

**Seven Stories, The National Centre for
Children's Books Collection Trust**

Annual report

31 March 2018

Seven Stories, The National Centre for Children's Books Collection Trust

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 4
Independent auditors' report	5 - 7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 16

Seven Stories, The National Centre for Children's Books Collection Trust

Reference and administrative details Year ended 31 March 2018

Trustees	Elizabeth Hammill Catriona Nicholson Douglas Dodds
Charity registered number	1115167
Principal office	30 Lime Street Ouseburn Valley Newcastle upon Tyne NE1 2PQ
Independent auditors	UNW LLP Chartered Accountants Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE
Bankers	Unity Trust Bank plc 9 Brindleyplace Birmingham B1 2HB

Seven Stories, The National Centre for Children's Books Collection Trust

Trustees' report Year ended 31 March 2018

The trustees present their annual report together with the audited financial statements of the charity for the year 1 April 2017 to 31 March 2018. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Objectives and Activities

Policies and objectives

Seven Stories is the national home for children's literature. Its mission is to save, celebrate and share our rich literary heritage for children, ensuring its essential place in childhood and our national cultural life. It does this by developing a nationally important collection of pre and post publication artwork, manuscripts and archives created by Britain's highly acclaimed writers and illustrators for children from c.1930s to the present day. It uses this collection as a unique and inspiring resource to create exhibitions, artistic and learning and research programmes dedicated to celebrating children's books, encouraging reading and nourishing intellect, curiosity, imagination and creativity.

Strategies for achieving objectives

The Charity's objects are to advance the education of the public in particular children and young people in the arts and literature without distinction of gender, sexual orientation, race or political, religious or other opinions, through the promotion of Britain's literary heritage for children and in particular, but not exclusively, by preserving, maintaining and adding to the Collection and by promoting access to the Collection.

Activities for achieving objectives

The Collection Trust receives assets by donation from its parent Charity. The Collection Trust owns and protects the archive. It is supported by Seven Stories staff through a management agreement dated 25th August 2006.

Main activities undertaken to further the charity's purposes for the public benefit

The charity owns a collection of modern and contemporary British children's books and related original artwork, manuscripts and archives. The charity makes the collection available to Seven Stories, The National Centre for Children's Books for use in exhibitions, educational activities, research and other programmes, for the public benefit.

Achievements and performance

Key financial performance indicators

The Charity received donations of manuscripts and other archive material with a valuation of £489,530 (2017: £157,705).

Review of activities

This was the final year of a Heritage Lottery Fund Collection Cultures programme, giving rise to a period of significant acquisitions:

- David Almond archive: the purchase of the significant and extensive archive of this acclaimed NE writer including manuscripts, proofs, unpublished work and correspondence.
- Laura Cecil archive: founder of the first literary agency dedicated solely to children's books.

Seven Stories, The National Centre for Children's Books Collection Trust

Trustees' report (continued) **Year ended 31 March 2018**

- Archives of John Agard and Grace Nicholls, award-winning Caribbean-born poets who are among the most influential poets writing for children and young adults today.
- Noel Streatfeild archive: attracting significant international interest and will be the subject of a research fellowship in 2018.
- Fritz Wegner archive: on long term loan pending application for acceptance-in-lieu.
- David Axtell: artwork for Valerie Bloom's Fruits.
- Archive of Aidan and Nancy Chambers.

Financial review

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Principal funding

The Trust relies upon Seven Stories, the National Centre for Children's Books to source funding to build the Collection and to provide the resources needed for its ongoing management.

Structure, governance and management

Constitution

The Centre for Children's Books Collection Trust was established by a Trust Deed dated 9 June 2005, which was amended by a Deed of Variation dated 15 April 2016.

Method of appointment or election of Trustees

The Centre for Children's Books' Collection Trust is an independent trust whose Trustees are appointed by the board of Trustees of Seven Stories, The National Centre for Children's Books (Registered Charity no 1056812).

Policies adopted for the induction and training of Trustees

The charity provides an induction process for new Trustees by presenting them with important plans, policies and documents and verbally informing them of the operations of the Charity. Trustees are also directed to advice provided by the Charity Commission.

Organisational structure and decision making

The Board of Trustees administers the charity. The Board meets three times a year.

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Seven Stories, The National Centre for Children's Books Collection Trust

Trustees' report (continued) Year ended 31 March 2018

Plans for future periods

Future developments

Over the next twelve months the Collection Trust will continue to receive assets by donation from its parent charity.

Trustees' responsibilities statement

The trustees 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).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees, on 4 July 2018 and signed on their behalf by:



Elizabeth Hammill



Independent auditors' report to the trustees of Seven Stories, The National Centre for Children's Books Collection Trust

Opinion

We have audited the financial statements of Seven Stories, The National Centre for Children's Books Collection Trust (the 'charity') for the year ended 31 March 2018 set out on pages 8 to 16. 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its incoming resources and application of resources 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 Charities Act 2011.

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 'Auditors' responsibilities for the audit of the financial statements' section of our report. We are independent of the charity 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 charity'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 auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent auditors' report to the trustees of Seven Stories, The National Centre for Children's Books Collection Trust

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.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditors' 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.

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 auditors' report.



Independent auditors' report to the trustees of Seven Stories, The National Centre for Children's Books Collection Trust

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wilson BA FCA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor

Chartered Accountants

Newcastle upon Tyne
4 July 2018

Seven Stories, The National Centre for Children's Books Collection Trust

Statement of financial activities Year ended 31 March 2018

	Note	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Income from:				
Donations and legacies	2	489,530	489,530	157,705
Investments		-	-	14
Total income		489,530	489,530	157,719
Expenditure on:				
Charitable activities		1,614	1,614	18
Total expenditure	4	1,614	1,614	18
Net income before other recognised gains and losses		487,916	487,916	157,701
Net movement in funds		487,916	487,916	157,701
Reconciliation of funds:				
Total funds brought forward		2,810,741	2,810,741	2,653,040
Total funds carried forward		3,298,657	3,298,657	2,810,741


The notes on pages 10 to 16 form part of these financial statements.

Seven Stories, The National Centre for Children's Books Collection Trust

Balance sheet At 31 March 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Heritage assets	6		3,283,342		2,793,812
Current assets					
Cash at bank and in hand		16,815		16,929	
Creditors: amounts falling due within one year	7	(1,500)		-	
Net current assets			15,315		16,929
Net assets			3,298,657		2,810,741
Charity Funds					
Restricted funds	8		3,298,657		2,810,741
Total funds			3,298,657		2,810,741

The financial statements were approved by the trustees on 4 July 2018 and signed on their behalf, by:


Elizabeth Hammill

The notes on pages 10 to 16 form part of these financial statements.

Seven Stories, The National Centre for Children's Books Collection Trust

Notes to the financial statements Year ended 31 March 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

Seven Stories, The National Centre for Children's Books Collection Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Seven Stories, The National Centre for Children's Books Collection Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Seven Stories, The National Centre for Children's Books Collection Trust for the year ended 31 March 2017 were prepared under the receipts and payments regime permitted by the Charity Commission for low income charities below the audit threshold.

The trustees have adopted certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous financial statements for the comparative figures are included in note 11.

1.2 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 charity 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 charity 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.

Seven Stories, The National Centre for Children's Books Collection Trust

Notes to the financial statements Year ended 31 March 2018

1. Accounting policies (continued)

1.3 Income

All income is recognised once the charity 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 charity 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 charity of the item is probable and that economic benefit can be measured reliably.

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

1.4 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Charitable activities are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Heritage assets

Heritage assets are included on the balance sheet on the basis of either:

- purchase price where material has been purchased on the open market;
- independent valuations by professional experts; or
- valuations by Seven Stories staff using knowledge of the current market and the value of comparable works in the collection.

1.7 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.

1.8 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 charity 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.

Seven Stories, The National Centre for Children's Books Collection Trust

Notes to the financial statements Year ended 31 March 2018

1. Accounting policies (continued)

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.10 Critical accounting estimates and areas of judgment

The preparation of financial statements requires management to make judgments, assumptions and estimates that affect the application of accounting policies and amounts reported in the statement of financial activities and balance sheet. Such decisions are made at the time the financial statements are prepared and adopted based on the best information available at the time. Actual outcomes may be different from initial estimates and are reflected in the financial statements as soon as they become apparent.

The key source of judgement within the financial statements is the valuation of heritage assets, as there is often no readily available open market valuation available. Valuation is assessed based upon other comparable items coming to the market periodically and is reviewed annually by Collections staff. It is not the intention of the Trustees of Seven Stories, The National Centre for Children's Books Collection Trust to dispose of any of the assets within the collection.

2. Income from donations and legacies

	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	489,530	489,530	157,705
	<hr/>	<hr/>	<hr/>
Total 2017	157,705	157,705	
	<hr/>	<hr/>	

3. Support costs

	Activities £	Total 2018 £	Total 2017 £
Bank charges	114	114	18
Audit fees	1,500	1,500	-
	<hr/>	<hr/>	<hr/>
	1,614	1,614	18
	<hr/>	<hr/>	<hr/>
Total 2017	-	-	
	<hr/>	<hr/>	

Seven Stories, The National Centre for Children's Books Collection Trust

Notes to the financial statements Year ended 31 March 2018

4. Analysis of Expenditure by expenditure type

	Other costs 2018 £	Total 2018 £	Total 2017 £
Support costs	1,614	1,614	18
Total 2017	18	18	

5. Auditors' remuneration

The Auditor's remuneration amounts to an Audit fee of £1,500 (2017 - £ -).

6. Heritage assets

	Heritage assets £	Total £
Market value		
At 1 April 2017	2,793,812	2,793,812
Additions	489,530	489,530
At 31 March 2018	3,283,342	3,283,342
At 31 March 2017	2,793,812	2,793,812

Management of heritage assets

Seven Stories complies fully with the standards required by the Museum Accreditation scheme, having first become an Accredited museum in 2008. Accreditation was renewed with National Styling in 2016. The prime instrument of collection management is Collection Management Policy, which Seven Stories executes on behalf of Seven Stories, The National Centre for Children's Books Collection Trust. Seven Stories and the Collection Trust have also approved the following related policies, covering all areas of collection management:

Collection Development Policy
Collection Information Policy
Collection Access Policy
Collection Care and Conservation Policy

Nature and scale of heritage assets

Seven Stories is the only institution in the UK actively working to collect, preserve, conserve, exhibit and make available original manuscripts, artwork and related pre- and post- publication materials by the creators of modern and contemporary British books for children from the 1930s to the present day. The charity began collecting in 1996 and the Collection now comprises over 140 individual collections representing (to varying extents) the work of over 250 different authors, illustrators, editors and publishers and an estimated 35,000 books. Much of the work has been donated by the creators of the work or their families, though an acquisition budget coupled with external fundraising from sources including the Heritage Lottery Fund, the Art Fund, the ACE/V&A Purchase Grant Fund and the Friends of the National Libraries, has enabled a number of significant purchases.

The nature and extent of the holdings of original material varies from work relating to a single title to substantial collections which document an entire career, and may include business records and correspondence with publishers, as well as manuscripts and artwork in various stages. A wide range of genres and formats is covered. Fantasy, historical fiction, picture books and drama are particularly well

Seven Stories, The National Centre for Children's Books Collection Trust

Notes to the financial statements Year ended 31 March 2018

represented.

Among the most extensive writers' archives are those of Elisabeth Beresford, Peter Dickinson, Berlie Doherty, Diana Wynne Jones, Jan Mark, Michael Morpurgo, Beverley Naidoo, Martin Waddell, Robert Westall, Ursula Moray Williams and David Wood. Many others are also represented by significant bodies of work – for example Leila Berg, Lucy Boston, Leon Garfield, Eva Ibbotson, Clive King, Philip Pullman, Michael Rosen, Catherine Storr and Geoffrey Trease. The Collection also includes the largest Enid Blyton archive in public ownership (though sadly only a small proportion of her enormous output survives in manuscript or typescript form).

Around 120 illustrators are currently represented by original work, in a wide variety of techniques – from wood engraving (John Lawrence) to digital art (Chris Haughton) – and formats, from illustrated fiction to pop-ups. The most extensive collections include the Judith Kerr archive, comprising artwork for 24 titles, including *The Tiger who Came to Tea* (1968) and all of the *Mog* series (1970-2002) and the Helen Craig archive, which contains complete preparatory and finished artwork for 18 titles in the popular *Angelina Ballerina* series. Other extensive and/or highly significant holdings include work by – among others – Edward Ardizzone, Judy Brook, Faith Jaques, Harold Jones and Kim Lewis.

Acquisition of assets

Seven Stories, on behalf of the Collection Trust, is continuing to collect the following types of material dating from c. 1930 to the present day. Representative examples of work by seminal figures from earlier periods may be collected from time to time, where these provide a context for more recent work:

- original artwork and manuscripts by British writers and illustrators for children, in whatever format they were created, including new media
- pre- and post-publication materials
- related materials: e.g. correspondence, reviews, articles
- books in all their forms – including fiction and non-fiction, picture books, poetry, drama and prose, published work in new media formats, including audio and video tape, CD and DVD, and e-books.

Acquisition decisions are made with reference to a Collection Development Policy (updated 2015). Current priorities include:

- work by or representing groups of people outside the mainstream of publishing for children, in particular work by authors and illustrators of non-white British origin.
- poetry – currently a significant weakness
- illustration – building on the strengths of the existing holdings
- young fiction – work aimed at children aged 7-11, in particular by more popular authors
- first edition copies (where available) of texts represented by artwork and archival material in the Collection

Preservation of assets

The charity is responsible for the care and conservation of the Collection under the terms of the management agreement with the Collection Trust. The collection care policy covers all aspects of preservation and conservation, from the moment an object enters the Collection, through storage, handling, display, loan, etc.

The policy is designed to ensure that Collection care at Seven Stories complies as far as possible with widely established standards and practices within the museums and archives community in Britain, for example BS5454, the ACE Accreditation Scheme, and Benchmarks for Collection Care.

It sets standards and expectations in the following areas:

Collection Content and Condition Monitoring

Premises, Storage and Housekeeping

Preventive conservation, including environmental monitoring and control, and integrated pest management

Handling and Repackaging

Remedial Conservation

Disaster Planning.

It also covers best practice in digitisation, exhibitions, and transport of collections.

Seven Stories, The National Centre for Children's Books Collection Trust

Notes to the financial statements Year ended 31 March 2018

Disposal of assets

By definition, the Collection Trust has a long-term purpose and holds collections in trust for society in relation to its stated objectives. The Board of Trustees therefore accepts the principle that sound curatorial reasons for disposal must be established before consideration is given to the disposal of any items in the Collection. Full details of the procedures to be followed in the event of a decision to dispose are given in the Collection Development Policy.

5 year summary of Heritage Asset transactions

	2018 £	2017 £	2016 £	2015 £	2014 £
Purchases	142,350	20,555	3,480	43,105	-
Donated assets at valuation	347,180	137,050	4,500	195,520	65,100
Total	<u>489,530</u>	<u>157,605</u>	<u>7,980</u>	<u>238,625</u>	<u>65,100</u>

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Accruals and deferred income	<u>1,500</u>	<u>-</u>

8. Statement of funds

Statement of funds - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Balance at 31 March 2018 £
Restricted funds				
Restricted Funds	<u>2,810,741</u>	<u>489,530</u>	<u>(1,614)</u>	<u>3,298,657</u>

Statement of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Balance at 31 March 2017 £
Restricted funds				
Restricted Funds	<u>2,652,040</u>	<u>158,719</u>	<u>(18)</u>	<u>2,810,741</u>
Total of funds	<u>2,652,040</u>	<u>158,719</u>	<u>(18)</u>	<u>2,810,741</u>

Seven Stories, The National Centre for Children's Books Collection Trust

Notes to the financial statements Year ended 31 March 2018

9. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2018 £	Total funds 2018 £
Heritage assets	3,283,342	3,283,342
Current assets	16,815	16,815
Creditors due within one year	(1,500)	(1,500)
	<u>3,298,657</u>	<u>3,298,657</u>

Analysis of net assets between funds - prior year

	Restricted funds 2017 £	Total funds 2017 £
Heritage assets	2,793,812	2,793,812
Current assets	16,929	16,929
	<u>2,810,741</u>	<u>2,810,741</u>

10. Related party transactions

The charity has taken exemption under the provisions of FRS 102 not to disclose related party transactions with other entities within the group.

11. First time adoption of FRS 102

It is the first year that the charity has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under Charity Commission requirements were for the year ended 31 March 2017 and the date of transition to FRS 102 and SORP 2015 was therefore 1 April 2016. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.

12. Ultimate parent undertaking and controlling party

The charity considers that it is under the control of its Board of trustees. The power to appoint the trustees to the charity rests with Seven Stories, The National Centre for Children's Books, and as such it is regarded as the parent charity.