



RSBC

Royal Society for **Blind Children**

**THE ROYAL SOCIETY FOR BLIND CHILDREN
TRUSTEES' REPORT & CONSOLIDATED ACCOUNTS
YEAR ENDED 31ST DECEMBER 2019**

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

**WELCOME TO THE ROYAL SOCIETY FOR BLIND CHILDREN'S ANNUAL REPORT
AND ACCOUNTS
YEAR ENDED 31 DECEMBER 2019**

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name

The Royal Society for Blind Children (RSBC)

Working Name

RSBC

Charity Number

307892 (England & Wales)

Company Number

00139928 (England & Wales)

Registered and Principal Office

Orpington Campus
The Walnuts
High Street
Orpington
Kent
BR6 0TE (effective from 1 October 2020)

Royal Patron

Her Majesty The Queen

President

The Rt Hon Sir Michael Fallon KCB

Patrons

Martin Freeman
Honeysuckle Weeks

Vice-Presidents

Victoria Cleland
Earl of Stockton
John Lafferty
Vivian Lawrence
Harry O'Neill
Sir Michael Uren OBE (Deceased 9 August 2019)
Dr. David Wright MBE

Ambassadors

Souleyman Bah, Youth Ambassador
Jon Culshaw
Anita Dobson
Anne Fine OBE FRSL
Darren Leach
Natalie Lee
Charlotte McMillan, Youth Ambassador

Georgie Morrell
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 FEBO
Dr Naomi Dale
Mr Ashwin Reddy MA MBBChir FRCOphth MD
Professor Miles Stanford MD FRCP FRCOphth

Members of the Council of Trustees

Ian Stephenson OBE BSc MSc	Chairman of the Society
Ben Alonso	Appointed 21 st May 2019
Michael Brignall MA	
Martin Doel CBE MA BEd FRAeS FRSA	
Ian Godwin BSc	
Fazilet Hadi	Appointed 21st May 2019
John Heller (MA Cantab)	
Peter Knott BA Hons FCA, CF	Hon. Treasurer Appointed 17th August 2018
Val May BA (Hons)	
John Miller	Appointed 21st May 2019
Patrick Plant LLB Solicitor	
Shalni Sood BSc Hons FCA FRSA	Resigned 23rd April 2019

Company Secretary

Stuart Geach BA (Hons) Solicitor	Resigned 12 th July 2019
Eileen Harding	Appointed 23 rd September 2019

Chief Executive

Tom Pey PhD MA FCMA DBS

Deputy Chief Executive

Sue Sharp MA MSc Appointed 8th May 2019

Auditors

Haysmacintyre LLP
10 Queen Street Place
London EC4R 1AG

Bankers

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37 Fleet Street
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One Churchill Place
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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 2019. 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).

The charity is privileged to have 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 Orpington Campus, The Walnuts, High Street, Orpington, Kent BR6 0TE (effective from 1 October 2020).

ABOUT US

INTRODUCING THE ROYAL SOCIETY FOR BLIND CHILDREN

For over 180 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 in local communities across England and Wales including family support, social inclusion and independence skills and employability. We also remain in education through the work of our specialist FE College, Dorton College, based in the London Borough of Bromley. Our work is influenced by world-class child educationalists, psychologists and ophthalmologists.

OUR VISION

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

There are an estimated 36,000 blind and partially sighted children and young people in England & Wales¹. 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 are more 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.

¹ Key facts about vision impairment in children and young people, VisionUK (2018)

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

We are a national VI charity in the UK where services are designed to support the whole family on this journey and where the parents, whenever possible, are at the centre of their child's development.

OUR STRATEGY

The objectives of the Society's current five-year strategy (2015-20) are to:

- **Increase 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.
- **Achieve major growth in fundraising:** The demand for our services continues to outstrip our ability to respond. We must, therefore, significantly increase the amount of money we raise to support our services.
- **Establish a hub of excellence:** To build a Life Without Limits Centre from the proceeds of a successful capital appeal within five years.

We are pursuing those objectives by:

- **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.
- **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.

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, and the impact that these activities have had, are explained in the following section.

WHAT WE DID IN 2019

The actions we took in 2019, both in restructuring the Society and in continuing to improve what we do and the ways that we deliver it, built some resilience within the organisation that has helped us to cope better with the challenges presented by the COVID-19 pandemic. With the support of our staff and volunteers and the ongoing commitment of our loyal donors we have been able to adapt so that we have been able to continue to support blind and partially sighted children and young

people and their families through the challenging times. See sections, "The Financial Effect of COVID -19" and "Looking to the Future".

SERVICES

Overall, in 2019 we:

- worked with over 2000 children and young people and their families;
- had over 5800 contact hours;
- delivered 1200 sessions; and
- provided 1000 instances of advice and support.

Partnership working has been central to our operations enabling us to increase the impact that we are able to make whilst ensuring that our services are always complementary to the work of others. In 2019 we worked in formal partnership with over 30 organisations across England and Wales, including other vision impairment charities such as Henshaws and Vision Support, as well as others outside our sector such as Brighton and Hove Albion – Albion in the Community and Boys and Girls Clubs Greater Manchester. Through these partnerships, children, young people and families across the country are able to benefit from a much broader range of activities, as well as increasing their local connections and networks.

Families First

The Families First Programme (formerly Family Support Service) offers support to families, children and young people with sight loss and aged up to 25. We enable children and young people to create a better life for themselves, by helping every young person we work with to find and fulfil their own unique potential. We are there from the moment we are contacted, supporting families on their journey. We provide a combination of support and opportunities to help develop the resilience and skills they need to navigate the present and their futures.

With the generous support of our funders we have been able to extend the coverage of the service. By the end of 2019 we were operating in 6 regions of England, including Kent where we have also built a new partnership with the Kent Association for the Blind to provide the practical support that complements the therapeutic support provided by our Family Practitioners. We also extended the service in Wales with two Family Practitioners now covering North and South Wales, respectively and with another strong partnership established with the Wales Council for the Blind and North Wales Society for the Blind. In all we were able to provide practical, emotional and therapeutic support to over 900 families in 2019, with 91% of families who took part in a survey rating the service at least 8 out of 10, and 52% giving it 10 out of 10.

The service is available from diagnosis. The majority of children with a vision impairment are diagnosed in the first year of life, but others will receive their diagnosis later, sometimes as a result of a trauma or a degenerative condition. A sight loss diagnosis affects the whole family and our Family Practitioners are there for all of them – when they want support.

"Elsie's diagnosis broke my heart into a million pieces...Elsie's older sister was also equally as heartbroken...I thought life as I knew it had gone forever..."

Our Family Practitioner (FP) met Elsie, then just 9 weeks old, and her mum in the hospital on the day she was diagnosed with FEVR and thought to have no vision in either eye. Understandably Mum was too upset to speak but the following day sent a text to our FP. A home visit was arranged. Our FP learned that Elsie's, 8-year old sister had been so upset that she had sat rocking her baby sister for a long time when she was told the news. Since then our FP has been supporting Elsie's mum and sister: supporting mum with early play skills and adapting activities and toys to help motivate Elsie to move and play; and Elsie's sister, to explore more about the VI world and the tools to learn Braille in readiness for sharing books with her little sister. Mum now has a safe space to share her feelings and thoughts and is feeling more positive about the future:

"With (the FPs) never ending support it has made us all realise as a family that all the things we feared were impossible for Elsie...were in fact possible...the Sky's The Limit for Elsie now!"

Not all families come to the service immediately or soon after diagnosis. Ann was diagnosed with congenital bilateral cataracts at birth. She is now 13 years old and attends a mainstream school where she has good educational support. However, she has emotional issues linked to her sight loss stemming from concerns about being seen as different to her peers and not being understood. She sometimes feels quite alone. Since she has been seeing a FP they have been working on her resilience and self-esteem. Her mum says:

"I can see a huge difference in her wellbeing. She opens up to me more now and I think that the help [the FP] gives her forms a bridge between her feeling alone and the people that can help her."

Mum is able to speak to the FP about issues that may be bothering Ann and says that the FP is always happy to listen to whatever concerns she has and to offer any support she can.

"I hope that the support my daughter receives from [the FP] is able to carry on through the rest of her school career or as long as she needs it.and this amazing charity is able to continue to provide support to young people like my daughter."

Live Life, Go Further

Our Live Life Go Further (LLGF) is far from a "one size fits all" programme. It continues to offer a wide range of activities and opportunities from which the children and young people who participate can choose. In all, 1100 children and young people took part in the programme in 2019 helping to address feelings of loneliness and isolation and supporting them to develop confidence and resilience and build independence through following their interests and achieving personal goals.

"Malachi consistently shows enthusiasm, willingness, creativity and an all-round brilliant attitude to everything and everyone. He is open, friendly and confident he is an asset to any session that he attends. He has increased his social network, and has really shown progress in his ability to look at things more positively." Citation from case worker

Whilst achieving personal goals is motivating in itself, having some form of external recognition of achievement is also welcomed. Everyone on the LLGF programme is

able to work for AQA accreditation through RSBC, in areas ranging from cooking to budgeting. 2019 was a record-breaking year with 89 young people achieving accreditation across 158 areas. Their achievements were celebrated at the Annual AQA Awards Day in July which was hosted by RSBC's CEO, Dr Tom Pey supported by RSBC Ambassador, Wayne Sleep and RSBC supporter, Charles Fairweather who presented the awards and Souleyman Bah, RSBC's Youth Ambassador and paralympian, who delivered an inspirational speech. Family and friends joined in the celebration:

"First of all, thank you for the award event on Saturday it was amazing and emotional as well as a lovely day thank you so much." Ryan's mum

Over the last few years the RSBC's Music Group has established a strong relationship with the Royal Philharmonic Orchestra and in 2019, with the financial support of M&G Investments, they had a workshop on the topic of 'Space' which culminated in a public performance at the Science Museum in London.

"Thank you RSBC for my amazing week with the RPO. I really enjoyed learning new instruments, and making new friends. I would like to come back again" (Imogen, 10)

Securing employment is a goal for many of the young people with whom we work. The Employment programme supported 48 young people in 2019 with 18 securing internships or apprenticeships and 20 securing paid employment, including in couture fashion, home beauty therapies, stand-up comedy and a social club for older vision impaired people.

"You've been there all the way with me and helped me find the right direction. You've always believed in me and I've always known I can come to you for advice. I'd like to think that whatever I achieve, we achieve together" (Terry, 23).

Dorton College

In July 2019, at the end of the academic year 2018/19, RSBC's Dorton College closed its residential provision. The decision had been taken by Trustees in early 2018, which provided an extended closure period ensuring a smooth transition for the young people.

"Dorton College helped me to become more independent and learn new skills such as cooking, budgeting and I'm becoming more confident in my learning".

All 5 students in the residential provision transferred to the College's day provision from September 2019, joining 2 young people who were already attending as day students.

We are encouraged by the interest in the new day offer from vision impaired young people and local authorities. Four new students joined the College in September 2019 and a fifth had their funding approved in December for a January 2020 start. Overall, the 12 young people on roll at the College are funded by 10 different local authorities across London and the South East.

All the students attending Dorton College are supported by our specialist staff. Most

accessed their main study programme at Bromley College (part of the London South East Colleges group, with whom we have a long-established partnership). The others attended Croydon College, or had a bespoke programme at Dorton College. Rapid progress was made in the Employability Skills area of the college following the appointment of the 'Employability and Transition Coordinator' at the start of the academic year. All students had at least one work placement organized in areas of their interest. In their Employability lessons, students all developed their CVs and cover letters to aid their progression towards finding paid or voluntary work post college. This addressed the only area for improvement which was identified in our 2018 Ofsted inspection.

RAISING AWARENESS AND WORKING FOR CHANGE

Ethan's Film

Following a successful application to The Media Trust's Volunteers' Film Project, RSBC secured the support of London based director/cinematographer Lewis Knaggs and his company, LSK productions. The first film the team produced for RSBC, "My Life Without Limits", is narrated by Ethan and his mother Bhavna, and describes their emotional response when, aged seven, Ethan was diagnosed with the degenerative condition, Stargardt Disease and lost most of his central vision within a matter of months. In the film, Ethan, now aged 12, describes how he felt when his mum first told him that he would lose his sight -

"What will happen to me? She (Ethan's mum) said, "you'll go blind". I just started bursting into tears."

and he shares his fears for the future, which include not seeing the faces of his own children. Ethan has been attending RSBC services and commented in the film that -

"When I go to a session with the RSBC I see that there are other people with different eye conditions. I'm not the only one."

and talking of his experience in making the film he said:

"I had an amazing time during the filming. I wanted to show that you can achieve anything you wish despite being visually impaired" Ethan

The film had its first public showing at the Christmas Concert in December 2019 when Bhavna also spoke movingly to those attending about their family's story and the difference that RSBC services had made to Ethan and the rest of the family. The film was shortlisted for the Charity Film Awards 2020 and in April 2020 won a People's Choice Silver Award at the event.

Youth Forum

There are now 11 members of the RSBC's Youth Forum. They are involved across a number of areas of RSBC as well as influencing other organisations to bring about positive change - and they are enjoying their work:

'I have enjoyed being a part of the Youth Forum. It's a way of expressing my opinions and hearing other people's opinions in a friendly and relaxed environment. Not only does it help me and the others involved, but I'd like to

think that it helps and inspires other young blind people too', Zenny

Following training in how to evaluate services the Forum members have already put their new skills to use in helping to write a survey and interview programme for the evaluation of the Supper Club project. They have also been working with our Income Generation team, helping them with bid applications.

Externally, they have worked with one of our partners, Youth Focus NE, on new branding and logos for one of their projects, ensuring that they were accessible to the VI community. They are also working on creating a VI Awareness Pack for schools, colleges, Universities and workplaces, to help inform people about sight loss and give them the confidence to ask VI people about their experiences so that they can meet their needs better.

Partnerships

Building and maintaining partnerships across the VI and Youth sectors has been a key element to increasing our reach. In 2019 there were 25 active partnerships across England and Wales and our ambition is to increase these in 2020. Through these partnerships we can facilitate VI children, young people and their families accessing local services and support. Mainstream youth organisations have benefitted from capacity building and training to enable them to adapt their services to engage VI children and young people. In 2019 VI and sighted young people from the North and South of England came together with decision makers in the fields of transport, local councils and leisure facilities to influence how services operate.

Wayfindr

Since it was established in 2015 Wayfindr.org ("Wayfindr"), a subsidiary of RSBC set up in partnership with global digital studio, ustwo, has successfully developed a global open standard for indoor audio wayfinding and sparked a worldwide interest in indoor wayfinding for vision impaired people. The standard was adopted by the International Telecommunications Union in 2017 and a US version of the standard was also produced in 2018. Most recently, Wayfindr has been delivering a Big Lottery Funded programme to upskill professionals in audio wayfinding, demonstrate the systems and encourage take up by vision impaired people. That work is due to complete in Autumn 2020.

During the year the Directors of Wayfindr formed the view that, with the exception of the BLF project, the organisation had achieved its major goals: developing and establishing a standard and sparking significant interest in indoor audio navigation across the world. Consequently, they decided that when the BLF project is complete in 2020 it would be an appropriate time to considerably slim down the organisation's activities but be ready to step up should the need arise for Wayfindr to pursue a new programme of work.

MAKING IT HAPPEN

Volunteers

We were delighted when one of our longest serving and committed volunteers, Steve Tomkins was named Volunteer of the Year at The London Youth Awards 2019. The London Youth Awards recognise the people and organisations that make a difference to the lives of young Londoners. Steve started volunteering for the

Society in 2013 and in the 12 months leading up to the award had given 260 hours of his time to supporting our work with vision impaired children and young people in London. He has also had fun along the way:

"I devote as much time as I can to supporting RSBC activities because they so obviously give young VI people the opportunity to develop and socialise. I've met a lot of wonderful people and had a lot of fun!" Steve Tomkins, volunteer

Overall in 2019, our 153 volunteers (including 53 regular volunteers) gave 1503 hours to supporting our work. Just over 1000 of those hours were given in Services where volunteers supported young people to get to and from events and supported them to participate in those events. Office volunteers gave over 300 hours and fundraising volunteers 138 hours to supporting RSBC. The value of volunteering hours in 2019 (based on a sector agreed formula) was £18,689.

We are delighted that those who volunteer with RSBC continue to report positively on their experience. In the Annual Survey of volunteers, 92% reported that they felt valued by RSBC and 100% of those who responded said that they would recommend the Society as a good place to volunteer. 100% also reported that they felt that they were making a positive difference to the lives of the children and young people. All of those results were up on the previous year and, pleasingly, were well ahead of the national survey results that were reported by NCVO (83%, 70% and 90%, respectively). Asked about their favourite volunteering memory:

- *"Young people putting their trust in me to guide them whilst swimming."*
- *"The Christmas concert is always a favourite - seeing the fruition of a lot of hard work and the confidence with which the young people perform."*

RAISING THE MONEY WE NEED

In 2019 we began to engage new supporters through Face to Face fundraising who committed to giving regularly by signing up to our Sponsor a Brighter Future campaign. These provide regular donations and steady income through direct debit payments, enabling us to plan for the future. So far we have recruited over a thousand new supporters through street and private venue Face to Face fundraising.

A donor research project delivered data insights which have been implemented, creating an audience segmentation model for our stewardship programme. As a result, our supporter newsletter Brighter Futures experienced an increase of 700% in income.

We saw improvement in the performance of all cash appeals and newsletters in 2019 achieving a 5% increase on the 2018 income level.

Performance in community and events (C&E) was disappointing in 2019. Mass participation events performed poorly and our collections, despite growth and investment in contactless donations, did not provide a good Return on Investment (ROI). Following a review of our activities we have refocused on major challenge events, such as the London Marathon, with the aim of developing long-term, sustainable income streams and improving opportunities for future growth.

In corporate fundraising we established a number of new corporate partnerships including one with Capricorn Blinds in the West Midlands who donated a sum of money from every sale to RSBC. With Scope Ophthalmic, a manufacturer of eye care products, we are also working to explore new opportunities. Our Ambassador, Natalie Lee, designed a bag for the clothing company, Scamp and Dude, with 100% of the profits from each sale of Natalie's design coming to the Society. All of these new relationships sit alongside that of the 180-year relationship we continue to enjoy with Johnson Matthey who have generously supported the Society from the beginning.

Legacies continue to be a vital income stream for our work, and we are grateful to all of our supporters who elect to leave money to us in their wills. 2019, however, was a challenging year for legacies. Delays in probate in particular meant that legacy income was not received as we had anticipated given our pipeline and past years' performance. As a result, we had to defer making further investment in Individual Giving in 2019. At the turn of the year the position was showing signs of recovery and we ended the year with £1,292,068 in legacy income.

Trust, statutory and institutional income is an important source of funding for our services. At the end of 2019 we had secured £974,995 of funding over the next 3 years. The support we receive comes from a variety of Institutions, trusts, foundations and statutory funders. We would like to thank all of our funders, including:

- the National Lottery Community Fund, the Masonic Foundation, Benecare Foundation, The Moondance Foundation and the Heathrow Community Fund for their commitment to our Families First service;
- City Bridge Trust, Jack Petchey Foundation and the Merchant Taylor's Company Charities Fund for their commitment to our employment support activities;
- The National Lottery Community Fund, Johnson Matthey; BBC Children in Need, Greater London Authority and Comic Relief, Tower Hamlets Council Local Community Fund, London Borough of Hackney and the Youth Investment Fund for their support for our Live, Live Go Further Programme including its health and well-being and social and independence activities;
- the Co-Op Foundation for supporting our friendship and independence groups;
- the Worshipful Company of Cordwainers for their continued support of our Music Group;
- Erasmus+ for their support for our Youth Voice projects; and
- Arts Council England for supporting our Blind Tellers project.

Our Promise to our Donors and Supporters

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 donors and 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 to our donors and supporters is that RSBC will:

- respect their privacy and their generosity
- make it easy for them to contact us by their preferred method
- give them a choice about how often they hear from us

- explain things in plain English and not use jargon
- apologise when things go wrong and work as quickly as possible to put them right
- listen to their comments, suggestions, concerns and complaints; deal with them efficiently and respectfully; resolving them in an open and transparent way; and using the feedback to help improve our service
- never sell or share their information with external companies unless those companies are working on our behalf

Supporters registered on the Telephone Preference Service are 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 adheres to the standards of the Fundraising Code of Practice. We have a documented complaints process and in 2019, we had five complaints about fundraising activity in the year. All were promptly resolved to the satisfaction of the complainant and without escalation to the regulator.

FINANCIAL ACTIVITIES ANALYSIS

Review

Group income in the year was £4.15m (2018: £4.30m). In 2019 the level of donations increased from the previous year. The Society received £2.1m compared to £1.9m in 2018. The principal sources of funding continue to be donations and legacies that generated £3.4m (2018: £3.4m). A further £0.62m (2018: £0.79m) was generated in education fees and grants and £0.13m through trading and other income (2018: £0.12m).

Costs of fundraising fell to £1.5m (2018: £1.6m), in accordance with a plan to reduce overall expenditure as income levels fell in the year. Expenditure on Education and Training fell to £1.0m (2018: £1.4m). Expenditure on community services rose slightly to £2.3m (2018: £2.2m). The overall impact on group expenditure was a reduction in costs from £5.4m in 2018 to £5.0m in 2019.

The group also received pro bono legal support in the region of £50,000 in 2019. This support allowed the society to significantly improve its governance during the year.

The percentage of group total expenditure spent on direct charitable activities was 67% (2018: 67%)

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

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 gain in the portfolio of £60,000 compared to an investment loss the previous year (2018: £60,000). Income derived from the portfolio during the year was £16,000 (2018: £18,000).

During the year, the Trustees agreed to liquidate the residual value of the investment portfolio in order to bolster the liquidity of the Society.

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.

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 were £0.77m (2018: £1.3m).

At the year end, the group held unrestricted funds of £0.77m (2018: £1.7m) and restricted funds of £0.63m (2018: £0.42m). £0.0m (2018: £0.39m) 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.

THE FINANCIAL EFFECT OF COVID-19

The COVID-19 pandemic had an immediate impact on our activities. All face-to-face service delivery was suspended and replaced with activities online and, in the case of the Families First programme, by video, telephone and email. It was not so easy, however, to replace our face-to-face and community fundraising activities which were stopped overnight impacting our short- and medium-term funding by around £60K-£70K. The deferral, and in some instances cancellation, of mass participation events, like the London Marathon were an added blow: the Marathon brings in around £100K of income for the Society. Added to that further delays in the probate office and furloughing and sickness of solicitors, resulted in the receipt of legacy income of around £100K being delayed.

The Society's Trustees and Leadership team considered carefully the Government's support schemes. Staffing is our largest cost and we furloughed 18% of the workforce mainly in areas where activity had been suspended or where their work was reduced to less than 20% of the normal volume. Trustees took the decision that the Society should continue to pay the 20% of salary which was not covered by the furlough scheme. One member of staff volunteered not to avail themselves of that benefit. Additionally, for the first month, the CEO and Deputy CEO took a 20% cut in salary: this was reinstated by Trustees in May when the financial position was clearer.

To further ease the pressure on cash and reserves the Society applied for, and was granted, a Resilience and Recovery Loan of £250K from Social Investment Business

FM Ltd. The Loan, interest free for the first 12 months, and repayable over three years, is an integral part of ensuring the longevity of the Society. It bridges the shortfall in income as a result of COVID-19 and allows the Society to restructure its services and expand its reach.

We also applied for financial support for infrastructure costs from major funders such as Comic Relief, the Young Londoners Fund and the National Lottery. Such funding is supporting additional equipment necessary for efficient home working, shortfalls in the funding of service delivery posts and core staff such as HR, IT and management costs. We have been successful in a number of those bids with decisions still awaited on some others.

We are also grateful to the National Lottery Community Fund for their continued support in releasing project funds early to support us.

In addition to these external support measures, we instigated a strict expenditure plan with all spending requiring sign-off by at least two members of the Senior Leadership Team. We also cancelled office services that were not required whilst staff were working from home.

Looking to the end of 2020 we expect that our unrestricted donor funding will remain broadly at the same level as this is paid regularly by direct debit and we have a loyal and committed donor base. Overall, we expect our Community and Events income to fall short of budget by c£100k by year end. We do not expect our Major Donor programme to deliver against budget in 2020 putting £280K at risk. The Corporate budget for 2020 was reduced from 2019 levels and the majority had already been received by the lockdown so we anticipate that it will meet budget. In legacies we would expect to achieve budget but with the cashflow back ended from September to December.

The Society's response to the crisis has been overseen by the Leadership Team who met daily at the start of the lockdown to review the position and consider the impact of developments on the COVID risk register that has been established. The Audit Committee of Council met weekly during this period (now bi-weekly) to ensure that there was rigorous financial and risk oversight. The Leadership Team continues to meet twice a week to plan for the future as well as consider the immediate impact.

LOOKING TO THE FUTURE

We had already identified the need to harness digital solutions wherever possible in our services, but the COVID pandemic heavily impacted on the speed of change. Within a few weeks of the lockdown we had moved all of our community service delivery online; modified our Families First Programme to be able to support families across a range of platforms as well as by phone and email; saw our Youth Forum have its first podcast and interactive Q&A Livestream session with young people reaching 11,000 viewers across the country; and our specialist College, Dorton College, was able to continue to educate and support our students remotely. In so doing we ensured that we could continue to support the children, young people and their families who use our services.

The changes in our delivery quickly demonstrated that we could diversify our delivery methods, extending the reach of our direct service delivery and continue

to make the positive impact on the lives of blind children, young people and their families.

It was also immediately clear that many of the fundraising channels that we were using – face to face donor acquisition, street collections and mass participation events – were going to be hit hard by the restrictions imposed to counter the pandemic. Recovery in those areas is likely, at best, to be slow. We needed to explore new ways of engaging with potential donors and supporters such as through virtual events delivered via social media platforms. We also recognised that we needed to have a more integrated approach to our fundraising, making links between different channels and deepening our relationships with our supporters.

Whilst service delivery and fundraising are our core activities they need to be served by effective and efficient back office services such as IT, Finance and HR. These are also areas where we are looking to improve systems and processes, again harnessing new digital solutions where they can deliver effective change and represent value for money.

By the end of 2020 we will have finalised our digital transformation programme for RSBC ready to roll it out over the first 3 years of our new strategy for the period 2021-25. Specifically, the programme will be a critical part in ensuring that by 2025 we will have:

- **Reach:** supported 25,000 blind and partially sighted children across England and Wales since 2015
- **Income:** achieved a turnover of £6M with unrestricted income having increased 10%pa year on year and with the cost of raising those funds representing no more than 20%
- **Education:** an annual cohort of at least 20 students at Dorton College; and have diversified our education offer into the digital space.
- **Quality:** an average Net Promoter Score in excess of 85% across all services and to have achieved an Ofsted rating of "Outstanding" for Dorton College.
- **Impact:** engaged with a network of existing service providers, referral agencies and community groups across England and Wales to ensure that there is equality of access to mainstream provision for VI YP and their families.
- **Our People:** a staff turnover 10% less than sector average and at least 75% of staff and volunteers recommend RSBC as a great place to work.
- **Infrastructure:** established the RSBC's Life without Limits centre as a hub for delivery of our services and a lighthouse for world class innovation; and ensure that our infrastructure supports our overall efficiency and effectiveness
- **Governance:** a Trustee Board that provides first class leadership to the Society and represents the community we serve

We have always striven to ensure that RSBC is a great place to work and despite the COVID challenge staff morale has remained buoyant. Staff surveys, including a RAG rated one to identify the timescale of need for an office return or meetings, to support staff wellbeing, were carried out in the first 6 months and they showed that the staff team have felt well-supported by the Society. Whilst we had to place around 18% of our workforce on furlough we ensured that they were able to remain connected to the Society and, helped by securing additional support from funders, they did not suffer financial hardship whilst on furlough. By the end of October 2020

seven of those furloughed had returned to work and seven others had left the organisation as their posts were made redundant.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Our Board of Trustees

The Council of Trustees meets every three months and is supported by regular meetings of committees which 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 the appointment of Ben Alonso, Fazilet Hadi and John Miller, and the resignation of Shalni Sood.

The recruitment process for Trustees continues but was paused due to COVID. At the end of 2019 just under a fifth of Trustees were women. We continue to use a number of different recruitment sources to seek balance in skills and diversity and all recommended persons must be unanimously accepted by the Council and formally proposed at the AGM for ratification.

There is an induction process for all new Trustees.

Senior Leadership

With RSBC's CEO, Dr Tom Pey focussing on securing the Life without Limits centre and the donations to make it possible, as well as securing strategic alliances to support the next stage of RSBC's digital transformation, Trustees decided in May to promote Sue Sharp to a new role of Deputy CEO to oversee the day-to-day running of the Society. Dr Pey continues to provide strategic leadership and oversight. The CEO and Deputy CEO were supported by a Senior Leadership Team of Patrick Pedder, Finance Director; Mandy Douglas, Community and Partnerships Director; Josie Grainger, College Principal and Eileen Harding, Head of HR and Volunteering and Company Secretary.

The position of Company Secretary changed with Eileen Harding taking up the position on 23rd September succeeding Stuart Geach who had resigned on 12th July 2019.

The Trustees who sit on the Remuneration and Appointments Committee ensure that the annual appraisals of the CEO and Deputy CEO are completed and following careful consideration of the economic landscape, recommend to Council the annual pay award for all staff, paying particular attention to the remuneration of the CEO and Senior Leadership. In so doing 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.

GROUP STRUCTURE AND ASSOCIATED SUBSIDIARIES

RSBC has two wholly owned subsidiary trading companies - RLSB Enterprises Ltd (company registration number 05757769), incorporated 27th March 2006 and

Wayfindr.org Ltd (company registration number 09839997), incorporated 23rd October 2015. RLSB Enterprises Ltd did not trade in the year or the preceding two years.

The Thomas Lucas Academy Trust Limited (company registration number 09206440) is an associated company. The company did not trade in the year or the previous three years.

Additional dormant companies are Vision Charity (company registration number 03737109) and Wayfindr journey (company registration number 09593014).

Kyekus Limited (Formerly the Royal Society for Blind Children): On 31 December 2016, the Royal Society for Blind Children ("old RSBC") transferred its assets and liabilities to its parent charity, 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 (company registration number 05764810) continues to exist.

Wayfindr.org Ltd: In 2015 the Royal Society for Blind Children (RSBC) contracted with ustwo (a global digital product studio) to set up Wayfindr.org Ltd, (company registration number 09839997) a fully owned subsidiary of the RSBC. Ustwo and TfL are members of Wayfindr.org together with RSBC which has the controlling share. The organisation developed 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. RSBC supports the standard development, management, communication, fundraising and finance activities through a service level agreement.

RISK MANAGEMENT

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

- Safeguarding is a priority in the risk register and Council considers a safeguarding report as the first work item at its meetings. The Society has a Corporate Safeguarding Committee, which alongside the Health and Safety Committee, regularly reviews risks, policies and procedures. In the light of COVID, for example, with online delivery of services, additional guidance was issued to staff regarding online safeguarding. All safeguarding incidents are reported to the Chair, Chair of Board of Governors and the Trustee with the safeguarding portfolio.
- Extending the reach of the Society's services is central to our Strategy and ensuring that we can meet the needs of those children, young people and families. We have stepped up our engagement activity and continued to build effective delivery partnerships both within and without the vision impairment sector.
- Income growth is critical to our ability to deliver to our growing number of beneficiaries. With poorer than anticipated performance in certain income streams, the Fundraising investment in 2019 was reduced in year, and our spending in other areas realigned to reflect our income.

- There is a clear focus on outcomes and impact of our services. We continued to invest in learning and development for staff and volunteers and to ensure that staff were rigorous in their monitoring of beneficiary progress.
- The Trustees are satisfied its insurable risks are sufficient and proper but continue to review all environmental risks accordingly.
- The Audit Committee is notified along with the external auditors of incidents of Fraud or attempted Fraud which could present Risk to the organisation's assets. Any incidents of this nature should be reported to the Chair of the Audit Committee as soon as they are identified. There were no issues identified in the year.

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 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

A resolution proposing the reappointment of Haysmacintyre LLP as auditors to the charitable company and group will be put to the Annual General meeting.

This Report which also includes the Strategic Report was approved by the Trustees

and signed on 26 November 2020 on their behalf by:

A handwritten signature in black ink, appearing to read 'I. Stephenson', with a long horizontal stroke extending to the right.

.....
Ian Stephenson, Chairman of the Society

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES 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 March 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2020 and of the group'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 20, 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. 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' 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, 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' Report (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

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' 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 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Use of our report

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

Anna Bennett (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors
Date: 2 December 2020

10 Queen Street Place
London
EC4R 1AG

Anna Bennett

THE ROYAL SOCIETY FOR BLIND CHILDREN

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the Year ended 31 December 2019

	Note	Unrestricted Funds	Designated Funds	Restricted Funds	2019	2018
		£000	£000	£000	£000	£000
INCOME AND ENDOWMENTS						
Income from Charitable Activities						
Fees		486	-	-	486	610
Grants		133	-	-	133	177
		<u>619</u>	<u>-</u>	<u>-</u>	<u>619</u>	<u>787</u>
Income from Investments	2	16	-	-	16	18
Donations and Legacies						
Donations		911	-	1,166	2,077	1,880
Legacies		1,292	-	-	1,292	1,504
		<u>2,203</u>	<u>-</u>	<u>1,166</u>	<u>3,369</u>	<u>3,384</u>
Trading Activities	11a	132	-	-	132	120
Other	3	11	-	-	11	17
Total Income and Endowments		<u>2,980</u>	<u>-</u>	<u>1,166</u>	<u>4,146</u>	<u>4,306</u>
EXPENDITURE						
Expenditure on Raising Funds						
Fundraising Costs		1,498	-	-	1,498	1,600
Trading Expenses	11a	120	-	-	120	131
Net expenditure available for charitable application		<u>1,362</u>	<u>-</u>	<u>1,166</u>	<u>2,628</u>	<u>2,675</u>
Expenditure on Charitable Activities						
Education and Training		1,033	-	0	1,033	1,422
Community & Family Support Services		1,340	-	959	2,299	2,230
Total Expenditure on Charitable Activities		<u>2,373</u>	<u>-</u>	<u>959</u>	<u>3,332</u>	<u>3,652</u>
Total Expenditure	4	<u>3,991</u>	<u>-</u>	<u>959</u>	<u>4,950</u>	<u>5,383</u>
Net Gains/(Losses) on Investments	10	60	-	-	60	(60)
Net Income/(Resources Expended)		<u>(951)</u>	<u>-</u>	<u>207</u>	<u>(746)</u>	<u>(1,136)</u>
Transfers between Funds						
Net Income/(Expenditure) after Transfers		<u>(951)</u>	<u>-</u>	<u>207</u>	<u>(746)</u>	<u>(1,136)</u>
Profit on Disposal of Fixed assets		-	-	-	-	-
Gains/(losses) on revaluation of fixed assets	1h	-	-	-	-	584
Actuarial gains/(losses) on defined benefit pension scheme	18	-	-	-	-	-
Net movement in funds for year		<u>(951)</u>	<u>-</u>	<u>207</u>	<u>(746)</u>	<u>(563)</u>
Reconciliation of funds:						
Fund balances at 31 December 2018		1,726	-	422	2,148	2,701
Fund balances at 31 December 2019		<u>775</u>	<u>-</u>	<u>629</u>	<u>1,404</u>	<u>2,148</u>

The statement of financial activities has been prepared on the basis that all activities are continuing.
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.

THE ROYAL SOCIETY FOR BLIND CHILDREN

STATEMENT OF FINANCIAL ACTIVITIES - CHARITY ONLY
for the Year ended 31 December 2019

	Note	Unrestricted Funds	Designated Funds	Restricted Funds	2019	2018
		£000	£000	£000	£000	£000
Income from Charitable Activities						
Fees		486	-	-	486	611
Grants		144	-	-	144	164
Accommodation/Guest Income - Discontinued operation	11b	-	-	-	-	0
Other Income		-	-	-	-	0
		<u>630</u>	<u>-</u>	<u>-</u>	<u>630</u>	<u>774</u>
Income from investments	2	16	-	-	16	18
Donations and Legacies:						
Donations		911	-	1,166	2,077	1,820
Legacies		1,292	-	0	1,292	1,504
		<u>2,203</u>	<u>-</u>	<u>1,166</u>	<u>3,369</u>	<u>3,324</u>
Trading Activities		-	-	-	0	-
Other		11	-	-	11	17
Total Income and Endowments		<u>2,860</u>	<u>0</u>	<u>1,166</u>	<u>4,026</u>	<u>4,133</u>
EXPENDITURE						
Expenditure on Raising Funds						
Fundraising Costs		1,498	-	-	1,498	1,597
Trading Expenses	11a	-	-	-	-	-
Net income/(expenditure) available for charitable application		<u>1,362</u>	<u>-</u>	<u>1,166</u>	<u>2,528</u>	<u>2,576</u>
Expenditure on Charitable Activities						
Education and Training		1,033	-	0	1,033	1,422
Community & Family Support Services		1,340	-	959	2,299	2,230
Family Support		-	-	-	-	-
Accommodation/Guest Income - Discontinued operation	11b	-	-	-	-	-
Total Expenditure on Charitable Activities		<u>2,373</u>	<u>-</u>	<u>959</u>	<u>3,332</u>	<u>3,652</u>
Total Expenditure	4	<u>3,871</u>	<u>0</u>	<u>959</u>	<u>4,830</u>	<u>5,249</u>
Net Gains/(Losses) on Investments	10	60	-	-	60	(60)
Net Income/(Expenditure)		<u>(951)</u>	<u>-</u>	<u>207</u>	<u>(744)</u>	<u>(1,136)</u>
Transfers between Funds						
Net Income/(Expenditure) after Transfers		<u>(951)</u>	<u>-</u>	<u>207</u>	<u>(744)</u>	<u>(1,136)</u>
Profit on Disposal of Fixed assets						
Gains/(losses) on revaluation of fixed assets	1h	0	-	-	0	584
Actuarial gains/(losses) on defined benefit pension scheme	17	-	-	-	-	-
Net movement in funds for year		<u>(951)</u>	<u>-</u>	<u>207</u>	<u>(744)</u>	<u>(553)</u>
Reconciliation of funds:						
Fund balances at 31 December 2018		1,728	-	422	2,148	2,701
Fund balances at 31 December 2019		<u>775</u>	<u>0</u>	<u>629</u>	<u>1,404</u>	<u>2,148</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 AS this information is clearly identified in the above statement.

THE ROYAL SOCIETY FOR BLIND CHILDREN

GROUP AND CHARITY BALANCE SHEET AS AT 31 DECEMBER 2019

	Note	Group 2019 £000	Charity 2019 £000	Group 2018 £000	Charity 2018 £000
Fixed assets					
Tangible Assets	9	688	688	695	695
Investments	10	0	0	1,310	1,310
		<u>688</u>	<u>688</u>	<u>2,005</u>	<u>2,005</u>
Current assets					
Debtors	12	1,280	1,281	607	606
Cash and Bank balances		235	202	240	180
		<u>1,515</u>	<u>1,483</u>	<u>847</u>	<u>786</u>
Liabilities					
Creditors: Amounts falling due within one year	13	(798)	(767)	(704)	(642)
		<u>716</u>	<u>715</u>	<u>143</u>	<u>144</u>
Net current (liabilities)/assets					
		1,404	1,404	2,148	2,149
Net assets excluding pension scheme liability					
Defined Benefit Pension Scheme	18	-	-	-	-
		<u>1,404</u>	<u>1,404</u>	<u>2,148</u>	<u>2,149</u>
Total net assets					
The funds of the charity:					
Restricted funds					
Permanent Endowment Funds	14	25	25	25	25
Other Funds	14	605	605	397	398
		<u>630</u>	<u>630</u>	<u>422</u>	<u>423</u>
Designated funds					
Fixed asset fund	14	0	0	387	0
Unrestricted Funds					
General Funds	16	191	191	755	756
Revaluation Reserve		583	583	584	584
Designated funds	16	0	0	387	387
		<u>774</u>	<u>774</u>	<u>1,726</u>	<u>1,726</u>
		<u>1,404</u>	<u>1,404</u>	<u>2,148</u>	<u>2,149</u>
Total charity funds					

The financial statements were approved and authorised for issue by the Board of Trustees on 26th November 2020 and signed on their behalf by:


 Ian Stephenson, Chairman

THE ROYAL SOCIETY FOR BLIND CHILDREN

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019	2018
		£000	£000
Net cash provided by (used in) operating activities	a	<u>(1,392)</u>	<u>(643)</u>
Cash flow from investing activities:			
Dividends, interest and rent from investments		16	18
Purchase of Tangible Fixed Assets		0	(37)
Proceeds from sales of Tangible Fixed Assets		-	3
Purchase of Investments		115	(402)
Proceeds from sale of Investments		1,485	395
Net cash provided by (used in) Investing activities		<u>1,386</u>	<u>(23)</u>
Financing			
Repayment of loan		-	-
Change in cash in the reporting period		<u>(5)</u>	<u>(666)</u>
Cash and cash equivalents at the beginning of the period		240	906
Cash and cash equivalents at the end of the period	b	<u>234</u>	<u>240</u>
a Reconciliation of net Income/(expenditure) to net cash flow from operating activities			
		2019	2018
		£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		(744)	(1,136)
Adjustments for:			
Investment income		(16)	(18)
Assets on acquisition of associated charity (RSBC)		-	-
Depreciation charges		7	20
Profit on disposal of fixed assets		-	(3)
Net pension scheme movements		-	-
(Increase)/Decrease in Debtors		(673)	389
Increase/(Decrease) in Creditors		94	46
(Gains)/Losses on Investments		(60)	60
Net cash provided by (used in) operating activities		<u>(1,392)</u>	<u>(643)</u>
b Analysis of cash and cash equivalents			
		2019	2018
		£000	£000
Cash in hand		234	409
Notice deposits		-	-
Overdraft facility repayable on demand		-	(169)
		<u>234</u>	<u>240</u>

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES

a: Statutory information:

The Royal Society for Blind Children (RSBC) is a charitable company limited by guarantee (company number: 139928) and is incorporated in England and Wales. The principal accounting policies, all of which have been applied consistently throughout the year are set out below:

b: Basis of preparation

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.

c: 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.

d: Group Accounts

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Wayfindr.org.uk on a line by line basis. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities (SOFA), or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

- 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)

- The Alliance for Blind Children (Company No: 07318214)

- Thomas Lucas Academy Trust Limited (Company No: 09206440)

- Kyekus Limited (Charity No: 1131623; Company No: 5764810)

Another subsidiary, Blind Independence Greenwich, (Company No: 07324135 and Charity No: 1139798) ceased trading in September 2015. Kyekus Limited (Charity No: 1131623; Company No: 5764810) also ceased trading on 21 December 2016 following the transfer of its activities and net assets to the parent charity.

All the above mentioned entities are wholly controlled by RSBC and have the same registered office address.

The Charity's incoming resources, excluding the subsidiary companies, was £4,025,000 (2018: £4,133,000), resources expended £4,890,000 (2018: £5,189,000) and net expenditure of £745,000 (2018: £1,136,000 net expenditure).

e: Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether "capital" grants or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition is met.

f: Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over them or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustee's annual report for more information about their contribution.

g: Expenditure and Irrecoverable VAT

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.

Irrecoverable VAT is charged as a cost against the activity to which the expenditure was incurred.

h: 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

THE ROYAL SOCIETY FOR BLIND CHILDREN

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YEAR ENDED 31 DECEMBER 2019

Change in Accounting policy: During the financial year RSBC owned land as part of the Quinn Estate and at Seal Drive, Sevenoaks. The land which is owned on a fifth share basis as part of Quinn Estate was valued in 2017 at c£450,000 (£90,000 RSBC). This Trustees consider this a reasonable valuation of the land based on the current valuation of £50,000 in the financial statements to 31 December 2019.

The land owned at Seal Drive, Sevenoaks has never been valued. RSBC obtained a value from Savills based on a RICS valuation based on an existing use valuation of £550,000. The Trustees consider this valuation a reasonable estimate of the value of the land and this is included in the financial statements for 2019.

i: Operating Leases

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

j: 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.

k: Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

l: Cash at bank and in hand

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

m: Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

n: 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 (formerly RSBC) 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 (formerly RSBC) also operates a stakeholder defined contribution pension scheme for its employees. Contributions are charged to resources expended when they become payable.

o: Fund Accounting

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.

p: Permanent endowment funds

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

q: Significant judgements and sources estimation uncertainty

The preparation of these financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement 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.

r: Financial Instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

s: Employee benefits

Short term benefits

Short term benefits include 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 FRS102.

2 INVESTMENT INCOME

	2019 £000	2018 £000
Income from UK listed investments	18	18
Interest received on UK cash deposits	-	-
	<u>18</u>	<u>18</u>

3 OTHER INCOME

	2019 £000	2018 £000
Profit on Disposal of fixed assets	2	3
Sundry income	9	14
Associated charity - Net assets (see notes below)	-	-
Pension settlement	-	-
	<u>11</u>	<u>17</u>

In 2019, profit on disposal of fixed assets includes £1,485 from the sale of a Peugeot Expert vehicle.

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

4 ANALYSIS OF TOTAL EXPENDITURE

	Basis of Allocation	Expenditure			Charitable Activities:	
		on Raising Funds £000	Education & Training £000	Community Services £000	Total 2019 £000	2018 £000
Costs directly allocated to activities:						
Staff Costs	Direct	716	484	1,076	2,276	2,684
Service Costs	Direct	513	147	652	1,212	962
Total direct costs		1,229	631	1,828	3,488	3,646
Support Costs allocation:						
Premises	Floor area	25	37	62	124	170
Administration (Finance, HR & ICT)	Estimated usage	177	285	442	864	789
Marketing	Estimated usage	43	64	107	214	420
Research & Development	Estimated usage	18	28	44	88	99
Governance	Estimated usage	5	8	12	25	125
Depreciation	Estimated usage	1	2	4	7	20
Total Support Costs		289	402	671	1,342	1,603
Expenditure - parent charity		1,498	1,033	2,299	4,830	5,249
Subsidiaries:						
<i>Blind Independence Greenwich:</i>						
Family support		-	-	-	-	-
<i>Kyokus Limited:</i>						
Expenditure on raising funds		-	-	-	-	-
Expenditure on charitable activities		-	-	-	-	-
Family support		-	-	-	-	-
Hotel accommodation/guests		-	-	-	-	-
Expenditure - charity subsidiaries		0	0	0	0	0
Total Expenditure - Charities		1,498	1,033	2,299	4,830	5,249
Wayfindr:						
Expenditure on raising funds		-	-	-	-	3
Trading expenditure		120	-	-	120	131
Total Expenditure		1,618	1,033	2,299	4,950	5,383

Support costs relating to central services including management and administration 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 £1,618,000 (2018: £1,796,000) all of which are unrestricted.

Expenditure on charitable activities was £3,332,000 (2018: £3,502,000) of which £959,000 (2018: £1,387,000) was restricted and £1,704,000 (2018: £2,115,000) unrestricted. Wayfindr excludes recharged costs of £140,825 in 2019 (2018: £143,413).

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

4 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Basis of Allocation	Exp on raising Funds £000	Education & Training £000	Community Services £000	Total 2019 £000	Total 2018 £000
Costs directly allocated to activities						
Staff Costs	Direct	716	484	1,076	2,276	2,684
Service Costs	Direct	513	147	552	1,212	962
Total direct costs		1,229	631	1,628	3,488	3,646
Support Costs allocated to activities						
Premises	Floor area	25	37	62	124	170
Administration (Finance, HR & ICT)	Total expenditure	177	265	442	884	769
Marketing	Total expenditure	43	64	107	214	420
Research & Development	Total expenditure	18	26	44	88	99
Audit fees	Total expenditure	5	8	12	25	125
Depreciation	Total expenditure	1	2	4	7	20
Total Resources Expended		1,498	1,033	2,299	4,830	5,249

5 LEASE COMMITMENTS

At 31 December 2019, RSBC had commitments to make the following payments in total under non-cancellable operating leases of:

	Land and buildings		Other	
	2019 £000	2018 £000	2019 £000	2018 £000
Operating leases which expire:				
in less than one year	84	21	-	-
between one and five years	31	165	-	-
after five years	-	-	-	-
	115	185	-	-

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

6 EMPLOYEES

The average headcount during the year was 83 (2018: 93).

The average number of employees of the RSBC and the group allocated based on activity were:

	2019	2018
	No. FTE	No. FTE
Education and training	16	24
Community service	23	30
Support to direct charitable activities	11	14
Fundraising	16	21
Management and administration	3	2
	<u>69</u>	<u>90</u>
	2019	2018
	£000	£000
Staff costs comprise:		
Wages and salaries*	2,557	2,889
Social Security contributions	251	287
Other pension costs	254	66
	<u>3,062</u>	<u>3,242</u>

*Total payments related to redundancy totalled £23,702 (2018: £36,661)

The key management of the charity group comprise the Chief Executive and the one executive director (three in 2018) who constitute the Corporate Team. Their total employment benefits in the year were £257,967 (2018: £422,315).

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

	2019	2018
£60,001 to £70,000	4	2
£70,001 to £80,000	1	2
£80,001 to £90,000	0	1
£90,001 to £100,000		
£100,000 to £110,000		
£110,000 to £120,000		
£120,000 to £130,000	<u>1</u>	<u>1</u>

Two were members of the Prudential money purchase scheme (2018: three).

7 TRUSTEES

No Council member received any remuneration from the RSBC during the year. There were no expenses incurred by Council members whilst on RSBC activities (2018: £0) No members were reimbursed for travel expenses in the year (2018: £226).

8 NET MOVEMENT IN FUNDS

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

	2019	2018
	£000	£000
Depreciation of Tangible Fixed Assets	7	20
Staff costs	3,062	3,242
Auditors' remuneration:		
Audit services	20	25
Non-audit services	-	-
	<u>-</u>	<u>-</u>

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

9 TANGIBLE FIXED ASSETS

	Freehold properties	Freehold properties	Fixtures and Fittings	Machinery tools and equipment	Motor vehicles	Total
	£000	£000	£000	£000	£000	£000
GROUP & CHARITY						
Cost						
At 1 January 2019	-	674	131	147	45	996
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	(3)	(3)
Revaluation	-	-	-	-	-	-
At 31 December 2019	-	674	131	147	42	993
Depreciation						
At 1 January 2019	-	-	120	143	38	301
Charge for the year	-	-	3	1	3	7
Disposals	-	-	-	-	(3)	(3)
At 31 December 2019	-	-	123	144	38	305
Net Book Values						
At 31 December 2019	-	674	7	3	4	688
At 31 December 2018	-	674	11	3	7	695
		£000	£000	£000	£000	£000
CHARITY						
Cost						
At 1 January 2019	-	57	130	143	64	394
Additions	-	-	-	4	-	4
Disposals	-	-	-	-	(19)	(19)
Revaluation	-	-	-	-	-	0
At 31 December 2019	-	57	130	147	46	379
Depreciation						
At 1 January 2019	-	-	118	130	54	300
Charge for the year	-	-	3	14	3	20
Disposals	-	-	-	-	(19)	(19)
At 31 December 2019	-	-	119	144	38	301
Net Book Values						
At 31 December 2019	-	57	11	3	7	78
At 31 December 2018	-	57	14	13	10	94

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

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

10 INVESTMENTS

Group	2019	2018
	£000	£000
Market value at 1 January 2019	1,310	1,363
Additions / realised gain	115	402
Open Market Value of disposals	(1,485)	(395)
Net investment gains	60	(60)
Market value at 31 December 2019	(0)	1,310
Cost	1,608	1,608
Investments comprise the following:		
UK Listed investments	(0)	1,224
Cash deposits	-	86
Investment in trading subsidiary (see note 11a)	-	-
	(0)	1,310

During 2019 RSBC liquidated its investment portfolio with Cazenove Investments. Previously these investments were held in a UK quoted stock market.

11 SUBSIDIARIES AND ASSOCIATED UNDERTAKINGS

a) Trading Subsidiary

RLSB Enterprises Ltd was incorporated on 27 March 2006 and commenced trading on 1 April 2006. RLSB Enterprises did not trade during 2018 or 2019.

Figures for the trading subsidiary are as follows:

	2019	2018
	£000	£000
Retained revenue reserves	-	-
Share capital held by RLSB	-	-

Wayfindr.org Limited was incorporated on 23 October 2015 as a company limited by guarantee with no share capital. The financial statements have been prepared for the 12 months ending 31 December 2019. Its audited figures are included in these consolidated accounts. The results for the subsidiary for the period are as follows:

	2019	2018
	£000	£000
Income	261	276
Expenditure	(260)	(277)
Profit/(loss)	1	(1)
Capital and Reserves at 31 December	-	-

12 DEBTORS AND PREPAYMENTS

	Group	Charity	Group	Charity
	2019	2019	2018	2018
	£000	£000	£000	£000
Trade debtors	132	132	267	266
Other debtors and prepayments	133	125	172	98
Amounts owed by subsidiary undertaking	-	10	-	74
Accrued income	1,015	1,014	169	169
	1,280	1,281	607	606

Included within accrued income are legacies of £989,864 (2018: £129,000). At the year end the Society was also due a number of legacies. The amounts due could not be accurately quantified and the receipt was not reasonably certain. However, a reasonable estimate of the total amount due would be £304,948 (2018: £360,000) but these have not been brought into the accounts due to the uncertainty of the amount receivable.

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

13 CREDITORS - amounts falling due within one year

	Group 2019 £000	Charity 2019 £000	Group 2018 £000	Charity 2018 £000
Trade creditors	259	252	242	236
Accrued expenditure	252	251	77	66
Other taxes and social security costs	58	59	66	66
Deferred income	205	180	135	90
Other creditors	24	24	16	16
Bank loans and overdrafts	0	0	169	169
	798	767	704	642
	2019 £000	2019 £000	2018 £000	2018 £000
Deferred Income				
Balance at 1 January 2019	102	90	102	102
Amounts released to income	(102)	(90)	(102)	(102)
Amounts deferred in the period	205	180	135	90
Balance at 31 December 2019	205	180	135	90

14 STATEMENT OF FUNDS

	1 Jan 2019 £000	Income £000	Expenditure & Losses £000	Transfers £000	31 Dec 2019 £000
Permanent endowment funds					
Fox Musical Scholarship Fund	25	-	-	-	25
	25	-	-	-	25
Other Restricted Funds					
Employment and Adult Services	24	20	(46)	-	(2)
City Bridge Trust	7	39	(40)	-	6
Erasmus + Employment	31	-	(26)	-	5
Fox capital	1	-	-	-	1
Legacies	42	-	-	-	42
ESFA Grants	9	-	(9)	-	(0)
Blind Independence Greenwich	-	-	-	-	0
Big Lottery Fund Reaching Communities	70	155	(156)	-	69
BIG Lottery - Wayfindr Grant	-	89	(89)	-	0
Family Support	62	150	(37)	-	175
National Lottery Fund UK Portfolio	-	443	(306)	-	137
Children & Young People	70	172	(156)	-	86
Youth Investment Fund	39	69	(42)	-	66
Erasmus + Mind in Sight	-	29	(18)	-	11
Erasmus + Youth Voice	5	-	(5)	-	0
Young People's ICT Grants	37	-	(29)	-	8
Restricted Funds - charity and group	394	1,166	(959)	-	605
Total Restricted Funds	420	1,166	(959)	-	630
Unrestricted Funds					
Designated Funds					
Education	387	-	(387)	-	-
General Funds	1,339	2,979	(3,543)	-	775
Unrestricted Funds - charity and group	1,726	2,979	(3,930)	-	775
Total Funds - Group	2,146	4,145	(4,889)	-	1,404

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

14 STATEMENT OF FUNDS (CONTINUED)

	1 Jan 2018 £000	Income £000	Expenditure & Losses £000	Transfers £000	31 Dec 2018 £000
Permanent endowment funds					
Fox Musical Scholarship Fund	25	-	-	-	25
	25	-	-	-	25
Other Restricted Funds					
Employment and Adult Services	19	107	(99)	(3)	24
City Bridge Trust		32	(25)		7
Erasmus + Employment	2	36	(7)		31
Fox capital				-	
BJC Nursery	1	-	0	-	1
Legacies	127	508	(593)	0	42
ESFA Grants	0	9	0	0	9
Blind Independence Greenwich	0	-	0	-	0
National Lottery Fund Reaching Communities	50	75	(55)	-	70
Big Lottery - Wayfinder Grant	0	157	(157)	0	-
Family Support	34	148	(120)	0	62
National Lottery Fund UK Portfolio					
Children & Young People	104	218	(255)	3	70
Youth Investment Fund	21	69	(51)	0	39
Erasmus + Mind in Sight					
Erasmus + Youth Voice		30	(25)		5
Young People's ICT Grants	37	-	-	-	37
Restricted Funds - charity and group	396	1,388	(1,387)	-	396
Total Restricted Funds	420	1,388	(1,387)	-	421
Unrestricted Funds					
Designated Funds					
Education	387	-	0	-	387
General Funds	1,894	3,500	(4,055)	-	1,339
Unrestricted Funds - charity and group	2,281	3,500	(4,055)	-	1,726
Total Funds - Group	2,701	4,888	(5,442)	-	2,147

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

14 STATEMENT OF FUNDS (Continued)

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 young adults.

Big Lottery - Grants to improve social interaction and employability for visually impaired people and to help them lead independent lives.

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 partially 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.

15 LIABILITY OF MEMBERS

The RSBC (formerly the RLSB) is a company limited by guarantee and has no share capital. The liability of the members of RSBC is limited to £1 per member.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £000	Designated funds £000	Restricted funds £000	Permanent Endowment Funds £000	Total £000
Fixed Assets					
Tangible assets	688	-	-	-	688
Investments	(25)	-	-	25	0
	<u>663</u>	<u>-</u>	<u>-</u>	<u>25</u>	<u>688</u>
Current Assets					
Debtors	1,280	-	-	-	1,280
Cash and Bank balances	(370)	0	605	-	235
	<u>910</u>	<u>0</u>	<u>605</u>	<u>-</u>	<u>1,515</u>
Creditors					
Amounts falling due within one year	(798)	-	-	-	(798)
Net Current (Liabilities)/Assets	<u>112</u>	<u>0</u>	<u>605</u>	<u>-</u>	<u>717</u>
Pension scheme deficit	-	-	-	-	-
NET ASSETS	<u>775</u>	<u>0</u>	<u>605</u>	<u>25</u>	<u>1,405</u>

The Designated Fund represents amounts earmarked to expand education activities.

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

17 FINANCIAL INSTRUMENTS

	2019	2018
	£000	£000
Group:		
Financial assets at amortised costs (a)	499	509
Financial liabilities at amortised costs (b)	536	334
Financial assets at fair value (c)	0	1,310
Charity:		
Financial assets at amortised costs (a)	457	374
Financial liabilities at amortised costs (b)	528	318
Financial assets at fair value (c)	0	1,310

(a) Financial assets measured at amortised cost include: short term deposits, cash in hand trade debtors, other debtors and accrued income

(b) Financial liabilities measured at amortised cost include: trade creditors, other creditors, accruals and deferred income

(c) Financial assets held at fair value include assets held as investments

18 PENSION SCHEMES

a) RLSB PENSION SCHEMES

The employer operates a defined benefit pension scheme in the UK. The disclosures set out below are based on calculations carried out as at 31 December 2019 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 2019, updated approximately to 31 December 2019. The results of the calculations and the assumptions adopted are shown below.

At the balance sheet, the employer is required to make contributions to the Scheme at the rates set out in the Schedule of Contributions dated 11 May 2017. The total employer contribution assumed to be made in the year commencing 1 January 2020 is £nil.

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

Principal Assumptions

	2019	2018
	Per annum	Per annum
Discount rate	1.95%	2.77%
Retail Prices index (RPI) inflation	3.25%	3.30%
Retail Price index (CPI) inflation	2.25%	2.30%
Future increases in deferred pensions	2.25%	2.30%
Rate of increase to pensions in payment: RPI, max 5% pa	3.15%	3.30%
	2019	2018
Future life expectancy of male aged 65 at balance sheet date	21.8	22.0
Future life expectancy of male achieving age 65 20 years after balance sheet date	23.1	23.4
Future life expectancy of female aged 65 at balance sheet date	24.0	23.9
Future life expectancy of female achieving age 65 20 years after balance sheet date	25.5	25.4

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

Asset Breakdown

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

	2019	2018
Corporate bonds	24.4%	23.7%
Gilts	21.8%	22.0%
Insured assets	3.6%	4.5%
Equities and alternatives	30.6%	27.8%
Cash and other	19.6%	22.0%
Total	<u>100.0%</u>	<u>100.0%</u>

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

Net defined benefit asset (liability):

	2019 £000	2018 £000
Fair value of scheme assets	19,375	17,389
Present value of defined benefit obligations	<u>16,241</u>	<u>16,308</u>
Surplus/(deficit) in the Scheme	3,134	1,081
Restriction to the amount that can be recognised under paragraph 28.22 of FRS 102	<u>(3,134)</u>	<u>(1,081)</u>
Defined benefit asset/(liability) recognised in balance sheet	<u>-</u>	<u>-</u>

Total expense recognised in Statement of Financial Activities (SOFA)

	2019 £000	2018 £000
Current service cost	-	-
Administration expenses	169	245
Recognised in arriving at operating profit	<u>169</u>	<u>245</u>
Total recognised in the SOFA	<u>169</u>	<u>245</u>

Total amounts taken to Other Comprehensive Income

	2019 £000	2018 £000
Actuarial return on scheme assets - gains and (losses)	3,023	(263)
Less: amounts included in net interest on the net defined benefit liability	<u>(440)</u>	<u>(408)</u>
Remeasurement gains and (losses)		
- Return on scheme assets excluding interest income	2,583	(671)
Remeasurement gains and (losses)		
- Actuarial gains and (losses) on defined benefit obligation	(361)	607
Remeasurement gains and (losses)		
- Changes to the restriction under paragraph 28.22 of FRS 102	(2,053)	259
Remeasurement gain/(loss) recognised in Other Comprehensive Income	<u>169</u>	<u>195</u>

Changes in the present value of the defined benefit obligation

	2019 £000	2018 £000
Present value of defined benefit obligation at the beginning of period	16,308	16,824
Benefits paid including expenses	(1,037)	(1,051)
Current service costs		
Administration costs	169	245
Interest cost	440	408
Remeasurement gains and (losses)		
- Actuarial gains and (losses)	361	(607)
Employee contributions	-	-
Past service costs including curtailments		489
Effects of settlements	-	-
Present value of defined benefit obligation at the end of period	<u>16,241</u>	<u>16,308</u>

THE ROYAL SOCIETY FOR BLIND CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

Changes in the fair value of assets

	2019	2018
	£000	£000
Fair value of scheme assets at the beginning of period	17,389	18,653
Interest income	440	408
Remeasurement gains and (losses)		
- Return on scheme assets excluding interest income	2,583	(671)
Contributions by employer	-	50
Employee contributions		
Benefits paid including expenses	(1,037)	(1,051)
Fair value of scheme assets at end of period	<u>19,375</u>	<u>17,389</u>

18 PENSION SCHEMES

b) ROYAL SOCIETY FOR BLIND CHILDREN PENSION SCHEMES

The charity operates a defined benefit pension scheme providing benefits based on final pensionable earnings and a stakeholder scheme for its employees. The employer contributions payable to the schemes for the period totalled £15,858 (2018: £15,050).

Employer contributions payable to the schemes were 15.2% and employee contributions up to 10% (dependent on the rate of employee salary). There were no employees contributing to the Scheme in the year (2018: none).

The following disclosures relate to the defined benefit pension scheme as no such disclosures are required for the stakeholder scheme as this is defined contribution only.

The Royal Society for Blind Children participates in the Scottish Voluntary Sector Pension Scheme (the Scheme). The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and was contracted-out of the state scheme until 31 March 2010, when the Scheme was closed to future accrual.

The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate until 30 September 2007. From October 2007 there were two benefit structures available, final salary with a 1/60th accrual rate and a final salary with an 1/80th accrual rate, until the date of Scheme closure on 31 March 2010.

The Scheme closed to future accrual on 31 March 2010. There is currently no intention to wind-up the Scottish Voluntary Sector Pension Scheme and it continues in paid-up form.

It is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. This is because the scheme is a multi-employer scheme where the scheme assets are co-mingled for investment purposes and benefits are paid from total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS102 represents the employer contribution payable.

19 POST BALANCE SHEET EVENT

On 26th August 2020, the RSBC completed the sale of land at Seal Drive, Sevenoaks, obtaining net receipts of £574,404. The land is included as a fixed asset in the balance sheet at 31 December 2019 at its net book value of £550,000, and so will realise a profit on disposal of £24,404 in the accounts to 31 December 2020. In the light of the Covid-19 pandemic, our other significant assets were tested for impairment. No material risk of impairment has been identified.

20 RELATED PARTY TRANSACTIONS

The charity had six subsidiary/associated undertakings during the year, four of which were dormant (see Note 1). Of these, there were transactions with the following entities:

- Wayfindr.org Ltd. Wayfindr.org Ltd owed RSBC £7,500 at the year ended 31 December 2019 (2018: £64,362)

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.