

**GREATER LONDON FUND FOR THE BLIND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**

**Company No 3693002**



## **GREATER LONDON FUND FOR THE BLIND**

### **CONTENTS**

|  | <b>Page</b> |
|--|-------------|
| Reference and Administrative Details           | 1           |
| Report of the Trustees                         | 2 - 6       |
| Independent Auditors' Report                   | 7           |
| Consolidated Statement of Financial Activities | 8           |
| Consolidated and Charity Balance Sheets        | 9           |
| Consolidated Cash Flow Statement               | 10          |
| Notes to the Consolidated Financial Statements | 11 - 19     |

## **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  
J Harris  
F Hibbert  
G Prentice  
D Scott-Ralphs

**Chief Executive** R E (Cass) Edwards

**Charity Registration Number** 1074958

**Company Registration Number** 3693002

**Registered Office** Sir John Mills House  
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 2008, 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 up to three independent trustees. Each trustee also holds the office of Director of the Company and is subject to re-election by rotation as set out in the revised constitution by the Membership

Member Trustees are appointed for a period of three years

The trustees who served during the year were as follows

D Hawkins - Chairman  
S Jack - Treasurer  
L Clarke  
J Harris  
F Hibbert  
G Prentice  
M Robinson - resigned 6 May 2008  
D Scott-Ralphs

The Company Secretary is Mrs J Laidler

##### ***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 Directors is responsible for the strategic management and planning of the charity, and the approval of budgets, allocations, retentions and any movement of the special funds held. The Board meets at least four times a year

A Special Projects Advisory Group meets twice yearly to consider applications from member societies and relevant external charitable organisations for funds in support of work with people with a visual impairment and propose the awarding of grants to the Board of Directors. This Group is currently made up of the Honorary Officers and the Chief Executive

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 endeavored to ensure that the Fund has adequate procedures and strategies that can monitor, eliminate or mitigate, as appropriate, the risks faced by the organisation. The trustees review and wherever possible or practicable act on 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 mitigate 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 with the area bounded by the M25 motorway. The principal activity of the Charity is fundraising.

##### ***Governance***

In 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 that allowed for the appointment of independent trustees to enhance our fundraising capability, expertise and contacts.

During the year the National Library for the Blind joined forces with the RNIB to become the National Library Services. As a result membership of the Fund ceased.

An interim review of allocations resulted in an earlier than planned increase in the quarterly grant paid to Kingston Association.

Finally the proposal agreed to establish a restricted Members Contingency Reserve Fund within the Development Fund has been maintained. This will facilitate the funding of core services in the event of any unforeseen reduction in the level of funds available to the board for distribution to member organisations.

##### ***Strategy***

The Fund has embarked on a comprehensive review of its core work, governance and staffing with the short-term strategy focused on how to increase fundraising income through new opportunities and partnerships.

Early meetings also identified a variety of other issues including the future composition of board but in view of timescale and resources available, it was agreed to defer the bigger strategic debate initially in order to concentrate on the 2008-9 budget income plans that were submitted.

This proposal would provide Member Directors with more time to consider and contribute their ideas on future direction, activity and change in its widest context, for both current membership and the wider constituency of blind and visually impaired people in Greater London to whom we remain fully committed to embrace.

##### ***Special Grants***

The programme of awarding special projects grants totalling £229,005 has continued. Last year this included continuation funding for four specific projects and new awards to non-member charities including The Association of Blind Asians, Extant Theatre Group and numerous other charities working in the field of blind welfare.

## **Greater London Fund For The Blind**

### **Report of The Trustees**

---

#### **Achievements, and Performance**

##### ***Fundraising Events***

The Private Dinner that was held at The Lanesborough in May 2007 and attended by our Patron HRH The Countess of Wessex and which raised almost £200,000 was reported previously. Another date has now been set for our Patron to attend a Special Reception at St James Palace early next year.

The Chairman was presented to The Duchess of Gloucester Patron of the RLSB on the occasion of 'World Sight Day'. The Chief Executive attended a Private Reception at St James Palace on the occasion of Action for Blind People's 150th anniversary in the presence of HRH Princess Alexandra.

A marvellous day of international football took place within the historic grounds of the Honourable Artillery Company. Sponsored by Koch Metal Industries (UK), a great days sport was had by all with visiting teams from Chile, Switzerland and the UK playing for a newly created trophy. The eventual winners were the Swiss team who received the trophy and other prizes from former England footballer Luther Blissett.

Once again the Fund had a team of runners in the Flora London Marathon, the majority of who were sponsored by the accountancy firm of Deloitte Touche.

A sculpture named Martin Sexton recently exhibited 'living geranium' ice sculptures entitled 'Splendid isolation' in Manchester Square WC1. There was also much interest in the work we do at an Art Exhibition in Mayfair of which was the beneficiary.

##### ***Trading***

Turnover held up extremely well throughout the majority of our shops with a record surplus reported. Our profound thanks as ever must go to the many volunteer staff with special recognition to the Retail Service Manager who with her team of shop managers continue to do an exceptional job in tough retail conditions.

Over the last twelve months the Fund has successfully re-negotiated leases and rent reviews at Kensington, West Norwood, Fulham, S. Norwood, and Marylebone. The lease on the Tolworth shop will not be renewed upon expiration.

##### ***Direct Mail & Public Collections***

The trend in the reduction of responses received to our general appeals continues but with help from Gift Aid and a slight increase in individual donations received this area of income generation continues to make a solid contribution to the overall mix of fundraising activity. The gap in year on year net income was also minimised due to certain economies and using the same appeals for both reciprocal & cold mailings.

Results from our combined Public Collection activity was not good and although personnel changes did not help, this traditional area of fundraising will continue to be heavily monitored and returns on investment critically scrutinised.

##### ***Summary***

In conclusion whilst the year under review was principally about consolidation and prudent review of our activities, the impact of reduced legacy receipts resulting in lower levels of income available for distribution to our members cannot be ignored. A change in agency to recruit new donors caused a temporary suspension in donor acquisition whilst a new supplier was being found. The effect in the short term was significantly reduced expenditure, but thanks to lower than predicted attrition levels receipts of over £600,000 was reassuring.

Income from Special Events, Corporate Gifts and fixed deposits were up with thanks largely due to Sir Donald Gosling, Marex Financial, Koch Metals, The Lanesborough hotel and countless thousands of other friends and who continue to support us in a variety of ways.

## **Greater London Fund For The Blind**

### **Report of The Trustees**

---

#### **Financial Review**

Total income for the year ended 31 March 2008 was £2,387,406 compared with £2,873,763 income in the previous year. There was a £430,000 reduction in the income received by way of legacy most of this year's legacy receipts of £101,614 compared with £535,766 in the twelve months to 31 March 2007. It is clearly difficult to predict legacy income and we remain both grateful and pleased that many people continue to remember the Fund in their wills. Donations from individuals, including those raised through our face to face programme were some £315,000 lower than in the previous year. Some £160,000 of this shortfall was recovered from a number of very generous special donations already referred to above. Income from the Trading Company's shops at £703,214 was some £9,000 higher than last year – a remarkable achievement in the given the trends in the retail sector over the second half of the period. Investment income was nearly £60,000 higher than in the year to 31 March 2007 reflecting higher average cash balances and increased interest rates.

Overall the costs of fundraising and of running the Fund were some £20,000 lower than the prior year. The Fund was able to make grants of £605,543 to Member Societies and a further £210,714 of special awards (including £110,000 of additional awards to Member Societies).

Net incoming resources after all costs, awards and other losses were £223,156 (2007 £330,833). At the end of the year the Fund carried forward total funds of £2,565,607.

#### **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 nine months running costs, some £850,000, in addition to having sufficient funds in reserves to finance any future fundraising initiative or opportunities (as defined with the establishment of a Development/Members Reserve Fund), relocation/building reserves, funds retained pending allocation by the newly created Sir John Mills Foundation/ 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.

#### **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.

## **Greater London Fund For The Blind**

### **Report of The Trustees**

---

#### **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.

During the next twelve months the board intends to concentrate its energies on the creation of a business plan that can generate new opportunities for fund acquisition and donor development.

#### **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**

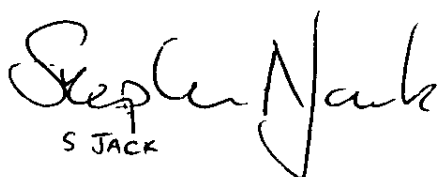
So far as the trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee and director in order to make himself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

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

  
S JACK  
5 October 2008

## 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 2008 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 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 charity'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 to smaller entities, of the state of affairs of the group and of the charitable company as at 31 March 2008 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
- the information given in the Report of the Trustees is consistent with the financial statements

Bridge House  
London Bridge  
LONDON  
SE1 9QR

  
WILLIAM KENNEDY  
Chartered Accountants  
& Registered Auditor

6 October 2008

**Greater London Fund For The Blind**

**Consolidated Statement of Financial Activities**

**For The Year Ended 31 March 2008**

|   | <b>Notes</b> | <b>2008<br/>£</b> | <b>2007<br/>£</b> |
|---|--------------|-------------------|-------------------|
| <b>Incoming resources</b>                                   |              |                   |                   |
| <b>Incoming resources from generated funds</b>              |              |                   |                   |
| Voluntary income  | <b>2</b>     | 1,526,389         | 2,079,555         |
| Activities for generating funds                             |              |                   |                   |
| Trading company income                                      | <b>8</b>     | 703,214           | 694,129           |
| Investment income   |              | 157,803           | 100,079           |
| <b>Total incoming resources</b>                             |              | <b>2,387,406</b>  | <b>2,873,763</b>  |
| <b>Resources expended</b>                                   |              |                   |                   |
| <b>Cost of generating funds</b>                             |              |                   |                   |
| Face to face fundraising                                    |              | 243,557           | 263,042           |
| General fundraising   |              | 605,018           | 619,536           |
| Trading company expenditure                                 |              | 484,851           | 471,627           |
| <b>Charitable expenditure</b>                               |              |                   |                   |
| Distribution to member societies                            | <b>4</b>     | 605,543           | 833,185           |
| Grants to individual charities                              | <b>5</b>     | 210,714           | 350,764           |
| <b>Governance costs</b>                                     |              | 12,567            | 9,026             |
| <b>Total resources expended</b>                             | <b>3 – 6</b> | <b>2,162,250</b>  | <b>2,527,180</b>  |
| <b>Net incoming resources before other recognised gains</b> |              | 225,156           | 326,583           |
| <b>Other recognised gains</b>                               |              |                   |                   |
| (Losses)/gains on investment assets                         |              | (2,000)           | 4,250             |
| <b>Net incoming resources</b>                               |              | 223,156           | 330,833           |
| <b>Total funds brought forward</b>                          |              | 2,342,451         | 2,011,618         |
| <b>Total funds carried forward</b>                          | <b>14</b>    | <b>£2,565,607</b> | <b>£2,342,451</b> |

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 11 to 19 form part of these financial statements.

**Greater London Fund For The Blind**  
**Consolidated and Charity Balance Sheets**  
**As at 31 March 2008**

|   | Notes | 2008<br>Group<br>£       | 2007<br>Group<br>£       | 2008<br>Charity<br>£     | 2007<br>Charity<br>£     |
|---|-------|--------------------------|--------------------------|--------------------------|--------------------------|
| <b>Fixed assets</b>                                       |       |                          |                          |                          |                          |
| Tangible assets   | 7     | 486,621                  | 548,358                  | 421,768                  | 469,310                  |
| Investments   | 8     | -                        | -                        | 100                      | 100                      |
|   |       | <u>486,621</u>           | <u>548,358</u>           | <u>421,868</u>           | <u>469,410</u>           |
| <b>Current assets</b>                                     |       |                          |                          |                          |                          |
| Debtors   | 9     | 97,237                   | 121,362                  | 84,316                   | 206,295                  |
| Investments   | 10    | 18,250                   | 20,250                   | 18,250                   | 20,250                   |
| Cash at bank and in hand                                  |       | 695,290                  | 281,350                  | 625,376                  | 102,237                  |
| Cash on short term deposit                                |       | 1,943,299                | 2,228,674                | 1,943,299                | 2,228,674                |
|   |       | <u>2,754,076</u>         | <u>2,651,636</u>         | <u>2,671,241</u>         | <u>2,557,456</u>         |
| <b>Creditors</b> Amounts falling due within one year      | 11    | <u>(544,242)</u>         | <u>(705,908)</u>         | <u>(528,256)</u>         | <u>(654,373)</u>         |
| <b>Net current assets</b>                                 |       | <u>2,209,834</u>         | <u>1,945,728</u>         | <u>2,142,985</u>         | <u>1,903,083</u>         |
| <b>Total assets less current liabilities</b>              |       | 2,696,455                | 2,494,086                | 2,564,853                | 2,372,493                |
| <b>Creditors</b> Amounts falling after more than one year | 12    | -                        | (31,250)                 | -                        | (31,250)                 |
| <b>Provision for liabilities</b>                          | 13    | <u>(130,848)</u>         | <u>(120,385)</u>         | <u>-</u>                 | <u>-</u>                 |
| <b>Net assets</b>   |       | <u><b>£2,565,607</b></u> | <u><b>£2,342,451</b></u> | <u><b>£2,564,853</b></u> | <u><b>£2,341,243</b></u> |
| <b>Funds</b>  |       |                          |                          |                          |                          |
| Unrestricted funds  |       |                          |                          |                          |                          |
| - Designated funds  | 14    | 1,316,683                | 1,125,930                | 1,316,683                | 1,125,930                |
| - General reserve   | 14    | 1,248,924                | 1,216,521                | 1,248,170                | 1,215,313                |
|   |       | <u><b>£2,565,607</b></u> | <u><b>£2,342,451</b></u> | <u><b>£2,564,853</b></u> | <u><b>£2,341,243</b></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 2007)

Approved by the Board of trustees on 5/10/2008 and signed on their behalf by

  
 S JACK

The notes on pages 11 to 19 form part of these financial statements

**Greater London Fund For The Blind**  
**Consolidated Cash Flow Statement**  
**For the Year Ended 31 March 2008**

| <b>Reconciliation of surplus to net cash flow from operations</b> |             | <b>2008</b>       | <b>2007</b>       |
|---|-------------|-------------------|-------------------|
|   |             | <b>£</b>          | <b>£</b>          |
| Net movement in funds before distributions and grants             |             | 1,041,413         | 1,510,532         |
| Depreciation  |             | 44,273            | 36,584            |
| Loss on disposal  |             | 22,769            | -                 |
| Decrease (increase) in debtors                                    |             | 24,125            | (9,989)           |
| (Increase) decrease in creditors and provisions                   |             | (182,453)         | 65,775            |
| <b>Net cash inflow from operations before distributions</b>       |             | <b>£950,127</b>   | <b>£1,602,902</b> |
| <b>CASH FLOW STATEMENT</b>  |             |                   |                   |
|   | <b>Note</b> | <b>£</b>          | <b>£</b>          |
| <b>Net cash inflow from operations</b>                            |             | <b>950,127</b>    | <b>1,602,902</b>  |
| Distributions paid to member societies                            |             | (605,543)         | (833,185)         |
| Grants to individual charities                                    |             | (210,714)         | (350,764)         |
|   |             | 133,870           | 418,953           |
| <b>Taxation</b>   |             | -                 | -                 |
| <b>Capital expenditure</b>  |             |                   |                   |
| Payments to acquire tangible fixed assets                         |             | (5,305)           | (254,480)         |
|   |             | 128,565           | 164,473           |
| <b>Management of liquid resources</b>                             |             |                   |                   |
| Net decrease (increase) in short term deposits                    |             | 285,375           | (259,865)         |
| <b>Increase (decrease) in cash</b>                                |             | <b>£413,940</b>   | <b>£(95,392)</b>  |
| <b>Reconciliation of net cash flow to movement in net funds</b>   |             | <b>£</b>          | <b>£</b>          |
| Increase (decrease) in cash in the year                           |             | 413,940           | (95,392)          |
| Net cash flow from increase in short term deposits                |             | (285,375)         | 259,865           |
| Movement in net funds in the year                                 |             | 128,565           | 164,473           |
| Net funds at 31 March 2007  |             | 2,510,024         | 2,345,551         |
| <b>Net funds at 31 March 2008</b>                                 | <b>15</b>   | <b>£2,638,589</b> | <b>£2,510,024</b> |

The notes on pages 11 to 19 form part of these financial statements

## **Greater London Fund For The Blind**

### **Notes To The Consolidated Financial Statements**

**For the Year Ended 31 March 2008**

---

#### **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 2007), 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.
- 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**

Current asset 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           | 2008<br>£         | 2007<br>£         |
|---|----------------------------|-------------------|-------------------|
|   | Legacies (note 2.1)        | 101,614           | 535,766           |
|   | Donations from individuals | 1,168,897         | 1,484,849         |
|   | Corporate and trust donors | 68,657            | 32,940            |
|   | Special events income      | 187,221           | 26,000            |
|   |                            | <u>£1,526,389</u> | <u>£2,079,555</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 £50,000.

| 3 | Total Resources Expended                  | Distributions<br>and grants<br>£ | Staff<br>costs<br>£ | Support<br>costs<br>£ | Total<br>£        |
|---|---|----------------------------------|---------------------|-----------------------|-------------------|
|   | <b>Cost of generating funds</b>           |                                  |                     |                       |                   |
|   | Face to face fundraising                  | -                                | -                   | 243,557               | 243,557           |
|   | General fundraising                       | -                                | 381,721             | 223,297               | 605,018           |
|   | Trading company expenditure               | -                                | 193,878             | 290,973               | 484,851           |
|   | <b>Charitable activities</b>              |                                  |                     |                       |                   |
|   | Distribution to member societies (note 4) | 605,543                          | -                   | -                     | 605,543           |
|   | Grants to individual charities (note 5)   | 210,714                          | -                   | -                     | 210,714           |
|   | <b>Governance costs</b>                   | -                                | 4,017               | 8,550                 | 12,567            |
|   |   | <u>£816,257</u>                  | <u>£579,616</u>     | <u>£766,377</u>       | <u>£2,162,250</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.

|                               | 2008<br>£ | 2007<br>£ |
|-------------------------------|-----------|-----------|
| Support costs include         |           |           |
| Auditors' remuneration        |           |           |
| For audit (Charity £5,000)    | 9,350     | 9,200     |
| For other services            | 3,975     | 1,674     |
| Trustees' liability insurance | 788       | 788       |
| Depreciation of owned assets  | 44,273    | 36,584    |
| Operating lease rentals       | 266,830   | 248,355   |

# Greater London Fund For The Blind

## Notes To The Consolidated Financial Statements

| <b>4</b> | <b>Distribution To Member Societies</b>  | <b>2008<br/>£</b> | <b>2007<br/>£</b> |
|----------|--|-------------------|-------------------|
|          | Croydon Voluntary Association for the Blind  | 45,000            | 57,500            |
|          | Clarity – Employment for Blind People  | 63,000            | 80,500            |
|          | Kingston upon Thames Association for the Blind   | 39,000            | 34,500            |
|          | Merton Vision  | 45,000            | 46,000            |
|          | Metropolitan Society for the Blind   | 117,000           | 172,500           |
|          | The Middlesex Association for the Blind  | 63,000            | 80,500            |
|          | National Library for the Blind   | 21,000            | 80,500            |
|          | SeeAbility   | 117,000           | 172,500           |
|          | Surrey Association for Visual Impairment   | 45,000            | 57,500            |
|          | Sutton Association for the Blind   | 45,000            | 46,000            |
|          |  | <hr/>             | <hr/>             |
|          |  | 600,000           | 828,000           |
|          | Additional "Geranium Day" funds raised for distribution<br>to Local Associations and Clubs for the Blind | 5,543             | 5,185             |
|          |  | <hr/>             | <hr/>             |
|          | <b>Total Distributions</b>   | <b>£605,543</b>   | <b>£833,185</b>   |
|          |  | <hr/>             | <hr/>             |
| <b>5</b> | <b>Grants to Individual Charities</b>  | <b>£</b>          |                   |
|          | The following special grants were awarded to institutions in the year                                    |                   |                   |
|          | Association of Blind Asians  | 22,000            |                   |
|          | Clarity – Employment for Blind People  | 10,000            |                   |
|          | Extant Youth Theatre   | 22,000            |                   |
|          | Kingston Association for the Blind   | 25,000            |                   |
|          | Merton Vision  | 25,000            |                   |
|          | Metropolitan Society for the Blind   | 25,000            |                   |
|          | The Middlesex Association for the Blind  | 25,000            |                   |
|          | Royal London Society for the Blind   | 50,005            |                   |
|          | Royal National Institute for the Blind (RNIB)  | 25,000            |                   |
|          |  | <hr/>             |                   |
|          |  | 229,005           |                   |
|          | Grants previously awarded but not utilised   | (18,291)          |                   |
|          |  | <hr/>             |                   |
|          |  | <b>£210,714</b>   |                   |
|          |  | <hr/>             |                   |

# Greater London Fund For The Blind

## Notes To The Consolidated Financial Statements

| 6 | Staff Costs           | 2008<br>£       | 2007<br>£       |
|---|-----------------------|-----------------|-----------------|
|   | Wages and salaries    | 528,930         | 520,996         |
|   | Social security costs | 38,731          | 40,676          |
|   | Other pension costs   | 11,955          | 14,291          |
|   |                       | <u>£579,616</u> | <u>£575,963</u> |

The trustees received no remuneration or reimbursement of expenses during the year under review (2007 £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 (2007 one)

The average number of employees during the year was as follows

|   |           |           |
|---|-----------|-----------|
| Office and management                   | 9         | 11        |
| Fund raising, publicity and collections | 13        | 13        |
| Trading activities                      | 19        | 19        |
|   | <u>41</u> | <u>43</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 £11,955 (2007 £14,291) represents contributions payable by Greater London Fund for the Blind to those schemes.

| 7 | Tangible Fixed Assets   | Freehold Building | Motor Vehicle | Improvements to leasehold properties | Furniture & office equipment | Models and collection materials | Total           |
|---|-------------------------|-------------------|---------------|--------------------------------------|------------------------------|---------------------------------|-----------------|
|   | Group                   | £                 | £             | £                                    | £                            | £                               | £               |
|   | <b>Cost</b>             |                   |               |                                      |                              |                                 |                 |
|   | At 1 April 2007         | 475,814           | 12,895        | 160,741                              | 277,478                      | 20,905                          | 947,833         |
|   | Additions               | -                 | -             | -                                    | 5,305                        | -                               | 5,305           |
|   | Disposals               | (22,716)          | -             | -                                    | (2,496)                      | -                               | (25,212)        |
|   | <b>At 31 March 2008</b> | <u>453,098</u>    | <u>12,895</u> | <u>160,741</u>                       | <u>280,287</u>               | <u>20,905</u>                   | <u>927,926</u>  |
|   | <b>Depreciation</b>     |                   |               |                                      |                              |                                 |                 |
|   | At 1 April 2007         | 69,104            | 5,803         | 104,460                              | 199,203                      | 20,905                          | 399,475         |
|   | Charge for the year     | 9,516             | 2,579         | 9,139                                | 23,039                       | -                               | 44,273          |
|   | Disposals               | -                 | -             | -                                    | (2,443)                      | -                               | (2,443)         |
|   | <b>At 31 March 2008</b> | <u>78,620</u>     | <u>8,382</u>  | <u>113,599</u>                       | <u>219,799</u>               | <u>20,905</u>                   | <u>441,305</u>  |
|   | <b>Net book value</b>   |                   |               |                                      |                              |                                 |                 |
|   | <b>At 31 March 2008</b> | <u>£374,478</u>   | <u>£4,513</u> | <u>£47,142</u>                       | <u>£60,488</u>               | <u>£ -</u>                      | <u>£486,621</u> |
|   | <b>At 31 March 2007</b> | <u>£406,710</u>   | <u>£7,092</u> | <u>£56,281</u>                       | <u>£78,275</u>               | <u>£ -</u>                      | <u>£548,358</u> |

# Greater London Fund For The Blind

## Notes To The Consolidated Financial Statements

| 7 | Tangible Fixed Assets (continued) | Freehold Building | Furniture & office equipment | Models & collection materials | Total           |
|---|-----------------------------------|-------------------|------------------------------|-------------------------------|-----------------|
|   | The Charity                       | £                 | £                            | £                             | £               |
|   | <b>Cost</b>                       |                   |                              |                               |                 |
|   | At 1 April 2007                   | 475,814           | 184,626                      | 20,905                        | 681,345         |
|   | Additions                         | -                 | 5,305                        | -                             | 5,305           |
|   | Disposals                         | (22,716)          | -                            | -                             | (22,716)        |
|   | <b>At 31 March 2008</b>           | <b>453,098</b>    | <b>189,931</b>               | <b>20,905</b>                 | <b>663,934</b>  |
|   | <b>Depreciation</b>               |                   |                              |                               |                 |
|   | At 1 April 2007                   | 69,104            | 122,026                      | 20,905                        | 212,035         |
|   | Charge for the year               | 9,516             | 20,615                       | -                             | 30,131          |
|   | <b>At 31 March 2008</b>           | <b>78,620</b>     | <b>142,641</b>               | <b>20,905</b>                 | <b>242,166</b>  |
|   | <b>Net book value</b>             |                   |                              |                               |                 |
|   | <b>At 31 March 2008</b>           | <b>£374,478</b>   | <b>£47,290</b>               | <b>£ -</b>                    | <b>£421,768</b> |
|   | At 31 March 2007                  | £406,710          | £62,600                      | £ -                           | £469,310        |

Freehold buildings, consisting of 12 Whitehorse Mews, were valued on 21 June 2007 by Ernest Owers & Williams, at a market value of £795,000

| 8 | Investments   | 2008<br>£   | 2007<br>£   |
|---|---|-------------|-------------|
|   | Shares in wholly owned subsidiary undertaking at cost | <b>£100</b> | <b>£100</b> |

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    | 2008<br>£     | 2007<br>£   |
|----------------------------|---------------|-------------|
| Turnover                   | 703,214       | 694,129     |
| Direct costs               | (467,584)     | (453,048)   |
| Gross profit               | 235,630       | 241,081     |
| Administrative expenses    | (17,267)      | (18,579)    |
| Bank interest received     | 7,182         | 5,840       |
| Profit before tax          | 225,545       | 228,342     |
| Taxation                   | -             | -           |
| Net profit                 | 225,545       | 228,342     |
| Amount paid under gift aid | (226,000)     | (228,000)   |
| Retained in subsidiary     | <b>£(455)</b> | <b>£342</b> |

# Greater London Fund For The Blind

## Notes To The Consolidated Financial Statements

|      |  |                 |                 |                 |                 |
|------|--|-----------------|-----------------|-----------------|-----------------|
| 9    | Debtors  | Group           |                 | Charity         |                 |
|      |  | 2008            | 2007            | 2008            | 2007            |
|      |  | £               | £               | £               | £               |
|      | Amounts due from subsidiary undertaking                | -               | -               | 3,885           | 6,903           |
|      | Payments under gift aid due from subsidiary            | -               | -               | 26,000          | 118,000         |
|      | Income tax recoverable                                 | 34,709          | 42,710          | 34,709          | 42,710          |
|      | Other debtors  | 11,314          | 8,844           | 3,918           | 6,140           |
|      | Prepayments and accrued income                         | 51,214          | 69,808          | 15,804          | 32,542          |
|      |  | <u>£97,237</u>  | <u>£121,362</u> | <u>£84,316</u>  | <u>£206,295</u> |
| 10   | Current Asset Investments                              | Group           |                 | Charity         |                 |
|      |  | £               | £               | £               | £               |
|      | Listed investments                                     |                 |                 |                 |                 |
|      | Market value at 1 April                                | 20,250          | 16,000          | 20,500          | 16,000          |
|      | Unrealised (loss) gain on investments                  | (2,000)         | 4,250           | (2,000)         | 4,250           |
|      | Market value at 31 March 2008                          | <u>£18,250</u>  | <u>£20,250</u>  | <u>£18,250</u>  | <u>£20,250</u>  |
| 11   | Creditors Amounts falling due within one year          | Group           |                 | Charity         |                 |
|      |  | £               | £               | £               | £               |
|      | Trade creditors  | -               | 44,968          | -               | 21,717          |
|      | Tax and social security                                | 13,030          | 11,362          | 11,166          | 9,418           |
|      | Sundry creditors and accruals                          | 54,712          | 80,839          | 40,590          | 54,499          |
|      | Balance awaiting distribution                          | 476,500         | 568,739         | 476,500         | 568,739         |
|      |  | <u>£544,242</u> | <u>£705,908</u> | <u>£528,256</u> | <u>£654,373</u> |
| 12   | Creditors Amounts falling due after more than one year | Group           |                 | Charity         |                 |
|      |  | £               | £               | £               | £               |
|      | Balance awaiting distribution                          | <u>£ -</u>      | <u>£31,250</u>  | <u>£ -</u>      | <u>£31,250</u>  |
| 13   | Provision for Liabilities Group                        | 2008            |                 | 2007            |                 |
|      |  | £               |                 | £               |                 |
|      | Dilapidation provision                                 | <u>£130,848</u> |                 | <u>£120,385</u> |                 |
| 13 1 | Dilapidation Provision                                 | 2008            |                 | 2007            |                 |
|      |  | £               |                 | £               |                 |
|      | Balance brought forward                                | 120,385         |                 | 124,996         |                 |
|      | Provided in year                                       | 12,000          |                 | -               |                 |
|      | Utilised   | <u>(1,537)</u>  |                 | <u>(4,611)</u>  |                 |
|      | Balance carried forward                                | <u>£130,848</u> |                 | <u>£120,385</u> |                 |

## Greater London Fund For The Blind

### Notes To The Consolidated Financial Statements

| 14 | Unrestricted Funds             | Balance<br>1 April<br>2007<br>£ | Incoming<br>Resources<br>£ | Resources<br>Expended<br>£ | Gains/<br>Transfers<br>£ | Balance<br>31 March<br>2008<br>£ |
|----|--------------------------------|---------------------------------|----------------------------|----------------------------|--------------------------|----------------------------------|
|    | Designated funds               |                                 |                            |                            |                          |                                  |
|    | - Dilapidation reserve         | 120,385                         | -                          | (1,537)                    | 12,000                   | 130,848                          |
|    | - Premises reserve             | 248,551                         | -                          | (8,996)                    | -                        | 239,555                          |
|    | - Special project awards fund  | 28,036                          | 100,000                    | (210,714)                  | 270,000                  | 187,322                          |
|    | - Face to Face fundraising     | 228,958                         | -                          | -                          | 30,000                   | 258,958                          |
|    | - Fundraising development fund | 500,000                         | -                          | -                          | -                        | 500,000                          |
|    | General reserve                |                                 |                            |                            |                          |                                  |
|    | - The Charity                  | 1,215,313                       | 1,577,009                  | (1,230,152)                | (314,000)                | 1,248,170                        |
|    | - Subsidiary undertaking       | 1,208                           | 710,397                    | (710,851)                  | -                        | 754                              |
|    |                                | <u>£2,342,451</u>               | <u>£2,387,406</u>          | <u>£(2,162,250)</u>        | <u>£(2,000)</u>          | <u>£2,565,607</u>                |

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 previously designated by the trustees towards the costs of extending and refurbishing the Fund's head offices. In November 2006 this property was renamed Sir John Mills House. This reserve fund will be subject to depreciation reducing over the next 50 years.

The trustees designated a further amount of £270,000 (in addition to some 'write-back' c £18,000) to the Special Project Awards Fund, to which external charities working in the field of blind welfare and member societies have applied and successfully received additional financial support. In addition an amount of £100,000 in the name of the Sir John Mills Foundation will be held within the SPAG reserves for eventual distribution as the Board may determine.

The trustees also agreed to transfer and designate a further amount of £30,000 to finance part of the seventh phase of recruitment under the Face-to-Face fundraising initiative.

The Fundraising Development Fund has been established 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.

# Greater London Fund For The Blind

## Notes To The Consolidated Financial Statements

| 15 | Analysis of Net Funds      | At 1 April<br>2007<br>£ | Cash flow<br>£  | Non-cash<br>changes<br>£ | At 31 March<br>2008<br>£ |
|----|----------------------------|-------------------------|-----------------|--------------------------|--------------------------|
|    | Cash at bank and in hand   | 281,350                 | 413,940         | -                        | 695,290                  |
|    | Cash on short term deposit | 2,228,674               | -               | (285,375)                | 1,943,299                |
|    |                            | <u>£2,510,024</u>       | <u>£413,940</u> | <u>£(285,375)</u>        | <u>£2,638,589</u>        |

## 16 Financial Commitments

At 31 March 2008 the group has annual commitments under non-cancellable operating leases as follows -

|                            | Group     |           | Charity   |           |
|----------------------------|-----------|-----------|-----------|-----------|
| Leasehold properties       | 2008<br>£ | 2007<br>£ | 2008<br>£ | 2007<br>£ |
| Leases which expire        |           |           |           |           |
| Within one year            | 8,000     | 68,500    | -         | -         |
| Between two and five years | 118,080   | 95,855    | 82,000    | 82,000    |
| After five years           | 140,750   | 84,000    | -         | -         |

## 17 Capital Commitments

There were no capital commitments as at 31 March 2008

## 18 Related Party Transactions

All directors of the Greater London Fund for the Blind except Messrs D Hawkins, S Jack and G Prentice are employees or officers of the charity's member societies to whom amounts totalling £605,543 (2007 £833,185) have been allocated in respect of distributions, of which £138,000 (2007 £216,000) remained unpaid at the year end

## 19 Allocation of Net Assets between Funds

The funds of the group are represented by the following assets

|                                      | Total<br>£        |
|--------------------------------------|-------------------|
| Tangible fixed assets                | 486,621           |
| Current assets                       | 2,754,076         |
| Current liabilities                  | (544,242)         |
| Long term liabilities and provisions | (130,848)         |
|                                      | <u>£2,565,607</u> |