued to make an essential, committed contribution to Living Paintings. They number 320 meaning that our staff to volunteer ratio stands at 1:33. 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 undertake a range of tasks, many of which require specialist skills and training. They help with every stage of the production process with researching, writing, recording, editing sound recordings, manufacturing packs, painting feely pictures etc. They also undertake the day to day library services, help with fundraising, record keeping and the promotion of Living Paintings. Included in their number are many famous faces who give of their time freely, most often to record the audio descriptions for the Touch to See books. They include Sir Derek Jacobi, Joanna Lumley, Alan Davies, Michael Sheen, Lord Fellowes, Jo Whiley, Dallas Campbell, ESA Astronaut Tim Peake and Sir Robert Winston amongst many more.

Such a team merits a high level of professional support as 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.

Why we do it

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 and this number is set to grow to 2.25 million by 2020**.

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);
- 43% have experienced bullying because of their sight loss
- 86% have found themselves excluded from activities by their peers.
- The prevalence rate is so low that a mainstream setting is unlikely to have sufficient knowledge and experience to meet their requirements.
- 1 in 3 local authorities have cut their spending on services for children and young people with vision impairment in the last year.

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;
- Half feel moderately or completely cut-off from people around them,
- Older adults are three times more likely to experience depression compared to those with good vision,
- 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.

These people face challenges of mobility, social inclusion, achieving an education and securing a job; two thirds of blind people of working age are not in education, employment or training. 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; 250,000 who are over 75 report that they receive little or no help from their local social care services.

OBJECTIVES AND ACTIVITIES CONTINUED

For blind and partially sighted children 'They are more likely to live in a family experiencing financial hardship. They are likely to have less exposure to social and cultural events, have fewer friends and do less physical activity. Parents and teachers perceive them as performing less well at school than their sighted peers. Not surprisingly, there is evidence to suggest that they are less secure and confident from a psychological perspective. They are more likely to be bullied at school, have concentration or behavioural problems and feel unhappy, downhearted or low.' *RLSB, RNIB and NatCen Social Research 2012*

Also, 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 inspiring an enjoyment of books in doing so.

All suffer isolation and exclusion.

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

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

- engage with new learning and interests;
- 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.

All of the above has been learnt through extensive, direct feedback from members received over the years, our 3 year independent market research project (2008-2011) and the various case studies and surveys recently completed including:

Children's Impact Survey (completed 2018) which reported:

✓ 94% of blind and partially sighted children have improved confidence thanks to Living Paintings

For those blind and partially sighted children who receive Living Paintings' service:

✓ 96% have attained an increased interest in learning
✓ 92% benefited from an improved confidence in reading
✓ 92% were more confident in joining in class activities and discussions
✓ 90% have benefitted from an increase in shared experiences with sighted friends, family and peers.
✓ 81% have experienced a positive change in their confidence in socialising and making friends.
✓ 74% have benefitted from a positive change in their confidence in taking part in physical activities such as getting involved in playing games.

Touch to See Book Clubs Impact Survey completed 2018 reported that of the blind and partially sighted participants:

✓ 88% feel that their confidence has increased
✓ 100% have started new or developed existing friendships
✓ 94% say they have an improved quality of life
✓ 75% have ventured away from home to a greater extent
✓ 88% have taken up new activities/challenges
✓ 75% have discovered new services
✓ 81% have benefited in a practical way from peer-to-peer support

We also know that we are reaching those most in need with 40% of clubs being situated in areas that are in the lowest third of deprivation indices. 36% of participants are from black and ethnic minorities and 75% are over the age of 65, whilst 20% are 85 and over.

THE FUTURE

Our Aims

- To increase the number of blind and partially sighted children, young people and adults who benefit from our work.
- To increase the positive impact of our work for blind and partially sighted people.

Our Objectives

- Expansion and optimisation of our Touch to See content and service.
- Building of our community with co-creation, collaboration and partnership.

Our Work Plan

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

Therefore our work plan this year once again 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, breadth, scope and diversity of our Touch to See Books.
2. **Digital Vision** - Delivering our digital strategy in support of our Objectives.
3. **Library Service** - Developing delivery in support of growing numbers of beneficiaries whilst optimising the opportunities offered by emerging technologies.
4. **Community** - Expanding Touch to See Book Clubs and developing engagement with our beneficiary group alongside their families, teachers and carers.

In our 30th year these four areas are intrinsically linked and will complement one another.

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 and 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 in response to their requests. 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.

In 2018/2019 we will continue to develop the scope of our library catalogue broadening the diversity of subjects available, in order to widen the community that our resources benefit. For children and young people we will complete our highly successful Science Alive series with a new chemistry experiments book. We will also be completing our 'Literature Alive!' series. This is designed to encourage our children to continue reading for pleasure at a stage in their lives, typically as they move to secondary school, when they tend to forsake this important activity. Inspired by the positive feedback regarding the interactive elements of our Science Experiments we are embarking on a new series, Art Alive!. Following the themes of 'explore', 'discover', 'create' and 'communicate', Art Alive! will be a fantastic resource which will showcase great works of art and the stories behind them, inspire participation in arts and crafts activities, and use art as a basis on which blind and partially sighted children can build an understanding of the visual world around them.

In celebration of his life and works we will be producing a new Touch to See Classics book about Rembrandt in the year of the 350th anniversary of his death. We will also produce 10 further titles for our Touch to See Book Clubs designed in response to their feedback for new and stimulating subjects to explore in a welcoming shared environment.

"I'm thrilled to be supporting Living Paintings, the work they do in making books accessible through touch and sound is incredible. It's wonderful to know that so many children who are blind or partially sighted can enjoy Zog thanks to their free library." Children's Book Illustrator, Axel Scheffler

THE FUTURE CONTINUED

2. Digital Vision: Delivering our Digital Strategy

Our aim is to create a Living Paintings digital world with community and accessibility at the heart; where blind and partially sighted people, and those around them (friends, family, teachers, organisations) feel connected, supported, included and represented, and that they have a voice. Where donors can be inspired and informed, and know that every penny works hard at Living Paintings. And, where our volunteers and working partners (publishers, authors) feel proud, amazed and inspired to do more.

As part of this we plan that Living Paintings Online will provide a creative, inspirational, interactive 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. We intend that our website be a relevant part of blind and partially sighted people's everyday lives – one of their number 1 destination websites for lifestyle, leisure, education, life-long learning and culture.

As a significant step to achieving this we will launch a new website which will focus on improving the user journey within a new design. We will be including the development of new content designed especially for the community of parents, carers, teachers and friends who are daily supporting our library members. We will also continue to provide exciting, dynamic online content that extends the experience and benefit of using our Touch to See books. Beyond this we will build on our excellent achievements in promoting our work and engaging with our community using a variety of social media platforms.

3. Library Service: Developing delivery

To help us reach our target of 920 new library members in order to increase our beneficiary group to 15,650 we will continue to invest in the promotion of our free service through social media, profile raising activities and outreach work.

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 for the time being, will be available online for those of our Library Members who can access it via that route. 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. We will continue to work towards achieving this vision whilst maintaining our first priority of providing a continuing, tailor made service to all our fast growing number of blind and partially sighted beneficiaries.

In our 30th anniversary year we will also be exploring the ways in which we can deliver our multi-sensory experience using cutting edge virtual reality technology.

4. Community: Expanding Touch to See Book Clubs

We plan to continue providing our positive, pro-active and tailor made service to our 330 Touch to See Book Clubs around the country. Due to the breakdown of the networks that we use to support the operation of the Clubs caused by the current atmosphere of austerity, we expect to loose approximately 10% of our clubs over the next twelve months. We therefore plan to set up at least 36 new clubs during the year in order to continue to reach 5,000 people with this project. In response to the growing need for this programme thanks to an ever increasing number of isolated and lonely elderly people living with sight loss we plan to roll out a new model for its delivery that takes into account the changed environment into which it is offered. In order to to achieve this we will need to fund an increase in the infrastructure that is in place to support our Book Clubs project.

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. It is these community groups who have suffered severe cuts leading to the need for us to develop a new approach to how we scale up the programme.

THE LIVING PAINTINGS TRUST
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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2018

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.

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 2.

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 former Curator at Christ Church Oxford and the Ashmoleum 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 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.

Our Trustees At 31st May 2018

Cat Bailey	Creative Partner, PinkGreen. Previously SAS and Corporate Edge.
Corienda Brown	Beneficiary of Living Paintings. Continuity Announcer for Channel 4 television. Previously held a variety of roles in continuity announcing and radio journalism.
Dani Curtis	Beneficiary of Living Paintings. Formerly with RNIB, Projects by the Blind and Fundraising Manager with Guide Dogs.
Vicki Harris	Qualified Chartered Accountant. Previously Group Strategy and Marketing Director, Aldermore and held senior roles in Octopus Investments, GE Capital and McKinsey and Company.

Andrew Leach	Formerly Chief Executive, Defence & Government, Sodexho. Previously held a variety of roles in Sodexho and Lieutenant, Royal Navy.
Catriona Macritchie	Qualified Solicitor. General Counsel IP, HR and Data Privacy, Diageo PLC. Formerly various including McGrigor Donald (now part of Pinsent Masons) and William Grant & Sons Limited
Jennifer Scott	Sackler Director of The Dulwich Picture Gallery. Previously Director of the Holburne Museum and formerly with The Royal Collection, National Museums Liverpool and the National Gallery London.
Neil Walke *(Treasurer)*	Qualified Chartered Accountant. Project Manager at Vodafone Group. Formerly with Deloittes.
Alex Wilson *(Chairman)*	Formerly Group Human Resources Director BT Group. Previously with Ford, Grand Metropolitan, Guinness, Diageo and ICI.

Our Ambassadors

We benefit from the support of three **Living Paintings Ambassadors** who have been appointed with the joint purpose of giving them a voice as beneficiaries of our charity and providing positive role models for other people who are experiencing sight loss.

Kali Gilbert is mother of seven year old Tayen who loves our Touch to See books. Kali is a great supporter of our work and an excellent spokesperson because she believes passionately in the value of what we do – helping blind children, like Tayen, read and develop a love of picture books. Tayen lost her sight at 18 months and Kali is a ready communicator about the trials, tribulations and joys of being this special little girl's mother.

Lucy Edwards is a go getting young person who has a highly successful YouTube channel, Yesterday's Wishes, and her tutorials on helping blind people put on make-up have made her an internet sensation leading to a number of TV appearances.

Emily Davison – Emily, is an aspiring writer who has already been published in the Huffington Post and Guardian – she works closely with us as our Fashion Ambassador and road-tests our new publications for young people. Emily writes brilliant blogs for our website and helps blind and partially sighted teens build the confidence to enjoy fashion. Emily is advocating for improved accessibility in children's literature, pursuing her keen interest in space, and studying for her MA in children's literature at Goldsmiths

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 principal risk remains that of maintaining current levels of income. Steps that have been taken to mitigate this risk include the establishment and maintenance of a comprehensive database providing weekly, monthly and annual reporting and which drives our fundraising efforts alongside the creation of a fundraising strategy which includes the development of new income streams. Trustees are satisfied that adequate systems are in place to mitigate any exposure to our major risks, in particular financial and operational risk.

Key Management Personnel Remuneration

The Trustees consider the Board of Trustees and the Senior Management Team as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in notes 6 and 17 to the accounts.

The pay of the Senior Management Team is reviewed annually and is normally increased in accordance with average earnings. The remuneration is reviewed to ensure that it is fair and not out of line with similar roles.

FINANCIAL REVIEW

The financial results for the year are shown on pages 20 - 21. We achieved an income of £368,239 while expenditure was £368,852 giving a deficit of £613 for the year.

Income: This year we raised £368,239. We receive no statutory funding and are entirely dependent on voluntary donations. We are reliant on donations from grant making trusts to fund the majority of our work and we are grateful to all those trusts who supported us again or for the first time during the year. They are listed on page 14.

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

1. Donations and gifts of £130,094 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 £237,966 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 2018/19 at 20% higher than last year to take into account their decision to invest in the future growth of the organisation. 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 and grow to provide our much needed service to our members.

Expenditure: This year we spent £368,852 an increase of just 4% on the previous year. This has been achieved despite increasing our beneficiary group by 1,000 people and expanding our library of Touch to See books for all age groups.

Our Fund Balances at 31st May 2018

1. The Unrestricted Fund comprises:
   - £135,567 as a General Reserve.
   - £61,161 which is the net book value of the property and equipment for use by the charity, after deduction of the amount outstanding on the loan from Charity Bank Ltd. (See Page 28)

2. The Restricted Fund comprises:
   - £113,386 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.
   - £33,319 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 a 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 and expenditure. 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.

"Your appeal made me cry! I was not aware of your organisation existed nor the fantastic service you provide. I hope your fundraising is the tremendous success it deserves to be." Donor

"A fantastic charity that also loans to our eye centre for blind and partially sighted children. this is my donation instead of Christmas card buying." Donor

THE LIVING PAINTINGS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2018

Our Donors: 1st June 2017 – 31st May 2018

Living Paintings is entirely dependent on voluntary donations, listed below are some of the organisations who made grants:

The Headley Trust
BBC Children in Need
The Foyle Foundation
The Underwood Trust
Garfield Weston Foundation
The Band Trust
The Will Charitable Trust
Peter Harrison Foundation
Postcode Community Trust
The Eveson Charitable Trust
Swire Charitable Trust
The 29th May 1961 Charitable Trust
The ACT Foundation
The Batchworth Trust
The Carmen Butler-Charteris Charitable Trust
The Liz and Terry Bramall Foundation
The Valentine Charitable Trust
Santander UK Foundation Limited
Miss Agnes H Hunter's Trust
The Hugh Fraser Foundation
Sandra Charitable Trust
The Gerald Palmer Eling Trust
The Sir James Knott Trust
Johnnie Johnson Trust
The Holbeck Charitable Trust
The Mackintosh Foundation
The Wixamtree Trust
The Edward and Dorothy Cadbury Trust
The Alice Ellen Cooper-Dean Charitable Foundation
The Bellinger Donnay Charitable Trust
The Dorothy Hay-Bolton Charitable Trust
The Bearder Charity
Cruden Foundation Limited
Mrs E Y Imrie's Charitable Trust
The Bothwell Charitable Trust
The Chalk Cliff Trust
The Charles Irving Charitable Trust
The Colefax Charitable Trust
The Harry Payne Trust
The Mickleham Trust
The Paul Bassham Charitable Trust
The Robert Clutterbuck Charitable Trust
The Roger & Douglas Turner Charitable Trust
The Sir James Roll Charitable Trust
The West Cornwall Youth Trust
Woodroffe Benton Foundation
John James Bristol Foundation
The Benham Charitable Settlement
The Gibbons Family Trust
The W. M. Mann Foundation
Harford Charitable Trust
The William Kenneth Hutchings Charitable Trust
Marsh Christian Trust
The Stanton Ballard Charitable Trust
Annie Tranmer Charitable Trust
Douglas Arter Foundation
Oakdale Trust
The Alan Jenkin Stokes Memorial Trust
The Ammco Trust
The Camelia Trust
The Cumber Family Charitable Trust
The George Henry Collins Charity
The Gilbert & Eileen Edgar Foundation
The J Reginald Corah Foundation Fund
The Jessie Spencer Trust
The JTH Charitable Trust
The Macfarlane Walker Trust
The Norman Family Charitable Trust
The Sylvia and Colin Shepherd Charitable Trust
The W E Dunn Trust
Somerset Community Foundation
The A W Gale Charitable Trust
Proven Family Trust
The Florence Turner Trust
The John Kenrick Charitable Trust
Anthony and Deirdre Montagu Charitable Trust
J A Floyd Charitable Trust
Norman Collinson Charitable Trust
The Fitton Trust
The Langtree Trust
The Sir James Reckitt Charity

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

2017-18 in numbers

Our work for blind and partially sighted people



Beneficiaries:

A total of **15,250** blind and partially sighted beneficiaries supported.

7,750 adults rediscovered interests they had before sight loss and enjoyed expanding their knowledge.

7,500 children read, learnt and had fun with our multi-sensory Touch to See books.



94% of child beneficiaries have improved confidence. Thanks to Living Paintings.



1,000 the number of new beneficiaries reached in 2017/18.

Touch to See Book Clubs:

1,750 adults met weekly in our nationwide Touch to See Book Clubs.



3,000 adults met monthly in our nationwide Touch-to-See Book Clubs.

81% of Book Club participants benefitted from peer to peer support.

Finance:

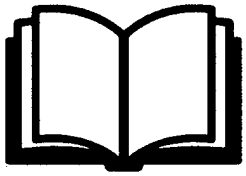


£600 deficit proved excellent financial controls exercised.

£368,000 (circa) Income and Expenditure for the year.

Our Library:

303 Touch to See book titles available from our free postal library. With multiple copies of each title.

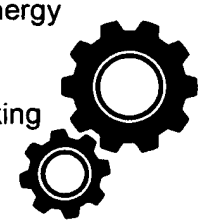


1,744 images adapted into tactile images with audio description since our founding in 1989.

12,000 library loans processed.

Volunteers:

320 volunteers gave their time, energy and skills.



5,000 hours were donated to making our Touch to See books.

Volunteers spent **800 hours** helping to run our free postal library.

And a little more...

1 astronaut, Tim Peake helped us open up STEM subjects for children.

2 film and television stars; Martin Freeman and Mel Geidroyc brought Julia Donaldson characters to life.

3 hours spent helping Children In Need deliver a record breaking appeal night.

Four(ty-four) **tonne lorry** delivers Living Paintings message up and down the country with the help of the Gruffalo.

5 science experiments get blind children on their way to being mini professors.



THE LIVING PAINTINGS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MAY 2018

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The Living Paintings Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year. 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has 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.

This report was approved by the Trustees on 25 January 2019 and signed on their behalf by:

Alex Wilson
Chairman

Camilla Oldland
Chief Executive

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVING PAINTINGS TRUST

OPINION

We have audited the financial statements of The Living Paintings Trust (the 'charitable company') for the year ended 31 May 2018 set out on page 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2018 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.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVING PAINTINGS TRUST

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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; 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LIVING PAINTINGS TRUST

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

USE OF OUR REPORT

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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

MNFarwell

Michael Farwell MA FCA DChA (Senior statutory auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

Mill House
Overbridge Square
Hambridge Lane
Newbury
RG14 5UX
Date: 11/2/2019

THE LIVING PAINTINGS TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MAY 2018

		Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:					
Donations	3	**237,966**	**130,094**	**368,060**	359,637
Other trading activities		**-**	**171**	**171**	3,712
Investments		**-**	**8**	**8**	27
TOTAL INCOME		**237,966**	**130,273**	**368,239**	363,376
EXPENDITURE ON:					
Raising funds	5	**6,508**	**36,732**	**43,240**	28,896
Charitable activities	4	**233,691**	**91,921**	**325,612**	324,094
TOTAL EXPENDITURE	5	**240,199**	**128,653**	**368,852**	352,990
NET INCOME AND MOVEMENT IN FUNDS		**(2,233)**	**1,620**	**(613)**	10,386
RECONCILIATION OF FUNDS:					
Total funds brought forward		**148,938**	**195,108**	**344,046**	333,660
TOTAL FUNDS CARRIED FORWARD		**146,705**	**196,728**	**343,433**	344,046

All activities relate to continuing operations.

The notes on pages 23 - 31 form part of these financial statements.

ANALYSIS OF FUNDS CARRIED FORWARD AT 31 MAY 2018

	£
Unrestricted fund	
General reserve	**142,377**
Property & fixed assets for use by charity	**54,351**
	196,728
Restricted fund	
Funded projects awaiting completion	**113,386**
Library fund	**33,319**
	146,705
TOTAL FUNDS CARRIED FORWARD	**343,433**

THE LIVING PAINTINGS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 3095963

BALANCE SHEET
AS AT 31 MAY 2018

		£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	9		**240,810**		248,467
CURRENT ASSETS					
Debtors	10	**26,102**		4,257	
Cash at bank and in hand		**190,844**		217,023	
		216,946		221,280	
CREDITORS: amounts falling due within one year	11	**(15,218)**		(20,399)	
NET CURRENT ASSETS			**201,728**		200,881
TOTAL ASSETS LESS CURRENT LIABILITIES			**442,538**		449,348
CREDITORS: amounts falling due after more than one year	12		**(99,105)**		(105,302)
NET ASSETS			**343,433**		344,046
CHARITY FUNDS					
Restricted funds	13		**146,705**		148,938
Unrestricted funds	13		**196,728**		195,108
TOTAL FUNDS			**343,433**		344,046

The financial statements were approved by the Trustees on 25 January 2019 and signed on their behalf, by:

Alex Wilson - Chairman

Neil Walke ACA - Treasurer

The notes on pages 23 - 31 form part of these financial statements.

THE LIVING PAINTINGS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 3095963

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided / (used in) by operating activities	15	**(23,887)**	57,495
Cash flows from investing activities:			
Purchase of tangible fixed assets		**(2,292)**	(5,332)
Net cash used in investing activities		**(2,292)**	(5,332)
Change in cash and cash equivalents in the year		**(26,179)**	52,163
Cash and cash equivalents brought forward		**217,023**	164,860
Cash and cash equivalents carried forward		**190,844**	217,023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Living Paintings Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The Living Paintings Trust is a registered charity and 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 2018 there were 9 members (2017: 9).

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Library materials are only of benefit to blind and partially sighted people and therefore are of very low commercial value. As such they are expensed in the year rather than being treated as a capital asset for ongoing use in the charity.

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £100 are capitalised by the Trust.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	-	50 years - straight line basis
Office equipment	-	5 - 10 years - straight line basis
Computer equipment	-	3 years - straight line basis

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

1. ACCOUNTING POLICIES (continued)

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets (see note 9)
Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

3. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2018 £	**Unrestricted funds 2018 £**	**Total funds 2018 £**	Total funds 2017 £
Donations	**237,966**	**130,094**	**368,060**	359,547
Legacies	-	-	-	90
Total donations and legacies	**237,966**	**130,094**	**368,060**	359,637
Total 2017	232,157	127,480	359,637	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

4. GOVERNANCE COSTS

	Restricted funds 2018 £	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Governance Auditors' remuneration	-	**3,900**	**3,900**	4,800
Consultancy fees	-	**726**	**726**	720
	-	**4,626**	**4,626**	5,520

5. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Raising funds	**25,000**	**18,240**	**43,240**	28,896
Costs of raising funds	**25,000**	**18,240**	**43,240**	28,896
Direct charitable expenditure	**225,336**	**95,650**	**320,986**	318,574
Expenditure on governance	-	**4,626**	**4,626**	5,520
	250,336	**118,516**	**368,852**	352,990
Total 2017	231,578	121,412	352,990	

6. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	**9,949**	13,341
Interest on loans	**4,749**	4,923

During the year, no Trustees received any remuneration (2017 - £NIL).
During the year, no Trustees received any benefits in kind (2017 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2017 - £NIL).

7. AUDITORS' REMUNERATION

	2018 £	2017 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	**3,900**	4,800

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

8. STAFF COSTS

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	**231,089**	214,382
Social security costs	**17,189**	16,316
Other pension costs	**2,058**	879
	250,336	231,577

The average number of persons employed by the company during the year was as follows:

	2018	2017
	No.	No.
Production	**2**	2
Fundraising and publicity	**2**	2
Administration and management	**3**	2
Library	**4**	3
	11	9

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity comprise Trustees and the Senior Management Team. The total employee benefits of the key management personnel were £59,950 (2017: £59,950).

9. TANGIBLE FIXED ASSETS

	Long term leasehold property	Office equipment	Computer equipment	Total
	£	£	£	£
Cost				
At 1 June 2017	**340,510**	**48,297**	**46,533**	**435,340**
Additions	**-**	**110**	**2,182**	**2,292**
At 31 May 2018	**340,510**	**48,407**	**48,715**	**437,632**
Depreciation				
At 1 June 2017	**98,994**	**45,012**	**42,867**	**186,873**
Charge for the year	**6,810**	**746**	**2,393**	**9,949**
At 31 May 2018	**105,804**	**45,758**	**45,260**	**196,822**
Net book value				
At 31 May 2018	**234,706**	**2,649**	**3,455**	**240,810**
At 31 May 2017	241,516	3,285	3,666	248,467

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

9. TANGIBLE FIXED ASSETS (continued)

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

10. DEBTORS

	2018	2017
	£	£
Prepayments	**3,914**	1,253
Other debtors	**781**	709
Accrued income	**21,407**	2,295
	26,102	4,257

11. CREDITORS: Amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	**6,078**	5,820
Trade creditors	**780**	4,439
Other taxation and social security	**3,630**	3,736
Other creditors	**1,732**	386
Accruals and deferred income	**2,998**	6,018
	15,218	20,399

12. CREDITORS: Amounts falling due after more than one year

	2018	2017
	£	£
Bank loans	**99,105**	105,302

The Trust raised a loan in April 2006 from The Charity Bank Limited for £155,000 in order to finance the acquisition of the leasehold premises identified as Unit 9, Kingsclere Park. The bank loan is secured by a first fixed charge over the identified leasehold premises.

The aggregate amount of secured liabilities is £105,183 (2017: £111,122).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

13. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 June 2017	Income	Expenditure	Balance at 31 May 2018
	£	£	£	£
Unrestricted funds				
Property and fixed assets for use by the charity	**61,161**	**-**	**(6,810)**	**54,351**
General funds	**133,947**	**130,273**	**(121,843)**	**142,377**
	195,108	**130,273**	**(128,653)**	**196,728**
Restricted funds				
Funded projects awaiting completion	**84,962**	**138,594**	**(110,170)**	**113,386**
Library fund	**63,976**	**99,372**	**(130,029)**	**33,319**
	148,938	**237,966**	**(240,199)**	**146,705**
Total of funds	**344,046**	**368,239**	**(368,852)**	**343,433**

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 June 2016	Income	Expenditure	Balance at 31 May 2017
	£	£	£	£
General funds				
Property and fixed assets for use by the charity	67,971	-	(6,810)	61,161
General funds	112,191	131,219	(109,463)	133,947
Restricted funds				
Funded projects awaiting completion	110,058	74,087	(99,183)	84,962
Library fund	43,440	158,070	(137,534)	63,976
Total of funds	333,660	363,376	(352,990)	344,046

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 June 2017	Income	Expenditure	Balance at 31 May 2018
	£	£	£	£
General Funds	**195,108**	**130,273**	**(128,653)**	**196,728**
Restricted Funds	**148,938**	**237,966**	**(240,199)**	**146,705**
	344,046	**368,239**	**(368,852)**	**343,433**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2018

13. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 June 2016 £	Income £	Expenditure £	Balance at 31 May 2017 £
General funds	180,162	131,219	(116,273)	195,108
Restricted funds	153,498	232,157	(236,717)	148,938
	333,660	363,376	(352,990)	344,046

The Library Fund comprises multiple donations made specifically towards the costs of providing the Library Service free of charge to blind and partially sighted beneficiaries.

Funded projects awaiting completion consist of numerous funds of varying sizes covering specific projects in line with the charity's objectives for instance the creation and manufacture of new Touch to See book titles and the salary costs of the Touch to See Book Club Programme Manager.

Management accounting procedures quarterly track the movement in each individual restricted fund. They provide the necessary information to ensure that the appropriate balance is held in each account in order to complete the projects and thus meet the restrictions imposed by the donors.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2018 £	**Unrestricted funds 2018 £**	**Total Funds 2018 £**
Tangible fixed assets	**-**	**240,810**	**240,810**
Current assets	**146,705**	**70,241**	**216,946**
Creditors due within one year	**-**	**(15,218)**	**(15,218)**
Creditors due in more than one year	**-**	**(99,105)**	**(99,105)**
	146,705	**196,728**	**343,433**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	248,467	248,467
Current assets	148,938	73,296	222,234
Creditors due within one year	-	(21,353)	(21,353)
Creditors due in more than one year	-	(105,302)	(105,302)
	148,938	195,108	344,046

15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	2017
	£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)	**(613)**	10,386
Adjustment for:		
Depreciation charges	**9,949**	13,341
(Increase)/decrease in debtors	**(21,845)**	41,980
Decrease in creditors	**(11,378)**	(8,212)
Net cash (used in)/provided by operating activities	**(23,887)**	57,495

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	2017
	£	£
Cash in hand	**190,844**	217,023
Total	**190,844**	217,023

17. RELATED PARTY TRANSACTIONS

C Bailey (Trustee) is a Director of Pink Green Creative Limited. During the year the charity purchased £4,156 from Pink Green Creative Limited under normal commercial terms. There is no balance outstanding at the year end.

18. CONTROLLING PARTY

The Charity is controlled by its Trustees as listed on page 2.