

**GREATER LONDON FUND FOR THE BLIND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006**

Company No. 3693002

**WILKINS KENNEDY
Chartered Accountants
Bridge House
London Bridge
LONDON SE1 9QR**

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GREATER LONDON FUND FOR THE BLIND

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Greater London Fund For The Blind

Reference and Administrative Details

Patron	HRH The Countess of Wessex
Trustees	D Hawkins (Chair) S Jack (Treasurer) L Clarke F Hibbert F Luck G Prentice M Robinson D Scott-Ralphs
Chief Executive	R E (Cass) Edwards
Charity Registration Number	1074958
Company Registration Number	3693002
Registered Office	12 Whitehorse Mews 37 Westminster Bridge Road London SE1 7QD
Auditors	Wilkins Kennedy Bridge House London Bridge London SE1 9QR
Bankers	National Westminster Bank plc 91 Westminster Bridge Road London SE1 7HW
Solicitors	Gregory, Rowcliffe & Milners 1 Bedford Row London WC1R 4BZ

Greater London Fund For The Blind

Report of The Trustees

The Trustees, who are also directors for the purposes of the Companies Act 1985, present their report and their financial statements for the year ended 31 March 2006, which have been prepared in accordance with that Act, the Charities Act 1993 and the governing instrument.

Structure, Governance And Management

Governing Instrument

The Greater London Fund for the Blind ('the Fund' or 'the Charity') is a registered charity, number 1074958, and a company limited by guarantee under company number 3693002.

The Charity's objects and regulations are determined by the Memorandum and Articles of Association dated 8 January 1999 which replace the constitution of the original unincorporated charity inaugurated in 1923 and last amended on 21 April 1997.

On 8 November 2005 the Charity formally adopted a new Memorandum and Articles of Association which replaced those previously adopted.

Recruitment and Appointment of Trustees

The Governing Body is made up of four trustees who are appointed from amongst the Member Societies, all of which provide services for people who are visually impaired, two Honorary Officers and three independent trustees. Each trustee also holds the office of Director of the Company for the purposes of company law and is subject to re-election by rotation as set out in the revised constitution by the membership.

Member trustees, having put themselves forward for election, are appointed as a result of a postal ballot of the members. Their appointment is for a period of three years, following which a further election will take place.

The trustees who served during the year were as follows:

D Hawkins - Chairman *		F Luck *	
S Jack – Treasurer *		D Pearce	to 8 November 2005
K Brown	to 8 November 2005	G Prentice	appointed 8 March 2006
L Clarke *		G Robinson	to 8 November 2005
B Duncan	to 8 November 2005	M Robinson	appointed 8 March 2006
F Hibbert *		D Scott-Ralphs *	
R James	to 8 November 2005	A Staples	to 8 November 2005

* = Elected to serve following appointment on 8 November 2005, upon acceptance of the new constitution.

The Secretary of the Charity is Mrs I McKeown who was appointed by the Board on 25 July 2005.

Induction and Training of Trustees

Potential trustees are invited to attend meetings of the Board in advance of their proposal as trustees. In addition the Chief Executive arranges a phased programme of induction and meetings, as appropriate to the needs of each individual appointment.

Organisational Structure

The Board of Trustees is responsible for the strategic management and planning of the charity and approves the budgets and allocations. The Board meets four times a year.

A Special Projects Advisory Group meets twice yearly to consider applications from external charitable organisations for funds in support of work with people with a visual impairment and report on grants awarded to the Board of Trustees. This Group is currently made up of the Honorary Officers and the Chief Executive, with the intention to appoint further, co-opted members with relevant expertise in the sensory field.

The day to day management of the charity is delegated to the Chief Executive.

Greater London Fund For The Blind

Report of The Trustees

Structure, Governance And Management (continued)

Risk Management

The trustees recognise their responsibilities with regard to risk management and to this end have endeavoured to ensure that the Fund has adequate procedures and strategies that can monitor, eliminate or manage, as appropriate, the risks faced by the organisation. The trustees have reviewed the key risks to which the Fund might be exposed, in particular those related to the operations and financial management of the Fund and are satisfied that the Fund has appropriate systems of control which manage exposure to the key risks that it faces.

Objectives and Activities

Principal Activity

The Charity's objects are to support the provision of welfare services for blind and partially sighted people, primarily but not exclusively within the area bounded by the M25 motorway. The principal activity of the Charity is fundraising.

Governance

At the AGM in November 2005 a number of Special Resolutions were passed the most significant being the revisions to the Memorandum and Articles of Association after approval for these was received from the Charity Commission. These resolutions brought to a successful conclusion several years work to reform the charity's corporate governance structure. Following the AGM a new Board of Trustees was appointed comprising the two existing Honorary Officers and four trustees nominated and confirmed by the membership. A postal ballot was subsequently held to elect two further independent trustees to add breadth and much needed fundraising expertise and contacts to the newly constituted governing body.

After a long association the following Member Societies stood down as Trustees of the GLFB: Croydon, Kingston, National Library, General Welfare (Clarity) Middlesex & Sutton. At the same time Graham Robinson resigned as a director of the Trading Company. The contribution made by the Member Societies and their representatives to the running of the GLFB over a great number of years was fully acknowledged by the Chairman at the conclusion of the AGM and the end of this historic chapter in the Funds' history.

Achievements and Performance

Fundraising

The Face to Face programme is at last beginning to produce a significant and regular flow of income from newly recruited committed donors. During the year we continued to invest in this major area of fundraising with a fifth phase currently underway. In addition the Board has set up a special designated fund to ensure sufficient resources are available to underwrite any future fundraising initiative or donor recruitment campaign. Since the inception of this programme the net funds raised from this source total some £300,000.

The start of the events year saw a continuation of the successful Legendary Dinners at the Hilton with many celebrity guests attending. This was followed by our annual corporate Golf Day played at the exclusive Royal Automobile Club in the delightful setting of the Epsom Downs. Sponsored again by Koch Industries, golfers from the world of sport and entertainment enjoyed a splendid day's golf whilst raising funds.

The Fund was the nominated charity at a very successful Dinner and Boxing Evening at the Café Royal in November that raised over £20,000 on the night, with some fabulous items auctioned.

Our presence in the London Marathon was maintained with rare distinction this year by John Dawson, a visually impaired and physically disabled runner, who completed the course in just over 5 hours. John and ten other disabled athletes were also featured in a BBC series 'Run for Glory'. With this additional exposure, a visit to Downing Street to launch our annual flag day with Cherie Booth and most of all his dogged determination to complete the marathon course, John succeeded in raising a magnificent sum in excess of £28,000.

Finally Sir Cliff Richard and friends unveiled a Heritage Foundation plaque at the former home of Sir John Mills in Denham. This was followed by a special tribute lunch at the Grosvenor Hotel from which we stand to benefit.

Greater London Fund For The Blind

Report of The Trustees

Financial Review

With a record available surplus before distributions for the year of £1.807 million, a total allocation of £1.199 million was made. Out of this sum special grants totalling £186,800 were awarded to a number of the existing members and the Royal London Society for the Blind following the second meeting of the recently formed Special Projects Advisory Group in April. Of special note was the grant awarded to the RLSD to finance the appointment of two transition workers who will liaise with a number of agencies with the aim of making the move from school/college to employment as efficient and as well supported as possible. In making this exceptional award the trustees were delighted to renew the long association with one of its founder members.

Reserves Policy

The trustees recognise the need for the Fund to have a formal reserves policy and have agreed that, whilst making quarterly allocations to the member societies and other outside organisations, the Fund will ensure that it has adequate funds to cover at least six months running costs, some £500,000 to £600,000, in addition to having sufficient funds in reserves to finance any future fundraising initiative or opportunities (as defined with the establishment of a new Development Fund), relocation/building reserves, funds retained pending allocation by the newly created Special Projects Advisory Group funding pool, and provision for dilapidations. Whilst these reserves will primarily take the form of cash resources, the trustees also recognise that should an exceptional event occur that the Fund could have recourse to its fixed assets.

Fundraising Development Fund

The trustees agreed that a sum totalling £290,000 be designated as a Fundraising Development Fund primarily to provide a designated pool of resource to enable any future fundraising initiative to be underwritten without serious impact on those funds that would normally be available for distribution to recipient charities during the financial year. In addition, this reserve, might be applied in exceptional circumstances to help the Fund maintain a consistent policy of grant making, regardless of market conditions, with the proviso that the Board retain the right to 'undesignate' this Fund whenever it is deemed prudent or appropriate to do so.

Finally the Trading Company reported outstanding results with figures at the end of the year showing a profit of over £154,000 before provision of £25,000 for dilapidations. This was achieved despite the loss of the shop in Mitcham and the prolonged closure of our flagship shop on Hampton Hill due to the need to undertake urgent repairs and refurbishment.

Investment Policy

The investment policy of the Fund is to place all cash in interest bearing accounts with banks with a strong credit rating until distributed to members at each quarter end, holding back only funds required to finance designated future expenditure. All investment accounts are reviewed on a regular basis to ensure that the Fund gets the best return available on its deposits.

Plans for Future Periods

Looking forward

The Fund fully recognises the challenges and opportunities that lie ahead in its endeavour to generate a sustainable level of income commensurate with the needs and expectations of our member societies and those to whom they provide such valuable assistance. In addition the Fund will seek to support the work of both new and established blind charities that are able to deliver an inclusive range of services which primarily, but not exclusively, addresses the changing needs and demographics of blind and partially sighted people within the Greater London area.

HQ development

During the year planning approval was obtained for a development that will both extend and refurbish the freehold office accommodation at our headquarters in Whitehorse Mews. Once completed this building will be renamed 'Sir John Mills House', and it is hoped that our Patron, HRH The Countess of Wessex, will officially open upon completion.

Greater London Fund For The Blind

Report of The Trustees

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company and charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and of the charitable company and of the surplus or deficit of the group for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which 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 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Statement as to disclosure of information to auditors

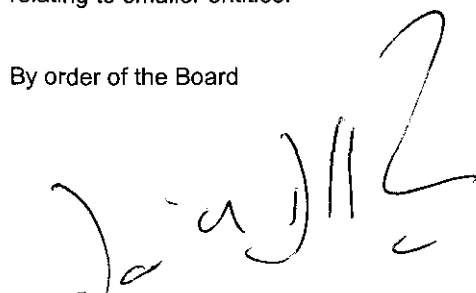
So far as the trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee and director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution for the re-appointment of Wilkins Kennedy as auditors to the company will be submitted to the Annual General Meeting, in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities' and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to smaller entities.

By order of the Board



D. HAWKINS

Date: 7 November 2006

Greater London Fund For The Blind

Independent Auditor's Report

To The Members of Greater London Fund For The Blind

We have audited the consolidated financial statements of Greater London Fund for the Blind for the year ended 31 March 2006 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Cash Flow Statement and the related notes which have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Respective responsibilities of trustees and auditors

The charity's trustees, who are also directors for the purposes of the Companies Act 1985, are responsible for the preparation of the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), as set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Trustees is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

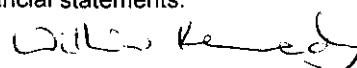
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to charitable companies and smaller entities, of the state of affairs of the group and of the charitable company as at 31 March 2006 and of the incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Trustees is consistent with the financial statements.

Bridge House
London Bridge
LONDON
SE1 9QR


Wilkins Kennedy
Chartered Accountants
& Registered Auditor

8 November 2006

Greater London Fund For The Blind
Consolidated Statement of Financial Activities
For The Year Ended 31 March 2006

		Total Funds	
	Notes	2006 £	2005 £
Incoming resources			
Incoming resources from generated funds:			
Voluntary income	2	2,684,769	2,357,695
Activities for generating funds:			
Trading company income	8	618,349	598,514
Investment income		101,442	63,539
Total incoming resources		3,404,560	3,019,748
Resources expended			
Cost of generating funds:			
Face to face fundraising		494,957	307,998
General fundraising		597,512	596,584
Trading company expenditure		494,698	448,090
Charitable expenditure			
Distribution to member societies	4	1,012,442	1,126,759
Grants to individual charities	5	186,800	-
Governance costs		10,357	20,278
Total resources expended	3 – 6	2,796,766	2,499,709
Net incoming resources before other recognised gains		607,794	520,039
Other recognised gains:			
Gains on investments		7,000	-
Net incoming resources		614,794	520,039
Total funds brought forward		1,396,824	876,785
Total funds carried forward	14	£2,011,618	£1,396,824

All incoming resources and resources expended derive from continuing activities.

There were no recognised gains or losses other than those shown in the above Statement of Financial Activities. A separate Income and Expenditure Account is not required since the net movement in funds equates to net income/(expenditure) for the year, without adjustment.

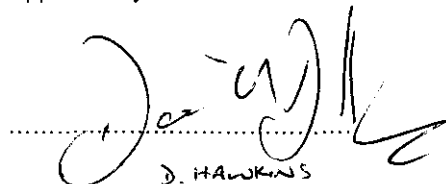
The notes on pages 10 to 18 form part of these financial statements.

Greater London Fund For The Blind
Consolidated and Charity Balance Sheets
As at 31 March 2006

	Notes	2006 Group £	2005 Group £	2006 Charity £	2005 Charity £
Fixed assets					
Tangible assets	7	330,462	291,114	242,778	244,125
Investments	8	-	-	100	100
		<u>330,462</u>	<u>291,114</u>	<u>242,878</u>	<u>244,225</u>
Current assets					
Debtors	9	111,373	184,533	141,243	199,673
Investments	10	16,000	9,000	16,000	9,000
Cash at bank and in hand		376,742	161,567	274,249	50,634
Cash on short term deposit		1,968,809	1,489,826	1,968,808	1,489,826
		<u>2,472,924</u>	<u>1,844,926</u>	<u>2,400,300</u>	<u>1,749,133</u>
Creditors: Amounts falling due within one year	11	(620,939)	(610,154)	(586,594)	(580,135)
Net current assets		<u>1,851,985</u>	<u>1,234,772</u>	<u>1,813,706</u>	<u>1,168,998</u>
Total assets less current liabilities		2,182,447	1,525,886	2,056,584	1,413,223
Creditors: Amounts falling after more than one year	12	(45,833)	(16,666)	(45,833)	(16,666)
Provision for liabilities	13	(124,996)	(112,396)	-	-
Net assets		<u>£2,011,618</u>	<u>£1,396,824</u>	<u>£2,010,751</u>	<u>£1,396,557</u>
Funds					
Unrestricted funds:					
- Designated funds	14	1,143,796	638,796	1,143,796	638,796
- General reserve	14	867,822	758,028	866,955	757,761
		<u>£2,011,618</u>	<u>£1,396,824</u>	<u>£2,010,751</u>	<u>£1,396,557</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities and with the Financial Reporting Standard for Smaller Entities (January 2005).

Approved by the Board of trustees on 7 November 2006 and signed on their behalf by:


D. HAWKINS

The notes on pages 10 to 18 form part of these financial statements.

Greater London Fund For The Blind

Consolidated Cash Flow Statement

For the Year Ended 31 March 2006

Reconciliation of surplus to net cash flow from operations		2006	2005
		£	£
Net movement in funds before distributions and grants		1,807,036	1,646,798
Depreciation		26,840	28,289
Tax credit in trading subsidiary		-	(9,726)
(Increase) decrease in debtors		73,160	(35,422)
(Increase) decrease in creditors and provisions		52,552	(54,275)
Net cash inflow from operations before distributions		£1,959,588	£1,575,664
CASH FLOW STATEMENT			
	Note	£	£
Net cash inflow from operations		1,959,588	1,575,664
Distributions paid to member societies		(1,012,442)	(1,135,484)
Grants to individual charities		(186,800)	-
		<u>760,346</u>	<u>440,180</u>
Taxation		-	6,440
Capital expenditure			
Payments to acquire tangible fixed assets		(66,188)	(32,320)
		<u>694,158</u>	<u>414,300</u>
Management of liquid resources			
Net increase in short term deposits		(478,983)	(717,217)
		<u>£215,175</u>	<u>£(302,917)</u>
Increase (decrease) in cash			
Reconciliation of net cash flow to movement in net funds		£	£
Increase (decrease) in cash in the year		215,175	(302,917)
Net cash flow from increase in short term deposits		478,983	717,217
		<u>694,158</u>	<u>414,300</u>
Movement in net funds in the year			
Net funds at 31 March 2005		1,651,393	1,237,093
Net funds at 31 March 2006	15	£2,345,551	£1,651,393

The notes on pages 10 to 18 form part of these financial statements.

Greater London Fund For The Blind

Notes To The Consolidated Financial Statements

For the Year Ended 31 March 2006

1. Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historical cost convention with the exception of listed investments which have been stated at their market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), applicable UK Accounting Standards and the Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2005), issued in March 2005.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has utilised the provisions of paragraph 3 (3) of schedule 4 of the Companies Act 1985 and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charitable company as permitted by section 230 of the Companies Act 1985 and paragraph 397 of the SORP.

1.2 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income including legacies, sponsorship, donations and gifts is included in full in the Statement of Financial Activities when receivable. Legacies are included when the charity is advised by the personal representative of an estate that payment will be made and the amount involved can be quantified with reasonable certainty.
- Incoming resources from charitable activities includes income from performance fees received under contract. Grant income included in this category provides funding to support performance activities, touring or education projects and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.
- Investment income is included when receivable.

1.3 Resources expended

Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Distributions to member societies represent the amount of income of the charity which is distributable to the member societies of the charity in accordance with its objects and constitutions. The distributions make up more than 5% of the charity's total expenditure.
- Governance costs include those incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements.

Greater London Fund For The Blind

Notes To The Consolidated Financial Statements

1. Accounting policies (continued)

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on tangible fixed assets, other than freehold land, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:-

Freehold building	-	over 50 years
Leasehold improvements	-	over the life of the lease
Furniture and fittings	-	over 10 years
Models and collection materials	-	over 5 years
Office equipment and motor vehicles	-	over 3 to 5 years

1.5 Investments

Investments are included at market value at the balance sheet date. Any loss or gain on revaluation is taken to the Statement of Financial Activities.

1.6 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

1.7 Pensions

The Fund contributes to defined contribution personal pension schemes for certain employees. The assets of the schemes are held separately from those of the undertaking in independently administered funds. The pension cost charge represents contributions payable by the Fund to the schemes.

1.8 Dilapidations provision

Provision is made for dilapidations on leasehold properties where the group has a contractual obligation to bear such costs. The provision for these costs is based on the results of an external Chartered Surveyor's report. Provision is made for the expected cost of such dilapidations, in accordance with Financial Reporting Standard No.12, over the term of the lease and is reviewed annually.

1.9 Funds accounting

Restricted funds – these are funds that can only be used for specific restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

1.10 Taxation

The company is a registered charity and is therefore entitled to the exemptions from corporation tax afforded by section 505 of the Income and Corporation Taxes Act 1988. Accordingly, there is no corporation tax charge in these financial statements.

Greater London Fund For The Blind

Notes To The Consolidated Financial Statements

2.	Voluntary income	2006 £	2005 £
	Legacies (note 2.1)	1,118,771	851,374
	Donations from individuals	1,481,093	1,380,703
	Corporate and trust donors	41,180	31,278
	Special events income	43,725	94,340
		<u>£2,684,769</u>	<u>£2,357,695</u>

2.1 Legacies

The charity has been notified of certain legacies which have not been accrued due to uncertainty as to the amount receivable. An estimated value of these legacies is £350,000.

3.	Total Resources Expended	Distributions and grants £	Staff costs £	Support costs £	Total £
	Cost of generating funds:				
	Face to face fundraising	-	-	494,957	494,957
	General fundraising	-	318,036	279,476	597,512
	Trading company expenditure	-	194,165	300,533	494,698
	Charitable activities:				
	Distribution to member societies (note 4)	1,012,442	-	-	1,012,442
	Grants to individual charities (note 5)	186,800	-	-	186,800
	Governance costs	-	1,568	8,789	10,357
		<u>£1,199,242</u>	<u>£513,769</u>	<u>£1,083,755</u>	<u>£2,796,766</u>

All costs are allocated between the expenditure categories noted above on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, for example, time spent, per capita or floor area.

	2006 £	2005 £
Support costs include:		
Auditors' remuneration:		
For audit (Charity: £4,289)	9,140	9,113
For other services	1,381	2,966
Trustees' liability insurance	742	1,286
Depreciation of owned assets	26,840	28,289
Operating lease rentals	<u>248,355</u>	<u>179,105</u>

Greater London Fund For The Blind

Notes To The Consolidated Financial Statements

4. Distribution To Member Societies	2006 £	2005 £
Croydon Voluntary Association for the Blind	56,000	75,520
Charity – Employment for Blind People	98,000	114,047
Kingston upon Thames Association for the Blind	42,000	42,667
Merton Vision	42,000	39,267
Metropolitan Society for the Blind	238,000	275,073
The Middlesex Association for the Blind	98,000	100,471
National Library for the Blind	98,000	106,325
SeeAbility	238,000	279,258
Surrey Association for Visual Impairment	56,000	45,456
Sutton Association for the Blind	42,000	42,667
	<u>1,008,000</u>	<u>1,120,751</u>
Additional "Geranium Day" funds raised for distribution to Local Associations and Clubs for the Blind	4,442	6,008
Total Distributions	<u>£1,012,442</u>	<u>£1,126,759</u>

5. Grants to Individual Charities £

The following special grants were awarded to institutions in the year:

Croydon Association for the Blind	25,000
Kingston Association for the Blind	11,800
MertonVision	25,000
Middlesex Association for the Blind	12,500
National Library for the Blind	25,000
Royal London Society for the Blind	50,000
Surrey Association for Visual Impairment	25,000
Sutton Association for the Blind	12,500
	<u>£186,800</u>

Greater London Fund For The Blind

Notes To The Consolidated Financial Statements

6. Staff Costs	2006 £	2005 £
Wages and salaries	460,755	461,391
Social security costs	40,510	41,596
Other pension costs	12,504	15,832
	<u>£513,769</u>	<u>£518,819</u>

The trustees received no remuneration or reimbursement of expenses during the year under review (2005: £Nil). There was one employee whose emoluments exceeded £60,000 during the year and whose emoluments fell in the band £90,001 to £100,000 (2005: one).

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

Office and management	11	11
Fund raising, publicity and collections	15	18
Trading activities	16	16
	<u>42</u>	<u>45</u>

The charitable company contributes to defined contribution personal pension schemes for certain employees. The assets of the schemes are held separately from those of the undertaking in independently administered funds. The pension cost charge of £12,504 (2005: £15,832) represents contributions payable by Greater London Fund for the Blind to those schemes.

7. Tangible Fixed Assets	Freehold Building (note 7.1)	Motor Vehicle	Improvement to leasehold properties	Furniture & office equipment	Models and collection materials	Total
Group	£	£	£	£	£	£
Cost						
At 1 April 2005	278,513	12,895	111,094	206,713	20,905	630,120
Additions	9,341	-	48,022	8,825	-	66,188
Disposals	-	-	(2,955)	-	-	(2,955)
At 31 March 2006	<u>287,854</u>	<u>12,895</u>	<u>156,141</u>	<u>215,538</u>	<u>20,905</u>	<u>693,353</u>
Depreciation						
At 1 April 2005	56,533	645	85,604	175,319	20,905	339,006
Charge for the year	5,561	2,579	4,989	13,711	-	26,840
Eliminated on disposal	-	-	(2,955)	-	-	(2,955)
At 31 March 2006	<u>62,094</u>	<u>3,224</u>	<u>87,638</u>	<u>189,030</u>	<u>20,905</u>	<u>362,891</u>
Net book value						
At 31 March 2006	<u>£225,760</u>	<u>£9,671</u>	<u>£68,523</u>	<u>£26,508</u>	<u>£ -</u>	<u>£330,462</u>
At 31 March 2005	<u>£221,980</u>	<u>£12,250</u>	<u>£25,490</u>	<u>£31,394</u>	<u>£ -</u>	<u>£291,114</u>

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7.	Tangible Fixed Assets (continued)	Freehold Building (note 7.1) £	Furniture & office equipment £	Models & collection materials £	Total £
	The Charity				
	Cost				
	At 1 April 2005	278,513	126,303	20,905	425,721
	Additions	9,341	3,783	-	13,124
	At 31 March 2006	287,854	130,086	20,905	438,845
	Depreciation				
	At 1 April 2005	56,533	104,158	20,905	181,596
	Charge for the year	5,561	8,910	-	14,471
	At 31 March 2006	62,094	113,068	20,905	196,067
	Net book value				
	At 31 March 2006	£225,760	£17,018	£ -	£242,778
	At 31 March 2005	£221,980	£22,145	£ -	£244,125

7.1 Freehold building includes assets under construction with a cost of £9,341 that are not depreciated.

8.	Investments	2006 £	2005 £
	Shares in wholly owned subsidiary undertaking at cost	£100	£100

The subsidiary undertaking incorporated in the United Kingdom is G.L.F. Charitable Purposes Trading Company Limited, the principal activity of which is the operation of charity shops selling donated goods. The available profits for the year can be distributed by way of gift aid payments to the Greater London Fund for the Blind. A summary of the results of the trading company is shown below. Audited accounts will be filed with the Registrar of Companies.

Profit and loss account	2006 £	2005 £
Turnover	618,350	598,514
Direct costs	(457,298)	(428,651)
Gross profit	161,052	169,863
Administrative expenses	(32,452)	(21,984)
Profit before tax	128,600	147,879
Taxation	-	9,726
Net profit	128,600	157,605
Amount paid under gift aid	(128,000)	(158,000)
Retained in subsidiary	£600	£(395)

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9.	Debtors	Group		Charity	
		2006 £	2005 £	2006 £	2005 £
	Amounts due from subsidiary undertaking	-	-	4,789	2,543
	Payments under gift aid due from subsidiary	-	-	69,000	58,000
	Income tax recoverable	50,851	37,891	50,851	37,891
	Other debtors	14,413	14,606	6,589	9,684
	Prepayments and accrued income	46,109	62,036	10,014	21,555
	Accrued legacy income	-	70,000	-	70,000
		<u>£111,373</u>	<u>£184,533</u>	<u>£141,243</u>	<u>£199,673</u>
10.	Current Asset Investments	Group		Charity	
		£	£	£	£
	Listed investments:				
	Market value at 1 May	9,000	9,000	9,000	9,000
	Unrealised gain on investments	7,000	-	7,000	-
	Market value at 30 April	<u>£16,000</u>	<u>£9,000</u>	<u>£16,000</u>	<u>£9,000</u>
11.	Creditors: Amounts falling due within one year	Group		Charity	
		£	£	£	£
	Trade creditors	47,958	25,532	35,189	18,718
	Tax and social security	10,762	12,226	8,636	10,723
	Sundry creditors and accruals	116,496	129,787	97,046	108,085
	Balance awaiting distribution	445,723	442,609	445,723	442,609
		<u>£620,939</u>	<u>£610,154</u>	<u>£586,594</u>	<u>£580,135</u>
12.	Creditors: Amounts falling due after more than one year	Group		Charity	
		£	£	£	£
	Balance awaiting distribution	<u>£45,833</u>	<u>£16,666</u>	<u>£45,833</u>	<u>£16,666</u>
13.	Provision for Liabilities Group	2006 £		2005 £	
	Dilapidation provision	<u>£124,996</u>		<u>£112,396</u>	
13.1	Dilapidation Provision	2006 £		2005 £	
	Balance brought forward	112,396		138,839	
	Provided in year	25,000		-	
	Utilised	<u>(12,400)</u>		<u>(26,443)</u>	
	Balance carried forward	<u>£124,996</u>		<u>£112,396</u>	

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14. Unrestricted Funds	Balance 1 April 2005 £	Incoming Resources £	Resources Expended £	Gains/ Transfers £	Balance 31 March 2006 £
Designated funds:					
- Dilapidation reserve	112,396	25,000	(12,400)	-	124,996
- Premises reserve	150,000	-	-	50,000	200,000
- Special awards fund	61,400	-	-	205,400	266,800
- Face to Face fundraising	315,000	-	(203,000)	150,000	262,000
- Fundraising development fund	-	-	-	290,000	290,000
General reserve:					
- The Charity	757,761	2,761,210	(2,092,216)	(559,800)	866,955
- Subsidiary undertaking	267	618,350	(489,150)	(128,600)	867
	£1,396,824	£3,404,560	£(2,796,766)	£7,000	£2,011,618

The trustees have designated funds for dilapidation costs which may be required under the terms of leases on properties in the subsidiary company.

The premises reserve represents an amount designated by the trustees to cover the estimated costs of proposed building work at the Fund's offices.

The trustees designated a further amount of £205,400 to the Special Awards Fund, to which external charities working in the field of blind welfare and member societies can apply for additional resources.

The trustees also agreed to designate an amount of £150,000 to finance part of the sixth phase of recruitment under the Face-to-Face fundraising initiative.

The trustees agreed that a sum totalling £290,000 be designated as a Fundraising Development Fund primarily to provide a designated pool of resource to enable any future fundraising initiative to be underwritten without serious impact on those funds that would normally be available for distribution to recipient charities during the financial year. In addition, this reserve, might be applied in exceptional circumstances to help the Fund maintain a consistent policy of grant making, regardless of market conditions, with the proviso that the Board retain the right to 'undesignate' this Fund whenever it is deemed prudent or appropriate to do so.

15. Analysis of Net Funds	At 1 April 2005 £	Cash flow £	Non-cash changes £	At 31 March 2006 £
Cash at bank and in hand	161,567	215,175	-	376,742
Cash on short term deposit	1,489,826	-	478,983	1,968,809
	£1,651,393	£215,175	£478,983	£2,345,551

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16. Financial Commitments

At 31 March 2006 the group has annual commitments under non-cancellable operating leases as follows:-

Leasehold properties	Group		Charity	
	2006 £	2005 £	2006 £	2005 £
Leases which expire within one year	-	14,750	-	-
Between two and five years	150,500	92,500	82,000	24,000
After five years	97,855	75,355	-	-

17. Capital Commitments

At 31 March 2006 capital expenditure totalling £210,913 had been contracted for in respect of the redevelopment of the charity's headquarters at Whitehorse Mews.

18. Related Party Transactions

All directors of the Greater London Fund for the Blind except Messrs. D Hawkins, S Jack, G Prentice and M Robinson are employees or officers of the charity's member societies to whom amounts totalling £1,012,442 (2005: £1,126,759) have been allocated in respect of distributions, of which £491,556 (2005: £459,275) remained unpaid at the year end.