

Company number: 3450832
Registered Charity number: 1065963 (England & Wales)

paintings in hospitals

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2017**

PAINTINGS IN HOSPITALS

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REFERENCE AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2017

Royal Patron	HRH The Prince of Wales
Patrons	Dame Stephanie Shirley DBE FREng FRSA FBCS Lord Browne of Madingley FRS FREng Dr Richard Cork Rt Revd and Rt Hon Dr Richard Chartres KCVO Mr Roger Phillimore
Artist Patrons	Sir Antony Gormley OBE Bridget Riley CH CBE Maggi Hambling CBE Ian Davenport Edmund de Waal (from 09 November 2017)
Trustees	Mr Andrew Hochhauser QC – Chair (appointed Chair 30 October 2017) Mr Stephen Crampton-Hayward – Treasurer Mr Christopher Annus Dr Mary Black Mr David Cleaton-Roberts Professor Marion Lynch (appointed 30 April 2018) Ms Lindy Mason Mr Krishna Omkar Mr John Porter Mr James Prichard (Chair until resignation on 30 October 2017) Mr Tim Reeve (appointed 30 April 2018) Ms Deborah Roslund Dr Victoria Tischler Dr Catherine Walsh (resigned 30 October 2017)
Company number	3450832
Charity number	1065963 (England and Wales)
Registered office	Floor One, Menier Chocolate Factory 51 Southwark Street London SE1 1RU
Executive Director	Mr Ben Pearce
Independent auditor	Lindeyer Francis Ferguson Limited Chartered Accountants North House, 198 High Street Tonbridge Kent TN9 1BE

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**REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2017**

Principal Bankers

HSBC plc
London Bridge Branch
28 Borough High Street
London
SE1 1YB

Legal Advisors

Reed Smith LLP
Broadgate Tower,
20 Primrose Street,
London
EC2A 2RS

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The trustees (who are also directors of the company for the purposes of the Companies Act) present their report and the audited financial statements of Paintings in Hospitals for the year ended 31 December 2017. The Reference and Administrative information on pages 1 forms part of this report.

The trustees confirm that the report and financial statements of the charity comply with the current statutory requirements, the requirements of the company's governing document, and the provisions of "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 01 January 2015) (Charities SORP (FRS 102)).

Objectives and Activities

In setting Paintings in Hospitals' objectives and planning its activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit as required in section 17 of the Charities Act 2011 and, in particular, its supplementary public benefit guidance on fee charging.

Paintings in Hospitals fulfils its public benefit duty by using art and creative activities to improve the health, wellbeing and quality of life of people with illness, injury, autism and disability. The charity works across the health and social care spectrum and provides support to service users, their families and the people that care for them.

Paintings in Hospitals works to:

- Transform care experiences: Using art to help make people's time in health and social care uplifting, reassuring, and inspiring, wherever possible.
- Support care services: Offering creative advice and art services that have the best interests of the health and social care systems at heart, aiming to: reduce recovery periods, reduce drug consumption, and increase staff morale and retention.
- Help the well stay well: Creating surroundings that support care staff, the friends and families of those in care, and everyone working in or around care services to stay healthy and well.
- Empower people: Enabling patients and service users to have a say in their care experience and a personal effect on their care environment by putting them at the centre of the charity's art activities and the creation of meaningful art displays.
- Remove social barriers: Aiming to ensure that people of all ages and backgrounds can access visual arts and in doing so gain support for their wellbeing. The charity strives to reach those who are isolated or excluded.
- Pursue excellence in art: Pursuing the highest standards in the development of its art collection and projects, striving for the best art lending services and world-class visual arts, both tailored to people's needs and pushing the boundaries of what is expected.
- Champion the power of arts in health: Continually evaluating the charity's work, contributing to the growing body of research, and advocating for all who believe in the ability of art to support physical and mental wellbeing.

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The work of Paintings in Hospitals is recognised by the Department of Health, the Care Quality Commission (CQC), and NHS England and Wales. Paintings in Hospitals is the health partner of the Arts Council Collection. The charity's approach is based on a range of robust research and evidence demonstrating the positive effects of displaying and creating visual arts in wide range of health and social care settings.

Our objects are primarily achieved through our art loans programme, which exists to help create person-centred care spaces that encourage, enrich and empower everyone who uses them. Nearly 60 years of experience has allowed us to develop a unique art collection of around 3,900 museum-quality artworks. Our art ranges from paintings and drawings to sculptures and animations, some by the world's greatest artists. All types of health and social care sites can borrow art from our collection.

To enable care sites and their service users to get the most from our artworks, we offer creative activities that provide the knowledge and confidence to engage with visual art. These activities often involve service users choosing the artworks they want for display, giving them a say in their own care experiences and improving levels of wellbeing.

Managing performance is an important way to keep track of how the charity is progressing. It helps us ensure that the work we do continues to make a difference in people's lives. New targets are set for individual members of the team each year. They are aligned with the charity's 3 Year Plan and reflect their individual roles and areas of responsibility. Performance, including its financial position, is monitored by the charity's Board, the Director and the Head of Collection, Loans and Programming. It is reviewed by the Board quarterly and by the Management Team monthly.

We measure our success through the numbers of care partners we have; where we are working; who we are working with and the number of engagements with patient and staff we have. The main indicators we use are:

- The number of health and social partners borrowing art as part of our loans programming (including the creation of new partnerships and the renewal of partnerships)
- Different types of partners we are working with and their geographical spread
- The number of patients, service-users and staff from our partners involved in selection of artworks for display in their health or social care environment
- The number of 'mid-loan' art activities and the number of participants that took part
- The percentage of artworks from our collection on public display in health and social care environments at any one time
- Number of engagements on our media channels (our website and social media)

Volunteers make a vital contribution to Paintings in Hospitals. We encourage, develop and support volunteer involvement in our art loan services and in caring for our art collection. In 2017, over 30 volunteers from across the UK contributed to the delivery of our loans programme and the care of our collection. Most of our volunteers supported our regional hub site displays; five volunteers supported collections care in our London office and five others supported the re-writing of our artwork labels.

Structure, Governance and Management

Paintings in Hospitals was established by Trust Deed in 1959 and registered with the Charity Commission in May 1972. Our organisation is a charitable company, limited by guarantee and operates in accordance with its memorandum and articles of association. The strategy and policies of

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the charity are agreed by the Board of Trustees and its operations are managed by the charity's Director and the Staff Team.

The Board of Trustees is supported by four sub-Committees: Collection; Development; Engagement; and Finance & General Purposes, which each meet quarterly, ahead of the Board meeting. Each is Chaired by a nominated Trustee, and has a mix of skills, staff, Trustees, and non-Executive members. Each has its own Terms of Reference that are reviewed annually and signed off by the Board.

Our Collection Committee guides our forward-thinking art collection policies and procedures. Our Engagement Committee advises on ways in which we can engage with a rapidly changing care sector. Our Finance & General Purposes Committee deals with remuneration, audit and HR. Our Development Committee is currently focused on our upcoming 60th anniversary celebrations, including a major fundraising dinner planned for November 2019.

Risk Management and Fraud

The Trustees have a regularly updated Risk Register, and risk management processes which comprise:

- A full annual review of the risks that Paintings in Hospitals may face, undertaken by the Finance & General Purposes Committee on the behalf of the Board of Trustees;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- The implementation of procedures to minimise any potential impact on Paintings in Hospitals should any of those risks materialise.

This risk management work has identified a small number of key risks but ongoing review has resulted in improvements through the implementation of management and mitigation procedures, and increased contingency planning. Both financial and non- financial risks (including fire, health and safety) have been included in the register. The register was last reviewed by the Trustees in January 2018, and will be reviewed again by the year end.

The three biggest risks identified were: the forthcoming end of the current Head Office and Menier Gallery lease (in December 2019); the receipt of income from grants by Trusts and Foundations; and the risk of our main loans programme having reduced demand from the NHS. The risk mitigation measures agreed for each of these key risks are as follows:

For the office and gallery lease ending, the Director has begun early negotiations with the landlord and has also begun reviewing a number external accommodation options.

For income from grants by Trusts and Foundations, we recruited a one day per week freelance trust fundraiser for 2018, and the charity resolved to adopt a more diverse approach to fundraising, including targeting a broader range of grant-makers, statutory funders, individuals, and corporate sponsors. In addition, we have further invested in digital giving through the website being updated, and are planning future fundraising events for individual donors.

In terms of possible reduced demand for our programmes from the NHS, we have grown awareness of our services and programmes in other areas, such as with care homes, independent services, and other health and social care providers, including Councils and charities.

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Paintings in Hospitals has robust procedures in place to prevent fraud. Trustees have appropriate experience and the controls to minimise this risk. Dual signatures are required for all payments, including those made electronically/ by BACS, and all transactions are cross-checked and reconciled by an external bookkeeper, who also assists in the preparation of the charity's accounts. They report to both the Director and the Treasurer. The Finance & General Purposes Committee additionally monitors this at quarterly meetings.

Achievements and Performance

Loans Programme

Paintings in Hospitals holds the UK's first and only art collection dedicated to supporting health and wellbeing. We are best known for our art loans programme and it is through this that around 70% of the collection is on public display within health and social care sites across England, Wales and Northern Ireland at any one time. The collection was created to provide comfort and relief for those in health and social care sites, helping users to interact and better cope with their environments. In 2017, the charity subsidised 251 loans of art, which provided support for wellbeing to at least 2 million people (including patients, service users, carers and the public) across 178 hospitals, hospices, mental health centres, GP surgeries and other types of social care sites we work within.

In 2017, we began working with 22 new care partners, including: Brighton & Sussex University Hospitals, Central & Cecil Housing Trust, Olallo House (London), Arthur Rank Hospice, Liaison Psychiatry Service Cambridge, Barnsley Hospice, The Health Services Management Centre at the University of Birmingham, Tettenhall Wood School, Air Arts at Derby Teaching Hospital, University Hospital Llandough (ECT department and the Stroke Rehabilitation Centre) and Second Step (Bristol).

We delivered new art loans using our 'co-curated' model where patients and staff were involved in the selection of artworks for their environments. This people-centred approach allows them to be co-owners of their environments and at the centre of decision-making process. We engaged with many more patients and service-users and staff than anticipated in selection activities for their care sites (452 people), We also delivered over 10 art engagement activity workshops, including a print-making workshop at Southmead Hospital, an art appreciation workshop at Dove House Hospice and several ArtWalks (art walking tours) at Royal Brompton Hospital.

In 2017, we mainly focused on maintaining and re-establishing partnerships. Key partnerships we have re-established include: Queen Elizabeth Hospital Birmingham, Royal Stoke Hospital, Grafton Medical Partners and the Royal Marsden London. Last year, a high number of our loan partners also swapped their artworks – a trend we expect to continue in 2018. For example, in the South West, Prospect Hospice swapped all 35 of their artworks for others. Artworks were also recalled for conservation or returned to the owners. For example, artworks at James Cook Hospital (North West) which had been on public display for over 15 years were returned to us, and 52 photographs on long-term loan to us by Japanese photographer Tomoca Aoyama were returned to her. In October 2017, we relocated our East Midlands showcase display to a new hub at Royal Derby Hospital. We now have over 70 artworks on public display here, an increase of over 40 artworks in the region, and as per our 3 Year Plan aim this should help us grow our activity in the region.

In 2017, we improved the way we keep records of our loan partners on Salesforce, using more consistent criteria to make our database more efficient. We will continue to improve our records and make efficiency savings as we work through loans renewals in 2018. Over the next year we will

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continue to improve our loan renewal rates and further establish engagement activities as an integral part of the artwork selection process. We aim to secure more loans of art and more works on public display. Our work will be more planned, refined and cohesive.

Our goals for the Loans Programme in 2018 include:

- Continuing to 'rationalise' loans for key partners – aligning end dates and merging small loans
- Reducing administrative burden on our partners – making it easier for them to loan from us
- Reducing the number of loans with under 5 artworks - upsizing or merging with other loans

Our expected challenges for 2018 are:

- Responding to the constantly changing NHS landscape
- Securing (where appropriate) full loan fee contributions from our health and social care partners
- Keeping momentum, consistency and efficiency with personnel changes in the Loans Team.

Collection

At the end of 2017, there were **3,970** artworks in the Collection. 1,388 of these artworks are in storage either at the Menier or in external storage (with handlers, OTT). Of the artworks in storage, 543 artworks require re-framing and 45 artworks require specialist external conservation. None of these can go out on loan until these issues are addressed. In 2017, 47 artworks were accessioned into the collection (most of which had been on long-term loan to Paintings in Hospitals), 61 artworks on long-term loan to us were returned to their owners.

In 2017, we employed a Collection Assistant on a fixed-term contract to develop a guidance document on writing interpretative art labels and to oversee the re-writing of our labels. The aim was to encourage people to engage with individual artworks. Our audiences are very different from galleries. Patients, visitors and staff of a care site encounter our artworks by chance, not necessarily by choice. They are often time-poor and distracted. This means that our interpretative art labels need to be meaningful, relevant and useful for all visitors, regardless of their depth of knowledge. The Collection Assistant and a volunteer team wrote 930 new interpretative art labels in 2017. In 2018, we will employ a freelance Interpretation Coordinator to continue this work with the hope to re-write a further 1,200 labels.

We have a duty of care to our collection, guaranteeing works are protected; in good condition to be loaned, and keeping things sustainable for long-term use in the future, to meet our charitable purpose. The charity's Collection Technician and her team of volunteers prepared over 391 artworks for public display ensuring that the artworks were protected from physical damage, wear and tear, and pollutants, whilst minimising risk for the users of health and social care sites.

Projects and Programmes

In 2017, we delivered projects which saw collaborations with five different organisations or groups and engagement with over 200 individuals, students and artists.

For Creativity and Wellbeing Week 2017, we held two exhibitions and one event – 'Contemporary Painting: In Good Health', 'Art in Large Doses' and 'Connect'. As part of this, we organised a major networking event, 'Connect', in partnership with the London Arts in Health Forum (LAHF). Over 90 arts and health professionals attended and wider cross-sector dialogue was initiated, which continued on social media. At 'Connect 2017', we had provocations from:

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- Sally-Anne Donaldson, Founder of Creative Homes and Director of Tea Dance for Little People
- Dr Val Huet, CEO, British Association of Art Therapists/Trustee of London Arts in Health Forum
- Julian West, Head of Open Academy at the Royal Academy of Music

Launching in March 2017, we partnered with the renowned art school Central Saint Martins for our Art in Large Doses project. As part of this project, students from the BA (Hons) Culture, Criticism and Curation course at CSM proposed an art exhibition to support the wellbeing of student patients at King's College NHS Health Centre. The proposals were showcased at our Menier Gallery in London, during Creativity and Wellbeing Week 2017 before the winning proposal was announced in October. This selected proposal, Nature Calls, was chosen by patients and staff of King's College NHS Health Centre and was realised as an exhibition there from 10 November 2017 (until 31 May 2018). The exhibition combined works from the Paintings in Hospitals collection with other installations.

We presented two papers at the Culture, Health and Wellbeing International Conference in Bristol on 19-21 July. The conference brought together 453 speakers and delegates from 23 countries.

Thinking about Dementia was an exhibition launched in November 2017 showcasing the creative ability of people living with dementia. The exhibition is a partnership between Paintings in Hospitals and The Dementia Care Centre at University of West London. It showcases the creative ability of people with dementia: giving visitors the opportunity to view artworks made and selected by people living with the condition, alongside artworks from our Collection.

Lastly, in 2017 we teamed up with the creative forces of #ToyLikeMe for a new touring exhibition featuring differently-abled toys. Toy Box Tales is an exhibition of 12 stunning photographic images of toys, each customised to give them diff:abilities. The exhibition will tour to Childrens Hospitals and wards in 2018.

Marketing & Communications

In February 2017, we began the redevelopment of the charity's website with a strategy workshop involving key members of the Paintings in Hospitals team. This in-depth two-day session, combined with the results of surveys of both internal and external stakeholders, informed the core message, calls to action and rough sitemap of the new website. Construction of the new site began on 27 February with draft structure of the new site completed on 24 March. This construction period was significantly extended to ensure that the Paintings in Hospitals team was confident in the resulting design. Two team members were trained on the new Content Management System for the site in preparation for content population. We completed initial content population in early October and, following quality assurance tests by Raising IT, the site went live on the 12 October. The new site provides fresh features not offered by the old website, including: a responsive design (to fit all types of browser and device), fuller flexibility in structure and publication, hi-res imagery, in-built event and fundraising functions (no more third-party sites), and social media sharing tools. In the month immediately after the launch, the website saw the highest ever traffic in the charity's history.

Fundraising

In 2017 we sold out the final prints from our first Patrons Circle print edition, kindly designed and donated by our Patron, Ian Davenport.

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We were very grateful to receive a large, unrestricted legacy gift that provided income and core funding at a challenging time for the charity and the wider health sector. Our six-year funding partnership with The Shirley Foundation came to an end in January 2017, and we would like to thank Dame Stephanie Shirley and the foundation for all their support, over the past 6 years.

Financial Results

2017 was a challenging but overall positive year for the charity. Despite the ongoing challenges affecting the NHS and our many health and social care sector partners, we are very satisfied that the charity has remained financially sound and we are pleased to report a good end to the year. Paintings in Hospitals ended the year with a surplus of £83,086, compared to a deficit in the previous year (2016: £25,659).

Income for the year was £541,728, a large increase on £395,065 in 2016. Despite a challenging year in general for fundraising across the sector, our income was boosted principally by a large unrestricted legacy gift received of £80,659. Also, we maintained continued high occupancy of our leased Menier Gallery, which generated £139,499. We received income through recharged fees towards new loans of art through our loans programmes, and finally received a number of other unrestricted donations. Overall our income from grants has increased, and we also received good unrestricted income through the sales of our Patrons Circle print.

The Total expenditure in the year was £460,391. This represents an 8% increase on the previous year (2016: £427,083). The increase in spending included an upgrade of the ICT and the website, to increase our capacity and resources for future growth, and support for loans of art at new partner care sites, whilst not depleting our reserves. We achieved and exceeded our aims of both sustaining the charity's performance and financial results in 2017. The Director and Finance & General Purposes Committee continue to monitor the charity's income, expenditure and cash-flow closely in order to fully advise the Board on income and expenditure projections into 2018.

Investment Policy

The Trustees invested funds that are surplus to the immediate needs of the charity in investments that generate reasonable rates of return whilst minimising the risk of loss. Investment gains and losses are taken through the Statement of Financial Activities to unrestricted reserves. At 31 December 2017 our investments had a market value of £118,758, an increase of £1,749 compared to £117,009 in December 2016.

The charity uses ethical investment vehicles, including two provided by CAF. For any future changes in investments, such as moving to a new investment, Paintings in Hospitals would assess (as well as the likely return) the social, environmental and ethical considerations of the investment organisation.

Reserves

The aim of the Trustees is to establish a level of unrestricted reserves that will enable Paintings in Hospitals to operate from a financial perspective with certainty and flexibility. At 31 December 2017, unrestricted reserves were £197,430 (2016 £114,844). The charity's cash position was £208,443 (2016 £142,765). These funds were largely generated through the receipt of art loan rental income in advance; they are committed to paying the charity's outgoings over the artwork rental period, typically three years.

Our 3 Year Plan

The charity is one year into its 3 Year Plan (2017-19), which will lead Paintings in Hospitals to its 60th anniversary in 2019. The charity will continue its drive to expand its activities across the UK, ensuring that anyone using health and social care sites can experience the therapeutic benefits that art provides. Working in partnership with a greater range of health and social care providers, we will provide more engagement and outreach activities that involve local people, regionally. In addition, we will further evaluate the health benefits associated with our work and the effectiveness of our loan programmes, and advocate for partner organisations with whom we hope to work.

Trustees

At the end of 2017, Andrew Hochhauser QC was elected Chair of the Paintings in Hospitals Board of Trustees. Andrew takes over the Chair from James Prichard, who has been an outstanding Chair of the charity for six years. Andrew is a barrister, a Bencher of Middle Temple, a Fellow of the Chartered Institute of Arbitrators and a Deputy High Court Judge. James is Chairman and CEO of Agatha Christie Limited. James will be stepping down from the Board of Trustees to focus on management of the literary and media rights to Agatha Christie's works around the world. We would like to greatly thank James for his leadership, hard work and support over the past 8 years.

In early 2018 we recruited two new Trustees, via the Director and Trustees forming a temporary Nomination Committee. New Trustees are found using invited nominations, online advertising on our own website, free portals such as the NCVO, and through the charity's wider networks. Once appointed, new Trustees attend orientation and induction activities; are made aware of their obligations under both charity and company law; the content of the memorandum and articles of association; the sub-Committees and decision-making processes, the 3 Year Plan and recent (2016-18) financial performance. New Trustees also attend external sector events, appropriate to their expertise.

Patrons

Paintings in Hospitals is particularly grateful for the unwavering support and guidance of all our Patrons. Our Patrons help us raise awareness, expand our national reach and advocate for all that we do.

Our Thanks

We are extremely pleased to have received grants and donations from a number of individuals, trusts and foundations during the year. It is through the continued support of these generous donors that we are able to benefit those most in need through our work.

We are very grateful again to the entire staff team for their devotion and hard work throughout 2017. Our thanks must go to the Arts Council Collection, Central St Martins and all our project partners, with whom we have completed collaborative projects or lent artworks to our loan collection. It is with their support that we are able to continue diversifying and offering loans of amazing art. We are grateful to many the health and social care partners that benefit directly from our loan service, and through evaluation and feedback help us to refine and improve them. The Team would additionally like to thank all of our volunteers and volunteer teams, who help us deliver multiple loans and projects, selection- activities and care for the collection across England and Wales. Without them, we would be unable fully to meet our objectives.

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TRUSTEES' REPORT

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Statement of Trustees' responsibilities

The Trustees (who are also the Directors of Paintings in Hospitals for the purposes of company law) are responsible for preparing a Trustees' annual report and accounts in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Company law requires the trustees to prepare financial statements for each financial year. Under that 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 accountancy policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS 102;
- make judgements and estimates that are both prudent and reasonable;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any one time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are also responsible for the maintenance and integrity of financial information, including that on the updated website.

Statement of disclosure to auditors

So far as each trustee is aware, there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charity's auditors are unaware. Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditor

A resolution proposing that Lindeyer Francis Ferguson Limited (LFF) be re-appointed as auditors of the charity and company was put to the Finance & General Purposes Committee and approved by the attendees on 30 January 2018.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees on 25 September 2018 and signed on their behalf by:

Andrew Hochhauser QC
Chair

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PAINTINGS IN HOSPITALS FOR THE YEAR ENDED 31 DECEMBER 2017

Opinion

We have audited the financial statements of Paintings in Hospitals (the 'charitable company') for the year ended 31 December 2017 which comprise the statement of financial activities, balance sheet and notes to the financial statements, including a summary of significant accounting policies. 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 December 2017 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 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 UK, including the FRC'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PAINTINGS IN HOSPITALS FOR THE YEAR ENDED 31 DECEMBER 2017

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.

Opinions 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 the 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 directors' report included within 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 trustee 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, 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

PAINTINGS IN HOSPITALS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PAINTINGS IN HOSPITALS FOR THE YEAR ENDED 31 DECEMBER 2017

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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, the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Samantha Wells FCA CTA

Senior Statutory Auditor

For and on behalf of:

Lindeyer Francis Ferguson Limited

Statutory Auditors

Chartered Accountants

North House
198 High Street
Tonbridge
Kent
TN9 1BE

Date: 26 September 2018

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2017

		<i>Restricted funds 2017</i>	<i>Unrestricted funds 2017</i>	<i>Total funds 2017</i>	<i>Total funds 2016 As restated</i>
	Notes	£	£	£	£
Income from:					
Donations, grants and legacies	2	27,277	221,866	249,143	120,874
Charitable activities	3	-	239,664	239,664	254,385
Other trading activities	4	-	48,211	48,211	15,271
Investments		-	4,710	4,710	4,535
Total income		27,277	514,451	541,728	395,065
Expenditure on:					
Raising funds	5	-	75,258	75,258	63,996
Charitable activities	6	26,777	358,356	385,133	363,087
Total expenditure		26,777	433,614	460,391	427,083
Net income / (expenditure)	10	500	80,837	81,337	(32,018)
Net gains on investments	12	-	1,749	1,749	6,359
Net movement in funds		500	82,586	83,086	(25,659)
Reconciliation of funds:					
Total funds brought forward		4,500	114,844	119,344	145,003
Total funds carried forward	15	5,000	197,430	202,430	119,344

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

BALANCE SHEET
AT 31 DECEMBER 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	11		6,795		9,952
Investments	12		118,758		117,009
			125,553		126,961
Current assets					
Debtors	13	77,911		102,822	
Cash at bank and in hand		208,443		142,765	
			286,354	245,587	
Creditors: amounts falling due within one year	14	(209,477)		(253,204)	
Net current assets/(liabilities)			76,877		(7,617)
Net assets			202,430		119,344
Charity funds					
Unrestricted funds	15		197,430		114,844
Restricted funds	15		5,000		4,500
Total funds			202,430		119,344

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

The financial statements were approved by the Board of Trustees on 25 September 2018 and signed on their behalf by:

Andrew Hochhauser QC
Chair

Stephen Crampton-Hayward
Treasurer

Company registration number: 3450832

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017	2016
	£	£
Note		
Cash flows from operating activities		
Net cash provided by/(used in) operating activities	65,678	(53,593)
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(9,953)
Change in cash and cash equivalents in the reporting period	<u>65,678</u>	<u>(63,546)</u>
Cash and cash equivalents at the beginning of the reporting period	142,765	206,311
Cash and cash equivalents at the end of the reporting period	<u><u>208,443</u></u>	<u><u>142,765</u></u>

NOTES TO THE STATEMENT OF CASH FLOWS

A Reconciliation of net movement in funds to net cash flow from operating activities

Net movement in funds	83,086	(25,659)
<i>As per the Statement of Financial Activities</i>		

Adjustments for:

Depreciation	3,157	274
Net gains on investments	(1,749)	(6,359)
Decrease in debtors	24,911	11,919
Decrease in creditors	(43,727)	(33,768)

Net cash provided by/(used in) operating activities	<u><u>65,678</u></u>	<u><u>(53,593)</u></u>
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PAINTINGS IN HOSPITALS

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1 Accounting policies

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Basis of preparation

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.

Paintings in Hospitals 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 note(s).

The financial statements are presented in pounds sterling and rounded to the nearest pound.

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

1.2 Company status

Paintings in Hospitals is a charitable company limited by guarantee incorporated in England and Wales. The address of the registered office is Floor One, Menier Chocolate Factory, 51 Southwark Street, London SE1 1RU. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Income

Income from donations, grants and legacies is recognised when the charity has entitlement to the income, it is probable it will be received and the amount can be measured reliably. For donations this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions which must be met before the charity is entitled to the funds. Legacies are recognised following the grant of probate when the executor of the estate has communicated in writing both the amount and settlement date. Donated services are recognised in the period in which they are utilised and are measured at their estimated fair value.

Picture rentals are apportioned over the period of the rental agreements. Similarly, gallery income is recognised in the period of the event. Income received in advance is accounted for as deferred income.

Donated paintings are included in incoming and outgoing resources at an estimate of their value. No paintings were donated during the year.

PAINTINGS IN HOSPITALS

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

1.3 Income (continued)

Income from other trading activities relates to fundraising and rental income. Fundraising income is accounted for in the period in which the charity is entitled to receipt. Rental income is recognised over the period to which it relates. Investment income is recognised when it is receivable.

1.4 Expenditure

Expenditure is recognised on an accruals basis as incurred. Expenditure has been classified under headings that aggregate all costs related to the category.

Direct costs are those costs which are directly attributable to the charity's activities. Wages and salaries are allocated to direct costs based on the estimate of time spent on charitable activities by staff members.

Support costs are those costs relating to functions which assist the work of the charity but do not directly relate to its activity. Support costs are allocated to charitable activities on the basis of direct costs.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is charged so as to write off the cost less their residual values over their expected useful lives at the following annual rates:

Furniture and fittings	-	25%	Straight line
Computer expenditure	-	33%	Straight line

1.6 Financial Instruments

The charity only has financial instruments which are classified as basic financial instruments. Short-term debtors and creditors are measured at the settlement value. Any losses from impairment are recognised in the Statement of Financial Activities.

1.7 Fund accounting

The unrestricted funds can be spent on any activity within the charity's overall objectives. Restricted funds are those subject to specific conditions imposed by the donors. Expenditure which meets these criteria is allocated to the fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.8 Operating leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.9 Pension contributions

The charity makes defined contributions into employee private pension schemes. Contributions are charged to the statement of financial activities as they become payable.

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1.10 Restatement of comparative figures

Other hire income was previously included in gallery income within income from charitable activities. It has now been classified as other trading income. The amount reclassified in 2017 is £15,947 and in 2016 £14,203. In addition to this an element of support costs has been re-classified from costs of charitable activities to fundraising costs to better reflect the split of costs between activities. In 2017 the amount was £7,385 and in 2016 £7,002. The effect of both adjustments on the prior period's result is £nil, and there is no impact on funds brought forward. Support costs include costs described as governance costs in prior years.

2 Income from donations, grants and legacies	<i>2017</i>	<i>2016</i>
	<i>£</i>	<i>£</i>
Donations and grants	161,772	120,874
Legacies	80,659	-
Donated services	6,712	-
	<u>249,143</u>	<u>120,874</u>

Donated services relates to the provision of IT software.

Income for restricted funds in the comparative period was £10,040.

3 Income from charitable activities	<i>2017</i>	<i>2016</i>
	<i>£</i>	<i>As restated £</i>
Picture rentals	97,070	104,338
Picture sales	3,095	227
Gallery income	139,499	149,820
	<u>239,664</u>	<u>254,385</u>

4 Other trading activities	<i>2017</i>	<i>2016</i>
	<i>£</i>	<i>As restated £</i>
Other hire income	15,947	14,203
Patrons Circle	32,264	-
Fundraising events	-	1,068
	<u>48,211</u>	<u>15,271</u>

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

5 Expenditure on raising funds

	2017	2016
		<i>As restated</i>
	£	£
Costs of projects	19,697	26,549
Costs of events	31,980	14,372
Donations and grants	14,931	16,073
Support costs (<i>Note 8</i>)	8,650	7,002
	<u>75,258</u>	<u>63,996</u>

Costs of projects, events, donations and grants includes staff costs of £29,090 (2016: £22,213)

6 Expenditure on charitable activities

	<i>Direct</i>	<i>Support</i>	<i>Total</i>	<i>Total</i>
	<i>costs</i>	<i>Costs</i>	<i>costs</i>	<i>costs</i>
	2017	2017	2017	2016
				<i>As restated</i>
	£	£	£	£
Collection and workshop costs	237,877	34,597	272,474	269,946
Gallery expenses	98,244	14,415	112,659	93,141
	<u>336,121</u>	<u>49,012</u>	<u>385,133</u>	<u>363,087</u>
	<i>(Note 7)</i>	<i>(Note 8)</i>		

Expenditure on restricted funds in the comparative period was £51,250.

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

7 Direct costs	<i>Total</i> 2017 £	<i>Total</i> 2016 £
Staff costs	148,569	141,442
Freelance and consultancy costs	42,612	41,707
Collection management	16,510	11,734
Picture transport	14,567	16,303
Premises expenses	85,441	89,639
Office costs	5,498	2,478
Travel and accommodation	3,078	2,733
Marketing and IT	9,684	7,585
Accountancy and consultancy fees	2,505	4,609
Other costs	5,552	5,235
Depreciation	2,105	274
	<u>336,121</u>	<u>323,739</u>
8 Support costs		
	<i>Total</i> 2017 £	<i>Total</i> 2016 £
Staff costs	29,090	28,880
Premises expenses	4,191	5,552
Office costs	425	370
Travel and accommodation	342	256
Marketing and IT	8,029	3,425
Accountancy and consultancy fees	984	1,811
Other costs	3,073	2,757
Depreciation	1,052	-
Bad debts	7,176	-
<i>Governance costs:</i>		
Audit fees	3,300	3,300
	<u>57,662</u>	<u>46,350</u>
<i>Allocated to:</i>		
Raising funds	8,650	7,002
Charitable activities	49,012	39,348

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

9 Staff costs

	2017	2016
	£	£
Wages and salaries	190,280	179,423
Social security costs	14,256	2,303
Pension costs	2,213	10,809
	<u>206,749</u>	<u>192,535</u>

The average monthly number of employees during the year was as follows :

	2017	2016
	No.	No.
Collection	5	5
Administrative	2	2
	<u>7</u>	<u>7</u>

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

No remuneration, other benefits or reimbursed expenses were paid to the Trustees for the year ended 31 December 2017 (2016: none).

10 Net income/(expenditure)

	2017	2016
	£	£
This is stated after charging:		
Auditors' remuneration	3,100	3,080
Auditors' remuneration for accountancy services	200	250
Depreciation	3,157	274
Operating leases rentals	<u>63,653</u>	<u>63,653</u>

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

11 Tangible fixed assets

	<i>Furniture</i>	<i>Equipment</i>	<i>Total</i>
	£	£	£
Cost			
At 1 January 2017	23,568	29,467	53,035
Disposals	-	(16,060)	(16,060)
At 31 December 2017	<u>23,568</u>	<u>13,407</u>	<u>36,975</u>
Depreciation			
At 1 January 2017	21,642	21,441	43,083
Charge for the year	481	2,676	3,157
Disposals	-	(16,060)	(16,060)
At 31 December 2017	<u>22,123</u>	<u>8,057</u>	<u>30,180</u>
Net book value			
At 31 December 2017	<u>1,445</u>	<u>5,350</u>	<u>6,795</u>
At 31 December 2016	<u>1,926</u>	<u>8,026</u>	<u>9,952</u>

12 Investments

	<i>2017</i>	<i>2016</i>
	£	£
Market Value		
At 1 January 2017	117,009	110,650
Net gain on revaluation	1,749	6,359
At 31 December 2017	<u>118,758</u>	<u>117,009</u>

All investments are held in UK deposit funds.

13 Debtors

	<i>2017</i>	<i>2016</i>
	£	£
Trade debtors	71,178	83,374
Prepayments and accrued income	4,421	8,046
Other debtors	2,312	11,402
	<u>77,911</u>	<u>102,822</u>

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

14 Creditors: amounts falling due within one year

	2017 £	2016 £
Rentals of paintings in advance	104,136	102,789
Other income in advance	74,044	116,666
Accruals and other creditors	24,016	26,741
Taxation and social security	7,281	7,008
	<u>209,477</u>	<u>253,204</u>

Deferred income relates to income for picture rentals and gallery hire received in advance. The movement is as follows:

	2,017 £	2,016 £
Deferred income brought forward	219,455	259,322
Released during the period	(219,455)	(259,322)
Arising in the current year	178,180	219,455
	<u>178,180</u>	<u>219,455</u>

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

15 Statement of funds

<i>Current year</i>	<i>Brought forward</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains and transfers in/out</i>	<i>Carried forward</i>
	£	£	£	£	£
Unrestricted funds					
General fund	114,844	514,451	(433,614)	1,749	197,430
Restricted funds					
John Brown Charitable Trust	4,500	-	(4,500)	-	-
Fowler Smith and John's Trust	-	2,000	(2,000)	-	-
The D'Oyly Carte Charitable Trust	-	2,400	(2,400)	-	-
Dunhill Medical Trust	-	12,500	(7,500)	-	5,000
City Bridge Trust (City of London)	-	9,877	(9,877)	-	-
Oakdale Trust	-	500	(500)	-	-
Total restricted funds	4,500	27,277	(26,777)	-	5,000
Total funds	119,344	541,728	(460,391)	1,749	202,430

The restricted funds comprise grants and donations received for specific activities and projects. The resources expended on those activities and projects are charged against the relevant income. Restricted funds carried forward include £5,000 from Dunhill Medical Trust which will be used to bring visual arts and creative activities to care homes in the North East.

Prior year

Unrestricted funds					
General fund	135,003	349,315	(375,833)	6,359	114,844
Restricted funds					
Nelsons	10,000	-	(10,000)	-	-
Creative Access	-	3,750	(3,750)	-	-
Friends of Cooper Gallery	-	3,000	(3,000)	-	-
Colwinston Charitable Trust	-	11,000	(11,000)	-	-
Charities Aid	-	10,000	(10,000)	-	-
John Brown Charitable Trust	-	15,000	(10,500)	-	4,500
The Wallace Collection	-	3,000	(3,000)	-	-
Total restricted funds	10,000	45,750	(51,250)	-	4,500
Total funds	145,003	395,065	(427,083)	6,359	119,344

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

16 Analysis of net assets between funds

	<i>Restricted funds 2017 £</i>	<i>Unrestricted funds 2017 £</i>	<i>Total funds 2017 £</i>	<i>Total funds 2016 £</i>
Fixed assets	-	125,553	125,553	126,961
Current assets	5,000	281,354	286,354	245,587
Current liabilities	-	(209,477)	(209,477)	(253,204)
	<u>5,000</u>	<u>197,430</u>	<u>202,430</u>	<u>119,344</u>

Total funds for 2016 included restricted funds of £4,500 all of which were current assets.

17 Paintings

The charity's loan collection is not reflected in these accounts as, in the opinion of the Trustees, it is neither practical nor beneficial to reflect the true value of the collection. At 31 December 2017 the total collection, which includes lent, purchased and donated artworks, comprised 3,385 works of art, which have been insured on a first loss basis for 3.4million pounds. Movements on the number of artworks and insured values over the past 5 years are as follows:

	<i>2017</i>	<i>2016</i>	<i>2015</i>	<i>2014</i>	<i>2013</i>
Number of artworks	3,970	4,012	4,098	4,179	4,169
Insured value	£3.4m	£3.8m	£3.7m	£2.4m	£1m

18 Operating lease commitments

At 31 December 2017 the charity had total future commitments under non-cancellable operating leases as follows:

	<i>Land and Buildings 2017 £</i>	<i>Other 2017 £</i>	<i>Land and Buildings 2016 £</i>	<i>Other 2016 £</i>
Commitments due:				
Not later than one year	60,000	3,653	60,000	3,653
Later than one year and not later than five years	55,000	7,775	115,000	13,204

PAINTINGS IN HOSPITALS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

19 Related party transactions

There were no related party transactions during the period which require disclosure in accordance with the FRS 102 and the Charities SORP 2015 (FRS 102).

The charity's key management personnel are the trustees, the CEO and the Deputy CEO. Total employee benefits, including employer's pension contributions and employer's National Insurance, in respect of key management personnel were £98,659 (2016: £85,107). No employee benefits are payable to the trustees.