

Company registration number: SC205004

Charity registration number: SC001152

Perth and Kinross Society for the Blind

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2019

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Perth and Kinross Society for the Blind

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 8
Statement of Trustees' Responsibilities	9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12 to 13
Notes to the Financial Statements	14 to 26

Perth and Kinross Society for the Blind

Reference and Administrative Details

Charity name	Perth and Kinross Society for the Blind (Operating as VisionPK)
Company Registration Number	SC205004
Charity Registration Number	SC001152
Trustees	Alexander Pearson Mary Clare Thomas David Anthony Willis Michael William Alick Martin James Brian Scott Laura Carse (appointed 21 November 2018) George Nisbet (appointed 21 November 2018) Cindy Godfrey-McKay (resigned 21 November 2018) Irene Anne Hill (deceased 12 July 2019)
Secretary	Gwenn McCreath (appointed 27 March 2019) Bob Ironside (resigned 27 March 2019)
Principal Office	Perth & Kinross Sensory Centre 14 New Row PERTH PH1 5QA
Independent examiner	Neil Morrison CA Campbell Dallas Audit Services 5 Whitefriars Crescent PERTH PH2 0PA
Treasurer	Morris & Young Chartered Accountants 6 Atholl Crescent PERTH PH1 5JN
Investment Advisor	Smith & Williamson Investment Management 206 St Vincent Street GLASGOW G2 5SG

Perth and Kinross Society for the Blind

Trustees' Report

The directors of Perth & Kinross Society for the Blind (operating as VisionPK) have pleasure in presenting their report and accounts for the year ended 31 March 2019.

Structure, Governance and Management

The Charity is constituted as a company limited by guarantee and is governed by its Articles of Association. The company is recognised by HM Revenue & Customs as a charity. The company registration number and Scottish Charity Number are listed on the title and reference / administrative details page.

The trustees are also directors for the purposes of company law. Those who served during the year are detailed on the reference and administrative details page.

The Board's governance arrangements include a Finance and General Purposes Committee consisting of four to six members of the Board.

Governing Document

Perth & Kinross Society for the Blind is a charitable company limited by guarantee, incorporated on 15 March 2000. It was formed as an unincorporated association in 1866 and was first registered as a charity sometime in the mid twentieth century. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and how it is governed under its Articles of Association. In the event of the company being wound up, members would have a liability of £1. The Articles of Association were last amended in April 2014 to bring them up to date in several respects and to enable the Society to provide services to all sensory impaired people, not only those with a visual impairment as had been the case previously.

Recruitment and Appointment of Directors

The directors of the company are also charity trustees for the purposes of charity law. Under the requirements of the Articles of Association they are elected by members of the company at the Annual General Meeting. Each year one third must stand down in rotation, although individuals can stand for re-election. The Chairman is elected annually by the Board following the election of directors at the Annual General meeting. The Articles of Association require that as far as reasonably practicable, half of the ten elected director positions should be filled by people who have a sensory impairment. In addition to the elected directors, the Board may co-opt up to three co-opted directors. The Chief Executive Officer of the Society is precluded by the Articles of Association from being a director but is Company Secretary.

Trustee Induction and Training

As part of their induction, all directors receive a pack of information covering the responsibilities of charity trustees, the role of board members, the objects of the Society, the work of the organisation and their financial responsibilities.

One trustee stood down and two new trustees were elected at the Annual General Meeting in November 2018. The Board has continued to develop its governance through attendance at external conferences and events, including those relating to effective governance.

Objectives and Activities

VisionPK offers a wide range of support and activities to people with sight and hearing loss in Perth and Kinross, focused on early intervention and increasing independence. Our work includes assessment and rehabilitation; emotional and practical support; raising awareness of sensory loss; information and advice, including benefits; social activities; befriending; low vision assessment and specialist equipment provision; hosting the local Talking Newspaper. Our current work is mainly with adults and older people, some with children and young people. Partnerships are important to us - our staff and volunteer team deliver services with a range of volunteers, local and national partners.

Perth and Kinross Society for the Blind

Trustees' Report

These services are in line with our Articles of Association, to promote the welfare of people who have a sensory impairment living in Perth and Kinross, which impacts on their daily living or mobility, helping people lead independent and fulfilling lives as equal members of society.

We work in a values-based way; our values include trust; accountability; transparency; inclusion and equity; delivering quality, person-centred services and activities.

Our activities focus on achieving the outcomes detailed in the 'performance and achievements' section. We work in formal partnership with Action on Hearing Loss Scotland in relation to our hearing loss services and we appreciate the knowledge and experience which they bring to our work. Our success in increasing referrals reflects our strong links with local, community-based organisations and statutory partners.

Our approach has two key strands: our contracted work, funded by Perth and Kinross IJB and our charitable work, funded through our reserves, investments and fundraising (particularly legacies and donations from individuals and Trusts). Around 44% of our annual spend of nearly £500,000 is funded through our contract with Perth and Kinross Council, the remainder is funded through VisionPK's charitable funding and supporter and volunteer efforts. Overall, we worked with and supported well over a thousand people during the year, as described below.

Achievements and Performance

During 2018/19, VisionPK focused on key priorities relating to both service delivery and infrastructure. Our achievements in relation to these are outlined as follows:

Services

We want to know that our work supporting people with sensory loss is effective, so we monitor our performance against specific outcomes, in line with the national 'See Hear' strategy.

These outcomes are that:

- People with sensory impairments are able to live as independently as possible in their own community
- The quality of life of people with sensory impairment is improved by services provided
- There is earlier intervention to ensure that people get support as early as possible in their sensory loss journey
- There is increased engagement and understanding amongst other agencies of the specialist support available and they are more able to support people with sensory impairments

A series of personal outcomes-related questions inform these higher level outcomes. We are currently reviewing systems to enable consistent reporting on performance against individual outcomes; the impact information below is therefore based on a small sample, rather than an overview of progress against individual identified goals.

This told us that, following our intervention:

In relation to their independence:

- 46% of people felt more independent
- 46% felt no change in their feelings about their independence
- 8% felt less independent (this followed a deterioration in vision)

Perth and Kinross Society for the Blind

Trustees' Report

In relation to how people felt about their sensory loss:

- 62% of people felt more positive
- 31% felt the same
- 7% felt less positive

In relation to their quality of life:

- 46% of people felt it had improved
- 31% felt that it had stayed the same
- 23% felt that it had deteriorated

Extensive awareness raising / training on sensory loss, combined with a presence at events across Perth and Kinross meant that volunteers, professionals, carers and community groups now have a greater understanding of hearing and sight loss. They know that VisionPK are the local organisation offering vital support at a time of transition and change in peoples' lives. Overall, twenty two awareness sessions were run. We also have a regular presence at Perth Royal Infirmary and the AK Bell Library, as well as at Crieff Community Hospital, where the public and professionals can access information on specialist support in Perth and Kinross.

A selection of feedback from these sessions included:

- 'I feel more confident in approaching patients with visual problems and what to say'
- 'Wearing the simulation glasses made me realise how vulnerable a person could be, which makes me more aware of how to communicate'
- 'Better understanding of the different levels of hearing loss and eyesight. More appreciation of our residents and what they have to deal with daily.'

Overall, we assessed three hundred and twenty five new sight / hearing loss referrals, with follow up support as needed, with people receiving four hundred and seventy five pieces of hearing equipment from the Council (following their assessment), and a further one hundred and thirty three pieces of equipment provided by or purchased from VisionPK.

A further two hundred and ten people, who were assessed and supported in previous years, needed further support and through our charitable funding, we were able to offer them nearly five hundred visits. Two hundred and forty one people were supported through our Duty Service, which runs for three days a week. Overall, crucial help and support was offered to seven hundred and seventy six people by our specialist Rehabilitation Workers.

Loneliness and isolation is well evidenced as a societal issue; for people with a sensory impairment (mostly older people), the challenge is even greater, due to the impact of their sensory loss on their mobility and confidence. Living in a rural area means that the opportunities to get out and about are often more limited. People with sensory impairments can therefore face significant, multiple barriers to developing and maintaining their social networks. They tell us how much they value the benefits of peer support and how opportunities to link with others facing similar issues can help them. In response to this feedback, VisionPK runs and hosts events and activities to keep people in touch with each other and informed about the world around them. These include regular social events; a number of groups; several outings; befriending; a gym. We also host the local Talking newspaper, helping people keep in touch with what's happening in their area. We offer our premises free to voluntary sector groups / activities whose aims align with our own and we support activities in Perth and Kinross, including volunteer drivers and transport costs for people who would otherwise be unable to leave their homes.

Perth and Kinross Society for the Blind

Trustees' Report

It would be impossible to achieve this without the support of our fifty active volunteers, who supported us with over two thousand six hundred hours last year. They told us:

- “Volunteering at VisionPk gives me a lot of satisfaction and helps ‘take me out of myself’ and forget my own problems during the few hours I’m here. I love being part of the volunteer team.”
- ‘My Mum is partially-sighted and I really wanted to do something for others who face similar challenges. By running a half marathon for VisionPK I’ve been able to raise money for a new treadmill for the gym. I’ve also just started befriending and am really enjoying the volunteer experience!’

Overall, we connect with and support nearly five hundred people across Perth and Kinross through these additional activities. People tell us that they particularly enjoy the opportunity to connect with others who also have sensory impairments, one person told us: ‘they understand what’s it’s like (to have a sensory impairment) without having to explain anything, it means you can just relax and enjoy the banter’.

Whilst the numbers of people accessing our services have grown significantly, each person is an individual, with their own story. Two of these are told below (no real names are used).

George

George has Age Related Macular Degeneration, and his central vision is affected, with objects and words in front of him becoming distorted or disappearing. Bright light could often feel glaring and uncomfortable. This meant he was struggling with everyday tasks, such as reading, getting out and about and making himself a hot drink. George’s wife was having to do more and more for him and he began to lose his confidence and self esteem.

VisionPK loaned George an appropriate desktop magnifier, so he can now read and write things independently; we gave him advice on safe pouring and a liquid level indicator, so he now makes his own cup of tea; we supported him to make best use of his remaining vision, providing UV filters and information about how to protect his eyes. George told us that he now feels more confident and is getting out and about, as well as being more independent at home.

John

John was struggling with his hearing aids – one of them wasn’t fitting properly, which made him feel frustrated and embarrassed. He had started to avoid social gatherings and was becoming lonely and isolated.

Our Hearing Loss Support Worker supported him to go back to the NHS audiology team, where he was provided with a better fitting hearing aid. She also advised him about some additional programmes which he had installed, enabling him to hear more clearly in social groups; she also advised and demonstrated some specialist equipment so he could hear his television and doorbell, as well as suggesting that he joined a lip-reading class, offering peer support. John took her advice and now feels much more confident and positive about getting out and about.

Perth and Kinross Society for the Blind

Trustees' Report

Infrastructure improvements

To provide the best quality service to people with sensory loss and other stakeholders, we need to ensure that our systems are current, legal and effective and our staff and volunteer team are fully trained, well informed and motivated in their work. During the year, a number of improvements and changes have taken place to facilitate this.

- Data protection: changes in legal requirements led to an upgrade and update of our IT systems, which have now been reconfigured, supported by new policies and procedures
 - We increased our capacity, recruiting a new Trainee Rehab Worker, who will be trained, formally and informally, over the next two years
 - Governance capacity was increased with the recruitment of two new Trustees
- Networking and partnership working has increased, with participation in the Third Sector Health and Social Care Strategic Forum; the Perth and Kinross See Hear Group (chaired by the VisionPK Chief Executive) and the National See Hear Leads group; there are good links and working with Scottish War Blinded; CulturePK; The Visual Impairment Network for Children and Young People (VINCYP); Stirling University; RNIB; NHS Patient Support Service; PKAV's Carers work; PKAV's minority Ethnic Project and statutory partners from NHS Tayside/ Perth and Kinross Council / Perth and Kinross Health and Social Care Partnership / IJB.
- Building: VisionPK's Sensory Centre building, which hosts our offices, resource centre and forms our activities hub, requires a significant amount spent for essential roof repairs, with a further amount required for improvements to its fabric. Work to develop options was completed, with a decision on the way forward pending completion of our service development plan in 2019/20
 - Training and development: Staff and volunteers attended a range of training and development during the year, including: child protection; adult protection; data protection; data visualisation.

VisionPK's Chief Executive, Bob Ironside, retired at the end of March 2019 after seven years leading VisionPK. Bob was well regarded by staff, volunteers and partners. On behalf of VisionPK's Board, I would like to thank Bob for his hard work, commitment and perseverance in successfully moving the organisation forward to its current, strong position.

Throughout the year, the values-based approach of staff and volunteers has been reflected in positive comments from clients and family members, as illustrated below.

- 'The Worker was a very pleasant, helpful and caring person who took time to listen to my concerns'
- '100% excellent visit'
- 'Worker was very understanding about my problems around the home and my outdoor mobility'
- 'The Worker conducted the meeting in a friendly professional manner'
- 'She explained everything in plain English and was very helpful'
- 'Found the Worker very helpful'
- 'The work that you do improves people's quality of life greatly and is invaluable' (quote from a client's daughter).

Perth and Kinross Society for the Blind

Trustees' Report

Plans for the year ahead

Our plans for the year ahead have a number of key themes, as below:

- **Service quality:** develop a robust way of routinely evaluating the difference our support makes for each individual; review and build on how we consult with and gather client feedback
- **Income generation:** Investigate the feasibility of generating increased income: through recruiting a fundraiser; reviewing our charity shop proposal; looking into the viability of an optician business; improved marketing of room rental
- **Service development:** consult with stakeholders to identify any unmet need and identify possible new services / activities
- Seek funding to develop identified new services / activities
- **Systems improvements:** includes updating organisational policies, staff handbooks and contract; new IT filing structure and shift to remote access for staff; better understanding of costs through improved financial analysis; updating management information

Arrangements for setting key management personnel remuneration

The Chief Executive Officer has responsibility for the day-to-day administration of operations of Vision PK, in accordance with instructions provided by the Board of Trustees, who have formal meetings on a monthly basis. Other meetings take place when required. The Chief Executive Officer's salary is reviewed on an annual basis.

Financial report

Income of £422,860 last year was significantly enhanced by a very generous, anonymous donation of £100,000 for those with vision loss in the local area, so income was £67,878 higher than the previous year. Due to confidentiality, Trustees were unable to personally thank the donor, but the gift had a hugely positive impact on our work during the year, enabling us to spend more on our charitable work, such as outings, social activities and helping people with transport where they would not otherwise be able to participate. We also completed work looking at our future direction, being taken forward in plans for 2019/20.

We welcomed the second of three annual £12,000 donations from the RS MacDonald Trust, enabling us to develop outreach activity at Crieff Hospital and more effectively promote our work in the more rural areas of Perth and Kinross, with a significant increase in referrals.

Our largest single income source was our contract with Perth and Kinross Council for our specialist Sensory Service contract, which was £186,749 for the last year.

We were very grateful to receive legacies of £583 during 2018/19, and as always, we particularly appreciated the donations, donations in kind, fundraising, grants and legacies received during the year, including those from smaller and local Trusts, all enabling us to provide vital support and activities for people in Perth and Kinross with sight and/ or hearing loss.

Our costs during the year were £425,270, slightly lower than the previous year, leaving a small deficit of £2,410 prior to investment gains of £39,774 being added. In line with our overall plan to diversify our income sources, income from investments, room and office/building rental also helped fund our charitable work across Perth and Kinross.

VisionPK's fixed property assets, valued at £452,000, comprise our current premises and office furniture / equipment (£187,000), plus our former offices (£265,000), retained for investment when we moved out; our investment property provides an annual rent of £35,000, which is used to fund services.

Perth and Kinross Society for the Blind

Trustees' Report

As at March 2019, VisionPK held investments as unrestricted reserves, valued at £696,000. Our current premises, housing our Sensory Centre and services, is a former church, now in need of a new roof, repair and refurbishment. Repair estimates of £400,000 have therefore been designated towards those costs, leaving net liquid assets of £363,637.

Trustees continuously review strategy and development plans. Accordingly, to ensure future sustainability, Trustees have identified new potential income streams for development, including local fundraising.

Investments

VisionPK's investments are stated at market value. The value of investments held in the year was £695,551 compared with £689,221 at 31 March 2018.

Reserves Policy

The Trustees have agreed that the level of the reserves should be based on three months of normal operational expenditure after the deduction of property and investment assets from total funds. The Trustees continuously review the balances held in all funds, to determine whether or not these funds are likely to be committed in the near future. In the event there is no identified immediate need the Trustees will seek an appropriate project to which the funds can be applied.

There is a balance of £816,029 on unrestricted and non-designated funds.

External Examiners

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", applicable to Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Each of the directors has confirmed that there is no information of which they are aware which is relevant to examination of the accounts, but of which the external examiner is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the external examiners of the accounts are aware of such information.

It was decided at the AGM on 21 November 2018 to re-appoint Messrs Campbell Dallas as external examiners of the Society's accounts for 2018/19.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 2 December 2019 and signed on its behalf by:



.....
Alexander Pearson
Trustee

Perth and Kinross Society for the Blind

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Perth and Kinross Society for the Blind for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explains in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Perth and Kinross Society for the Blind

Independent Examiner's Report to the trustees of Perth and Kinross Society for the Blind

I report on the accounts of the charity for the year ended 31 March 2019 which are set out on pages 11 to 26 .

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply.

It is my responsibility to examine the accounts as required under Section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Accounts 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

have not been met; or

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
- to prepare accounts which accord with the accounting records and comply with the Regulation 8 of the 2006 Accounts Regulations;

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Neil Morrison CA

Campbell Dallas Audit Services
5 Whitefriars Crescent
PERTH
PH2 0PA

11 December 2019

Perth and Kinross Society for the Blind

Statement of Financial Activities for the Year Ended 31 March 2019 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Income and Endowments from:					
Donations and legacies	2	116,390	21,798	138,188	96,936
Charitable activities	3	2,100	186,749	188,849	184,294
Other trading activities	4	13,161	-	13,161	8,060
Investment income	5	82,478	-	82,478	65,568
Other income	6	184	-	184	124
Total Income		214,313	208,547	422,860	354,982
Expenditure on:					
Raising funds	7	(10,514)	-	(10,514)	(10,906)
Charitable activities	8	(167,597)	(247,159)	(414,756)	(430,019)
Total Expenditure		(178,111)	(247,159)	(425,270)	(440,925)
(Loss)/gain on investments		39,774	-	39,774	(6,614)
Net income/(expenditure)		75,976	(38,612)	37,364	(92,557)
Transfers between funds		(10,531)	10,531	-	-
Other recognised gains and losses					
Net movement in funds		65,445	(28,081)	37,364	(92,557)
Reconciliation of funds					
Total funds brought forward		1,150,584	53,387	1,203,971	1,296,528
Total funds carried forward	20	1,216,029	25,306	1,241,335	1,203,971

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown is shown in Note 20.

Perth and Kinross Society for the Blind

(Registration number: SC205004)

Balance Sheet as at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	187,392	183,192
Investments	15	<u>960,551</u>	<u>954,221</u>
		<u>1,147,943</u>	<u>1,137,413</u>
Current assets			
Stocks	16	11,152	8,217
Debtors	17	7,457	7,915
Cash at bank and in hand		<u>95,507</u>	<u>73,741</u>
		114,116	89,873
Creditors: Amounts falling due within one year	18	<u>(20,724)</u>	<u>(23,314)</u>
Net current assets		<u>93,392</u>	<u>66,559</u>
Net assets		<u>1,241,335</u>	<u>1,203,972</u>
Funds of the charity:			
Restricted funds		<u>25,306</u>	<u>53,387</u>
Unrestricted income funds			
Unrestricted funds		816,029	1,150,585
Designated funds		<u>400,000</u>	<u>-</u>
Total unrestricted funds		<u>1,216,029</u>	<u>1,150,585</u>
Total funds	20	<u>1,241,335</u>	<u>1,203,972</u>

Perth and Kinross Society for the Blind

(Registration number: SC205004)

Balance Sheet as at 31 March 2019

For the financial year ending 31 March 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 11 to 26 were approved by the trustees, and authorised for issue on 2 December 2019 and signed on their behalf by:



Alexander Pearson
Trustee

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Perth and Kinross Society for the Blind meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Income from investments held and bank interest received is credited to the Statement of Financial Activities when receivable.

Rent received for investment properties are credited to the Statement of Financial Activities on the accruals basis.

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

Perth and Kinross Society for the Blind is a charity and is not liable to Corporation Tax. See note 13 below. The charity is not registered for VAT and resources expended therefore include irrecoverable input VAT.

Tangible fixed assets

Individual fixed assets costing £nil or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold Land	not depreciated
Freehold buildings	2% straight line
Fixtures, fittings and equipment	20% reducing balance

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

Investment properties

Certain charity properties are held for long-term investment. Investment properties are accounted for in accordance with FRS102 section 16, as follows:

No depreciation is provided in respect of investment properties as the value is considered annually and revalued professionally every five years. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the statement of financial activities for the year.

This treatment as regards the charity's investment properties may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the trustees consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Fixed asset investments

Fixed asset investments, are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds represent funds set aside for building repairs and improvements.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The Statutory Duties fund exists to provide specialist services for people with a sensory impairment living in Perth & Kinross.

The New Row Development fund exists for the upkeep and development of the charity's premises.

The Webster and Davidson Mortification for the Blind Fund exists to run a series of group and individual music lessons for children with a visual impairment.

Pensions and other post retirement obligations

The charity is a member of the Tayside Pension Fund, a defined benefit pension scheme.

Perth and Kinross Society for the Blind is unable to identify its share of assets and liabilities of the Tayside Superannuation Fund on a consistent and reasonable basis and therefore accounts for its participation in the Tayside Superannuation Fund as if it were a defined contribution scheme. The contributions are determined by qualified actuaries on the basis of periodic valuations using the projected unit method.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

2 Income from donations and legacies

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	General £	£	£	£
Donations and legacies;				
Donations from individuals	108,716	4,400	113,116	14,008
Legacies	583	-	583	58,480
Gift aid reclaimed	1,666	-	1,666	715
Grants, including capital grants;				
Miscellaneous grants	-	17,398	17,398	17,225
Fundraising income	5,425	-	5,425	6,508
	<u>116,390</u>	<u>21,798</u>	<u>138,188</u>	<u>96,936</u>

3 Income from charitable activities

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	General £	£	£	£
Sensory Impairment services	-	186,749	186,749	182,194
Student placement	2,100	-	2,100	2,100
	<u>2,100</u>	<u>186,749</u>	<u>188,849</u>	<u>184,294</u>

4 Income from other trading activities

	Unrestricted funds	Total 2019	Total 2018
	General £	£	£
Trading income;			
Primary purpose trading	<u>13,161</u>	<u>13,161</u>	<u>8,060</u>

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

5 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
		£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	1,001	1,001	240
Other income from fixed asset investments	21,818	21,818	22,511
Income from rents	59,659	59,659	42,817
	<u>82,478</u>	<u>82,478</u>	<u>65,568</u>

6 Other income

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
		£	£
Other income	184	184	125

7 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
		£	£
Costs of goods sold	10,514	10,514	10,906
	<u>10,514</u>	<u>10,514</u>	<u>10,906</u>

8 Expenditure on charitable activities

	Activity undertaken directly		
	£	Total	Total
		2019	2018
		£	£
Sensory Impairment services	388,777	388,777	382,344
Governance costs	25,979	25,979	47,675
	<u>414,756</u>	<u>414,756</u>	<u>430,019</u>

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

9 Analysis of governance and support costs

Basis of allocation

Reference	Method of allocation
Staff costs	Staff time
Administration costs	Staff time
Premises costs	Staff time
Other costs	Staff time & usage

Governance costs

	Unrestricted funds	Restricted funds	Total 2019	Total 2018
	General £	£	£	£
Independent Examiner's remuneration	240	720	960	990
Professional fees	16,019	9,000	25,019	46,685
	<u>16,259</u>	<u>9,720</u>	<u>25,979</u>	<u>47,675</u>

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2019 £	2018 £
Depreciation of fixed assets	<u>7,890</u>	<u>5,821</u>

11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

None of the trustees (or any persons connected with them) received any remuneration during the year. Travelling expenses of £540 for one trustee were reimbursed during the year (2018 - £nil).

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

12 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
Staff costs during the year were:		
Wages and salaries	216,706	213,640
Social security costs	15,091	15,047
Pension costs	33,054	32,137
	<u>264,851</u>	<u>260,824</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2019 No	2018 No
Charitable activities	8	8
Management	1	1
	<u>9</u>	<u>9</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the Charity were £39,159 (2018: £32,618).

13 Taxation

No tax was charged in the year (2018 - £nil).

Perth and Kinross Society for the Blind has been accepted as a charity for tax purposes. Relief from tax is therefore due under Section 505 of the Income and Corporation Taxes Act 1988 under Scottish Charity Number SC001152, Tax Reference ST01123.

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost/Valuation			
At 1 April 2018	227,121	56,657	283,778
Additions	-	12,090	12,090
At 31 March 2019	<u>227,121</u>	<u>68,747</u>	<u>295,868</u>
Depreciation			
At 1 April 2018	53,809	46,777	100,586
Charge for the year	<u>3,500</u>	<u>4,390</u>	<u>7,890</u>
At 31 March 2019	<u>57,309</u>	<u>51,167</u>	<u>108,476</u>
Net book value			
At 31 March 2019	<u>169,812</u>	<u>17,580</u>	<u>187,392</u>
At 31 March 2018	<u>173,312</u>	<u>9,880</u>	<u>183,192</u>

The fair value of the charity's land and buildings was revalued by Langley-Taylor, Chartered Surveyors on the basis of Market Value in May 2005. In the opinion of the trustees there has been no material change in the value of this property between the date of valuation and 31 March 2019.

15 Fixed asset investments

	2019 £	2018 £
Investment properties	265,000	265,000
Other investments	<u>695,551</u>	<u>689,221</u>
	<u>960,551</u>	<u>954,221</u>

All investment assets were held in the UK.

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

Investment properties

	Investment properties £
Cost or Valuation	
At 1 April 2018	<u>265,000</u>
Provision	
At 31 March 2019	<u>-</u>
Net book value	
At 31 March 2019	<u>265,000</u>
At 31 March 2018	<u>265,000</u>

A rent review was carried out by Graham & Sibbald, Chartered Surveyors in May 2017. Based on current yields, the trustees feel that there has been no material change in the fair value of the investment property between the date of valuation and 31 March 2019.

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

Other investments

	Listed investments £	Cash deposits £	Total £
Cost or Valuation			
At 1 April 2018	635,632	53,589	689,221
Revaluation	37,098	-	37,098
Additions	44,169	-	44,169
Disposals	(48,250)	(26,687)	(74,937)
At 31 March 2019	<u>668,649</u>	<u>26,902</u>	<u>695,551</u>
Net book value			
At 31 March 2019	<u>668,649</u>	<u>26,902</u>	<u>695,551</u>
At 31 March 2018	<u>635,632</u>	<u>53,589</u>	<u>689,221</u>

The market value of the listed investments at 31 March 2019 was £668,649 (2018 - £635,632).

The listed investments had a historical cost of £460,860 (2018 - £423,750).

16 Stock

	2019 £	2018 £
Stocks	<u>11,152</u>	<u>8,217</u>

17 Debtors

	2019 £	2018 £
Other debtors	<u>7,457</u>	<u>7,915</u>

18 Creditors: amounts falling due within one year

	2019 £	2018 £
Other creditors	10,186	9,719
Accruals	10,538	9,470
Deferred income	-	4,125
	<u>20,724</u>	<u>23,314</u>

19 Charity status

The Charity is a Charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation.

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

20 Funds

	Balance at 1 April 2018 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2019 £
Unrestricted funds						
<i>General</i>						
Unrestricted funds	1,150,584	214,313	(178,111)	(410,531)	39,774	816,029
<i>Designated</i>						
Designated funds	-	-	-	400,000	-	400,000
Total Unrestricted funds	<u>1,150,584</u>	<u>214,313</u>	<u>(178,111)</u>	<u>(10,531)</u>	<u>39,774</u>	<u>1,216,029</u>
Restricted funds						
Statutory Duties	-	208,547	(247,159)	63,918	-	25,306
New Row Development	53,387	-	-	(53,387)	-	-
Total restricted funds	<u>53,387</u>	<u>208,547</u>	<u>(247,159)</u>	<u>10,531</u>	<u>-</u>	<u>25,306</u>
Total funds	<u>1,203,971</u>	<u>422,860</u>	<u>(425,270)</u>	<u>-</u>	<u>39,774</u>	<u>1,241,335</u>

	Balance at 1 April 2017 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2018 £
Unrestricted funds						
<i>General</i>						
Unrestricted funds	1,231,764	152,216	(200,668)	(26,114)	(6,614)	1,150,584
Restricted funds						
Statutory Duties	11,377	202,766	(240,257)	26,114	-	-
New Row Development	53,387	-	-	-	-	53,387
Total restricted funds	<u>64,764</u>	<u>202,766</u>	<u>(240,257)</u>	<u>26,114</u>	<u>-</u>	<u>53,387</u>
Total funds	<u>1,296,528</u>	<u>354,982</u>	<u>(440,925)</u>	<u>-</u>	<u>(6,614)</u>	<u>1,203,971</u>

Perth and Kinross Society for the Blind

Notes to the Financial Statements for the Year Ended 31 March 2019

21 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General £	Designated £	£	£
Tangible fixed assets	187,392	-	-	187,392
Fixed asset investments - property	265,000	-	-	265,000
Fixed asset investments - equities	295,551	400,000	-	695,551
Current assets	88,810	-	25,306	114,116
Current liabilities	(20,724)	-	-	(20,724)
Total net assets	<u>816,029</u>	<u>400,000</u>	<u>25,306</u>	<u>1,241,335</u>
Net liquid assets	<u>363,637</u>	<u>400,000</u>	<u>25,306</u>	<u>788,943</u>

Net liquid assets are equities that can be converted into cash, current assets less current liabilities.

22 Analysis of net funds

	At 1 April 2018 £	Cash flow £	At 31 March 2019 £
Cash at bank and in hand	73,741	21,766	95,507
Net debt	<u>73,741</u>	<u>21,766</u>	<u>95,507</u>

23 Related party transactions

None of the trustees (or any persons connected with them) received any remuneration during the year. Trustee travelling expenses of £540 were reimbursed during the year (2018 - £nil).