



**RSBC**

Royal Society for **Blind Children**

Formerly the  
**Royal London Society  
for Blind People**

**THE ROYAL SOCIETY FOR BLIND CHILDREN  
TRUSTEES' REPORT & CONSOLIDATED ACCOUNTS**

**YEAR ENDED 31 DECEMBER 2017**

**Charity Number: 307892  
Company Number: 00139928**

**THE ROYAL SOCIETY FOR BLIND CHILDREN**  
**(formerly The Royal London Society for Blind People)**  
**YEAR ENDED 31 DECEMBER 2017**  
**TRUSTEES REPORT**

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**WELCOME TO THE ROYAL SOCIETY FOR BLIND CHILDREN'S ANNUAL REPORT AND ACCOUNTS**  
**YEAR ENDED 31 DECEMBER 2017**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Charity Name**

The Royal Society for Blind Children (formerly the Royal London Society for Blind People ("RLSB") until 31 December 2016)

**Working Name**

RSBC

**Charity Number**

307892 (England & Wales)

**Company Number**

00139928 (England & Wales)

**Registered and Principal Office**

52 – 58 Arcola Street  
London  
E8 2DJ

**Royal Patron**

Her Majesty the Queen

**President**

The Rt, Hon Sir Michael Fallon KCB PC MP

**Patrons**

Martin Freeman  
Honeysuckle Weeks  
Monica Galetti

**Vice-Presidents**

Victoria Cleland  
Earl of Stockton  
John Lafferty  
Vivian Lawrence  
Harry O'Neill  
Sir Michael Uren OBE  
Dr. David Wright MBE  
Philip Bassett

**Ambassadors**

Anita Dobson  
Anne Fine OBE FRSL  
Darren Leach  
Ben Quilter  
Melissa Reid  
Sir Richard Stilgoe OBE  
Wayne Sleep OBE  
Jayne Torvill OBE

**Medical Advisory Panel**

Mr Wagih Aclimandos MB Bch FRCS FRCOphth DO  
Dr Naomi Dale  
Mr Ashwin Reddy MA MD MBBChir FRCOphth  
Professor Miles Stanford MD FRCP FRCOphth

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**Members of the Council of Trustees**

Ian Stephenson OBE BSc MSc	Chairman of the Society
Stuart Ritchie FCA CTA	Honorary Treasurer
Michael Brignall MA	
Martin Doel CBE	
Ian Godwin	Appointed 23 February 2017
Marilyn Hawkins	Resigned 18 May 2017
John Heller	Appointed 23 February 2017
Val May BA	
Simon Meredith	Resigned 18 May 2017
Patrick Plant	
William Ramsay	Appointed 23 February 2017
Shalni Sood BSc FCA	
Daniel Sutch	Resigned 18 May 2017
Peter Knott BA FCA CF	Appointed 18 May 2017

**Company Secretary**

Alison Futtit, BA	Resigned 18 May 2017
Suzanne Davies MSc ACA	Appointed 18 May 2017

**Chief Executive**

Tom Pey PhD MA FCMA DBS

**Executive Directors**

Suzanne Davies MSc ACA	Appointed 15 March 2017
Catherine Gale MBA MSc	
Florence Orban Dip ESC MBA MA	
Sue Sharp MA MSc	

**Auditors**

haysmacintyre  
10 Queen Street  
London EC4R 1AG

**Bankers**

C Hoare & Co  
37 Fleet Street  
London EC4P 4DQ

Barclays Bank  
One Churchill Place  
London E14 5H

**Legal Advisers**

Reed Smith  
Broadgate Towers  
20 Primrose Street  
London EC2A 2RS

**Investment Managers**

Cazenove Capital Management  
12 Moorgate  
London EC2R 6DA

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This document sets out the Trustees' Report and Accounts for The Royal Society for Blind Children (formerly The Royal London Society for Blind People) for the year ended 31 December 2017. This is done under the Companies Act 2006, the Charities Act 2011 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

On 31 December 2016, the Royal Society for Blind Children ("old RSBC") transferred its assets and liabilities to the Royal London Society for Blind People (RLSB). Following the transfer and on 1 January 2017, RLSB took on the name "Royal Society for Blind Children" ("new RSBC"). Since no two charities can bear the same name, the old RSBC took the name Kyekus Limited as at that date. Kyekus Limited ceased operations on 31 December 2016 although a shell charitable company continues to exist. The two charities combined their resources to create a national charity in England & Wales united around the vision that, "No child in the UK should grow up to be poor or lonely just because they are blind".

The charity, on taking the name The Royal Society for Blind Children, is privileged to have been granted the patronage of Her Majesty, The Queen.

RSBC is the working name of The Royal Society for Blind Children. The Royal Society for Blind Children was founded in 1838. It is a charitable company limited by guarantee (Company No. 139928), incorporated on 12 April 1915 with Memorandum and Articles of Association (last amended 20 December 2016), and registered as a charity on 25 April 1963 (Charity No. 307892). The registered and principal office is 52-58 Arcola Street, London E8 2DJ.

## **RSBC VISION & OBJECTIVES**

### **I. INTRODUCING THE ROYAL SOCIETY FOR BLIND CHILDREN**

For 179 years, The Royal Society for Blind Children (RSBC) has been educating and supporting blind and partially sighted children and young people and their families. Our founder Thomas Lucas set up a school to teach blind children to read in 1838. Nearly two centuries later, his vision to support blind children to fulfill their potential lives on. Today our team works across a range of services including family support, further education, social inclusion and independence skills. Our work is influenced by world-class child educationalists, psychologists and ophthalmologists.

### **II. OUR VISION**

**No child in the UK will grow up to be poor or lonely just because they are blind.**

There are an estimated 22,000 blind and partially sighted children and young people in England & Wales. Every day four more families receive a diagnosis of their child's sight loss.

At RSBC, we understand that the hardest thing about childhood sight loss isn't that children can't see, it is that those children will most likely grow up to live in poverty and isolation.

- 90% of those who lose their sight in youth won't work for more than six months in their lives.
- Nearly 70% of blind and partially sighted young people are living on the poverty line.
- Most will never have someone to share their life with.

RSBC believes in a better future for blind children and young people.

It's every parent's wish that their child develops skills and confidence to make their way in life. We aim to be the leading charity in England & Wales for blind and vision impaired children where services are designed to support the whole family on their journey and where the parent, whenever possible, is at the centre of the child's development.

### **III. OUR APPROACH**

RSBC plays a central role in ensuring each of these areas work for the child at all times, by focusing on:

- **Putting parents first**

Supporting them to gain the skills to best meet the needs of their child and wider family. Parents are uniquely placed to support their child's development. RSBC does not replace nor subvert the parent's function - we support them to learn the additional skills they will need to pass on to their blind child. This will strengthen family bonds, allowing child and parents to grow in confidence together.

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- **Equipping the child with the skills for life**

The ability to make and retain friends, appropriate levels of formal education and employability and independent life skills.

- **Innovating and being thought leaders**

Our services are derived from the most modern and tested approaches, as well as inspiring others to innovate on behalf of blind children.

#### **IV. OUR AIMS**

- **Increased reach and service delivery:** Our goal is to support 11,000 children and young people and their families in five years and 22,000 in ten years;
- **Major growth in fundraising:** We aim to double our income to £10 million in five years and £20 million in ten years; and
- **A hub of excellence:** We plan to build a Life Without Limits Centre from the proceeds of a successful capital appeal in five years.

#### **V. PUBLIC BENEFIT**

The Trustees have given due consideration to the Charity Commission's general guidance on public benefit in setting its aims, objectives and policies. The activities undertaken to further this purpose are explained in the 'Achievements and Performance' section of this report.

### **STRATEGIC REPORT: ACHIEVEMENTS AND PERFORMANCE**

#### **I. OUR SERVICES**

- Our Family Support Service is now well-established in London and across five other regions with plans to develop the Service fully by the end of the strategic period.
- CQC awarded one of RSBC's Dorton College houses a "Good" grade at a full inspection in September 2017. The other house is also graded "Good".
- The Registered Care Managers at the College were Regional Winners in the "Putting people first" category in the 2017 Great British Care Awards.
- The RSBC Youth Forum was refreshed with a new generation of young people taking over the reins to be a voice for young blind people and by the end of 2017, they developed a new manifesto for launch in early 2018.

Overall, in 2017 we supported over 2,500 vision impaired children, young people and their families across our services with participation rising to almost 4500. In 2017, we achieved 81% satisfaction rate amongst the children and young people in London who use our Services with 89% who would recommend RSBC to others.

In line with our strategy, we provided the following services:-

#### **Putting parents first**

##### **Family Support Service**

With the new model of our Family Support Service firmly established in London, in 2017 we continued to recruit for other regions of the country and by the end of the year, we were supporting families in Greater Manchester, West Midlands, Yorkshire and Humberside, North East, South West and London. Following on from our successful partnership with the Royal London's Pediatric Ophthalmology Department where our service is based two days per week, we established a similar arrangement at Lewisham Hospital in London and have also developed good working relationships with several other ophthalmology departments in Birmingham, West Midlands and Manchester. These arrangements are supporting us in reaching families as soon as possible after diagnosis.

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*"I feel so much better in myself now that I have the support of RSBC and my mental health worker. I'm glad RSBC is there to support us through this – I feel more able to be a parent to my son now and am more hopeful about the future."*

*"Our son has become more confident since you have been helping us. We were worried that he would never be able to adjust to his new school, but he has really started to settle in."*

The work of our Family Support team is increasingly recognised not only by the families that they support, but also by other professionals in the field. In 2017 the London Family Engagement Workers presented a session at one of the workshops organised by the Mary Kitzinger Trust about their work with families and in particular the personal plans and objectives that they help families to develop. We plan to continue to showcase our work at similar events in the future.

By December 2017 the Service was supporting almost 600 families in the six regions, and also offered telephone support to families who need us in other regions.

### **Equipping blind young people with the skills for life**

#### **Excellent and inclusive education**

At the start of 2017 we had 10 residential students and four day students at RSBC's Dorton College in Bromley. However, in September 2017, for the 2017/18 academic year our numbers had fallen to 11 overall: seven residential and four day students. By the end of 2017, we worked in partnership with two mainstream Further Education Colleges as well as a vocational College to offer our students a range of courses.

In the autumn of 2017, we began a review of our education provision. The decline in residential places is something that is being experienced by many specialist providers. We therefore concluded that the residential service is not sustainable in the longer term and the Society should look to further develop the day provision in the College. Education has always been a key part of the Society's work and we plan to continue to support the education of blind young people.

#### **Build friendships, independence and confidence**

In 2017, we delivered further Leadership Courses as part of the final year of our Vision Independence programme, funded by the BIG Lottery's Reaching Communities programme. Following the success of our first course in 2016, 15 young people achieved a leadership qualification in 2017 bringing the total over the course of the 3-year programme to 26 young people. Overall, 181 young people aged 18-25 years have participated in the programme since 2015 and they have been supported to develop new friendships, both within and outside the groups, as well as gaining new skills and growing in confidence. Over 90 young people gained AQA accreditation for their achievements.

*"(Without the group) I'd probably be on my own or on the internet. I wouldn't be with anyone."*

*"You sort of create a connection with people because you've known them for a while."*

Complementing the Vision Independence programme, we led five groups for 11-17 years olds. Those groups, operating in North, West, East and SE London combine elements of Health and Wellbeing, Friendships, Independence and Confidence. These groups have been running for three years and have engaged over 120 participants.

#### **Health and well-being**

In 2017, Health and Well-being clubs continued to gain popularity with 11-17 year old Vision Impaired (VI) young people with an average of 26 attendees per session. Nutrition and healthy lifestyles are popular along with Fundamentals' of Movement. Physical activities remain a core element of the project and are in high demand. Alongside more established activities this year participants have been climbing, skiing and driving.

We continue to keep in touch with the young people who came through the Sports without Limits programme previously funded by Sport England. As well as maintaining the 59 partnerships established during that programme, we added a further 31. We therefore, continue to signpost young people from our Health and Well-being programme to a wide range of sports clubs and leisure centres.

#### **Creative**

In 2017, with continued financial support from the Worshipful Company of Cordwainers, the RSBC's Music Group continued to flourish. The group now has over 50 participants who come together monthly to produce their own music, write lyrics and perform their work to a range of audiences. Over the summer, the group gave four "pop-up" performances across a range of public venues in London, including the piazza outside Euston Railway Station. They also performed to their peers at the annual AQA awards event and made their second appearance in the RSBC's Christmas Concert at St

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Giles in the Fields in London.

We have been building relationships with other organisations in Manchester and the West Midlands with a view to bringing the Group together with young people from other parts of the country to make music in 2018.

2017 marked the third year in our collaboration with the Royal Philharmonic Orchestra with whom we have run bi-annual music workshops. The workshops have most recently been funded by M&G Investments who have also provided the space at their head office for the young people to perform the work developed in their workshop. 23 young people took part in workshops in 2017 around the theme of changing the perceptions of VI young people through music, songwriting and performance. The collaboration will continue into 2018 with another workshop planned for February.

#### **Employability and getting young people job ready**

Visionary Independence, another BIG Lottery Reaching Communities funded programme, and the Talent Match funded programme, continued to form the core of our employability offer in 2017 with a focus on supporting vision impaired young people to develop and improve their employability skills. The programmes also offer opportunities for work placements, helping the young people to develop confidence to enter the workplace.

In 2017, work placements included opportunities at the Home Office, conservation organisations, Transport for London, Knight Frank property consultants, Collage Arts, CAB, Next Gen – a gaming design company, and the House of Commons.

*“For a year after I graduated, I felt like I’d wasted my time doing a degree. I found it impossible to get an interview, never mind a job. I was always scared about how employers would react when I told them I was visually impaired. You helped me to be confident about what I can do not what I can’t, and to understand how I can communicate that to an employer.”*

#### **Innovating and being thought leaders**

##### **Harnessing technology**

Wayfindr.org (“Wayfindr”), a subsidiary of RSBC and in partnership with global digital product studio, ustwo, received a substantial grant from the Google.org Impact Challenge to fund the development of a global open standard for audio wayfinding and a worldwide community to support its adoption. The Wayfindr standard was approved by the International Telecommunications Union as Recommendation F.921 in March 2017.

Wayfindr has been tested in London with TfL at Pimlico and Euston stations; in Sydney with Sydney Trains; in Oslo in an office environment; in Barcelona in a shopping mall; and in Venice in a covered shopping area. Such trials inform the development of the standard through user research and promote adoption with venues, operators and users. The Wayfindr Community now has 55 members, contributing to the standard and its adoption. 2017 saw significant engagement in the USA at policy level to garner support towards trials and to develop an American standard, working with the Consumer Technology Association (CTA). Wayfindr secured a three-year grant from the Big Lottery Funding to support our core work on the standard, trials towards adoption and the development of certified training or access professionals and app developers.

##### **Thought leadership**

In the past year, the Society has collaborated with the Mary Kitzinger Trust and the University College London (UCL) Institute of Child Health to promote research into the effects of childhood sight loss on the family and the child’s long term development. In 2019, we plan to hold an internal conference bringing together top researchers and thinkers in the world. We see advances in the area are crucial to how we can improve the success rates of young people in the future

During the year, Wayfindr.org a subsidiary of RSBC presented the world’s first standard on audio based navigation (ABN) to the International Telecommunication Union (ITU), part the United Nations (UN). The ITU adopted the standard in June of this year and it is now valid in 169 countries across the world. The standard, inspired by the RSBC Youth Forum, will help many millions of blind people across the world to navigate difficult indoor spaces which previously, were extremely challenging.

The RSBC undertook consultation with a large number of blind young people and their parents to ascertain how they would like to receive their services in the future. This has inspired the organisation to develop a truly digital national support service. The trustees have earmarked £150k in 2018 to begin the process of rolling this out. RSBC will continue consulting with its users over the life of the project which is expected to take approximately two years to ensure that the service when ultimately provided will be precisely what is required to deliver the much needed impact.

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## Research

During the year the Society contributed widely in the field of the psychological and social consequence of childhood sight loss. In particular we collaborated with colleagues from Great Ormond Street Hospital and UCL to support important primary research published by UCL in this area. We extended our research on the lives of vision impaired children born in the year 2000: the research gives insight into the lives and needs of vision impaired children and young people. We also collaborated with Oxford University in work looking at the difficulties experienced by blind young people when using the London Underground. We were also delighted to collaborate with the Mary Kitzinger Trust and UCL to establish and support a world class conference on the effect of paediatric sight loss. The event, which will take place in Summer 2018 will bring together top specialists and academic leaders from across the world

## II. CONTRIBUTION OF VOLUNTEERS

We value greatly our volunteers' contribution across all areas of the Society, including service delivery and fundraising and are delighted that 100% of our volunteers rated their volunteering experience with RSBC as "good or above" with 41% rating it as "amazing" (the highest rating) in the annual survey (June 2017).

*"Volunteering has given me a rare chance to push myself into trying things outside my comfort zone, which means I grow in confidence and learn alongside the vision impaired young people." (Volunteer, since 2015)*

This year volunteers contributed 4,581 hours supporting over 250 activities which equates to an estimated monetary value in excess of £50,000. We thank them all for their continued support.

## III. OUR FUNDRAISING APPROACH & PERFORMANCE

RSBC supports and is registered with the Fundraising Regulator who works to ensure that organisations raising money do so honestly and properly. The charity undertakes fundraising activity to its supporters via direct mail, telephone, events, fundraising events, sponsored events and gala dinners and email strictly in line with the Fundraising Code of Practice set by Fundraising Regulator.

Our fundraising promise is that RSBC will:

- Respect your privacy and your generosity
- Make it easy for you to contact us by your preferred method
- Deal with your comments and complaints efficiently and with respect
- Work with you to resolve and address any concerns you might have in an open and transparent way
- Apologise when things go wrong and work as quickly as possible to put them right
- Listen to your comments, suggestions and concerns, using your feedback to help improve our service
- Never sell or share your information with external companies unless they are working on our behalf
- Explain things in plain English and not use jargon
- Give you a choice about how often you hear from us

Charity supporters registered on the Telephone Preference Service were only called with an appeal if they have agreed to receive such calls. Callers are thoroughly trained and updated on the charity's work and calls are regularly monitored. We have a training programme for all our fundraising staff to regularly reinforce our fundraising ethics.

The charity is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. We have a documented complaints process and in 2017, we had a very small number (**three**) of complaints about fundraising activity in the year. All were promptly resolved without the need for escalation to the regulator.

## Fundraising performance

Our Fundraising team raised £2.93m (Voluntary income); Legacies raised a further £1.34m for the Society. This compared to £1.56m Voluntary Income and £1.25 Legacies in 2016.



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RSBC launched its first national campaign to drive wider awareness and give a stronger backbone to fundraising. The team also made important progress with corporate partnerships including the BBC Lifeline Appeal, significantly improved the results and participation in our Community and Events challenges and successfully implemented a CRM database critical for compliance and effectiveness.

We would like to thank the many individuals, organisations, companies and public bodies who supported us so generously.

#### **Individual Giving**

Individual Giving income was up 2.2%. We invested in a multi-ask face-to-face campaign that brought in over 640 new regular donors. Through an increased focus on supporter care, we improved attrition rates and maintained the average donation level. Warm appeals performed particularly well with double-digit response rates. Lastly, our transition to a new CRM system is improving our insight and learning including fuller datasets that include up-to-date opt-ins ready for the new General Data Protection Regulation (GDPR) due in May 2018.

Responding to changes and challenges within the sector, we amended our approach and reduced the number of direct mailings we sent out. We also continuously sought to update and maintain donor preferences which puts us in good stead for the updated regulations on donor communications due in 2018.

We would like to extend our thanks to all our donors who support the work we do.

#### **Legacies**

We would like to acknowledge all those people who have so kindly included RSBC in their will. In 2017, we received £1.34m from legacies and we are very grateful for the generosity of all those who supported the Society in this way.

#### **Community Fundraising and Events**

Community and Events Fundraising income grew 24%, the second year of improved results, from the support from a huge range of organisations and individuals. We would particularly like to thank:

- Jon Culshaw
- Derek Froud
- Nigel and Karen Garry
- Peter Hards
- Matthew Parris
- Will Porter
- Jan Ravens
- Amaquella
- Bleeding Heart Restaurants
- Blackheath Newbridge Social Club
- Loughborough Students' Union
- Marquis of Dalhousie Lodge
- Northwood Lions Club
- Provincial Grand Lodge of Leicestershire and Rutland
- ServiceNow
- Stryker Surgical

#### **Corporate Fundraising**

We would like to extend our thanks to our loyal and longstanding partner, Johnson Matthey, for their generous continued support in 2017. We are also grateful to the Heathrow Community Fund for continuing to support our work with young people in West London and to Next Plc who kindly contributed to our Family Support Service.

Our first Charity of the Year won in 2016, raised a total of £103k in income 2016 and 2017 through a range of social and challenge events – and also added a further £37k matched funding.

The Society also benefited from pro bono legal advice from a number of law firms including Reed Smith and Freeths. In addition, Wayfindr.org benefited from pro bono legal fees from Weils. We are grateful to these firms for their on-going generosity and support for our cause.

#### **IV. TRUSTS AND STATUTORY**

The team had a record year, securing £1.6m of funding towards services over the next 3 years. The support we receive comes from a variety of trusts, foundations and statutory funders. We would like to thank all of our funders, including

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- BBC Children in Need and the Youth Investment Fund for their commitment to our friendship and health and well being activities;
- the Money Advice Service and the players of the Peoples Postcode Lottery for supporting projects that increase the financial capability of vision impaired young people;
- the BIG Lottery Fund, the Worshipful Company of Cordwainers for their continued support in funding the establishment of our Music Group;
- and John Lyon's Charity for providing the opportunity for vision impaired young people in Brent to participate in sporting activities.

### V. MARKETING AND COMMUNICATIONS

Marketing started 2017 by completing refreshing brand resources for the reorganisation between RLSB and RSBC. We updated all our digital and external channels to reflect the name change from RLSB to RSBC. The team developed a new RSBC website with a new sitemap, refreshed content and custom CMS to launch in early 2018. Working with departments across the organisation, the team supported the soft launch of the Every Blind Child Campaign in October and prepared for the hard launch in early 2018.

Marketing worked with Fundraising to plan and deliver lead acquisition activity and to support Services in recruiting customer leads. Specifically, the team delivered 981 leads for Fundraising (40% increase on 2017) and 1,239 for Services (42% increase on 2017). Press and brand activity which included local press and brand advertising campaigns created 8,259,178 million hits and generated 13% logo recognition. We also saw an increase from 28% to 44% in prompted awareness.

Celebrating its 180th year, RSBC launched its first national campaign, 'Every Blind Child', to raise awareness of childhood sight loss and generate vital funds to improve the lives of blind and partially sighted children in England and Wales. At the core of the campaign, is a commissioned artwork by international artist and poet, Robert Montgomery, who is bringing the stories of blind children to life through a giant light poem, 'In Our Dreams We See Forever'. Inspired by the dreams of blind children such as aspiring fashion designer, Sasha, aged 9, the artwork will travel from Cornwall in the South West to Newcastle in the North East from 31<sup>st</sup> January 2018.

### VI. ORGANISATIONAL INFRASTRUCTURE

A key aspect of No Blind Child Can Wait is ensuring RSBC has a great environment for staff to work and flourish in. In 2017 the Society relocated to new accommodation in the London Borough of Hackney providing a better space for staff and offering improved meeting and workshop space for the young people we support.

Having achieved in 2015 Level 1 in PQASSO, the leading quality standard for the third sector, this year we began to review our readiness for the Level 2 award.

### VII. FINANCIAL ACTIVITIES AND RESULTS

#### Review

Group income in the year was £5.06m (2016: £5.2m). In 2017, the Society was delighted in the growth of donations. In 2017, the Society received £2.93m as compared to £1.56m in 2016. The principal sources of funding continue to be donations and legacies that generated £4.26m (2016: £2.8m). A further £0.75m (2016: £0.97m) was generated in education fees and grants.

Fundraising costs rose to £1.8m (2016: £1.5m), in accordance with plans to boost future income. The impact of this investment in raising funds is expected to yield further benefits from 2018. The trading expenditure was £0.17m (2016: £0.45m) from the subsidiary, Wayfindr.org Limited. Expenditure on Education and Training remained stable at £1.6m (2016: £1.6m). Expenditure on community services rose to £2.3m (2016: £1.8m). The overall impact on group expenditure was an increase from £5.5m in 2016 to £5.9m in 2017.

Overall, net expenditure was £0.7m. We spent £0.3m of our unrestricted reserves in 2017 (2016: £0.06m) and £0.4m of restricted reserves (2016: £0.07m). The net movement in unrestricted reserves is attributable to our continued investment in fundraising during the year. Of the £0.4m movement in restricted funds, £0.3m related to a grant from Google for the development of wayfindr.org standards.

The percentage of group total expenditure spent on direct charitable activities was 66% (2016: 65%)

No gains/losses or assets were recognised on the Defined Benefit Pension Scheme. The Scheme was closed in 2001.

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### **Investment Powers, Policy and Performance**

The Trustees have the powers to invest the Society's assets as they deem fit. Through its advisors, Cazenove Capital Management the Society invests available money in an investment portfolio in furtherance of its objects.

The financial performance has resulted in net investment gains in the portfolio of £84,000 (2016: £173,000). Income derived from the portfolio during the year was £34,000 (2016: £34,000). During the year the Trustees reduced the risk profile of the charity's investment strategy, and the Trustees are satisfied with the performance of the portfolio.

### **Reserves Policy**

The Trustees have given careful consideration to the current and future needs of the Society's beneficiaries; the risks and opportunities associated with the normal running of the Society's affairs and have decided that the Society:

- Needs to continue maintaining operating reserves of 4.5 months of RSBC's annual projected revenue equivalent to £1.5m. This is because most of the activities of the Society are closely linked with the level of income raised and costs are committed with this in mind.
- Should set aside a specific reserve of £450,000 to expand its education provision over the next three years. A designated fund has been set up for this. Of this amount £63,000 was released in 2017.

Any surplus in reserves over the policy set out above will be used to reach more beneficiaries and the Trustees will only permit the operating reserves of the Charity to fall below the approved level if there is a credible plan in place to restore the reserves to the agreed level during a period not to exceed two years.

Free reserves (unrestricted funds not designated or tied to tangible fixed assets) at the year-end was £1.8m (2016: £2.0m). At the year end, the group held unrestricted funds of £2.28m (2016: £2.62m) and restricted funds of £0.42m (2016: £0.81m). A further £0.39m (2016: £0.45m) was held in designated funds.

The level of reserves and information available to the Trustees and management indicate that the Society is expected to continue as a going concern.

## **LOOKING TO THE FUTURE**

To achieve our aims in 2018, we will:

1. Build a National Support Service including a digital platform to support its national rollout while delivering support to 1,600 young people and their families to help themselves, their child and others in a similar situation on their journey - being their voice when needed. Build and launch the digital element of the National Support Service which integrates all of our service delivery to maximise impact and satisfaction. £150,000 of funding is included in the budget and £600,000 to be raised from other sources e.g. crowdfunding.
2. Provide face to face community based services to 750 young participants (280 new individuals and including the Dorton College Students) that will give them the skills to live independently, make friends and interact with others, gain the education they require and support them as they transition to employment or further education.
3. Be thought leaders in our sector and raise awareness of the challenges facing blind children and young people and their families in the UK. To further develop the Wayfindr Open standard worldwide.
4. Achieve £1.6m in restricted approvals (£1.2m of releasable income in 2018) with a contribution in addition to direct delivery cost of 15%.
5. Raise £2.8m in unrestricted income, increasing our Return On Investment (ROI) to 2.7:1, rising to 3.5:1 in 2019, and 4.5:1 in 2020 as fundraised income rises to £6m over the same period.
6. Launch the Life Without Limits Centre Capital Appeal. We have begun to secure pledges and will build on these in 2018.
7. Be an amazing place to work by reducing our annual staff turnover to 20%; staff satisfaction levels greater than 80% with staff reporting high levels of satisfaction with both benefits and infrastructure.

**THE ROYAL SOCIETY FOR BLIND CHILDREN**  
**(formerly The Royal London Society for Blind People)**  
**YEAR ENDED 31 DECEMBER 2017**  
**TRUSTEES REPORT**

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## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **I. OUR BOARD OF TRUSTEES**

The Council of Trustees meets every three months and is supported by regular meetings of committees who between them cover finance and risk, strategy, oversight, property, education, governance, fundraising, the remuneration of the Chief Executive and senior management and supervise the process for appointing trustees. There is a Board of

Governors for Dorton College; this Board acts in an advisory capacity and has no statutory powers.

This year saw changes in the membership of the Council. Ian Godwin, John Heller and William Ramsay were appointed as Trustees in February, and Peter Knott in May. Resignations were received in May from Marilyn Hawkins, Simon Meredith and Dan Sutch.

### **II. NEW TRUSTEES**

Following the transfer of assets and liabilities of the Royal Blind Society to RSBC, three new Trustees were appointed:

- Ian Godwin was a Trustee from July 2011 to October 2014 and left the Board when his job transferred to Singapore. He has now returned to the UK and we are pleased to welcome him back to the Board. Ian was a senior employee of Johnson Matthey (supporters of the charity since it was founded 179 years ago) and is a communications specialist.
- John Heller is a solicitor and former Trustee of the Royal Blind Society for the United Kingdom and The Eyeless Trust. John helped to bring about the reorganisation of Kyekus with RLSB to form the new RSBC and brings with him invaluable experience and continuity.
- William Ramsay held a senior position in international private banking. He has strong family connections with the Eyeless Trust and a tremendous commitment to the work of the Society.
- Peter Knott is a Chartered Accountant and is a Managing Director in the Green Investment Group at Macquarie Capital. Peter is an Advisory Board member at the Centre for Climate Finance and Investment at Imperial College Business School

The recruitment process for trustees continues to encourage positively a more diverse profile, with 23% of the positions currently held by women. A number of different recruitment sources are sought to seek balance in skills and diversity. All recommended persons must be unanimously accepted by the Board and formally proposed at the AGM for ratification.

All new Trustees go through an induction programme where they meet the Chair of Trustees and members of the corporate team.

### **III. KEY MANAGEMENT PERSONNEL**

The Society's Corporate Team consists of the Chief Executive, the Director of Services, the Director of Corporate Development, the Director of Fundraising and Marketing and the Director of Finance and Operations. The day to day running of the charity is delegated to the Society's Corporate Team led by the Chief Executive. The Trustees who sit on the Remuneration and Appointments Committee set the remuneration on an annual basis for the Corporate Team using senior management reward benchmarks. The Society strives to ensure that our policy principle of fair and competitive sector pay to attract and keep appropriately-qualified staff to lead, manage, support and deliver the Society's aims whilst also demonstrating responsible appropriation of charity funds to our donors is applied.

### **IV. GROUP STRUCTURE AND ASSOCIATED SUBSIDIARIES**

RSBC until 31 December 2016 had an active associate charity subsidiary, Kyekus Limited (charity number 1131623 and company number 05764810). RSBC also has two wholly owned subsidiary trading companies - RLSB Enterprises Ltd (company registration number 05757769), incorporated 27<sup>th</sup> March 2006 and *Wayfindr.org Ltd* (company registration number 09839997), incorporated 23<sup>rd</sup> October 2015. RLSB Enterprises Ltd did not trade in the year or the preceding year.

RSBC also has a not-for-profit company, the Thomas Lucas Academy Trust Limited (company registration number 09206440) that did not trade in the year (or the previous year).

A dormant company, The Alliance for Blind Children (company registration number 07318214) was dissolved in July 2017. Additional dormant companies are Wayfindrjourney (company registration number 9593014), Waymapit (company registration number 10691616) and Waymapr (company registration number 10689480).

**THE ROYAL SOCIETY FOR BLIND CHILDREN**  
**(formerly The Royal London Society for Blind People)**  
**YEAR ENDED 31 DECEMBER 2017**  
**TRUSTEES REPORT**

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**Kyekus Limited (Formerly the Royal Society for Blind Children)**

On 31 December 2016, the Royal Society for Blind Children (“former RSBC”) transferred its assets and liabilities to its parent charity, the Royal London Society for Blind People. Following the transfer and on 1 January 2017, RLSB took on the name “Royal Society for Blind Children”. Since no two charities can bear the same name, the former RSBC took the name Kyekus Limited as at that date. Kyekus Limited ceased operations on 31 December 2016 although a shell charitable company continues to exist.

**Wayfindr.org Ltd**

In 2015 the Royal Society for Blind Children contracted with ustwo (a global digital product studio) to set up *Wayfindr.org Ltd*, a fully owned subsidiary of the Royal Society for Blind Children. Ustwo and TfL are members of Wayfindr.org together with RSBC who has the controlling share. The organisation develops an open set of standardised guidelines for audio wayfinding and promotes the installation of audio wayfinding systems worldwide for vision impaired people to travel more

independently. The Royal Society for Blind Children supports standard development, management, communication, fundraising and finance activities through a service level agreement.

**V. RISK MANAGEMENT**

The risk register is updated on a quarterly basis. The Board notes the following specific high level risks and highlights the actions to address those risks:

- The Society recognises beneficiary need and the challenge in reaching an increasing number of children and young people and their families. We continued to invest in outreach campaigns; continuously improving our engagement and recruitment activity; and improving our data management systems.
- Our ability to deliver to our beneficiaries is dependent on us achieving the planned growth in our income. We have a planned investment strategy for fundraising; we have prioritised our spending to ensure that it remains in line with our income; and we operate a rigorous reporting regime around the performance of our income.
- Our capacity and capability to deliver impact is dependent on developing and retaining well-trained staff and volunteers. We continued to invest in training & development to ensure they have the skills and competences required for their and our beneficiaries’ wellbeing.
- The Society has robust Health and Safety and Safeguarding programmes where risks, policies and procedures are regularly reviewed and appropriate changes made. The trustees are satisfied its insurable risks are sufficient and proper but continue to review all environmental risks accordingly.

**STATEMENT OF TRUSTEES’ RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees’ Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the profit or loss of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company’s transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the

**THE ROYAL SOCIETY FOR BLIND CHILDREN**  
**(formerly The Royal London Society for Blind People)**  
**YEAR ENDED 31 DECEMBER 2017**  
**TRUSTEES REPORT**

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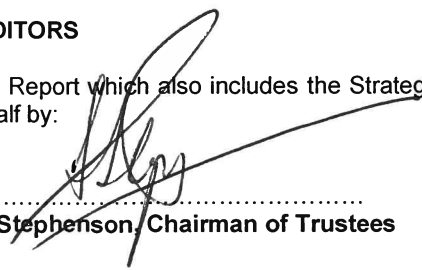
prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware at the time the report is approved:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

This Report which also includes the Strategic Report was approved by the Trustees and signed on 17 May 2018 on their behalf by:

  
.....  
**Ian Stephenson, Chairman of Trustees**

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE ROYAL SOCIETY FOR BLIND CHILDREN

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## Independent auditor's report to the members of The Royal Society for Blind Children

### Opinion

We have audited the financial statements of The Royal Society for Blind Children for the year ended 31 December 2017 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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

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 December 2017 and of the group's and parent charitable company's net movement in funds, including the 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 12, 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.

### 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Conclusions relating to going concern

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so,

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE ROYAL SOCIETY FOR BLIND CHILDREN

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consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; 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.

Anna Bennett (Senior Statutory Auditor)  
For and on behalf of haysmacintyre, Statutory Auditors  
Date:

17 May 2018



10 Queen Street Place  
London  
EC4R 1AG



**THE ROYAL SOCIETY FOR BLIND CHILDREN**  
**(formerly The Royal London Society for Blind People)**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	Unrestricted Funds	Restricted Funds	2017	2016
		£000	£000	£000	£000
<b>INCOME AND ENDOWMENTS</b>					
<b>Income from Charitable Activities</b>					
Fees		702	8	710	702
Grants		37	-	37	582
		<u>739</u>	<u>8</u>	<u>747</u>	<u>1,284</u>
<b>Income from investments</b>	2	34	-	34	34
<b>Donations and Legacies:</b>					
Donations		2,142	786	2,928	1,560
Legacies		1,293	43	1,336	1,255
		<u>3,435</u>	<u>829</u>	<u>4,264</u>	<u>2,815</u>
Trading Activities	11a	1	8	9	104
Other	3	12	-	12	915
		<u>13</u>	<u>8</u>	<u>21</u>	<u>1,019</u>
<b>Total Income and Endowments</b>		<u>4,221</u>	<u>845</u>	<u>5,066</u>	<u>5,152</u>
<b>EXPENDITURE</b>					
<b>Expenditure on Raising Funds</b>					
Fundraising Costs		1,810	-	1,810	1,475
Trading Expenses	11a	166	8	174	446
		<u>1,976</u>	<u>8</u>	<u>1,984</u>	<u>1,921</u>
<b>Net income/(expenditure) available for charitable application</b>		<u>2,246</u>	<u>837</u>	<u>3,081</u>	<u>3,231</u>
<b>Expenditure on Charitable Activities</b>					
Education and Training		1,433	128	1,560	1,553
Community Services		1,232	1,096	2,328	1,819
Family Support		-	-	-	158
		<u>2,665</u>	<u>1,223</u>	<u>3,888</u>	<u>3,530</u>
<b>Total Expenditure on Charitable Activities</b>		<u>2,665</u>	<u>1,223</u>	<u>3,888</u>	<u>3,530</u>
<b>Total Expenditure</b>	4	<u>4,641</u>	<u>1,231</u>	<u>5,873</u>	<u>5,451</u>
Net Gains/(Losses) on Investments	10	84	-	84	173
		<u>84</u>	<u>-</u>	<u>84</u>	<u>173</u>
<b>Net Income/(Expenditure)</b>		<u>(336)</u>	<u>(387)</u>	<u>(722)</u>	<u>(126)</u>
<b>Transfers between Funds</b>					
		-	-	-	-
<b>Net Income/(Expenditure) after Transfers</b>		<u>(336)</u>	<u>(387)</u>	<u>(722)</u>	<u>(126)</u>
Actuarial gains/(losses) on defined benefit pension scheme	18	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds for year</b>		<u>(336)</u>	<u>(387)</u>	<u>(722)</u>	<u>(126)</u>
<b>Reconciliation of funds:</b>					
Fund balances at 31 December 2016		2,616	807	3,423	3,549
		<u>2,616</u>	<u>807</u>	<u>3,423</u>	<u>3,549</u>
<b>Fund balances at 31 December 2017</b>		<u>2,280</u>	<u>420</u>	<u>2,701</u>	<u>3,423</u>

The statement of financial activities has been prepared on the basis that all activities are continuing, other than those indicated above. All recognised gains and losses are included in the Statement of Financial Activities.

No summary income and expenditure account has been prepared because this information is clearly identified in the above statement.

The accompanying notes form part of these financial statements.

Full comparative figures for the year ended 31 December 2016 are shown in Note 22.

THE ROYAL SOCIETY FOR BLIND CHILDREN

(formerly The Royal London Society for Blind People)

Company No: 139928

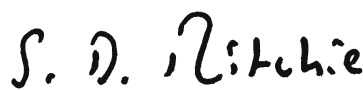
GROUP AND CHARITY BALANCE SHEETS

AS AT 31 DECEMBER 2017

	Note	Group 2017	Charity 2017	Group 2016	Charity 2016
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible Assets	9	94	94	128	128
Investments	10	1,363	1,363	1,803	1,803
		<u>1,457</u>	<u>1,457</u>	<u>1,931</u>	<u>1,931</u>
<b>Current assets</b>					
Debtors	12	1,023	1,003	1,051	1,077
Cash and Bank balances		907	881	1,127	1,008
		<u>1,930</u>	<u>1,884</u>	<u>2,178</u>	<u>2,085</u>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	13	( 686)	( 639)	( 686)	( 591)
		<u>1,244</u>	<u>1,244</u>	<u>1,492</u>	<u>1,494</u>
<b>Net current (liabilities)/assets</b>					
		2,701	2,701	3,423	3,425
<b>Net assets excluding pension scheme liability</b>					
Defined Benefit Pension Scheme	18	-	-	-	-
		<u>2,701</u>	<u>2,701</u>	<u>3,423</u>	<u>3,425</u>
<b>Total net assets</b>					
<b>The funds of the charity:</b>					
<b>Restricted funds</b>					
Permanent Endowment Funds	14	25	25	25	25
Other Funds	14	395	395	782	782
		<u>420</u>	<u>420</u>	<u>807</u>	<u>807</u>
<b>Unrestricted Funds</b>					
General Funds	16	1,894	1,894	2,166	2,168
Designated funds	16	387	387	450	450
		<u>2,281</u>	<u>2,281</u>	<u>2,616</u>	<u>2,618</u>
		<u>2,701</u>	<u>2,701</u>	<u>3,423</u>	<u>3,425</u>
<b>Total charity funds</b>					

The financial statements were approved and authorised for issue by the Board of trustees on 17 May 2018 and signed on their behalf by:

  
.....  
Ian Stephenson, Chairman

  
.....  
Stuart Ritchie, Treasurer

The accompanying notes form part of these financial statements.

The deficit for the charity only in the year is £724,000 (2016: £445,000 surplus).

**THE ROYAL SOCIETY FOR BLIND CHILDREN**  
**(formerly The Royal London Society for Blind People)**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017	2016
		£000	£000
<b>Net cash provided by (used in) operating activities</b>	a	<u>( 771 )</u>	<u>( 854 )</u>
<b>Cash flow from investing activities:</b>			
Dividends, interest and rent from investments		34	34
Purchase of Tangible Fixed Assets		( 7 )	( 12 )
Proceeds from sales of Tangible Fixed Assets		-	1,446
Purchase of Investments		( 1,335 )	( 870 )
Proceeds from sale of Investments		1,859	683
<b>Net cash provided by (used in) investing activities</b>		<u>551</u>	<u>1,281</u>
<b>Change in cash in the reporting period</b>		<u>( 220 )</u>	<u>427</u>
<b>Cash and cash equivalents at the beginning of the period</b>		1,127	700
<b>Cash and cash equivalents at the end of the period</b>	b	<u>907</u>	<u>1,127</u>

**a Reconciliation of net income/ (expenditure) to net cash flow from operating activities**

	2017	2016
	£000	£000
Net income/(expenditure for the reporting period (as per the statement of financial activities)	( 722 )	( 126 )
<b>Adjustments for:</b>		
Investment income	( 34 )	( 34 )
Depreciation charges	41	40
Profit on disposal of fixed assets	-	( 627 )
Net pension scheme movements	-	-
Increase/(Decrease) in Debtors	28	43
(Increase)/Decrease in Creditors	0	( 150 )
(Gains/Losses on Investments)	( 84 )	
<b>Net cash provided by (used in) operating activities</b>	<u>( 771 )</u>	<u>( 854 )</u>

**b Analysis of cash and cash equivalents**

	2017	2016
	£000	£000
Cash in hand	931	1,127
Notice deposits	-	-
Overdraft facility repayable on demand	( 24 )	-
	<u>907</u>	<u>1,127</u>

# THE ROYAL SOCIETY FOR BLIND CHILDREN (formerly The Royal London Society for Blind People)

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2017

#### 1 ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year are set out below:

##### Statement of Compliance

The financial statements have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value, and are in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), Charities SORP FRS 102 and the Companies Act 2006. The charity is a public benefit entity as defined by FRS 102.

The Charity is a company limited by guarantee, incorporated in England and Wales (company number: 139928) and a charity registered in England and Wales (charity number: 307892). The Charity's registered office address is: 52 – 58 Arcola Street London E8 2DJ.

##### Going concern

The trustees have considered the charity's and group's operations and cashflow for at least 12 months from the date of signing these accounts and they believe that there are no material uncertainties about the charity or group's ability to continue in operational existence over the period. Accordingly, they have adopted a going concern basis in the preparation of these financial statements.

##### Transfer

On 31 December 2016, the net assets of Kyekus Limited, a wholly owned subsidiary charity, were transferred to the Royal Society for Blind Children (RSBC) on a going concern basis, as held within the financial statements of Kyekus Limited at that date.

##### Group Accounts

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Charity and its subsidiary/associated subsidiaries:-

- Kyekus Limited (Charity No: 1131623; Company No: 5764810)
- wayfindr.org Ltd (Company No: 09839997)

See Note 11 for the results and additional information on the above entities.

The charity also has the following dormant subsidiaries that have not traded to date:

- RLSB Enterprises Ltd (Company No: 05757769)
- Thomas Lucas Academy Trust Limited (Company No: 09206440)
- wayfindrjourney (Company No: 9593014)
- waymapit (Company No: 10691616)
- waymapr (Company No: 10689480)

Another subsidiary, Blind Independence Greenwich (Company No: 07324135 and Charity No: 1139798) ceased trading in September 2016.

All the above mentioned entities are wholly controlled by Royal Society for Blind Children (RSBC) and have the same registered office address.

No separate SOFA has been presented for the Charity alone, as permitted by section 408 of the Companies Act 2006. The Charity's income excluding the subsidiary companies, was £5,220,000 (2016: £4,494,000), expenditure £6,008,000 (2016: £5,010,000) and net expenditure £704,000 (2016: £447,000 net income). The income for 2016 includes the net assets of Kyekus Limited of £506,000 transferred to RSBC on 31 December 2016.

##### Legacies, Donations and Gifts

Legacies, donations and gifts are recognised when receivable or it becomes probable that they will be received and the value can be measured with sufficient reliability. Gifts in kind are included in the accounts at an estimate of their gross value.

##### Other Income

Fees and workshop revenue receivable are accounted for in the period in which the service is provided. Grants are recognised when receivable. Investment income is accounted for as it accrues.

##### Expenditure

Expenditure is accounted for on an accruals basis. Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Central (support) costs which cannot be directly allocated are apportioned across cost categories on the basis of total expenditure which will indirectly relate to volume of transactions, floor area and usage.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be directly allocated to such activities together with an allocation of support costs.

Costs of generating funds comprise those costs associated with attracting voluntary income together with an allocation of support costs.

##### Tangible Fixed Assets

Tangible fixed assets are stated at cost.

Depreciation is provided to write off the cost of fixed assets over their estimated useful lives on a straight line basis over the following periods:

Freehold land	None Provided
Freehold buildings	50 years
Fixtures & Fittings	2 - 20 years
Machinery, tools and equipment	2 - 15 years
Motor vehicles	5 years

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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2017**

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**1 ACCOUNTING POLICIES (CONTINUED)**

**Investments**

Listed investments are stated at the market value at the balance sheet date. Unrealised gains and losses on investments are held in the balance sheet during the year but transferred to the appropriate fund at the year end. Realised gains and losses on sales during the year are taken to the relevant fund, as shown in the Statement of Financial Activities.

**Pension costs**

The Society operates a pension scheme in the UK with both defined benefit and defined contribution sections. In addition, contributions are made to the Teachers' Superannuation Scheme at rates set by the scheme actuary and advised to the trustees by the Scheme Administrator.

For the purposes of complying with the relevant accounting standard, the Teachers' Superannuation Scheme is accounted for as a defined contribution scheme as the Society is not responsible for or entitled to receive benefit for any surplus or deficit on the scheme. The amounts included within the statement of financial activities are in accordance with the requirements of Financial Reporting Standard 102 (section 28) with the pension cost charged being the amount of contributions payable in respect of the accounting period.

In respect of the defined contributions section of the Society operated defined contribution scheme, the pension cost charged to the profit and loss account is the amount of contributions payable in respect of the accounting period.

Kyekus Limited participates in the Scottish Voluntary Sector Pension Scheme administered by the Pensions Trust, a multi-employer defined benefit pension scheme. It is not possible in the normal course of events to identify the assets or liabilities that belong to each participating employer and in accordance with FRS 102, the scheme is treated as a defined contribution scheme.

Kyekus Limited also operates a stakeholder defined contribution pension scheme for its employees. Contributions are charged to resources expended when they become payable.

**Funds**

Restricted funds are subject to specific conditions imposed by the donors or grant making bodies or monies raised in response to a specific appeal.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds earmarked by the trustees for a specific purpose.

**Permanent endowment funds**

These represent restricted funds the capital of which should be held in perpetuity.

**Value Added Tax**

Expenditure subject to VAT, which is not recoverable by the Royal Society for Blind Children, is shown inclusive of VAT. All other expenditure is shown exclusive of VAT.

**Leases**

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

**Significant judgments and sources estimation uncertainty**

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The Trustees do not consider that there are any key sources of material estimation uncertainty in the preparation of these financial statements.

**Financial instruments**

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

*Cash and cash equivalents*

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

*Debtors and creditors*

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

**Employee benefits**

*Short term benefits*

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

*Employee termination benefits*

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

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**YEAR ENDED 31 DECEMBER 2017**

**2 INVESTMENT INCOME**

	2017 £000	2016 £000
Income from UK listed investments	34	34
	34	34

**3 OTHER INCOME**

	2017 £000	2016 £000
Profit on Disposal of fixed assets	-	627
Sundry income	12	19
Pension settlement	-	269
	12	915

In 2016, profit on disposal of fixed assets includes £490,000 from the sale of residual land at the old Dorton College premises and £137,000 from the sale of the Bradbury Hotel by Kyekus Limited.

**4 ANALYSIS OF TOTAL EXPENDITURE**

	Basis of Allocation	Expenditure			Charitable Activities:	
		on Raising Funds £000	Education & Training £000	Community Services £000	Total 2017 £000	2016 £000
<b>Costs directly allocated to activities:</b>						
Staff Costs	Direct	827	727	955	2,509	2,218
Service Costs	Direct	523	196	311	1,030	646
<b>Total direct costs</b>		<b>1,350</b>	<b>923</b>	<b>1,266</b>	<b>3,539</b>	<b>2,864</b>
<b>Support Costs allocation:</b>						
Premises	Floor area	61	91	152	305	365
Administration (Finance, HR & ICT)	Estimated usage	214	320	534	1,068	898
Marketing	Estimated usage	117	176	293	585	344
Research & Development	Estimated usage	19	30	50	101	85
Governance	Estimated usage	5	7	11	23	80
Depreciation	Estimated usage	8	12	20	41	40
<b>Total Support Costs</b>		<b>424</b>	<b>637</b>	<b>1,061</b>	<b>2,123</b>	<b>1,812</b>
<b>Expenditure - parent charity</b>		<b>1,774</b>	<b>1,560</b>	<b>2,327</b>	<b>5,662</b>	<b>4,676</b>
<b>Subsidiaries:</b>						
<b>Blind Independence Greenwich:</b>						
Family support		-	-	-	-	-
<b>Kyekus Limited:</b>						
Expenditure on raising funds		-	-	-	-	137
Expenditure on charitable activities		-	-	-	-	158
<b>Expenditure - charity subsidiaries</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>295</b>
<b>Total Expenditure - Charities</b>		<b>1,774</b>	<b>1,560</b>	<b>2,327</b>	<b>5,662</b>	<b>4,971</b>
<b>Wayfindr:</b>						
Expenditure on raising funds		36	-	-	36	34
Trading expenditure		174	-	-	174	446
<b>Total Expenditure</b>		<b>1,985</b>	<b>1,560</b>	<b>2,327</b>	<b>5,873</b>	<b>5,451</b>

Support costs relating to central services have been allocated over the service areas by way of total expenditure which will indirectly relate to volume of transactions, floor area and usage. Governance costs include the audit fees and an apportionment of corporate team remuneration. Expenditure on raising funds was £1,985,000 (2016: £1,908,000) all of which is unrestricted.

Expenditure on charitable activities was £3,887,000 (2016: £3,530,000) of which £1,223,000 (2016: £997,000) was restricted and £2,664,000 (2016: £2,533,000) unrestricted. Wayfindr costs are shown net of recharges of £218,500 in 2017 (2016: £161,000)

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**5 LEASE COMMITMENTS**

At 31 December 2017 the charity had commitments to make the following payments in total under non-cancellable operating leases of:

	<u>Land and buildings</u>		<u>Other</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Operating leases which expire:				
In less than one year	35	229	5	6
Between one and five years	250	604	3	1
After five years	-	-	-	-
	<u>285</u>	<u>833</u>	<u>8</u>	<u>7</u>

**6 EMPLOYEES**

The average employee headcount for the group during the year was 96 (2016: 96). The average employee headcount for the charity only was 96 (2016: 92).

The average number of employees of the Royal Society for Blind Children and the group allocated based on activity were:

	<u>Group</u>	<u>Charity</u>	<u>Group</u>	<u>Charity</u>
	<u>2017</u>	<u>2017</u>	<u>2016</u>	<u>2016</u>
	<u>FTE</u>	<u>FTE</u>	<u>FTE</u>	<u>FTE</u>
Education and training	25	25	26	26
Community Services	25	25	22	20
Support to direct activities	17	17	16	15
Fundraising	17	17	18	17
Management and administration	5	5	4	4
	<u>89</u>	<u>89</u>	<u>86</u>	<u>82</u>

**STAFF COSTS**

	<u>Group</u>	<u>Charity</u>	<u>Group</u>	<u>Charity</u>
	<u>2017</u>	<u>2017</u>	<u>2016</u>	<u>2016</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Wages and salaries	3,160	3,160	2,725	2,599
Social security costs	277	277	258	249
Other pension costs	62	62	90	74
	<u>3,499</u>	<u>3,499</u>	<u>3,073</u>	<u>2,922</u>

One redundancy payment of £12,035 was made in the year (2016: No redundancies were made in the year).

The key management of the charity group in the year comprises the Chief Executive and the three executive directors who constitute the Corporate Team. Their total employment benefits in the year were £399,535 (2016: £324,245).

The number of employees whose gross pay and value of benefits during their employment within the last 12 months at a rate in excess of £60,000 pa was:

	<u>2017</u>	<u>2016</u>
£60,001 to £70,000	2	4
£70,001 to £80,000	3	3
£80,001 to £90,000	-	-
£120,000 to £130,000	<u>1</u>	<u>1</u>

One of the higher paid employees was a member of the Teachers' Superannuation Scheme (2016: One) and three were members of the Prudential money purchase scheme (2016: seven). Pension contributions for higher paid employees were £23,865.

(2016:£35,106)

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**7 TRUSTEES**

No Council member received any remuneration from the Society during the year. One member (2016: one) obtained reimbursement of travel expenses of £226 (2016: £321) in the year.

**8 NET MOVEMENT IN FUNDS**

The net movement in funds for the year is stated after charging:

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Depreciation of Tangible Fixed Assets	41	40
Staff costs	3,499	3,073
Auditors' remuneration:      Audit services	23	28

**9 TANGIBLE FIXED ASSETS**

	Freehold properties £000	Freehold properties £000	Fixtures and Fittings £000	Machinery tools and equipment £000	Motor vehicles £000	Total £000
<b>Group</b>						
<b>Cost</b>						
At January 2017	-	57	130	143	57	387
Additions	-	-	-	-	7	7
At 31 December 2017	-	57	130	143	64	394
<b>Depreciation</b>						
At 1 January 2017	-	-	113	94	52	259
Charge for the year	-	-	3	36	2	41
At 31 December 2017	-	-	116	130	54	300
<b>Net Book Values</b>						
At 31 December 2017	-	57	14	13	10	94
At 31 December 2016	-	57	17	49	5	128
<b>Charity</b>		<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost</b>						
At January 2017		57	130	143	57	387
Additions		-	-	-	7	7
At 31 December 2017		57	130	143	64	394
<b>Depreciation</b>						
At 1 January 2017		-	113	94	52	259
Charge for the year		-	3	36	2	41
At 31 December 2017		-	116	130	54	300
<b>Net Book Values</b>						
At 31 December 2017		57	14	13	10	94
At 31 December 2016		57	17	49	5	128

All fixed assets are held for the purposes of the group's activities and none for investment purposes.



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**10 INVESTMENTS**

<b>Charity and Group</b>	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Market value at 1 January 2017	1,803	1,616
Additions / realised gain	1,335	870
Open Market Value of disposals	(1,859)	(856)
Net investment gains	84	173
Market value at 31 December 2017	<u>1,363</u>	<u>1,803</u>
Cost	<u>1,608</u>	<u>1,612</u>
Investments comprise the following:		
UK Listed investments	1,293	1,676
Cash deposits	70	127
	<u>1,363</u>	<u>1,803</u>

All investments are listed on a quoted stock exchange.

**11 SUBSIDIARIES AND ASSOCIATED SUBSIDIARIES**

**a) Trading Subsidiaries**

RLSB Enterprises Ltd was incorporated on 27 March 2006 and commenced trading on 1 April 2006. RLSB Enterprises did not trade during 2016 or 2017. Figures for the trading subsidiary are as follows:

	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Retained revenue reserves	-	-
Share capital held by RSBC	-	-

Wayfindr.org Limited was incorporated on 23 October 2016 as a company limited by guarantee with no share capital. The first set of financial statements has been prepared for the 12 months ending 31 December 2017, and its audited figures are included in these consolidated accounts. The results for the subsidiary for the period are as follows:

	<b>For 12 Months to December</b>	<b>For 14 Months to December</b>
	<b>2017</b>	<b>2016</b>
	<b>£000</b>	<b>£000</b>
Income	432	559
Expenditure	(429)	(561)
Net income/(expenditure)	<u>3</u>	<u>(2)</u>
Net Funds at 31 December	<u>-</u>	<u>(2)</u>

**b) Associated Charity Subsidiaries:**

Blind Independence Greenwich (BIG) is a charitable company controlled by Royal Society for Blind Children (RSBC). It was incorporated in 23 July 2010 and supports blind and vision impaired people in the London Borough of Greenwich. On 30 September 2015, BIG ceased to operate and its net assets and activities were transferred to its parent; RSBC.

Kyekus Limited (known as The Royal Society for Blind Children until 31 December 2016) is a charitable company incorporated on 31 March 2006. Its objects are to relieve persons who are blind or vision impaired in charitable need. On 3 March 2016, the charity entered into an Association with Royal London Society for Blind People (now known as the Royal Society for Blind Children from 1 January 2017) which made Royal London Society for Blind People its sole member with powers to appoint all trustees. Kyekus Limited was dormant in 2017.

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**11 SUBSIDIARIES AND ASSOCIATED SUBSIDIARIES (CONTINUED)**

**c) Associated Charity Subsidiaries:**

The financial results for both charitable companies are provided below:

	BIG		Kyekus Limited	
	2017 £000	2016 £000	2017 £000	2016 £000
Income	-	-	-	410
Expenditure	-	-	-	(978)
Net income/(expenditure)	-	-	-	(568)
Net Funds at 31 December	-	-	-	-

All the subsidiaries/associated entities mentioned above are registered in the UK and have 31 December year ends with the exception of BIG (a dormant company since September 2015) which has a year end of 30 September.

**12 DEBTORS AND PREPAYMENTS**

	Group	Charity	Group	Charity
	2017 £000	2017 £000	2016 £000	2016 £000
Trade debtors	269	252	161	147
Other debtors and prepayments	174	139	49	43
Amounts owed by subsidiary	-	40	-	46
Accrued income	580	572	841	841
	1,023	1,003	1,051	1,077

At the year end RSBC was due a number of legacies. The amounts due could not be accurately quantified and therefore no provisions for these amounts have been included in the financial statements. An accrual of £296k has been made in 2017.

**13 CREDITORS - amounts falling due within one year**

	Group	Charity	Group	Charity
	2017 £000	2017 £000	2016 £000	2016 £000
Trade creditors	377	333	221	132
Accrued expenditure	96	91	207	202
Other taxes and social security costs	74	76	142	142
Deferred income	102	102	87	87
Other creditors	13	13	29	28
Bank loans and overdrafts	24	24	-	-
	686	639	686	591

	2017 £000	2017 £000	2016 £000	2016 £000
<b>Deferred Income:</b>				
Balance at 1 January 2017	87	87	198	198
Amounts released to income	(87)	(87)	(198)	(198)
Amounts deferred in period	102	102	87	87
Balance at 31 December 2017	102	102	87	87

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**14 STATEMENT OF FUNDS**

	1 Jan 2016 £000	Income £000	Expenditure & Losses £000	Transfers £000	31 Dec 2016 £000
<b>Permanent endowment funds</b>					
Fox Musical Scholarship Fund	25	-	-	-	25
	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25</u>
<b>Other Restricted Funds</b>					
Employment and Adult Services	45	83	(123)	-	5
BJC Nursery	53	-	-	-	53
Legacies	106	-	-	-	106
EFA Hardship Fund	2	2	(1)	-	3
Blind Independence Greenwich	95	-	-	-	95
Big Lottery	31	224	(221)	-	34
Google - Wayfindr Grant	366	347	(366)	-	347
Nursery	-	3	(3)	-	-
Children & Young People	114	208	(220)	-	102
Young People's ICT Grants (at Kyekus transfer)	-	-	0	37	37
Restricted Funds - parent charity	<u>812</u>	<u>867</u>	<u>(934)</u>	<u>37</u>	<u>782</u>
Kyekus Limited:					
Young People's ICT Grants	37	-	-	(37)	-
Family Support Service	-	63	(63)	-	-
<b>Restricted Funds - subsidiary</b>	<u>37</u>	<u>63</u>	<u>(63)</u>	<u>(37)</u>	<u>-</u>
Total Restricted Funds - Group	<u>874</u>	<u>930</u>	<u>(997)</u>	<u>-</u>	<u>807</u>
<b>Unrestricted Funds</b>					
<b>Designated Funds</b>					
Education	450	-	-	-	450
General Funds	2,225	4,222	(4,281)	-	2,166
<b>Total Unrestricted Funds = charity &amp; group</b>	<u>2,675</u>	<u>4,222</u>	<u>(4,281)</u>	<u>-</u>	<u>2,616</u>
<b>Total Funds - Group</b>	<u>3,549</u>	<u>5,152</u>	<u>(5,278)</u>	<u>-</u>	<u>3,423</u>

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**14 STATEMENT OF FUNDS (CONTINUED)**

	1 Jan 2017 £000	Income £000	Expenditure & Losses £000	Transfers £000	31 Dec 2017 £000
<b>Permanent endowment funds</b>					
Fox Musical Scholarship Fund	25	-	-	-	25
	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25</b>
<b>Other Restricted Funds</b>					
Employment and Adult Services	5	105	(87)	-	22
BJC Nursery	53	-	(53)	-	-
Legacies	106	43	(21)	-	127
ESFA Grants	3	8	(11)	-	0
Blind Independence Greenwich	95	-	(95)	-	-
Big Lottery	35	182	(167)	-	50
Google - Wayfindr Grant	346	-	(346)	-	-
Family Support	-	158	(124)	-	34
Children & Young People	102	341	(319)	-	124
Young People's ICT Grants	37	-	-	-	37
<b>Restricted Funds - charity and group</b>	<b>782</b>	<b>837</b>	<b>(1,223)</b>	<b>-</b>	<b>395</b>
<b>Total Restricted Funds</b>	<b>807</b>	<b>837</b>	<b>(1,223)</b>	<b>-</b>	<b>420</b>
<b>Unrestricted Funds</b>					
<b>Designated Funds</b>					
Education	450	-	(63)	-	387
General Funds	2,166	2,244	(2,516)	-	1,894
<b>Unrestricted Funds - charity and group</b>	<b>2,616</b>	<b>2,244</b>	<b>(2,579)</b>	<b>-</b>	<b>2,281</b>
<b>Total Funds - Group</b>	<b>3,423</b>	<b>3,081</b>	<b>(3,802)</b>	<b>-</b>	<b>2,701</b>

Fox Musical Scholarship Fund - For pupils to receive music lessons.

Employment and Adult Services - These are monies received for our Employability programme and Social & Peer Groups for adults.

BJC Nursery - Represents funds received for capital equipment and general running costs of the nursery and community drop-ins.

Legacies - A legacy of £164,000 was received in 2015 to be spent on supporting vision impaired people.

Blind Independence Greenwich - These represents the net assets of Blind Independence Greenwich which were transferred to Royal Society for Blind Children in September 2015. The funds are required to be spent on supporting blind and vision impaired sighted people living and working in the London Borough of Greenwich.

Big Lottery - Grants to improve social interaction and employability for vision impaired people and to help them lead independent lives. Funds received for wayfindr.org are for developing the training module for the usage of wayfindr.org Ltd Standard.

Google *wayfindr.org Ltd* Fund - For the development of the *wayfindr.org Ltd* Standard to increase the self-confidence of visually impaired people when travelling; leading to increased employment and social opportunities.

Children & Young People – Funds received to support Sport, Social & Peer Groups and creative programmes for young vision impaired people.

Young People's ICT Grants - Funds received to provide IT equipment, reading and literacy aids to young blind and vision impaired sighted persons with methods of accessing texts and recording work to improve their educational prospects.

The Family Support Service Fund - Relates to income received towards the general running costs of the Family Support Service.

Designated Fund – A fund for the expansion of the education provision.

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**15 LIABILITY OF MEMBERS**

The Royal Society for Blind Children is a company limited by guarantee and has no share capital. The liability of its members is limited to £1 per member.

**16 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds £000</b>	<b>Designated funds £000</b>	<b>Restricted funds £000</b>	<b>Permanent Endowment Funds £000</b>	<b>Total £000</b>
<b>Fixed Assets</b>					
Tangible assets	94	-	-	-	94
Investments	1,338	-	-	25	1,363
	<u>1,433</u>	<u>-</u>	<u>-</u>	<u>25</u>	<u>1,457</u>
<b>Current Assets</b>					
Debtors	1,023	-	-	-	1,023
Cash and Bank balances	124	387	395	-	906
	<u>1,147</u>	<u>387</u>	<u>395</u>	<u>-</u>	<u>1,929</u>
<b>Creditors</b>					
Amounts falling due within one year	(685)	-	-	-	(685)
	<u>462</u>	<u>387</u>	<u>395</u>	<u>-</u>	<u>1,244</u>
<b>Net Current (Liabilities)/Assets</b>					
	<u>462</u>	<u>387</u>	<u>395</u>	<u>-</u>	<u>1,244</u>
<b>Pension scheme deficit</b>	-	-	-	-	-
<b>NET ASSETS</b>	<u>1,894</u>	<u>387</u>	<u>395</u>	<u>25</u>	<u>2,701</u>

The Designated Fund represents amounts earmarked to expand education activities.

**17 FINANCIAL INSTRUMENTS**

	<b>2017 £000</b>	<b>2016 £000</b>
<b>Group:</b>		
Financial assets at amortised costs (a)	<u>1296</u>	<u>1,337</u>
Financial liabilities at amortised costs (b)	<u>486</u>	<u>457</u>
Financial assets at fair value (c)	<u>1363</u>	<u>1803</u>
<b>Charity:</b>		
Financial assets at amortised costs (a)	<u>1248</u>	<u>1244</u>
Financial liabilities at amortised costs (b)	<u>437</u>	<u>362</u>
Financial assets at fair value (c)	<u>1363</u>	<u>1803</u>

- (a) Financial assets measured at amortised costs include: short term deposits, cash in hand, trade debtors, other debtors and accrued income  
(b) Financial assets held at fair value include assets held as investments  
(c) Financial liabilities measured at amortised cost include: trade creditors, other creditors, accruals and deferred income

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**18 PENSION SCHEMES**

**a. RSBC PENSION SCHEMES**

The charity operates a defined benefit pension scheme in the UK. The disclosures set out below are based on calculations carried out as at 31 December 2017 by a qualified actuary.

The Scheme's assets are held in a separate Trustee administered fund to meet long-term pension liabilities to past and present employees. The trustees of the Scheme are required to act in the best interest of the Scheme's beneficiaries. The appointment of members of the Trustee board is determined by the trust documentation.

The liabilities of the defined benefit scheme are measured by discounting the best estimate of future cash flows to be paid out of the Scheme using the projected unit method. This amount is reflected in the deficit in the balance sheet. The projected unit method is an accrued benefits valuation method in which the Scheme's liabilities make allowance for future revaluation of deferred benefits and projected future pension increases.

The liabilities set out in this report have been calculated based on the most recent Scheme Funding Assessment being completed at 31 July 2017, updated approximately to 31 December 2017. The results of the calculations and the assumptions adopted are shown below.

At the measurement date, the employer is required to make contributions to the Scheme at the rates set out in the Schedule of Contributions dated 25 July 2012. The total employer contribution assumed to be made in the year commencing 1 January 2017 is approximately £300,000 plus insurance premiums for death in service benefits, expenses and the levies payable to the Pension Protection Fund and the Pension Regulator. However, the employer is negotiating a revised Schedule of Contributions as a part of the Scheme Funding Assessment as at 31 July 2017. In addition, as the employer made a significant contribution to the Scheme during 2013 of over £5.0m, it has not contributed in line with the Scheme of Contributions since, treating this contribution as a prepayment.

All figures in the disclosure are quoted to the nearest £1,000.

**Principal Assumptions**

	<b>2017</b>	<b>2016</b>
	<b>Per annum</b>	<b>Per annum</b>
Discount rate	2.45%	2.65%
Retail Prices index (RPI) inflation	3.45%	3.45%
Retail Price index (CPI) inflation	2.45%	2.45%
Future increases in deferred pensions	2.45%	2.45%
Rate of increase to pensions in payment: RPI, max 5% pa	3.30%	3.35%

**Asset Breakdown**

The major category of scheme assets as a percentage of total scheme assets at 31 December is:

	<b>2017</b>	<b>2016</b>
Future life expectancy of male aged 65 at balance sheet date	22.1	22.0
Future life expectancy of male achieving age 65 20 years after balance sheet date	23.5	23.7
Future life expectancy of female aged 65 at balance sheet date	23.9	24.1
Future life expectancy of female achieving age 65 20 years after balance sheet date	25.4	25.9

The assets are all quoted in an active market with the exception of the insured pensions

**Net defined benefit asset (liability):**

	<b>2017</b>	<b>2016</b>
	<b>£ 000s</b>	<b>£ 000s</b>
Fair value of scheme assets	18,653	18,828
Present value of defined benefit obligations	16,824	16,526
Surplus/(deficit) in the Scheme	1,829	2,302
Restriction to the amount that can be recognised under paragraph 28.22 of FRS 102	(1,829)	(2,302)
Defined benefit asset/(liability) recognised in balance sheet	-	-

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017

Total Expenses recognized in Statement of Financial Activities (SOFA)

	2017 £ 000s	2016 £ 000s
Administration expenses	297	263
Recognised in arriving at operating profit	<u>297</u>	<u>263</u>
<b>Total recognised in the SOFA</b>	<u><b>297</b></u>	<u><b>263</b></u>

Total amounts taken to Other Comprehensive Income

	2017 £ 000s	2016 £ 000s
Actuarial return on scheme assets - gains and (losses)	813	2,761
Less: amounts included in net interest on the net defined benefit liability	<u>428</u>	<u>523</u>
Remeasurement gains and (losses)		
- Return on scheme assets excluding interest income	385	2,238
Remeasurement gains and (losses)		
- Actuarial gains and (losses) on defined benefit obligation	(611)	(2,179)
Remeasurement gains and (losses)		
- Changes to the restriction under paragraph 28.22 of FRS 102	473	204
<b>Remeasurement gain/(loss) recognised in Other Comprehensive Income</b>	<u><b>247</b></u>	<u><b>263</b></u>

Changes in the present value of the defined benefit obligation

	2017 £ 000s	2016 £ 000s
Present value of defined benefit obligation at the beginning of period	16,526	14,461
Benefits paid including expenses	(1,038)	(900)
Administration costs	297	263
Interest cost	428	523
Remeasurement gains and (losses)		
- Actuarial gains and (losses)	611	2,179
<b>Present value of defined benefit obligation at the end of period</b>	<u><b>16,824</b></u>	<u><b>16,526</b></u>

Changes in the fair value of assets

	2017 £ 000s	2016 £ 000s
Fair value of scheme assets at the beginning of period	18,828	16,967
Interest income	428	523
Remeasurement gains and (losses)		
- Return on scheme assets excluding interest income	385	2,238
Contributions by employer	50	-
Benefits paid including expenses	<u>(1,038)</u>	<u>(900)</u>
<b>Fair value of scheme assets at end of period</b>	<u><b>18,653</b></u>	<u><b>18,828</b></u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2017**

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**19 POST BALANCE SHEET EVENTS**

There were no post balance sheet events.

**20 RELATED PARTY TRANSACTIONS**

The charity had seven subsidiaries during the year, six of which were dormant (see Note 1). Of these, there were transactions with the following entity:

- Wayfindr.org Ltd. During the year, RSBC disbursed grants of £346,000 from Google for application to projects being implemented by Wayfindr.org Ltd. At the end of the year, a disbursement of £19,487 was accrued by RSBC for future disbursement to Wayfindr. Wayfindr.org Ltd owed RSBC £29,320 at the year.

There were no other related party transactions in the year.

**21 CORPORATION TAX**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.



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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2017**

<b>22 COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (2016)</b>					
	Note	Unrestricted Funds £000	Restricted Funds £000	2016 £000	2015 £000
<b>INCOME AND ENDOWMENTS</b>					
<b>Income from Charitable Activities</b>					
Fees		700	2	702	970
Grants		235	347	582	415
		<u>935</u>	<u>349</u>	<u>1,284</u>	<u>1,385</u>
<b>Income from investments</b>	2	34	-	34	38
<b>Donations and Legacies:</b>					
Donations		979	581	1,560	1,780
Legacies		1,255	-	1,255	1,279
		<u>2,234</u>	<u>581</u>	<u>2,815</u>	<u>3,059</u>
Trading Activities	11c	104	-	104	84
Other	3	915	-	915	43
<b>Total Income and Endowments</b>		<u>4,222</u>	<u>930</u>	<u>5,152</u>	<u>4,609</u>
<b>EXPENDITURE</b>					
<b>Expenditure on Raising Funds</b>					
Fundraising Costs		1,475	-	1,475	1,115
Trading Expenses		446	-	446	82
<b>Net income available for charitable application</b>		<u>2,301</u>	<u>930</u>	<u>3,231</u>	<u>3,412</u>
<b>Expenditure on Charitable Activities</b>					
Education and Training		1,552	1	1,553	1,532
Community Services		961	858	1,819	1,627
Family Support		20	138	158	206
<b>Total Expenditure on Charitable Activities</b>		<u>2,533</u>	<u>997</u>	<u>3,530</u>	<u>3,365</u>
<b>Total Expenditure</b>	4	<u>4,454</u>	<u>997</u>	<u>5,451</u>	<u>4,562</u>
Net Gains/(Losses) on Investments		<u>173</u>	<u>-</u>	<u>173</u>	<u>91</u>
<b>Net Income/(Expenditure)</b>		<u>(59)</u>	<u>(67)</u>	<u>(126)</u>	<u>138</u>
<b>Transfers between Funds</b>					
<b>Net Income/(Expenditure) after Transfers</b>		<u>(59)</u>	<u>(67)</u>	<u>(126)</u>	<u>138</u>
Actuarial gains/(losses) on defined benefit pension scheme	18	-	-	-	-
<b>Net movement in funds for the year</b>	8	<u>(59)</u>	<u>(67)</u>	<u>(126)</u>	<u>138</u>
<b>Reconciliation of funds:</b>					
Fund balances at 31 December 2015		2,675	874	3,549	3,411
<b>Fund balances at 31 December 2016</b>		<u>2,616</u>	<u>807</u>	<u>3,423</u>	<u>3,549</u>

