

Registered number: 03209411

Charity number: 1056812

**Seven Stories, The National Centre
for Children's Books Limited
(A company limited by guarantee)**

Annual report

31 March 2025

Seven Stories, The National Centre for Children's Books Limited
(A company limited by guarantee)

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Reference and administrative details of the charity, its Trustees and advisers
Year ended 31 March 2025

Trustees Annalei Bartlett (resigned 26 March 2025)
Ben Butler (resigned 12 December 2024)
Kim Davies (appointed 26 March 2025)
Louise Forster (resigned 26 March 2025)
Nick Kemp (resigned 10 December 2025)
Emma Layfield (resigned 25 June 2025)
Rachel Lippe
Matthew McWhinnie
Claire Riley OBE, Chair
Steve Watson (appointed 26 March 2025)
Louise Hunter MBE (appointed 10 December 2025)
Paula Strachan (appointed 10 December 2025)
Neil Preston (appointed 10 December 2025)

Company registered number 03209411

Charity registered number 1056812

Registered office 30 Lime Street
Ouseburn Valley
Newcastle upon Tyne
NE1 2PQ

Chief executive officer Wendy Elliott

Independent auditor UNW LLP
Chartered Accountants
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St James Boulevard
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Unity Trust
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Seven Stories, The National Centre for Children's Books Limited

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Trustees' report

Year ended 31 March 2025

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Seven Stories, The National Centre for Children's Books Limited ("Seven Stories") (the company) for the year ended 31 March 2025. 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 2019).

Objectives and activities

Policies and objectives

Seven Stories is the National Centre for Children's Books. Our focus is literature and associated illustrations and related material specifically created for children, and the various ways these are shared, collected, conserved, promoted, and disseminated. We aim to enhance lives through access to stories.

Our vision is to put stories at the heart of every childhood, empowering young people to understand their world and imagine their future.

We celebrate the exceptional achievements of British and international writers and illustrators for children, saving their work as part of our nation's heritage, for the enjoyment and inspiration of current and future generations.

The object of the charity, as set out in our governing document, is to advance the education of the public, in particular, children and young people, in the arts and literature through the promotion of Britain's literary heritage for children, and in particular, but not exclusively, by preserving, maintaining and adding to the Collection held by the Seven Stories Collection Trust and by the promotion of access to the Collection and associated items through arts and education programmes and activities.

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

The charity undertakes a variety of activities to deliver its objectives, including education and community centred engagement, the promotion of literacy and reading, running an attractive Visitor Centre with an active events programme, digital delivery to ensure accessibility and reach, and developing and maintaining a collection of books, manuscripts, illustrations and related materials.

Our Visitor Centre in Newcastle upon Tyne houses exhibition galleries as well as performance and creative learning spaces, a specialist bookshop and a café. We have a regular and engaging events programme including story-telling, author and illustrator talks, and creativity development and learning. An extensive external programme supports talent development and brings creative activity into schools and communities to reach young people, helping to promote literacy and creativity, via face-to-face engagement and our developing use of digital platforms. During the year we developed Two Tales, a pop up venue in Durham delivering an immersive, interactive space where the community can engage with storytelling, literature and creative activities as part of a high street regeneration initiative.

The Collection is an internationally renowned archive comprising of manuscripts, artwork, related papers and books, dating from the 1930s to the present day. We hold National styling through Arts Council England's accreditation scheme, acknowledging the singularity and significance of our work to protect and share our literary heritage for children. We use our Collection as an artistic, educational and research resource to celebrate the literary and visual arts through exhibitions, displays and learning programmes, both at our Visitor Centre, and in facilities across the UK through our touring programme.

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Trustees' report (continued) **Year ended 31 March 2025**

Objectives and activities (continued)

While entry to our Visitor Centre is free, we do make some charges to our audience for some activities and events, including school visits and to members of the general public for some programmes and events. Our admission charges are kept as low as possible in order to enable wider access, balanced with the need to earn income and ensure the charity's viability. We also ensure community funded places are available for all of our programmes, and seek corporate support for community places on our regular seasonal programmes such as holiday schools and Christmas community events.

We seek to work in communities, particular disadvantaged communities in our local area, and receive financial support for such purposes.

At all of our Trustee meetings we keep in mind the Charity Commission's guidance on public benefit. As Trustees we see the benefits our audience, partners and communities gain from our organisation.

Staff and volunteers

Seven Stories employed an average of 52 people (29 full time equivalent) in total during 2024/25; 25 on permanent contracts and 27 on casual contracts. 16 staff were full time staff and 36 on a part time basis. We have strengthened skills in key areas including education, and are now looking to recruit to strategic business development roles.

6 volunteers have supported us during the year including regular Collection volunteers and seasonal roles helping with Christmas events, as well as marketing and digital support.

Strategic report

Achievements and performance

Accreditation and awards

Seven Stories is a National Portfolio Organisation (Band 2) supported by Arts Council England. It is also an Accredited Museum with National styling.

Review of activities

During 2024/25, Seven Stories remained firmly committed to its core charitable purpose of addressing diminished literacy and oracy levels across the North East, with access, equity and inclusion embedded across all areas of activity. This year marked the continued delivery of our Arts Council England NPO funding for 2023 to 2026, with regular reporting confirming that our charitable, educational, community and cultural programmes remain aligned with both regional and national priorities.

Engagement and Visitor Experience

We were delighted to welcome over 80,000 visitors, our highest annual figure to date, and to see continued growth in visitors from less affluent communities. Maintaining free entry and remaining open six days per week during term time was a significant achievement given the ongoing economic pressures affecting families and cultural venues. The Visitor Centre benefitted from the return of the Elmer and Friends exhibition, refreshed gallery spaces and strengthened public programming including a thriving Writer's Salon series and an exceptionally well-received World Book Day programme for schools and families.

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Trustees' report (continued) Year ended 31 March 2025

Strategic report (continued)

Achievements and performance (continued)

The Story Station was redeveloped this year through the generous support of the Winn Group. This allowed us to co-create a sensory, inclusive space with children and families from Byker, and has already improved our ability to deliver accessible programmes for communities most underrepresented in cultural participation. We were also extremely proud to receive the Visit England Quality Rose Mark for 2024/25, recognising the consistently high standard of our visitor experience.

Collections, Learning and Creative Programme

Collection development and access remained central to our mission. We were honoured to receive a long-term loan of Mary Norton materials and to secure the Gerald Rose archive into the Collection, offering new opportunities for creative learning, research and public engagement. Preparatory work began to open Two Tales in Durham, extending our ability to share the Collection across the region.

Investment in the Learning and Community team strengthened our educational offer through new partnerships, expanded community delivery and the development of new story-led resources using our national Collection. World Book Day continued to be a major moment of annual engagement, with large numbers of children and families joining workshops, storytelling and creative sessions.

This year also marked the beginning of our commission from Borderlands, a creative organisation based in Teesside. Through this partnership, our Tellers on Tees storytelling and oracy programme has gone from strength to strength. We have been working closely with four primary schools, including one located on the edge of the recent disturbances, to support children's confidence, vocabulary development and narrative skills. This sustained, curriculum-aligned approach has highlighted the need for long-term place-based oracy interventions and has strengthened our role in supporting community resilience through storytelling.

Our widening-access work also grew significantly. With support from Karbon Homes, we deepened engagement in communities facing the greatest barriers to participation, working closely with community participants Kim and Nilufa. We invested in workforce development by expanding apprenticeship opportunities for young people, including Abdel and Ben, with Tom joining in early 2025/26. These opportunities are helping local young people to imagine futures within the creative and cultural industries.

This year saw the launch of a formal NHS partnership, placing reading for pleasure and storytelling at the heart of health and wellbeing initiatives. We were also proud to host a delegation from Little Rock, Arkansas, enabling international exchange on cultural partnership and educational priorities.

Events, Touring, Community and Commercial Activity

We delivered a vibrant programme of seasonal activity supported strongly by regional partners, including Christmas events with notable corporate backing and a standout visit from illustrator Korky Paul. Our community events supported by regional partners were well attended with maximised impact focussed on children and families displaced as a result of domestic violence with represented attendance across the whole region. Our emphasis on getting books into more and more of our communities was a legacy impact of this work.

Our touring programme continued with national reach through Judith Kerr's The Tiger Who Came to Tea facsimile tour and the original artwork tour of Elmer and Friends.

Across the year we continued to develop Two Tales Durham as a new regional platform for engaging underrepresented parts of our region through inclusive exhibitions, learning and storytelling. Seven Stories also benefitted from the transformational legacy of Robert Westall and Lindy McKinnel, announced during 2024/25. Early preparatory work has begun to ensure the Westall portfolio is shared with new audiences in ways that honour their memory and contribution to children's literature, whilst also ensuring that diversifying income through heritage legacy can be optimised.

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Trustees' report (continued) Year ended 31 March 2025

Strategic report (continued)

Achievements and performance (continued)

Our work across the region and the wider North has given us a growing platform for the years ahead. Through the Two Tales pop up, we tested new approaches, gathered invaluable feedback and demonstrated our ability to lead cultural innovation across the region, addressing public health barriers through well thought out well being initiatives. The pop up allowed us to build new partnerships with Durham University, Beamish Museum, local schools, businesses and local authorities. We now have a strong network of contacts, an enhanced reputation and a significant amount of goodwill that will help drive our work into 2026.

As the sector continues to evolve in response to the new school curriculum, increased interest in screen-free experiences and the need for greater entrepreneurial activity among museums and cultural spaces, Seven Stories is well positioned and already adapting with confidence.

Leadership

Continued stability in the leadership and governance structure enabled us to review best practises within the organisation, and our new subcommittee structures took shape.

This was reflected through strengthened relationships with Trusts and Foundations and other external stakeholders including regional universities, local multi-academy Trusts, publishing houses, the NHS and the Combined Authority. This puts us in a strong place for future growth

The Seven Stories Chief Executive has overall management responsibilities for the organisation, supported by a Finance Director, a Director of Systems and Operations, a Director of Collections and Exhibitions and our Creative Lead in Residence. The Chief Executive has overall responsibility for the successful delivery of the business strategy, reporting to the Board.

Fundraising and development

Our small development and relationship team continued to manage fundraising, communications and donor stewardship, delivering strong results during a period of increased organisational activity and growing community demand.

We secured support across Trusts and Foundations, corporate partners, individual donors and earned-income linked campaigns. Our enhanced CRM and digital capacity, supported by Bloomberg Philanthropies Digital Accelerator, strengthened targeted fundraising and improved long-term donor relationships.

Key achievements included significant corporate giving during the Christmas season which supported festive programmes and enabled subsidised access for disadvantaged families; continued cultivation of Collection donors including a major donation of heritage assets valued at £80,000 from the Gerald Rose estate; and strengthened regional partnerships with universities, the NHS and local multi-academy trusts that enhanced our educational and community programmes. Support from the Winn Group enabled the redevelopment of Story Station, directly improving accessibility and inclusion within the Visitor Centre.

The announcement of the Lindy McKinnel and Robert Westall legacy marked a transformational moment. This gift, received 2024/25, will enable significant future work with the Westall Collection and support new forms of public engagement.

Fundraising remains essential to enabling Seven Stories to maintain free entry, expand inclusive programmes, invest in workforce development and conserve and grow the national Collection of Children's Literature.

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Trustees' report (continued) Year ended 31 March 2025

Strategic report (continued)

Financial review

The financial position of the organisation and performance during the year was supported by receipt of a generous legacy from Lindy McKinnel, but still reflects external pressures from cost pressures both directly and affecting our earned income, as well as increased competition for Trust and Foundation funding in the face of frontline need. This meant previous investment in income streams including learning and programme took longer to establish than expected.

A surplus of £80,454 was made on unrestricted funds, compared with a loss of £120,861 in the prior year. Combined with losses on restricted funds and restricted capital funds, there was an overall loss of £16,068 for the year compared with a loss of £213,949 in the preceding year. 2024/25 was the seventh year of delivery of our Arts Council England National Portfolio Organisation activity, which was granted originally to support our work from 2018/19 to 2021/22. The overall annual grant was £588,230.

Other grants and funding awarded during the year included:

- £87,925 from the Enid Blyton Fund for Seven Stories managed by the Community Foundation, including £41,873 for capital refurbishment work
- £25,000 from the Helen Bailey Trust
- £20,000 from the Newcastle Culture Investment Fund managed by the Community Foundation
- £19,566 from Durham County Council
- £14,010 from StreetGames UK

We are grateful to the following organisations who supported our work during the financial year:

Corporate Sponsors & Supporters:

Aspire
Durham County Council
FenwickMuckles
Real Fundraising
Winns Solicitors

Revenue and Project Grants:

Arts Council EnglandCommunity Foundation Enid Blyton Fund for Seven Stories
Community Foundation – Jeremy Beecham Community Foundation Newcastle Culture Investment Fund
The Gillian Dickinson TrustThe Helen Bailey Trust
The James Knott Trust
StreetGames UK
The Shears Foundation

and the Friends of Seven Stories and many other individual supporters

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.

Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. It expects that the cost of living pressures will continue to have some impact in relation to expected performance but that these can be mitigated through ongoing cost control and diversification of income and delivery methods. Our charitable objectives already mean we deliver activities that align with the aims of many trusts and foundations.

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Trustees' report (continued) Year ended 31 March 2025

Our risk management process enables trustees to have greater assurance and complies with the latest Charity Commission recommendations.

We will continue to develop our business model to ensure resilience and, at the same time, fully deliver our charitable objectives as a viable business and sustainable organisation.

While the challenges we face are in line with other similar organisations, we have strengthened our position to respond due the unique assets we hold. This is aligned to our plans for the building and for external offers including a strong education and community programme. Due to receipt of a generous unrestricted cash legacy from Mirabel Cecil, we are in a strong position to continue to diversify and add resilience to our income streams.

New external educational and community activity is being implemented successfully alongside embedding ourselves regionally. We are expanding digital programming, products and services for families and schools, as well as our award winning community programmes.

Reserves policy

Trustees reviewed the reserves policy in September 2015 following the completion of a capital refurbishment project. It was agreed that the minimum level of cash reserves should be equivalent to those that allow the charity to fulfil its statutory obligations arising on closure and provide sufficient working capital to enable arrangements to be made to re house the Collection. This minimum reserve requirement was estimated to be £175,000 at March 2025.

The Trustees also agreed that additional reserves should be set aside to enable the charity to respond to significant unplanned events, such as unexpected capital expenditure or the loss of a key funding stream. Including provision for these unplanned events, the reserves target is between £350,000 to £425,000.

At 31 March 2025, the group held free reserves of £63,276 in surplus (£60,084 deficit in 2023/24), being £171,511 undesignated unrestricted funds less £16,291 intangible fixed assets and less £91,944 of tangible fixed assets. Our financial strategy will enable the level of reserves to be increased over the next four years as the charity returns to a surplus position on unrestricted funds.

Plans for future periods

Seven Stories will continue to strengthen its regional presence through partnerships. Several key meetings are already scheduled for early 2026 which will shape future collaboration and extend our reach across the North. The Cecil legacy, referenced elsewhere as a post balance sheet event, will enable us to accelerate the work required to reach the next level of impact.

The acquisition of the Jill Murphy materials as a long-term loan in 2025/26 creates significant opportunities to explore the heritage, intergenerational appeal and creative possibilities of her work. Alongside this, we are planning a refresh of the Visitor Centre to meet the needs of both returning and new audiences, including the creation of a quiet space for the increasing number of neurodiverse children visiting.

Our partnership with the NHS continues to grow in importance. As health services place greater focus on community wellbeing and social prescribing, our work with reading for pleasure and storytelling positions us as a key cultural health partner. Our partnership with the Dolly Parton Imagination Library, including hosting the launch at the Visitor Centre and the appointment of our Creative Lead to the national book selection panel for 2027, reflects major confidence in our organisation and its expertise.

As the cultural sector adapts to changes in publishing, the increased use of AI, rising demand for public interaction and growing parental desire for reduced screen time, Seven Stories must remain agile, flexible and responsive. This will require organisational restructuring to ensure we can meet new challenges and opportunities.

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Trustees' report (continued) Year ended 31 March 2025

In 2026, we will lead the region during the Year of Reading while also celebrating the twenty first birthday of the Visitor Centre. This will include the launch of our Seven Stories Reading programme, a significant new initiative connecting communities, schools and families through the joy of reading.

We are committed to ensuring financial independence and resilience to external cost pressures. Research across the sector highlights the need for museums and cultural venues to be more entrepreneurial, and we have already taken important steps in this direction highlighted in the Two Tales initiative. We plan to increase commissioned work, make fuller use of the Collection and develop the unique and saleable storytelling expertise within our team.

We are already exploring new ways to reimagine the Collection for contemporary audiences. Inspired by collaborations such as the publishing partnerships between Agatha Christie and the Mr Men series, we are developing fresh approaches to presenting heritage materials in ways that surprise, delight and engage new generations. The next chapter of work around Robert Westall will form an important part of this, creating a Westall 2.0 that reimagines and reintroduces his legacy for today's families and readers. All of this will be achieved by listening and engaging with younger people through the introduction of our Youth Council, an initiative that will inform our board of Trustees

Sector Shifts and Pressures

The wider cultural landscape continues to shift rapidly. There is growing demand for offline, human-led creative experiences from parents, educators and cultural audiences who increasingly value screen-free storytelling and live events. Concerns about AI driven cultural production are rising, with critics arguing that AI generated content can erode human creativity and undervalue artistic skill. Cultural organisations must balance the efficiencies offered by new technologies with the importance of authenticity and integrity of voice. We are already discussing this and taking steps to become one of the leading voices in this area.

Collections are increasingly expected not only to preserve but to be actively reimaged. Classic works require contextual framing for new generations, and heritage materials need to connect meaningfully with contemporary life and diverse communities. Barriers to leadership and authorship persist for working class and marginalised communities, and funders and audiences expect measurable progress in representation and inclusion.

Cultural consumption among younger generations is shifting, shaped by digital first intellectual property such as Bluey rather than the traditional canon, while nostalgia remains powerful but must be refreshed for modern audiences. Fundraising models are under strain, requiring organisations to emphasise sustainability, partnership leverage and long-term resilience. Tourism continues to evolve, with families seeking immersive, story led experiences that increase dwell time and encourage repeat visits. Integrating school and family networks into cultural tourism strengthens local economic impact and builds brand loyalty.

Future Opportunities

Storytelling will remain the central anchor of our work. In a landscape crowded with AI generated content, human stories, particularly those that are untold or underrepresented, provide a powerful point of difference. Distinctive intellectual property such as Booxsie and Blurb two book review animated characters which have the potential across publishing, live performance and tourism.

We will continue to develop next generation publishing models that draw directly from the Collection, work with diverse authors and illustrators and create titles linked to exhibitions in ways that surprise and engage visitors.

We will expand the creative circle within our organisation by mapping skills, identifying gaps and using the Collection as an engine for experimentation and innovation.

Prototyping activity will continue, including reimagined classics, immersive formats and opportunities for inclusive leadership. As Seven Stories moves towards 2026 and beyond, we are well positioned to meet sector change with ambition, clarity and confidence.

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Trustees' report (continued) Year ended 31 March 2025

Future structure

This past year has been challenging for the organisation and for its leader. It has also shown, more clearly than ever, the strength and commitment of the people who make up our team. Their passion for our mission to improve literacy and inclusion, and their belief in the importance of our work, has been humbling and inspiring. We are custodians of something genuinely unique. As a national centre, we must live by our values and deliver work that reflects them. Over the past year, it has become clear that there are gaps in the skills and structures we need in order to meet the demands of our mission and to prepare for the future. Addressing these gaps has required difficult decisions, including recognising that some colleagues were no longer able to take forward the level of innovation and delivery that our next phase requires. As a result, some people have moved on from the organisation, and those decisions were not taken lightly.

At the same time, a strong new core team has emerged, people who are aligned with our values, who bring the skills and creativity we need, and who are ready to help shape the organisation we are becoming. Their commitment has enabled us to deliver more, to innovate more boldly, and to build a clearer vision for the years ahead.

These challenges have not been easy, but the executive has not stepped away from them and remains fully committed to steering the organisation through this period of change and to ensuring that we emerge stronger, more agile and better equipped to serve our staff, our visitors and, most importantly, the children and families across our city, our region and beyond.

Structure, governance and management

Constitution

Seven Stories, The National Centre for Children's Books is a company limited by guarantee governed by its Articles of Association. It was first registered with the Charity Commission on 7 May 1996. The charity's governing documents, and those of its related parties, were reviewed and updated in October 2018.

Methods of appointment or election of Trustees

The management of the group and the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

Organisational structure and decision-making policies

The Board of Trustees administers the charity. The Board meets four times a year under usual circumstances, and there are two committees at present, the Finance, Risk and Governance Committee and the Collection Committee.

The Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority, within the terms of delegation approved by the trustees, for operational matters including finance, employment and artistic activity.

To fulfil these responsibilities, the Chief Executive worked with a senior management team comprised of the Finance Director, Director of Systems and Operations, The Collections and Exhibitions Director and our Creative Lead in Residence.

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Trustees' report (continued) Year ended 31 March 2025

Structure, governance and management (continued)

Pay policy for senior staff

The rates of pay and remuneration of all staff, including the senior management team, are set by the Board of Trustees. The annual pay review considers statutory changes, inflation, the affordability of a pay award in the context of financial performance, benchmarking to similar organisations and the outcomes of an individual appraisal process.

Related party relationships

Seven Stories has two related entities: Seven Stories Trading Company and Seven Stories Collection Trust. The accounts of these entities are consolidated with those of the main charity in these accounts.

Seven Stories Trading Limited is the charity's wholly owned subsidiary, a company limited by shares, registered in England and Wales, number 04177830. It operates commercial activities including the bookshop, cafe and corporate events. The subsidiary company commenced trading on 19 August 2005. Profits of the subsidiary are gifted to the charity.

Seven Stories, The National Centre for Children's Books' Collection Trust is an independent charitable trust which was established by a Declaration of Trust dated 9 June 2005 and whose Trustees are appointed by Seven Stories Board of Trustees. It is a separate charity, registered with the Charity Commission with charity number 1115167. The main object of the Collection Trust is to own and protect the archive. It is supported by Seven Stories staff through a management agreement dated 25 August 2006. These accounts are consolidated solely to comply with SORP and company law requirements and are not intended to affect the status of both charities as separate legal entities.

The trading company's Articles of Association and the Collection Trust's Deed of Trust and management agreement were updated in 2015. This reflected the change of name of the main Charity, and also aligned these documents with the changes made in the Charity's Articles and recent legislation. For the Collection Trust, these changes were agreed through a Deed of Variation at the Trustees meeting held on 25 February 2016. For the trading company, the changes were adopted by special resolution at a meeting of the trading company Directors on 18 November 2015.

Key risks and uncertainties

The key risks facing Seven Stories in 2024/25 are associated with maintaining business viability and sustainability in an environment which is challenging for all arts and cultural venues facing an uncertain public and private funding landscape, while ensuring we continue to meet our charitable objectives.

A key aspect of these risks is ensuring the organisation develops its governance, its portfolio of activities and offers, its management and organisational capability and its financial reserves, to be resilient in the face of such changes.

While we have continued to control expenditure and diversify and invest in income streams (in particular education), uncertainty over how audiences will behave in the future, the impact of inflation on our costs, changing government policy, and potential issues around the availability of funding will continue to be carefully monitored.

Other potential immediate risks could arise from the impact of the current economic challenges on our own expenditure and on reductions in the visitor income. Other risks associated with this include:

- Lack of business continuity from key suppliers and contractors ceasing to trade;
- Failure to meet fundraising, donations and sponsorship income targets.

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Trustees' report (continued) Year ended 31 March 2025

Structure, governance and management (continued)

Risk mitigation

The priorities outlined in 'Plans for future periods' above have been identified specifically in order to address these concerns. Progress towards these strategic objectives is being very closely monitored by the Board and Arts Council England.

Our risk schedule is reviewed and updated at each Board meeting and work is ongoing to ensure that risk management is embedded from governance of the organisation and throughout the management structure.

Information on fundraising practises

Our general approach to fundraising is to work with existing networks and relationships, with general, non-targeted appeals for specific projects. This includes our Friends, Chapter One founders, corporate and general visitors. We are mindful to ensure the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. Seven Stories does not work with any commercial participants or professional fundraisers, beyond using fundraising websites such as Crowdfunder or Big Give.

Our fundraising conforms to recognised standards and, if there were any complaints about our approach, they would be handled using our formal Complaints Policy and Procedures. There were no complaints in the year under review.

Disclosure of information to auditor

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

- so far as that the trustees are aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- the trustees have taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated his willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 18 December 2025 and signed on their behalf by:

Signed by:

B8A4CC9658F24FE...
Claire Riley OBE, Chair

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Statement of trustees' responsibilities Year ended 31 March 2025

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

Company law requires the trustees to prepare financial statements for each financial . Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group and the charity's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of trustees on 18 December 2025 and signed on its behalf by:

Signed by:

 B8A4CC9658F24FE...
Claire Riley, Chair



Independent auditor's report to the members of Seven Stories, The National Centre for Children's Books Limited

Opinion

We have audited the financial statements of Seven Stories, The National Centre for Children's Books Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



Independent auditor's report to the members of Seven Stories, The National Centre for Children's Books Limited (continued)

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 contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the trustees' report and the strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



Independent auditor's report to the members of Seven Stories, The National Centre for Children's Books Limited (continued)

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

We obtain and update our understanding of the charity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, pension legislation and UK tax legislation. In addition, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We considered the extent to which non-compliance with laws and regulations might have a material effect on the financial statements and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We also evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to manipulate financial results, management bias in accounting estimates, as well as improper revenue recognition which includes fraudulent posting of journal entries to revenue.



Independent auditor's report to the members of Seven Stories, The National Centre for Children's Books Limited (continued)

Audit procedures performed by the engagement team included:

- Inquiry of management and those charged with governance regarding actual and potential litigation or claims as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing meeting minutes to identify reported frauds and any potential non-compliance with laws and regulations;
- Identifying journal entries based on risk criteria and testing the identified entries to supporting documentation, in particular journal entries with unusual account combinations; and
- Challenging assumptions and judgments made by management in their significant accounting estimates and evaluating whether there was any evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Anne Hallowell

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Anne Hallowell BSc DChA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor

Chartered Accountants
 Newcastle upon Tyne

18 December 2025

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)

Year ended 31 March 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted capital funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:						
Donations and legacies	4	187,680	-	140,300	327,980	90,656
Charitable activities	5	842,067	66,873	-	908,940	937,557
Other trading activities	6	325,249	-	-	325,249	306,523
Investments		-	59	12	71	519
Other income	7	33,632	-	-	33,632	11,430
Total income and endowments		1,388,628	66,932	140,312	1,595,872	1,346,685
Expenditure on:						
Raising funds	8	278,635	-	-	278,635	266,581
Charitable activities	9	1,029,499	158,646	145,120	1,333,265	1,294,424
Total expenditure		1,308,134	158,646	145,120	1,611,900	1,561,005
Net income/ (expenditure) before net (losses)/gains on investments						
		80,494	(91,714)	(4,808)	(16,028)	(214,320)
Net (losses)/gains on investments		(40)	-	-	(40)	371
Net (expenditure) /income		80,454	(91,714)	(4,808)	(16,068)	(213,949)
Transfers between funds	19	(51,003)	51,003	-	-	-
Net movement in funds		29,451	(40,711)	(4,808)	(16,068)	(213,949)
Reconciliation of funds:						
Total funds brought forward		152,309	145,943	6,546,021	6,844,273	7,058,222
Net movement in funds		29,451	(40,711)	(4,808)	(16,068)	(213,949)
Total funds carried forward		181,760	105,232	6,541,213	6,828,205	6,844,273

The consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 22 to 49 form part of these financial statements.

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Consolidated balance sheet At 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	12	16,291	37,173
Tangible assets	13	1,091,298	1,307,192
Heritage assets	14	5,568,137	5,427,837
Investments	15	-	9,248
		6,675,726	6,781,450
Current assets			
Stocks	16	27,654	23,204
Debtors	17	132,442	89,350
Cash at bank and in hand		171,181	115,033
		331,277	227,587
Current liabilities			
Creditors: amounts falling due within one year	18	(178,798)	(164,764)
Net current assets		152,479	62,823
Total assets less current liabilities		6,828,205	6,844,273
Total net assets		6,828,205	6,844,273
Charity funds			
Restricted capital funds	19	6,541,213	6,546,021
Restricted funds	19	105,232	145,943
Unrestricted funds	19	181,760	152,309
Total funds		6,828,205	6,844,273

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the trustees on 18 December 2025 and signed on their behalf by:

Signed by:

 B8A4CC9658F24FE...
Claire Riley, Chair

The notes on pages 22 to 49 form part of these financial statements.

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Balance sheet At 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	12	16,291	37,173
Tangible assets	13	1,091,298	1,307,192
Heritage assets	14	30,000	30,000
Investments	15	1	9,249
		<u>1,137,590</u>	<u>1,383,614</u>
Current assets			
Debtors	17	138,806	69,055
Cash at bank and in hand		145,641	94,504
		<u>284,447</u>	<u>163,559</u>
Current liabilities			
Creditors: amounts falling due within one year	18	(181,978)	(146,642)
Net current assets		<u>102,469</u>	<u>16,917</u>
Total assets less current liabilities		<u>1,240,059</u>	<u>1,400,531</u>
Total net assets		<u>1,240,059</u>	<u>1,400,531</u>
Charity funds			
Restricted capital funds	19	999,354	1,142,221
Restricted funds	19	105,232	145,943
Unrestricted funds	19	135,473	112,367
Total funds		<u>1,240,059</u>	<u>1,400,531</u>

Seven Stories, The National Centre for Children's Books Limited
(A company limited by guarantee)

Balance sheet (continued)
At 31 March 2025

The charity's net movement in funds for the year was a loss of £160,470 (2024: loss of £292,021).

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the trustees on 18 December 2025 and signed on their behalf by:

Signed by:

B8A4CC9658F24FE...
Claire Riley, Chair

Company registered number: 03209411

The notes on pages 22 to 49 form part of these financial statements.

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Consolidated statement of cash flows Year ended 31 March 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	21	50,145	(50,314)
Cash flows from investing activities			
Proceeds from the sale of investments		9,208	-
Purchase of intangible assets		-	(28,375)
Purchase of tangible fixed assets		(3,205)	(17,000)
Net cash provided by/(used in) investing activities		6,003	(45,375)
Change in cash and cash equivalents in the year		56,148	(95,689)
Cash and cash equivalents at the beginning of the year		115,033	210,722
Cash and cash equivalents at the end of the year	22	171,181	115,033

The notes on pages 22 to 49 form part of these financial statements

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2025

1. General information

Seven Stories, The National Centre for Children's Books Limited ('the charity') is a charitable company incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is given in the reference and administrative details page of these financial statements and the principle activities of the charity are given in the trustees' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Seven Stories, The National Centre for Children's Books Limited 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.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

Trustees have determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern. Whilst the board expects that the cost of living pressures will continue to have some impact in relation to expected performance, this can be mitigated through ongoing cost control and diversification of income and delivery methods. Further details are given in the trustees report.

Management continue to monitor the cash flow forecast on a weekly basis, and our cash reserves remain positive.

Risks are considered by the Board at its regular meetings, with mitigations implemented and monitored.

Having considered all the steps taken as described above, and taking into account the positive cash forecast of the organisation, the Trustees consider that the going concern basis of preparation remains appropriate.

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2025

2. Accounting policies (continued)

2.3 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 by the charity of the item is probable and that economic benefit can be measured reliably.

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be when the probate valuation of the gifted assets is received.

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Museum and galleries tax relief income is recognised based on a prudent estimate of the amount of qualifying expenditure and applying the repayment rates set out in current HMRC legislation.

2.4 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. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of raising funds are those incurred by Seven Stories Trading Limited. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at the head office.

Seven Stories, The National Centre for Children's Books Limited
(A company limited by guarantee)

Notes to the financial statements
Year ended 31 March 2025

2. Accounting policies (continued)

2.4 Expenditure (continued)

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

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer software	- 33 %
-------------------	--------

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Exhibition costs, where the exhibition will be toured for in excess of one year, are capitalised at the cost of building the exhibition.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

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

Land	- Not depreciated
Freehold property	- 2% straight line down to residual value
Long-term leasehold property	- 4% straight line
Fixtures and fittings	- 5-33% straight line
Exhibitions	- Over the lifetime of the exhibition

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2025

2. Accounting policies (continued)

2.8 Heritage assets

The group has a collection of heritage assets which are held in support of their objectives and are used as a unique and inspiring resource to create exhibitions, artistic and learning and research programmes dedicated to celebrating children's books.

Acquisitions are made by purchase or donation. The 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;
- valuations by Seven Stories staff using knowledge of the current market and the value of comparable works in the collection; or
- information provided by the National Audit Office for England and the acceptance in lieu panel.

It is not the intention of the trustees to dispose of any of the assets within the Collection. Any disposals would be subject to the approval of the trustees, although this would only happen in exceptional circumstances, and there must be sound curatorial reasons for disposal.

The items included within the Collection are deemed to have indeterminate lives and a high residual value; hence the Trustees do not consider it appropriate to charge depreciation.

Please refer to Note 14 of the accounts for further information on the heritage assets held by the group.

2.9 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Stock includes books, merchandise and cafe food and drink stocks.

2.10 Financial instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and cash and bank balances.

All such instruments are due within one year and are measured, initially and subsequently, at the transaction price.

At the end of each reporting period, financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the profit and loss account.

2.11 Operating leases

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

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2025

2. Accounting policies (continued)

2.12 Employee benefits

The group operates a defined contribution pension plan for its employees. Contributions are recognised as an expense when they fall due. Amounts due but not yet paid are included within creditors on the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

2.13 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 Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical accounting estimates and assumptions:

The key source of judgment within the financial statements is the valuation of the 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.

Estimates included within these financial statements include depreciation and amortisation changes. None of the estimates made are considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustments to carrying amounts of assets and liabilities within the next financial year.

Seven Stories, The National Centre for Children's Books Limited
(A company limited by guarantee)

Notes to the financial statements
Year ended 31 March 2025

4. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted capital funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	187,680	140,300	327,980	90,656
Total 2024	9,756	80,900	90,656	

5. Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Visitor centre	555,553	-	555,553	580,278
Programme	106,453	-	106,453	101,839
Learning	33,072	66,873	99,945	92,289
Collections	123,832	-	123,832	128,423
Exhibitions	23,157	-	23,157	34,728
	842,067	66,873	908,940	937,557
Total 2024	903,648	33,909	937,557	

Seven Stories, The National Centre for Children's Books Limited
(A company limited by guarantee)

Notes to the financial statements
Year ended 31 March 2025

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Cafe and bookshop sales	325,249	325,249	306,523
	<hr/> 325,249 <hr/>	<hr/> 325,249 <hr/>	<hr/> 306,523 <hr/>
Total 2024	<hr/> 306,523 <hr/>	<hr/> 306,523 <hr/>	

7. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Miscellaneous income	14,066	14,066	11,430
Project set up costs	19,566	19,566	-
	<hr/> 33,632 <hr/>	<hr/> 33,632 <hr/>	<hr/> 11,430 <hr/>

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2025

8. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Subsidiary trading expenses	149,502	149,502	159,002
Wages and salaries	120,759	120,759	99,784
Social security taxation	6,118	6,118	5,395
Pension costs	2,256	2,256	2,400
	<u>278,635</u>	<u>278,635</u>	<u>266,581</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Visitor centre	718,030	251,839	969,869	1,003,221
Programme	57,112	2,200	59,312	13,722
Learning	36,267	83,819	120,086	82,459
Collections	48,409	65,858	114,267	107,300
Exhibitions	69,731	-	69,731	87,472
Development	-	-	-	250
	<u>929,549</u>	<u>403,716</u>	<u>1,333,265</u>	<u>1,294,424</u>
Total 2024	<u>915,349</u>	<u>379,075</u>	<u>1,294,424</u>	

The support costs have been allocated to each activity on the basis of headcount.

Seven Stories, The National Centre for Children's Books Limited

(A company limited by guarantee)

Notes to the financial statements Year ended 31 March 2025

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2025 £	Total funds 2024 £
General office costs	72,080	88,478
IT support	4,344	354
Travel and accomodation	6,894	3,496
Subscriptions and licenses	5,673	3,112
Bank charges	8,196	3,965
Wages and salaries	251,200	237,989
Professional fees	55,329	41,681
	403,716	379,075

10. Auditor's remuneration

	2025 £	2024 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts	21,000	19,700
Fees payable to the charity's auditor in respect of: All non-audit services not included above	1,150	1,600

11. Staff costs

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Wages and salaries	756,277	685,780	635,518	585,996
Social security costs	51,422	46,449	45,304	41,054
Contribution to defined contribution pension schemes	24,386	21,893	22,130	19,493
	832,085	754,122	702,952	646,543

Seven Stories, The National Centre for Children's Books Limited
(A company limited by guarantee)

Notes to the financial statements
Year ended 31 March 2025

11. Staff costs (continued)

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

	Group 2025 No.	Group 2024 No.
All employees	52	45

The average headcount expressed as full-time equivalents was:

	Group 2025 No.	Group 2024 No.
Visitor centre and learning	13	11
Collections	3	2
Trading	4	4
Management	9	8
	29	25

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

Remuneration and benefits received by key management personnel

The key management personnel of the group comprise those of the charity and the key management personnel of its trading subsidiary, Seven Stories Trading Limited.

Key management personnel are deemed to be those having authority and responsibility, delegated to them by the trustees for planning, directing and controlling the activities of the charity.

During 2024/25 they were:
Chief Executive – Wendy Elliott
Director of Systems and Operations - Mandy Baines
Finance Director - Lucy Smyth
Collections and Exhibitions Director - Adam Goldwater
Creative Lead - Richard O'Neill

The total employee benefits of the key management personnel of the group were £191,712 (2024: £137,818).

Seven Stories, The National Centre for Children's Books Limited
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Notes to the financial statements
Year ended 31 March 2025

12. Intangible assets

Group and charity

	Computer software £
Cost	
At 1 April 2024	70,932
At 31 March 2025	70,932
Amortisation	
At 1 April 2024	33,759
Charge for the year	20,882
At 31 March 2025	54,641
Net book value	
At 31 March 2025	16,291
At 31 March 2024	37,173

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Notes to the financial statements Year ended 31 March 2025

13. Tangible fixed assets

Group and Charity

	Freehold property £	Long-term leasehold property £	Fixtures and fittings £	Exhibitions £	Total £
Cost					
At 1 April 2024	3,552,626	21,419	3,280,578	623,736	7,478,359
Additions	-	-	3,005	200	3,205
Disposals	-	-	(3,031)	-	(3,031)
At 31 March 2025	3,552,626	21,419	3,280,552	623,936	7,478,533
Depreciation					
At 1 April 2024	2,552,626	16,279	3,094,159	508,103	6,171,167
Charge for the year	-	857	165,661	51,975	218,493
On disposals	-	-	(2,425)	-	(2,425)
At 31 March 2025	2,552,626	17,136	3,257,395	560,078	6,387,235
Net book value					
At 31 March 2025	1,000,000	4,283	23,157	63,858	1,091,298
At 31 March 2024	1,000,000	5,140	186,419	115,633	1,307,192

Included in land and buildings is freehold land of £504,208 which has not been depreciated.

As detailed in note 24, Newcastle City Council and Arts Council England have a legal charge over the land and buildings.

Seven Stories, The National Centre for Children's Books Limited
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Notes to the financial statements
Year ended 31 March 2025

14. Heritage assets

Group

Assets recognised at cost or valuation

	Antiquarian books and manuscripts 2025 £	Total 2025 £
Carrying value at 1 April 2024	5,427,837	5,427,837
Additions	140,300	140,300
Carrying value at 31 March 2025	5,568,137	5,568,137

Included within the figures are £177,480 (2024: £97,480) of assets on long term loan, for which there is no current intention to return to the owner and for which the charity is carrying the risks and rewards of ownership.

Charity

Assets recognised at cost or valuation

	Antiquarian books and manuscripts 2025 £	Total 2025 £
Carrying value at 1 April 2024	30,000	30,000
Carrying value at 31 March 2025	30,000	30,000

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Notes to the financial statements Year ended 31 March 2025

14. Heritage assets (continued)

5 year summary of heritage asset transactions

Group

	2025 £	2024 £	2023 £	2022 £	2021 £
Purchases	-	900	-	900	-
Donated assets at valuation	140,300	80,000	813,750	949,495	250,000
Transfers from stock	-	-	20,000	-	-
Total additions	140,300	80,900	833,750	950,395	250,000

Charity

	2025 £	2024 £	2023 £	2022 £	2021 £
Donated assets at valuation	-	-	-	10,000	-
Transfers from stock	-	-	20,000	-	-
Total additions	-	-	20,000	10,000	-

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 the 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.

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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 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.

Seven Stories, The National Centre for Children's Books Limited
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Notes to the financial statements
Year ended 31 March 2025

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.

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.

15. Fixed asset investments

	Listed securities £
At 1 April 2024	9,248
Disposals	(9,248)
	<hr/>
At 31 March 2025	-
	<hr/> <hr/>
Net book value	
At 31 March 2025	-
	<hr/>
At 31 March 2024	9,248
	<hr/> <hr/>

Seven Stories, The National Centre for Children's Books Limited

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Notes to the financial statements Year ended 31 March 2025

15. Fixed asset investments (continued)

charity	Investments in subsidiary companies £	Listed securities £	Total £
Cost or valuation			
At 1 April 2024	1	9,248	9,249
Disposals	-	(9,248)	(9,248)
At 31 March 2025	1	-	1
Net book value			
At 31 March 2025	1	-	1
At 31 March 2024	1	9,248	9,249

Principal subsidiaries

The following were subsidiary undertakings of the charity:

Names	Company number	Charity registration number	Holding	Included in consolidation
Seven Stories Trading Limited	04177830	n/a	100%	Yes
Seven Stories, The National Centre for Children's Books Collections Trust	n/a	1115167	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/ Surplus for the year £	Net assets £
Seven Stories Trading Limited	325,249	(278,635)	46,614	46,616
Seven Stories, The National Centre for Children's Books Collections Trust	140,312	(2,581)	137,731	5,541,531

Seven Stories, The National Centre for Children's Books Limited

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Notes to the financial statements Year ended 31 March 2025

16. Stocks

	Group 2025 £	Group 2024 £
Books and merchandise	22,675	18,392
Cafe food and drink stock	4,979	4,812
	27,654	23,204

The carrying value of stocks are stated net of impairment losses totalling £nil (2024: £nil). Impairment losses totalling £nil (2024: £nil) were recognised in cost of sales during the year.

17. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade debtors	17,965	49,124	13,911	19,929
Amounts owed by group undertakings	-	-	11,228	8,900
Other debtors	499	221	199	221
Prepayments and accrued income	113,978	40,005	113,468	40,005
	132,442	89,350	138,806	69,055

Trade debtors are stated after provisions for impairment of £nil (2024: £nil).

Amounts owed by group undertaking are unsecured, interest free and repayable on demand.

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Notes to the financial statements Year ended 31 March 2025

18. Creditors: amounts falling due within one year

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	43,411	45,154	32,210	32,481
Amounts owed to group undertakings	-	-	21,102	10,740
Other taxation and social security	15,692	11,753	15,692	11,753
Other creditors	17,509	13,541	17,506	13,541
Accruals and deferred income	102,186	94,316	95,468	78,127
	178,798	164,764	181,978	146,642

Amounts owed to group undertaking are unsecured, interest free and repayable on demand.

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Deferred income at 1 April 2024	23,799	55,752	23,799	55,752
Resources deferred during the year	42,659	23,799	42,659	23,799
Amounts released from previous periods	(23,799)	(55,752)	(23,799)	(55,752)
	42,659	23,799	42,659	23,799

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Notes to the financial statements Year ended 31 March 2025

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Unrestricted funds						
Designated funds						
Designated funds	10,249	-	-	-	-	10,249
General funds						
General funds	142,060	1,388,628	(1,308,134)	(51,003)	(40)	171,511
Total Unrestricted funds	152,309	1,388,628	(1,308,134)	(51,003)	(40)	181,760
Restricted capital funds						
Building purchase	750,156	-	-	-	-	750,156
Building improvements and purchase of other assets	392,065	-	(142,867)	-	-	249,198
Historic collections	5,403,800	140,312	(2,253)	-	-	5,541,859
	6,546,021	140,312	(145,120)	-	-	6,541,213

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Notes to the financial statements Year ended 31 March 2025

19. Statement of funds (continued)

	Balance at 1 April 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2025 £
Restricted funds						
Unwin Charitable Trust	5,000	-	-	(5,000)	-	-
British Council	2,639	-	-	-	-	2,639
Helen Bailey	4,489	-	-	-	-	4,489
Heritage Lottery Fund - WSCF	4,473	-	(24,062)	19,589	-	-
Gillian Dickinson	45,473	-	(45,473)	-	-	-
Foyle - WSCF	9,900	-	(104,330)	94,430	-	-
Esmee Fairbairn	1,359	-	(825)	163	-	697
Other Funds	8,929	59	(10,059)	3,770	-	2,699
Garfield Weston	37,719	-	(50,000)	12,281	-	-
St Nicholas' Education Trust	3,583	-	(3,583)	-	-	-
Wolfson	12,675	-	87,856	(74,230)	-	26,301
Well Newcastle Gateshead	2,070	-	(2,070)	-	-	-
National Lottery Heritage Fund - Covid-19	(2,233)	-	2,233	-	-	-
LNER - On Board With Stories	3,246	-	-	-	-	3,246
Guy Readman	1,207	-	-	-	-	1,207
Community Family Hub East	5,414	-	-	-	-	5,414
Enid Blyton Refurbishment 2024	-	41,873	-	-	-	41,873
Helen Bailey 2024/2025	-	25,000	(8,333)	-	-	16,667
	<u>145,943</u>	<u>66,932</u>	<u>(158,646)</u>	<u>51,003</u>	<u>-</u>	<u>105,232</u>
Total of funds	<u>6,844,273</u>	<u>1,595,872</u>	<u>(1,611,900)</u>	<u>-</u>	<u>(40)</u>	<u>6,828,205</u>

Statement of funds - prior year

Seven Stories, The National Centre for Children's Books Limited

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Notes to the financial statements Year ended 31 March 2025

19. Statement of funds (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Unrestricted funds						
Designated funds						
Designated funds	10,249	-	-	-	-	10,249
General funds						
General funds	208,355	1,231,357	(1,352,589)	54,566	371	142,060
Total Unrestricted funds	218,604	1,231,357	(1,352,589)	54,566	371	152,309
Restricted capital funds						
Building purchase	750,156	-	-	-	-	750,156
Building improvements and purchase of other assets	540,246	-	(148,181)	-	-	392,065
Historic collections	5,324,995	80,912	(2,107)	-	-	5,403,800
	6,615,397	80,912	(150,288)	-	-	6,546,021

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Notes to the financial statements Year ended 31 March 2025

19. Statement of funds (continued)

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2024 £
Restricted funds						
Helen Bailey	5,000	-	-	-	-	5,000
Heritage Lottery Fund - WSCF	2,639	-	-	-	-	2,639
Gillian Dickinson	1,700	8,770	(5,981)	-	-	4,489
Foyle - WSCF	4,473	-	-	-	-	4,473
Esmee Fairbairn	45,473	-	-	-	-	45,473
Enid Blyton Refurbishment 2024	10,800	-	-	(10,800)	-	-
Other Funds	9,900	-	-	-	-	9,900
Garfield Weston	37,719	-	-	-	-	37,719
St Nicholas' Education Trust	3,828	(120)	(125)	-	-	3,583
Wolfson	35,219	-	(22,544)	-	-	12,675
Well Newcastle Gateshead	2,070	-	-	-	-	2,070
National Lottery Heritage Fund - Covid-19	2,562	-	(4,795)	-	-	(2,233)
LNER - On Board With Stories	3,246	-	-	-	-	3,246
Guy Readman	1,207	-	-	-	-	1,207
Community Family Hub East	5,414	-	-	-	-	5,414
Enid Blyton Refurbishment 2024	45,427	24,381	(24,683)	(43,766)	-	1,359
Helen Bailey 2024/2025	7,544	1,385	-	-	-	8,929
	<u>224,221</u>	<u>34,416</u>	<u>(58,128)</u>	<u>(54,566)</u>	<u>-</u>	<u>145,943</u>
Total of funds	<u>7,058,222</u>	<u>1,346,685</u>	<u>(1,561,005)</u>	<u>-</u>	<u>371</u>	<u>6,844,273</u>

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Notes to the financial statements Year ended 31 March 2025

19. Statement of funds (continued)

Restricted capital funds:

Building purchase - funds allocated solely for the purchase of the buildings at 30 - 34 Lime Street, which were converted into the Seven Stories Visitor Centre.

Building improvements and purchase of other assets - funds allocated for the improvement of the buildings at 30 - 34 Lime Street, which were converted into the Seven Stories Visitor Centre and the purchase of fixtures and fittings within the building.

Historic collections relate to the heritage assets held within Seven Stories, The National Centre for Children's Books Collection Trust.

Restricted funds:

Unwin Charitable Trust - towards the direct costs of preparing collection items for use in our exhibition and learning programmes for 12 months.

British Council – grant to fund an artist in residence event at Seven Stories with a Polish illustrator.

Helen Bailey - to support a new creative writing project for schools.

Heritage Lottery Fund WSCF - to provide funding for development of new exhibition space.

Gillian Dickinson - to support the young people's talent development programme.

BBC Children in Need - to deliver community activity with educational and well-being outcomes in the East End of Newcastle.

Foyle Foundation - to provide funding for development of our new exhibition space.

Garfield Weston Foundation - for exhibition co-curation and touring programme.

St Nicholas Education Trust – to support Reader in Residence programme at Byker and St Lawrence Primary

Wolfson Foundation - to provide funding for development of our new exhibition space.

Well Newcastle Gateshead – to deliver Food Stories multigenerational project in the East End.

National Lottery Heritage Fund re Covid-19 - Covid 19 Emergency Funding to cover working from home adaptations and Covid safety changes to Visitors Centre and City Library.

LNER - On Board with Stories - a programme of creative learning activities using books to support babies born during lockdown and their parents/carers.

Guy Readman - reader in Residence programme with Central Walker Primary School and West Walker Primary School.

Community Family Hub East - to provide Welcome to the World story packs 1) for pregnant mums and new babies born in East Newcastle; 2) for families participating in the Books for Babies courses; and 3) to families across East Newcastle to celebrate World Book Day.

Esme Fairbairn - to work with young people to develop new ways to access and engage with the Collection.

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Notes to the financial statements Year ended 31 March 2025

19. Statement of funds (continued)

Other funds relates to grants from:

Holocaust Memorial Fund; Jeremy Beecham Fund; Family Explorers; Friends of the National Lottery; Sebastian Walker Fund for Collection; Friends of British Library; The Pilgrim Trust; James Knott Trust; Neil Rackham Foundation; Bookseller Association and ACE/NCC Business Model Development.

The transfers in the year resulted from a review of previous cost allocations to restricted projects undertaken during the year.

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Restricted capital funds 2025 £	Total funds 2025 £
Tangible fixed assets	91,944	-	999,354	1,091,298
Intangible fixed assets	16,291	-	-	16,291
Heritage assets	30,000	-	5,538,137	5,568,137
Current assets	220,123	105,232	5,922	331,277
Creditors due within one year	(176,598)	-	(2,200)	(178,798)
Total	181,760	105,232	6,541,213	6,828,205

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Restricted capital funds 2024 £	Total funds 2024 £
Tangible fixed assets	164,971	-	1,142,221	1,307,192
Intangible fixed assets	37,173	-	-	37,173
Fixed asset investments	9,248	-	-	9,248
Heritage assets	30,000	-	5,397,837	5,427,837
Current assets	73,681	145,943	7,963	227,587
Creditors due within one year	(162,764)	-	(2,000)	(164,764)
Total	152,309	145,943	6,546,021	6,844,273

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Notes to the financial statements Year ended 31 March 2025

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

	Group 2025 £	Group 2024 £
Net (expenditure)/income for the year (as per the Statement of financial activities)	(16,068)	(213,949)
Adjustments for:		
Depreciation charges	218,493	242,842
Amortisation charges	20,882	20,312
Losses/(gains) on investments	40	(371)
Donation of assets acquired	(140,300)	(80,900)
Loss on sale of tangible fixed asset	606	-
(Increase)/decrease in stocks	(4,450)	14,845
Increase in debtors	(43,092)	(14,155)
Increase/(decrease) in creditors	14,034	(18,938)
Net cash provided by/(used in) operating activities	50,145	(50,314)

22. Analysis of cash and cash equivalents

	Group 2025 £	Group 2024 £
Cash in hand	171,181	115,033

23. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	115,033	56,148	171,181
	115,033	56,148	171,181

Seven Stories, The National Centre for Children's Books Limited
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24. Contingent liabilities

There are legal charges over the land and buildings at 30-34 Lime Street, Newcastle upon Tyne, in favour of Newcastle City Council and the Arts Council England, which arose from capital grants awarded to the charity.

The grants are non-repayable provided that the property is not disposed of or used for purposes other than non-profit making culturally related activities, or the charity ceases to operate. The security given by the charges will be released after 25 years in 2029 by Arts Council England and 60 years in 2064 by Newcastle City Council.

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £24,386 (2024: £21,893). Contributions totalling £4,527 (2024: £3,625) were payable to the fund at the balance sheet date and are included within creditors.

26. Operating lease commitments

At 31 March 2025 the Group and the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	Group 2024 £
Not later than 1 year	38,687	31,958
Later than 1 year and not later than 5 years	141,786	612
	180,473	32,570

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Notes to the financial statements Year ended 31 March 2025

27. Related party transactions

No member of the board received any remuneration during the current or prior year.

During the year, 1 Trustee (2024: 1) received reimbursed expenses of £508 (2024: £732) in respect of travel and subsistence costs. The amount owed at the year end, included in the charity's creditors, totalled £nil (2024: £113).

During the course of the year, the charity made payments on behalf of the subsidiary, Seven Stories, The National Centre for Children's Books Collection Trust, totalling £2,328 (2024: £1,600). The amount owed at the year end, included in the charity's debtors, totalled £11,228 (2024: £8,900).

During the year the charity made recharges of £201,393 (2024: £209,702) to its subsidiary, Seven Stories Trading Limited, and the subsidiary made purchases totalling £255,780 (2024: £259,075) from the charity. The amount owed at the year end, included in the charity's creditors, totalled £21,102 (2024: £10,740).

The charitable company has received donations of £39,942 (2024: £40,674) from its subsidiary undertaking, Seven Stories Trading Limited, in the year. No amounts remain outstanding in respect of these donations at the balance sheet date.

One of the trustees, Nick Kemp, is leader of Newcastle City Council. All transactions with Newcastle City Council have been on an arm's length basis and therefore no additional disclosures are required.

One of the trustees, Matt McWhinnie, is Brand and Activity Manager at Fenwick. All transactions with Fenwick have been on an arm's length basis and therefore no additional disclosures are required.

28. Post balance sheet events

Subsequent to the year end, Seven Stories, the National Centre of Children's Books Limited) was notified of a substantial legacy. This is provisionally estimated between £230,000 and £250,000. At the year end the conditions for recognition of this legacy had not been met.

In June 2025, Seven Stories, the National Centre for Children's Books Collection Trust took possession of the Jill Murphy Collection on long term loan. The collection has been externally valued at £2.7million.

29. Controlling party

The charity is controlled by the Board of Trustees.