

Action for blind people

Financial Review 2007/08

Financial statements for the year ended 31 March 2008



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Action for Blind People
Registered charity number: 205913
Company number: 26688

Royal Patron
HRH Princess Alexandra, KG, GCVO

Reference and Administrative Details

Chairman:

John Spence, appointed as Chairman on 30 January 2008
Judy Smith, resigned as Chairman on 30 January 2008

Vice Chairman:

Mike Dudgeon

Honorary Treasurer:

Clive Timms

Trustees throughout the year:

Mary Biggart
David Charters
Toby Davey
Mike Dudgeon
Alistair Fielder
Edward Hill
Rita Kirkwood
Khalil Rehman
Judy Smith
Clive Timms
Louise Wright

New Appointments

David Hewlett, 23 May 2007
Kirin Saeed, 25 April 2007
John Spence, 24 October 2007

Resignations and Retirements

Angus Aynsley, resigned 26 September 2007
Guy Neely, retired 26 September 2007

Action for Blind People Management

Chief Executive

Stephen Remington

Director of Services

Miriam Martin

Director of Fundraising and Marketing

Andy Taylor

Director of Finance and Resources

John Crowther, appointed 14 January 2008
Chris Harris, resigned 31 December 2007

Company Secretary

John Crowther, appointed 16 January 2008
Chris Harris, resigned 31 December 2007

Registered Office

14-16 Verney Road, London SE16 3DZ

Registered Charity Number

205913

Registered Company Number

26688

Auditors

Deloitte & Touche LLP
2 New Street Square
London EC4A 3BZ

Bankers

Co-operative Bank plc, City Office
78/80 Cornhill, London EC3V 3NJ

Fund Managers

Legal & General
Investment Management Ltd
One Coleman Street, London EC2R 5AA

Solicitors

Russell-Cooke
2 Putney Hill, Putney SW15 6AB

Website

www.actionforblindpeople.org.uk

Report of the Directors for the year ended 31 March 2008

The Trustees, who are also directors of the charity for the purposes of the Companies Act, have pleasure in submitting their annual report and the audited financial statements for the year ended 31 March 2008.

The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the charity.

150TH ANNIVERSARY

The charity was established in Camberwell, South London, in 1857 as the Surrey Association for the General Welfare of the Blind and a number of events took place in 2007 to celebrate the 150th anniversary. Both social conditions and the charity's activities have changed almost beyond recognition during that period though its objects remain essentially the same, and the demand for our services is as great as ever.

Our Royal Patron, HRH Princess Alexandra, the Hon Lady Ogilvy GCVO, hosted a reception at St. James's Palace in September 2007 and shortly thereafter visited our principal London office and factory at Verney Road.

KEY ACHIEVEMENTS IN 2007/08

- Total number of 21,211 users of our services by visually impaired people.

- Four new Action Teams.
- Nine new Actionnaires Clubs.
- Supported 248 people to find jobs and a further 151 to keep their jobs despite their sight loss.
- Were able to help claim £3.8 million in benefits for blind and partially sighted people that would otherwise have gone unclaimed.
- Achieved 1,047 positive housing outcomes.

STRUCTURE, GOVERNANCE AND MANAGEMENT

(a) Structure

Action for Blind People is a charitable company limited by guarantee and was founded in 1857. It is governed by Memorandum and Articles of Association, which were last amended in January 2007.

The primary charitable object is to relieve and to assist, by all charitable means, people who are visually impaired.

The Board of Trustees may have up to 20 members, who as charitable Trustees and company directors, have the legal responsibility for the effective use of resources in accordance with the objects of Action for Blind People and for providing effective leadership and direction.

The Trustees are responsible for preparing the Trustees' report and the financial statements. Company law requires the Trustees to prepare such financial statements for each

financial year which give a true and fair view of the state of affairs of the charity and its subsidiary “Action for Blind People Activities Limited”. This includes the surplus or deficit for that period and comply with UK Generally Accepted Accounting Practice (UK GAAP) and the Companies Act 1985. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the 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 charity and its subsidiary, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a Report of the Directors which complies with the requirements of the Companies Act 1985.

The Trustees have overall responsibility for ensuring that the charity has appropriate systems of control, financial and otherwise.

(b) The Board

Judy Smith stood down as Chairman in January 2008 following the 150th anniversary year and was replaced by John Spence OBE who had been elected as Trustee in October 2007.

The charity is grateful to Judy Smith for her substantial contribution as Chairman and is pleased that she will continue as a Trustee.

John Spence, who comes to Action with a wealth of business and voluntary sector experience, was invited following a structured search process.

Two other new trustees joined during the year. Existing Trustees select members of the Trustee board. Recruitment has traditionally been by word of mouth but trustees also consider additional means of recruitment, as in the case of the recent selection of our new Chairman. Candidates to strengthen the board are always welcomed, especially those with knowledge of the medical conditions which contribute to visual impairment, of social care and of employment.

We aim to ensure that the membership of the Board reflects the communities we seek to serve both geographically and demographically but practical considerations lead to a predominance of London based Trustees. Of 14 current Trustees, 5 are visually impaired.

One third of Trustees retire each year and may be re-elected. The Trustees currently meet eleven times a year to review strategy and performance and to set the operating plans and budgets. Trustees join the full management team at their annual conference.

Each Trustee is given appropriate induction and training relevant to their responsibility. Trustees do not exercise a management function but are encouraged to familiarise themselves with areas of particular interest through close involvement with the management and staff and users of the charity's services.

The Audit Committee operates under specific terms of reference, which delegate certain audit related functions from the Trustee board; its decisions are ratified by the full board.

Responsibility for strategy, planning, and the day-to-day management of operations is delegated to an executive team led by the Chief Executive. Formal reporting by the Chief Executive to the Trustees takes place regularly throughout the year.

(c) Management

The Trustees have considered the guidance for directors of public listed companies contained within the Turnbull Report. They believe that although this is not mandatory for the charity it should, as a public interest body, adopt these guidelines as best practice. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A strategic plan updated each year and an annual budget approved by the Trustees.
- Regular consideration by the Trustees of financial results, variance from budgets, non-financial performance indicators and bench marking reviews.
- Delegation of authority and segregation of duties.
- Identification, assessment and management of risks.

The Trustees have introduced a formal risk management process to assess business risks and implement risk management strategies. The internal audit function carries out regular reviews and reports directly to the Audit Committee.

Employee involvement and employment of disabled people

Management is committed to the greatest practical degree to transparency in its work and to including employees appropriately in decisions. Communication with employees is implemented through conventional line-management, a Staff Forum, team meetings, management visits to locations, conferences and away days, internal publications and extensive access to the charity's intranet and e-mail system. There is direct and formal consultation with employees on issues of concern to them. The charity carries out exit interviews for all staff leaving the organisation and is introducing 360-degree feedback for all managers.

Although we do not positively discriminate in favour of any minority groups, we particularly welcome applications from visually impaired people and people with a disability.

79 (15%) members of staff have a disability of whom 72 (14%) are blind or partially sighted. These figures are exclusive of the employees of the Visage project businesses, which are now independent of the charity.

OBJECTIVES AND ACTIVITIES

Every 15 minutes in the United Kingdom someone starts to lose their sight. Today, there are approximately two million people in the United Kingdom who are blind or partially sighted. All too often they are unemployed, isolated and forced into poverty. Most visually impaired people of working age are unemployed and the great majority do not receive the benefits to which they are entitled. As most visual impairment occurs in later life, this number is increasing as the population ages and is expected to continue to do so.

Action for Blind People is one of the leading charities supporting blind and partially sighted people in the United Kingdom. This means supporting them to get or keep a job, find or keep a suitable home, assisting them to go on holiday, enabling blind children to play sports and have fun, or providing vital information, for example covering benefits, amenities and local societies for the visually impaired.

Because we work in partnership with so many other organisations, if we cannot help someone ourselves we will make sure we find an organisation that can.

Our strategy for service delivery is now clear. Working closely with visually impaired people, we have developed a

pioneering way to deliver outstanding services - Action Teams. However, we are aware that there is a need to do more – and our strategy is to extend the reach of our services as funding permits.

We believe passionately in the cause of improving the lives of visually impaired people. In particular we can help, mainly through the work of our Action Teams, with:

Work

We support visually impaired people in finding and retaining employment through our team of employment coordinators and we also assist them in supported employment and self-employment.

Support

We enable visually impaired people to get the information, advice and support they need to live independent lives, to secure benefits to which they are entitled and to get themselves out of poverty.

Housing

We provide direct support to help visually impaired people continue to live in the home of their choice or in our supported housing.

Leisure

We provide visually impaired people with the opportunity to have a holiday break at our specially adapted, award-winning hotels. We give blind and partially sighted children the chance to get off the sidelines and play sport through

our Actionnaires Clubs. These children frequently have little or no other opportunity to do so.

Public Benefit

Further to the Charities Act 2006, the Trustees have considered the issue of public benefit and confidently expect that they will be able to report as required in the Report of the Directors for the year to 31 March 2009 how Action's aims and activities are carried out for public benefit.

ACHIEVEMENTS AND PERFORMANCE

Review of Charitable Activities

Action Teams

Action Teams are now our single most important service delivery model. We now have twelve teams around the country providing first class services to visually impaired people in their area. The people in these teams provide specialist support in employment, housing and Welfare Rights. Assistive technology and self-employment support is also available in certain areas.

The new Action Teams this year include two serving London, which have been formed out of the existing London employment teams. During the year, our Birmingham and East Anglia teams have moved into new premises and fitting-out of the new North London offices is now completed. The net cost of these twelve teams was £3.891m (2007: £2.697m), continuing the trend of increased expenditure in this area.

Work

Work has always been at the core of Action for Blind People; our earliest activity in 1857 was in sheltered employment. However, social conditions have changed dramatically in the last 150 years and Action's delivery of employment services to visually impaired people has kept pace with this change. The emphasis now is on preparation of clients to work in unsheltered employment.

Innovation prompted by the Visage project has led to the development of a "business incubator" approach for our factory at Verney Road, London. This has taken the form of several new micro businesses, staffed and managed by visually impaired people, which continue as tenants in our premises and the establishment of an anchor tenancy that provides work for the existing visually impaired workforce. The Visage project itself, funded by the European Social Fund, has proved an invaluable catalyst and we are now meeting the final stages of the scheduled project closure. The four years of the project have been hugely instructive and beneficial to us as a charity, our beneficiaries, our seven partner charities in the UK and the project's transnational partners in Poland, Slovakia and the Czech Republic.

The net cost of operating the factories reduced to £1.240m from £1.395m last year. This was partly owing to the Anchor tenancy contract.

Two of our employment centres, West Midlands and East Anglia, were transformed into Action Teams during the year, which left only the residual London unit as an "employment

only” team. Ultimately it is intended that all employment work and self employment support will be integrated into the Action Teams structure. Across Action, employment activity increased with 248 jobs or placements found (2007: 238) and 151 retained despite sight loss (2007:154). Net expenditure was £0.623m (2007: £1.263m including teams that transferred to Action Teams during 2007/08). Expenditure in this area is gradually reducing as more employment work is included in the Action Teams structure.

Hotels

Our hotels entertained 9,500 guests during the year (2007: 9,400) with 13% being first time visitors. Our hotels are Windermere Manor in the Lake District, the Lauriston in Weston-super-Mare, the Russell Hotel in Bognor Regis and the Cliffden Hotel in Teignmouth.

Sports

Our Actionnaires Clubs continue to be another major growth area thanks to welcome support from Children in Need and several other generous donors. We currently have 29 clubs, which is an increase of nine new clubs during the year. We aim to open a further nine by March 2009.

The net cost of leisure services was £2.105m (2007: £1.838m).

James McGee

The Trustees wish to record here their recognition of the contribution to the charity’s leisure activities of James

McGee, for many years Head of Leisure Services, who died in post in January 2008. James McGee was responsible for important developments in all four of our hotels as well as playing the major role in building our network of Actionnaires Clubs.

Support of visually impaired people

During the early part of the year, we completed the restructuring of our support services to integrate better with the Action Team model. The National Telephone Helpline moved from London to Manchester but continues to give a nationwide service. It handled 10,324 enquiries in 2008 (2007: 12,647), other calls being dealt with directly by Action Teams.

Most of the Welfare Rights team have been integrated with the Action Teams but a smaller national team continues in place. Together, they obtained benefits for clients totalling £3,809k (2007: £2,329k).

The Mobile Service, with two vehicles operating from London and a third from Preston, had 9,373 visitors during the year (2007: 7,850).

The Visual Awareness team trained 1,534 people in 324 sessions covering 86 different organisations.

Other elements of the former support function have been re-formed into Service Development and Service Support units.

The net cost of the Support Service was £2,112k (2007: £2,160k).

Housing

We continue to run two high-quality supported housing services at Bradbury Oak House in Dulwich and Swail House in Epsom. However, most of our housing service is now aimed at enabling independent living in homes of service users' own choice and this support is provided by our Action Teams with 1,047 positive outcomes achieved across the country. The net cost of the Housing service was £433k (2007: £465k)

Partnership

Partnership is essential if we are to provide the best possible support to blind and partially sighted people. We work with local authorities, health trusts, Jobcentre Plus and local societies. We continue to work with The Royal National Institute of Blind People (RNIB) and The Guide Dogs for the Blind Association (GDBA) and we have a new relationship with The Royal National Institute for Deaf People (RNID) which is providing good opportunities to develop sensory based projects. We have a partnership arrangement with The National Association of Local Societies for the Visually Impaired (NALSVI) to develop co-operation between Action and NALSVI's 122 local member societies for blind people in the United Kingdom. We monitor the benefits of this arrangement closely noting, for example, the number of partnerships on employment issues, leisure opportunities in our hotels, income generated from welfare rights surgeries and visits by our mobile service. We are participating fully in the UK Vision Strategy, a VISION 2020 UK initiative led by the RNIB.

Quality and User Participation

Our services must be high quality services and must be the

services that blind and partially sighted people want, delivered by motivated and trained staff.

We place heavy emphasis on quality in all we do. We are now in the sixth year of a programme of Quality Assurance, under the framework of the European Foundation of Quality Management 'Excellence Model' and, have been assessed as being 'Committed to Excellence'.

We are firmly committed to Service User Participation, which puts blind and partially sighted people at the centre of our service delivery and development. Our impact report on user participation notes that 93% of our teams had their plans and activities influenced by their users during the year; we are delighted by the strong growth in recent years of the number of members of our Service User Participation Forums and we have strengthened our own staffing of this area.

For the first time in 2007, service users took a leading role in our annual conference, which had previously been a management meeting.

Action has also introduced Service User Participation in interview panels for recruitment of Action staff during the year.

Fundraising Performance

In the year under review, overall fundraising income has been very stable by comparison with previous year and with the exception of statutory funding, which fell short, in line with the budget. Our overall fundraising ratio has increased from 38% to 42% as a result of a planned increase in

investment in regular giving, which will also benefit future years. The Fundraising team raises funds from individuals, companies, trusts and certain statutory bodies. Our activity falls under four headings as shown in note 2, while statutory funding is shown under note 4.

The primary method of recruitment for regular givers continues to be door-to-door activity. Income from regular givers was £7.1m (2007: £7.4m) while costs increased to £2.3m from £2.0m in 2007.

We are pleased to report a significant increase in effectiveness of our cash donors operation following a review. Income was £2.4m (2007: £2.2m), ahead of budget, and costs were £1.9m, (2007: £2.0m).

Our Fundraising Partnerships team raises money from trusts, companies and major donors. Income was £0.9m (2007: £0.9m) with costs of £0.5m (2007: £0.5m).

Finally, legacies are an important element of income to the charity, this year totalling £2.5m (2007: £2.3m), and we are now implementing a long-term plan to increase legacy receipts for the future.

Investment Performance

Last year, the Trustees agreed a new approach to investment, deciding on passive management. All funds are now managed by Legal and General, using pooled funds to match the allocation set out in our investment strategy, and their performance is closely monitored.

FINANCIAL REVIEW

The financial performance of the charity has in general been very stable in 2007/08 by comparison with the previous year. Total incoming resources at £19.5m were lower than last year by £0.5m, mainly owing to a non-recurring receipt of £0.6m in the prior year following a VAT case.

Charitable expenditure rose by £0.3m to £16.4m, although within that total there has been a continuation of the steady shift from the Work strand to Action Teams. Additional funds were spent on generating voluntary income.

As a result of these factors net outgoing resources for the year was a deficit of £2.4m (2007: £1.2m) which has been deducted from existing reserves. The charity had planned for a deficit budget for the year.

There was no revaluation or disposal of land and buildings during the year. Capital expenditure totalled £1.0m which compared to depreciation of £1.1m.

The market value of investments turned negative in line with world markets after four years of growth.

Reserves

The Trustees regularly review the reserves of the charity. This review encompasses the nature of the income and expenditure streams, the need to match variable income with fixed commitments and the nature of the reserves. The last review concluded that to allow the charity to be

managed efficiently and to provide a buffer for uninterrupted services, a reserve equivalent to three months' charitable expenditure should be maintained. At the year-end, the charity's general reserves were £2.7m which equates to between eight and nine weeks' charitable expenditure.

In arriving at this total, a total of £1.4m has been transferred from Designated funds to General Reserves as the amounts in question are considered to be no longer required in addition to the amounts which have already been charged to expenditure.

The Trustees intend to re-build Reserves towards the thirteen week level in the short to medium term. Restricted funds are £0.3m (2007: £0.2m)

Action for Blind People Activities Limited

The charity's wholly owned trading subsidiary carries out non-charitable trading activities for the charity, primarily the sale of Christmas cards. During the year the company made a profit of £3k (2007: £1k) and generated donations for the charity of £20k (2007: £33k) that were received with mail order payments.

Provision of Information to Auditors

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware; and

- each trustee has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Auditors

A resolution for the appointment of Deloitte & Touche LLP was approved by the Board on 20 June 2007 and, being eligible, they offer themselves for re-appointment.

Pensions

The latest triennial valuation of the closed final salary scheme was carried out in October 2005. FRS 17 has been fully adopted and a liability of £0.784m is now identified at 31 March 2008, an increase of £0.132m over last year, mainly attributable to investment performance and changes to assumptions. The Trustees have taken the view that it is appropriate to establish a reserve to cover any future variation in this liability.

PLANS FOR THE FUTURE

We have a five year Strategic Plan, reviewed and extended annually, that clearly maps out future intentions.

Our Action Teams, Actionnaires Clubs and Hotels will remain our core service delivery methods.

During the last few years, there has been significant development in all of these areas, considering that only seven years ago there were no Action Teams or Actionnaires Clubs and just two hotels. This is a measure of the great pace of change within the charity.

We aim to increase coverage across the country but Action Teams in particular require considerable effort and investment. It is likely that further expansion of the Action Teams network will be dependent on securing funding and it is on the area of fundraising that the charity's strategic emphasis will be placed in the next two years.

It is our intention to continue to add to the chain of Actionnaires Clubs.

Last but not least, we will pursue our agenda of excellence in everything we do and continue to seek ways of enabling our service users to participate in monitoring our work and plan our future services.

This report was approved by the Board on 25 June 2008.

A handwritten signature in black ink, appearing to read 'John Crowther', written over a horizontal line.

Signed on behalf of the Board
John Crowther
Company Secretary

Independent Auditors' Report to the Members of Action for Blind People

We have audited the group and parent charitable company financial statements (the "financial statements") of Action for Blind People for the year ended 31 March 2008 which comprise the consolidated statement of financial activities, the group and company balance sheets, the consolidated cash flow statement and the related notes 1 to 26. These financial statements have been prepared under 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 responsibilities of the trustees (who are also the directors of Action for Blind People for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are 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 Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable 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 trustees' remuneration and other transactions is not disclosed.

We read the other information contained in the Annual Report as described in the contents section and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

Basis of audit opinion

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

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

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent charitable company's affairs as at 31 March 2008 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;

- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

Date: 7 July 2008

Notes

An audit does not provide assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular on whether any changes may have occurred to the financial statements since first published. These matters are the responsibility of the directors but no control procedures can provide absolute assurance in this area.

Legislation in the UK governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

Consolidated Statement of Financial Activities

- incorporating an income and expenditure account

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2008 £'000	Total 2007 £'000
Incoming resources					
Incoming Resources from Generated Funds					
Voluntary Income	2	12,471	461	12,932	12,807
Commercial Trading Operations		46	-	46	65
Investment Income	3	424	-	424	276
		12,941	461	13,402	13,148
Incoming Resources from Charitable Activities					
Statutory and other grants	4	2,473	228	2,701	2,853
Sales, Fees and other Service Income	5	3,344	-	3,344	3,448
Other Incoming Resources					
Rental Income		68	-	68	-
Miscellaneous Income	6	-	-	-	613
Profit on Disposal of Fixed Assets	14	-	-	-	(51)
Total Incoming Resources		18,826	689	19,515	20,011
Resources expended					
Cost of Generating Funds					
Costs of Generating Voluntary Income	7	5,196	-	5,196	4,806
Commercial Trading Operations		49	-	49	79
Investment Management Costs		12	-	12	15
		5,257	-	5,257	4,900

Cost of Charitable Activities

Work		3,543	13	3,556	5,332
Action Teams		4,717	151	4,868	3,059
Leisure		4,269	294	4,563	4,242
Housing		1,273	26	1,299	1,311
Support of beneficiaries		1,749	44	1,793	1,828
Information & Education		371	-	371	347
		15,922	528	16,450	16,119
Governance Costs	9	231	-	231	220
Total resources expended	8	21,410	528	21,938	21,239
Net Deficit for the Year					
(Net outgoing resources before transfers)	20	(2,584)	161	(2,423)	(1,228)
Gross transfers between funds	20	81	(81)	-	-
Other Recognised Gains/Losses:					
Net investment (losses)/gains	15	(538)	-	(538)	433
Gains on revaluation of fixed assets	15	347	-	347	-
Actuarial gains/losses on Defined Benefit Pension Scheme	21	(504)	-	(504)	337
Net movement in funds		(3,198)	80	(3,118)	(458)
Funds brought forward at 1 April as reported		31,883	209	32,092	32,550
Funds carried forward at 31 March	20	28,685	289	28,974	32,092

All the above results are derived from continuing activities. All gains and losses recognised in the year are included above. Accordingly, a statement of total realised gains and losses has not been prepared.

The notes on pages 19 to 47 form part of the financial statements.

Consolidated and Charity Balance Sheets

31 March 2008

	Notes	Group		Charity	
		2008 £'000	2007 £'000	2008 £'000	2007 £'000
Fixed Assets					
Tangible assets - charitable	14	25,005	25,202	25,005	25,202
Investments	15	5,231	7,785	5,231	7,785
		30,236	32,987	30,236	32,987
Current assets					
Stocks and work in progress	16	25	48	22	47
Debtors	17	1,112	1,452	1,119	1,459
Cash held for operations		185	393	179	384
		1,322	1,893	1,320	1,890
Creditors: amounts falling due within one year	18	(1,800)	(2,136)	(1,798)	(2,133)
Net current liabilities		(478)	(243)	(478)	(243)
Total assets less current liabilities		29,758	32,744	29,758	32,744
Net assets excluding Pension liability		29,758	32,744	29,758	32,744
Defined Benefit Pension Scheme liability	21	(784)	(652)	(784)	(652)
Net Assets including Pension Liability		28,974	32,092	28,974	32,092

Funds

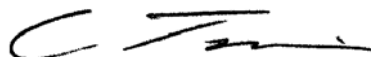
Restricted income funds	20	289	209	289	209
Unrestricted income funds :					
Designated funds (including Property Revaluation Reserve £10,086k; 2007: £9,919k)	20	25,971	27,571	25,971	27,571
Unrestricted funds (including Investment revaluation deficit of £224k; 2007 surplus £377k)	19	3,498	4,964	3,498	4,964
Pension Reserve	20	(784)	(652)	(784)	(652)
Total funds	20	28,974	32,092	28,974	32,092

The financial statements on pages 14 to 47 were approved by the Board on 25 June 2008 and signed on their behalf by:

John Spence
Chairman



Clive Timms
Treasurer



Group Cash Flow Statement

- for the year ended 31 March 2008

	Notes	2008 £'000	2007 £'000
Net cash outflow from operating activities			
Returns on investments and servicing of finance	24	(2,021)	(567)
Capital expenditure and financial investment	25(a)	204	276
	25(b)	1,179	(1,311)
		<u>(638)</u>	<u>(1,602)</u>
Management of liquid resources	25(c)	430	1,456
Financing	25(d)	-	-
Decrease in cash in the year		<u>(208)</u>	<u>(146)</u>
 Reconciliation of net cash flow to movement in funds (Note 26)			
Decrease in cash in the year		(208)	(146)
Movement in net funds in the year		<u>(208)</u>	<u>(146)</u>
Net funds at 1 April		393	539
Net funds at 31 March		<u>185</u>	<u>393</u>

Notes to the Financial Statements

1. Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of listed investments and property assets, which are included on a market value basis. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, and applicable UK accounting standards.

b) Company status

The Charity is a company limited by guarantee. The members of the charity are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

c) Group financial statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary, Action for Blind People Activities Limited, on a line-by-line basis. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as the charity has taken advantage of the exemptions afforded by S.230 of the Companies Act 1985 and paragraph 397 of SORP 2005.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the

general objectives of the charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the appeal.

e) Incoming resources

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

Legacies: entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. No value is included where the legacy is subject to a life interest held by another party.

Donation of services and facilities: are included at the value to the charity where this can be quantified. No amounts are included in the financial statements for services donated by volunteers.

Gifts in Kind: are included at valuation where their value is ascertainable and material.

Grants: where related to performance and specific deliverables these are accounted for as the charity earns

the right to consideration by its performance. Where income is received in advance of its recognition, it is deferred and included in creditors. Where entitlement occurs before income being received the income is accrued. Capital grants are accounted for as income as soon as they are receivable.

Conduit funds: when the charity acts as agent for other organisations and receives funds on their behalf, these funds are not recognised as income and are excluded from the SOFA and balance sheet.

f) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Support costs, which include the central office functions such as general management, payroll administration, budgeting and accounting, information technology, human resources and financing are allocated across the categories of charitable expenditure, governance costs and the costs of generating funds. The basis of the cost allocation has been explained in the notes to the accounts.

Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

- i) Finance costs are allocated on the basis of expenditure;
- ii) ICT costs are allocated on the basis of supported work-stations;

- iii) Facilities costs are allocated on the basis of the maintenance and insurance costs;
- iv) Human Resources costs are allocated on the basis of the number of employees; and
- v) General Management costs are allocated on the basis of the estimated time spent on each area.

Grants payable are charged to the statement of financial activities when a constructive obligation exists notwithstanding that they may be paid in future accounting periods.

Costs of Generating Funds

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities or the costs of raising statutory and other grants.

Charitable Activities

Costs of charitable activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objects of the charity, including the costs of disseminating information in support of charitable activities. These costs include staff costs, wholly or mainly attributable support costs and an apportionment of general overheads.

Governance Costs

Governance costs comprise all costs identified as wholly or mainly attributable to ensuring the public accountability of the charity and its compliance with regulation. These costs include external and internal audit and trustee costs.

g) Tangible fixed assets and depreciation

Freehold and leasehold land and buildings are stated at open market current use valuation. Valuations are undertaken every five years and between valuations the Trustees undertake a review to consider whether there is a material change since the last valuation. All other tangible fixed assets are stated at cost including any incidental expenses of acquisition. Depreciation is provided on all tangible fixed assets, except freehold land, at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives. The rates are as follows:

- Freehold and leasehold buildings - over 30 years (or lease term if shorter)
- Plant, machinery, fixtures and fittings - over 5 years
- Motor vehicles - over 5 years
- Computers and ancillary equipment - over 3 years

h) Investments

Investments are stated at market value. Market value is taken to be the mid-market price ruling at the balance sheet date. It is the Charity's policy to keep valuations up-to-date, such that when investments are sold, there is no gain or loss arising relating to previous years. As a result, the Statement of Financial Activities does not distinguish between valuation adjustments relating to sales and those relating to continued holdings as they are both treated as changes in the value of the investment portfolio throughout the year. Investments in subsidiaries are stated at cost less provision for impairment.

i) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is purchase cost on a first-in, first-out basis.

j) Pension costs

For the company's defined benefit arrangements, the current service cost of providing pension benefits to employees, together with the cost of any benefits relating to past service, is charged in resources expended in the Statement of Financial Activities and included within staff costs. The interest cost and the expected return on assets are shown as a net amount of cost allocated to the appropriate resources expended categories. Actuarial gains and losses are recognised immediately within other Recognised Gains and Losses. The difference between the market value of the pension scheme assets and the present value of accrued pension liabilities is shown separately as an asset or liability in the balance sheet.

Employer's contributions to the defined contribution scheme are charged to the SOFA as incurred.

k) Taxation

No corporation tax has been provided in these accounts because trustees believe that the income and gains of the Charity are within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

l) Operating Leases

Costs in respect of operating leases are charged to the Statement of Financial activities on a straight-line basis.

Notes to the Financial Statements continued

2. Voluntary Income and Costs of Generating Voluntary Income

	Regular Giving	Direct Marketing	Trusts, Corporates and Major Donors	Legacies	Total
	£'000	£'000	£'000	£'000	£'000
2008:					
Income	7,075	2,391	943	2,523	12,932
Cost of Generation	2,284	1,870	498	166	4,818
Net Income Raised	4,791	521	445	2,357	8,114
2007:					
Income	7,411	2,240	869	2,287	12,807
Cost of Generation	1,972	1,982	450	102	4,506
Net Income Raised	5,439	258	419	2,185	8,301

Action for Blind People has been notified of a number of legacies which have not been accrued as the criteria for recognition have not been met. At 31 March 2008 these were estimated to amount to £1.102m (2007: £1.026m).

3. Investment Income

	2008 £'000	2007 £'000
Bank Interest received	41	67
Investment Interest received	1	97
Dividends received	220	112
Interests - other	162	-
	424	276

4. Statutory and other grants in support of provision of charitable services

Government grants in support of provision of charitable services

	2008	2007
	£'000	£'000
Capitation Grants	483	558
Homeworkers' Grants	37	72
Workstep	547	444
Work Placement & Preparation	14	-
Supporting People Grants	240	234
European Social Funding	1,155	1,347
Big Lottery Fund:		
Cumbria Housing Coordinator	30	
Action Team North East	2	
Windermere Manor Minibus	6	
Middlesbrough Diversity Officer	26	
Mobile Service	34	
	98	88
Access to Work	127	110
Total	<u>2,701</u>	<u>2,853</u>

Capitation grants are monies received from local authorities and Central Government to assist in funding the employment of some blind and partially sighted people in the charity. The number of employees attracting Capitation in 2008 was 31 (2007: 39). Homeworkers' grants are provided for use by blind and partially sighted people in support of their business activities. The number of people receiving Homeworkers' grants in 2008 was 12 (2007: 16).

Notes to the Financial Statements continued

5. Net Cost of Charitable Services Provided

	Work	Action Teams	Leisure	Housing	Support of Visually Impaired People	Total
	£'000	£'000	£'000	£'000	£'000	£'000
2008:						
Income	195	48	2,458	626	17	3,344
Statutory and other grants	1,498	929	-	240	34	2,701
Operating costs	(3,556)	(4,868)	(4,563)	(1,299)	(2,164)	(16,450)
Net cost	(1,863)	(3,891)	(2,105)	(433)	(2,113)	(10,405)
2007:						
Income	382	40	2,399	613	14	3,448
Statutory and other grants	2,292	322	5	233	1	2,853
Operating costs	(5,332)	(3,059)	(4,242)	(1,311)	(2,175)	(16,119)
Net Cost	(2,658)	(2,697)	(1,838)	(465)	(2,160)	(9,818)

6. Miscellaneous Income

Miscellaneous Income from 2007 of £613K represented a refund of VAT on fundraising costs.

7. Costs of Generating Voluntary Income

	2008	2007
	£'000	£'000
Total costs of Fundraising (Note 2)	4,818	4,506
Publicity & Public Affairs	378	300
	5,196	4,806

8. Resources Expended - Group

	Staff Number	Staff Costs	Other Direct costs	Support costs (note 10)	Total 2008	Total 2007
	£'000	£'000	£'000	£'000	£'000	£'000
Cost of Generating Funds						
Regular Giving and Direct Marketing	23	718	3,188	418	4,324	4,056
Trusts, Corporate, Schools and Major Donors	12	245	116	133	494	450
Publicity	6	208	105	65	378	300
Fundraising Trading Operations:						
Subsidiary	-	-	49	-	49	79
Investment fees	-	-	12	-	12	15
	41	1,171	3,470	616	5,257	4,900
Cost of Charitable Activities						
Work						
Employment centres	4	620	203	158	981	2,013
Factories	44	1,205	1,032	338	2,575	3,319
Action Teams	125	2,990	1,080	798	4,868	3,059
Leisure						
Hotels	130	1,885	1,259	813	3,957	3,795
Sport	56	338	204	64	606	447
Housing	13	360	702	237	1,299	1,311
Support of visually impaired people						
Information and advice	33	1,048	446	245	1,739	1,405
Relief of poverty	-	35	10	9	54	423
Information & Education	6	208	105	58	371	347
	411	8,689	5,041	2,720	16,450	16,119
Governance Costs						
	-	-	-	231	231	220
Expenditure in Support of Activities	46	1,819	1,748	(3,567)	-	-
	498	11,679	10,259	-	21,938	21,239

Notes to the Financial Statements continued

Support of visually impaired people

With effect from April 2007, no further grants in aid were made (2007: £264,494). The charity now provides bursaries for blind and visually impaired people to visit our hotels (3 individuals £1,566) and grants of assistive technology software (5 individuals £1,734).

9. Governance Costs

	2008	2007
	£'000	£'000
External audit fees	24	25
Internal audit fees	29	35
Trustees costs (Note 12)	10	10
Apportionment of costs supporting Governance activities	168	150
	<u>231</u>	<u>220</u>

10. Support Costs

	2008	2008	2008	2008	2008	2008	2008	2007
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Human	Finance	ICT	Facilities	Quality &	General	Total	Total
	Resources			Mgt and	User	Management		
				Shared Sites	Participation			
Cost of Generating Voluntary Income	66	219	115	26	15	175	616	602
Cost of Charitable Activities								
Work	78	94	129	145	17	33	496	984
Action Teams	204	88	238	118	46	104	798	424
Leisure	168	113	81	386	38	91	877	737

Housing	18	56	34	85	4	40	237	342
Support	65	56	82	47	15	47	312	325

Governance Costs

-	-	-	9	-	222	231	220
599	626	679	816	135	712	3,567	3,634

Basis of Allocation

Headcount	Expenditure	Supported work-stations	Insurance Costs	Headcount	Estimated time
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11. Employees

Salaries and wages
National insurance
Pension premiums and life assurances

	2008	2007
	£'000	£'000
	10,189	9,587
	922	882
	568	386
	11,679	10,855

The number of employees at the year-end, was:

Full time
Part time

	2008	2007
	374	396
	124	116
	498	512

The average number of full-time equivalent employees during the year was 417 (2007: 421).

As at 31 March 2008 there were four employees earning more than £60,000 (2007: 2)

£60,001 - £70,000
£70,001 - £80,000
£80,001 - £90,000
£90,001 - £100,000

	2008	2007
	3	1
	-	-
	-	1
	1	-
	4	2

Notes to the Financial Statements continued

12. Trustees

a) Emoluments

None of the Trustees (who are all Directors of the Company) received emoluments in the year (2007: Nil). Amounts reimbursed for travel and other expenditure during the year was £1,033 to four Trustees (2007: £760 to four Trustees)

b) Related party transactions

There were no related party transactions requiring disclosure in the year, or in the prior year.

c) Insurance

The company has purchased indemnity insurance in respect of Trustees of the company to cover liability in respect of negligence, default, and breach of duty or trust other than that caused by wilful or criminal damage. The cost of this insurance was £9,200 (2007: £8,211).

13. Total movement of funds in the year is stated after charging:

	2008	2007
	£'000	£'000
Auditors' remuneration		
- Statutory audit fee - Group	23	24
- Statutory audit fee - Subsidiary company	1	1
- Pension fund	9	9
Operating lease payments - office rental	229	117
Depreciation charge	1,085	1,051

14. Tangible fixed assets - group and charity

	Freehold land and buildings	Short Leasehold land and buildings	Plant and Machinery	Motor Vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost/Valuation					
1 April 2007	20,533	4,151	2,297	604	27,585
Additions	339	185	366	76	966
Disposals and write-offs (Note a)	-	-	(448)	(42)	(490)
31 March 2008	20,872	4,336	2,215	638	28,061
Depreciation					
1 April 2007	423	186	1,410	364	2,383
Charge for Year (Note b)	435	163	415	72	1,085
Disposals and write-offs (Note a)	-	-	(375)	(37)	(412)
31 March 2008	858	349	1,450	399	3,056
Net book value					
31 March 2008	20,014	3,987	765	239	25,005
31 March 2007	20,110	3,965	887	240	25,202
Historical Cost:					
Cost	14,123	1,006	2,215	638	17,982
Net Book Value	13,384	879	765	239	15,267

Notes to the Financial Statements continued

Note a:

Plant and machinery items representing computer equipment and fixtures and fittings are written off when fully depreciated.

Note b:

The Charity's freehold and leasehold interests in land and buildings were valued by Messrs Stanley Hicks & Son, Chartered Surveyors (FRICS), in April 2006, on the basis of open market value. Depreciation for the year has been based on the amount of the valuation, resulting in an increased depreciation charge of £179,884 (2007: £160,428). Land to the value of £7,625,000 is not depreciated. The Trustees are not aware of any material changes since the last valuation.

Note c:

During this year capital expenditure amounting to £347k, incurred in prior years, was refunded by HMRC as a result of a VAT settlement. This sum was set against the cost and, as a consequence, has increased the revaluation reserve.

15. Fixed asset investments - group and charity

	2008	2007
	£'000	£'000
Market value - 1 April 2007	7,785	7,243
Additions	210	7,018
Disposals	(1,796)	(5,434)
Net investment (losses)/gains	(538)	433
	5,661	9,241
Net decrease in cash on deposit	(430)	(1,456)
Market value - 31 March 2008	5,231	7,785
Cost - 31 March 2008	5,455	7,408

Unrealised (losses)/gains carried forward	(224)	377
Unrealised gains/(losses) included in investment income	63	(4)
Unrealised losses brought forward	(377)	(1,453)
Movement in unrealised losses in year	(538)	(1,061)
Realised gains on disposal/transfer	0	1,494
Net investment (losses)/gains	(538)	433
Listed on London Stock Exchange:		
Unit trusts	4,494	6,598
Overseas equity shares (unit trusts)	724	744
Market value of listed investments	5,218	7,342
Unlisted Investment	13	13
Cash	-	430
Total	5,231	7,785

The following investments were held at 31 March 2008 with a value in excess of 5% of the market value of listed investments: CAF UK Equities Fund market value £2,473,415, Legal & General Fixed Interest Trust market value £1,691,714 and Legal & General UK Property Trust market value £329,389 (2007: CAF UK Equities Fund market value £4,226,854 and Legal & General Fixed Interest Trust market value £2,005,225)

Notes to the Financial Statements continued

16. Stocks and work in progress

	Group		Charity	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Finished goods	-	17	-	17
Sundry stocks	25	31	22	30
	25	48	22	47

17. Debtors

	Group		Charity	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Trade debtors	527	644	526	638
Due from subsidiary undertaking, net of provisions	-	-	8	13
Other debtors	123	99	123	99
Prepayments and accrued income	462	709	462	709
	1,112	1,452	1,119	1,459

18. Creditors: amounts falling due within one year

	Group		Charity	
	2008 £'000	2007 £'000	2008 £'000	2007 £'000
Trade Creditors	570	332	570	332
Taxation and Social Security costs	273	277	273	277
Sundry Creditors	195	143	195	143
Accruals	421	805	419	802
Deferred Income	341	579	341	579
	1,800	2,136	1,798	2,133

Deferred income consists mainly of hotel deposits taken in advance and capitation and other statutory grants invoiced in advance. All amounts brought forward have been released into incoming resources in the year.

19. Financial commitments

Capital commitments at 31 March 2008 amounted to £111,000 (2007: £23,000).

During the next year, the company is committed to making the following annual payments on leasehold properties under operating leases which expire:

	2008 £'000	2007 £'000
Within one year	4	15
Within two to five years	38	34
After five years	176	82
	218	131

Notes to the Financial Statements continued

20. Statement of funds - Group and Charity

	Balance 31 March 2007	Income	Expenditure	Transfers and net gains/losses	Balance 31 March 2008
	£'000	£'000	£'000	£'000	£'000
Unrestricted Income funds - General Reserve (including Investment revaluation)	4,964	18,780	(20,855)	609	3,498
Pension Reserve	(652)	-	-	(132)	(784)
	4,312	18,780	(20,855)	477	2,714
Designated Funds					
Property Revaluation Reserve	9,919	-	-	167	10,086
Property and Equipment	15,283	-	-	(364)	14,919
Capital Development	437	-	-	(294)	143
Maintenance	932	-	(509)	-	423
Pension Fund Reserve	1,000	-	-	(600)	400
Total Designated Funds - Charity	27,571	-	(509)	(1,091)	25,971
Restricted Funds:					
Support	16	95	(44)	-	67
Work	2	13	(13)	-	2
Action Teams	-	349	(150)	-	199
Housing	94	18	(26)	(81)	5
Leisure	97	214	(295)	-	16
Total Restricted Funds	209	689	(528)	(81)	289
Total Funds - Charity	32,092	19,469	(21,892)	(695)	28,974
Non-Charitable Trading Funds (subsidiary Company)	-	46	(46)	-	-
Total Funds - Group	32,092	19,515	(21,938)	(695)	28,974

The net deficit for the year for the charity was £2.423m

The Capital Development Fund is designated for future capital improvements to hotels. Refurbishment work carried out at the hotels in the year has been charged to this fund as capital expenditure.

Transfers are made between Restricted and Unrestricted Funds at the time the specific restrictions have been fulfilled.

The Property & Equipment Fund taken together with the Property Revaluation Reserve represents the net book value of the charity's fixed assets, less capital work in progress. Movement in the year on these reserves reflects the revaluation of properties in the year and write-back of depreciation, property disposals, and the depreciation in the year attributable to the re-valued amount.

Included in the transfers and net gains on General Reserve are the net investment losses of £538k referred to in Note 15.

The Pension Fund Reserve was established in 2004 to designate funds equal to the deficits disclosed in the 2003 Triennial Valuation of the Defined Benefit Pension Scheme as reduced by subsequent payments to reduce the deficit. Following the adoptions in full of FRS17, this reserve is reviewed annually to provide protection against future adverse developments (see Note 21).

The maintenance fund represents the estimated future costs of necessary maintenance to the premises used for charitable purposes. Current year maintenance expenditure has been charged to this fund.

Notes to the Financial Statements continued

Analysis of Group Net Assets Between Funds

	Restricted Funds	Designated Funds	Unrestricted Income Funds	Total
	£'000	£'000	£'000	£'000
Fund balances at 31 March 2008 are represented by:				
Tangible fixed assets	-	25,005	-	25,005
Investments	-	966	4,265	5,231
Cash	-	-	185	185
Other net current assets	289	-	848	1,137
Current liabilities	-	-	(1,800)	(1,800)
Defined Benefit Pension Liability	-	-	(784)	(784)
Total net assets	289	25,971	2,714	28,974

21. Pension Costs

The Charity participates in three pension schemes; the assets of the schemes are held separately from those of the charity.

a) Scheme number one

This scheme is the Action for Blind People defined benefit scheme and has been closed to new members from 1 October 1997.

b) Scheme number two

This scheme is the Action for Blind People defined contribution scheme (money purchase) and is open to existing and new employees.

Both the above schemes were administered with effect from 1 April 2005 by The Pensions Trust.

c) Scheme number three

This scheme is a defined benefit scheme operated by Wiltshire County Council, relating to staff transferred from Shelwork Industries on 1 April 2000. It is closed to new members of the charity. The charity's employees are not the only members of the scheme, and so the assets of this scheme are not held exclusively for their benefit. With effect from 31 March 2006 the Shelwork factory operation ceased to trade and almost all members of this scheme subsequently ceased to be employees of the charity.

FRS 17 Disclosures

Summary of Scheme costs and balances	Amounts charged to operating profits	Actuarial losses	Defined Benefit Pension Scheme Liability
2008:	£'000	£'000	£'000
Scheme Number One	134	(300)	(784)
Scheme Number Two	370	-	-
Scheme Number Three	(34)	(204)	-
	470	(504)	(784)

The net asset arising on Scheme Number Three has not been recognised in the financial statements as it is uncertain whether the charity can benefit from the surplus.

Notes to the Financial Statements continued

Summary of Scheme costs and balances	Amounts charged to operating profits	Actuarial Gains	Defined Benefit Pension Scheme (Liability)/Asset
2007:	£'000	£'000	£'000
Scheme Number One	169	252	(868)
Scheme Number Two	241	-	-
Scheme Number Three	(17)	85	216
	393	337	(652)

FRS 17 Disclosures relating to Scheme Number One

Composition of the Pension Scheme

Within the Action for Blind People defined benefit Scheme retirement benefits are based on employees' final remuneration and length of service. A full actuarial valuation was carried out at 1 October 2005 by a qualified independent actuary using assumptions that are consistent with the requirements of FRS 17 and updated to be effective as at the dates below. The major assumptions used by the actuary were:

	at 31 March 2008	at 31 March 2007	at 31 March 2006	at 31 March 2005	at 31 March 2004
Rate of increase in salaries	4.8%	4.5%	4.0%	4.2%	4.2%
Rate of increase in deferred pensions	2.5%	2.5%	2.5%	2.7%	2.7%
Rate of increase for pensions in payment	3.3%	3.0%	2.5%	2.7%	2.7%
Discount rate	6.0%	5.4%	4.9%	5.4%	5.5%
Inflation assumption	3.3%	3.0%	2.5%	2.7%	2.7%

The final salary section of the Scheme is closed to new entrants. Under the projected unit method the current service cost would be expected to increase as the members of the Scheme approach retirement.

Employees' contribution rates are currently at 6.5% and the employers' contribution rate is currently 19.9%.

The assets in the Scheme and the expected rate of return were:

	Expected Rate of Return 31 March 2008	Assets £'000	Expected Rate of Return 31 March 2007	Assets £'000	Expected Rate of Return 31 March 2006	Assets £'000
Equities	8.00%	6,391	8.00%	6,749	8.00%	6,100
Bonds	4.80%	2,787	4.80%	2,517	4.30%	2,343
Other	5.25%	292	5.25%	336	4.50%	358
Total Market Value of Assets		9,470		9,602		8,801
Actuarial Value of Liability		(10,254)		(10,470)		(10,260)
Deficit in the Scheme		(784)		(868)		(1,459)

Analysis of the Amount Charged to Operating Profit

	Year to 31 March 2008 £'000	Year to 31 March 2007 £'000
Current Service Cost	256	278
Past Service Cost	-	-
Total Operating Charge	256	278

Notes to the Financial Statements continued

Analysis of Net Return on Pension Scheme

	Year to 31 March 2008	Year to 31 March 2007
	£'000	£'000
Expected Return on Pension Scheme Assets	686	613
Interest on Pension Liabilities	(564)	(504)
Net Finance Income Credit to Statement of Financial Activities	<u>122</u>	<u>109</u>

Analysis of Amount Recognised in Statement of Financial Activities

	Year to 31 March 2008	Year to 31 March 2007
	£'000	£'000
Actual Return Less Expected Return on Assets	(1,041)	(38)
Experience Gains and Losses on Liabilities	102	259
Changes in Assumptions	639	31
Actuarial (Losses)/Gains Recognised in Statement of Financial Activities	<u>(300)</u>	<u>252</u>

Movement in Deficit During the Year

	Year to 31 March 2008	Year to 31 March 2007
	£'000	£'000
Deficit in Scheme at Beginning of Year	(868)	(1,459)
Movement in Year:		
Current Service Cost	(256)	(278)
Contributions	518	508
Past Service Costs	-	-
Net Return on Assets/(interest cost)	122	109
Actuarial Gain	(300)	252
Deficit in Scheme at End of Year	<u>(784)</u>	<u>(868)</u>

History of Experience Gains and Losses

Difference between expected and actual return on Scheme Assets:	2008	2007	2006	2005	2004
	£'000	£'000	£'000	£'000	£'000

Amount	(1,041)	(38)	1,016	258	611
Percentage of Scheme Assets	(11%)	0%	12%	3%	9%

Experience Gains and Losses on Scheme Liabilities:

Amount	102	259	(6)	(206)	586
Percentage of Scheme Liabilities	1%	2%	0%	2%	7%

Total Amount Recognised in Statement of Financial Activities:

Amount	(300)	252	19	(96)	978
Percentage of Scheme Liabilities	(3%)	2%	0%	1%	11%

FRS 17 Disclosures relating to Scheme Number Three

Composition of the Pension Scheme

Within the Wiltshire Pension Fund defined benefit Scheme retirement benefits are based on employees' final remuneration and length of service. A full actuarial valuation was carried out at 31 March 2007 by a qualified independent actuary using assumptions that are consistent with the requirements of FRS 17 and updated to be effective as at the dates below. The major assumptions used by the actuary were:

	At 31 March 2008	At 31 March 2007	At 31 March 2006
Rate of increase in salaries	5.1%	4.7%	4.6%
Rate of increase for pensions in payment	3.6%	3.2%	3.1%
Discount rate	6.9%	5.4%	4.9%
Inflation assumption	3.6%	3.2%	3.1%

Notes to the Financial Statements continued

The final salary section of the Scheme is closed to new entrants. Under the projected unit method the current service cost would be expected to increase as the members of the Scheme approach retirement.

Employees' contribution rates are currently at 5.9% and the employers' contribution rate is currently 15.2%.

	Expected Rate of Return 31 March 2008	Assets £'000	Expected Rate of Return 31 March 2007	Assets £'000	Expected Rate of Return 31 March 2006	Assets £'000
Equities	7.70%	1,096	7.80%	1,291	7.40%	1,247
Bonds	5.70%	298	4.90%	349	4.60%	326
Property	5.70%	182	5.80%	181	5.50%	163
Cash	4.80%	94	4.90%	38	4.60%	33
Total Market Value of Assets		1,670		1,859		1,769
Actuarial Value of Liability		(1,613)		(1,643)		(1,689)
Surplus in the Scheme		57		216		80

Analysis of the Amount Charged to Operating Profit

	Year to 31 March 2008 £'000	Year to 31 March 2007 £'000
Current Service Cost	7	19
Past Service Cost	-	-
Total Operating Charge	7	19

Analysis of Net Return on Pension Scheme

	Year to 31 March 2008 £'000	Year to 31 March 2007 £'000
Expected Return on Pension Scheme Assets	128	118
Interest on Pension Liabilities	(87)	(82)
Net Finance Income Credit to Statement of Financial Activities	41	36

Analysis of Amount Recognised in Statement of Financial Activities

	Year to 31 March 2008 £'000	Year to 31 March 2007 £'000
Actual Return Less Expected Return on Assets	(222)	(28)
Experience Gains and Losses on Liabilities	(257)	(1)
Changes in Assumptions	275	114
Actuarial (Loss)/Gains Recognised in Statement of Financial Activities	(204)	85

Movement in Surplus During the Year

	Year to 31 March 2008 £'000	Year to 31 March 2007 £'000
Surplus in Scheme at Beginning of Year	216	80
Movement in Year:		
Current Service Cost	(7)	(19)
Contributions	11	34
Past Service Costs	-	-
Net Return on Assets/(interest cost)	41	36
Actuarial Gain	(204)	85
Surplus in Scheme at End of Year	57	216

Notes to the Financial Statements continued

History of Experience Gains and Losses

	Year to 31 March 2008	Year to 31 March 2007
	£'000	£'000
Difference between expected and actual return on Scheme Assets		
Amount	(222)	(28)
Percentage of Scheme Assets	(13%)	(2%)
Experience Gains and Losses on Scheme Liabilities:		
Amount	(257)	(1)
Percentage of Scheme Liabilities	(17%)	0%
Total Amount Recognised in Statement of Financial Activities:		
Amount	(204)	85
Percentage of Scheme Liabilities	(12%)	(5%)

22. Trading Subsidiary

Action for Blind People Activities Limited

	2008	2007
	£'000	£'000
Turnover (including inter-company sales)	61	90
Cost of sales	(21)	(37)
Gross profit	40	53
Administrative expenses	(33)	(49)
Interest	(4)	(3)
Net profit on ordinary activities before and after taxation	3	1
Balance of reserves at 1 April	(41)	(42)
Balance of reserves at 31 March	(38)	(41)

The company owns the whole of the issued ordinary share capital (£2) of Action for Blind People Activities Limited, a company registered in England and Wales and incorporated in Great Britain. The company's principal activities continue to be the promotion of Action for Blind People and the supply of goods by mail order. During the year it collected donations of £19,539 (2007: £32,855) on behalf of Action for Blind People. It has no employees.

23. Administrative services to other charities

Action for Blind People provided administrative support for the payroll and pension functions for The Organisation of Blind African-Caribbeans and Vision 2020 (UK) during 2007/2008.

24. Reconciliation of changes in resources to net cash - group

Inflow from operating activities	2008	2007
	£'000	£'000
Net incoming resources before transfers	(2,423)	(1,228)
Loss/(Profit) on sale of tangible fixed assets	-	51
Donations not in cash - shares	-	-
Tangible fixed assets written off to charitable expenditure	75	-
Investment Management Fees charged to Portfolio	11	19
Depreciation	1,085	1,051
Decrease in stocks	23	104
Decrease in debtors	340	545
(Decrease) in creditors	(336)	(363)
Increase in Pension Liability	(372)	(470)
Investment income	(424)	(276)
Net cash outflow from operating activities	(2,021)	(567)

Notes to the Financial Statements continued

25. Gross cash flows-group

(a) Returns on investments and servicing of finance

	2008	2007
	£'000	£'000
Interest (net) and dividends received	204	276
	204	276

(b) Capital expenditure and financial investments

	2008	2007
	£'000	£'000
Payments for purchase of tangible fixed assets	(996)	(1,184)
Proceeds from sale of tangible fixed assets	349	1,457
Payments for purchase of investments	-	(7,018)
Proceeds from sale of investments	1,796	5,434
	1,179	(1,311)

(c) Management of liquid resources

	2008	2007
	£'000	£'000
Net decrease in short term cash deposits held as investments	430	1,456

(d) Financing

	2008	2007
	£'000	£'000
Capital element of finance lease rentals	-	-

26. Analysis in changes in net funds

	At 1 April 2007 £'000	Cash Flows £'000	Other Changes £'000	At 31 March 2008 £'000
Liquid resources held for development/operations	393	(208)	-	185
Total	393	(208)	-	185

Acknowledgements

Action for Blind People gratefully acknowledges all donations which in the year 2007/08 have made a vital contribution to the furtherance of our work. Amongst our many generous donors the following have asked for specific acknowledgement:

Co-financing Organisations with support from European Social Funding

	£
Job Centre Plus:	
● VI Ability to Employment – Pan NW	163,842
● Access to Employment – London	76,800
● Middlesbrough Viability	32,000
● Knowsley VI Ability to Work	28,087
	<hr/> 300,729 <hr/>
EQUAL – European Social Fund	
● EQUAL - Visage	450,888
● SWOOP	5,142
Walsall Borough Council	35,566
Big Lottery Fund (2006/2007):	
● ML/2/010142028 East Anglia Capital Equipment	3,500

Other Acknowledgements

£

Big Lottery Fund:

● ML/2/010162430 Windermere Manor Minibus	5,500
● ML/2/010169521 Middlesbrough Diversity Officer	26,451
● ML/2/010162430 Housing Co-ordinator Cumbria	29,700
● RC/1/010208925 Mobile Refurbishment-Reaching Communities	34,810
● ML/2/010169521 Middlesbrough Computer Equipment	1,500
	<hr/>
	97,961

Department of Health - Section 64:

● Hospital Information Project	30,800
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Birmingham City Council:

● Working Vision North West Birmingham	8,387
● Working Vision East & North Birmingham	21,000
● Birmingham CC Sensory Engagement (Partnership with RNID)	10,811

Learning & Skills Council:

● Nextstep Merseyside	1,395
● Nextstep Norfolk	2,662
● Nextstep Suffolk	1,440
● Nextstep South West	6,215

Other Acknowledgements continued

	£
Cumbria Council of Voluntary Service:	
● Neighbourhood Learning in Deprived Communities	7,391
Chorley & South Ribble Primary Care Trust:	
● Hospital Information Service	25,000
East England Development Agency:	
● Employer Awareness (Partnership led by Papworth Trust)	35,400
Change Up:	
● Cumbria Infrastructure Forum	8,806
Redcar & Cleveland Borough Council	
● Supporting People	55,800
London Development Authority:	
● Enterprise in Sight	112,083
London Borough of Camden:	
● Action for Employment in Camden	10,000
Department of Work & Pensions:	
● Pathways to Work South West	4,630
● Now Let's Talk Money	5,091

	£
Halton Borough Council:	
● Halton Strategic Partnership	2,578
● Merseyside DAF	6,956
Northern Rock Foundation:	
● Housing Co-ordinator Middlesbrough	26,178
Boshier Hinton Foundation:	
● Actionnaires Chelmsford	2,000
Primary Club:	
● Actionnaires Scarborough/Sheffield	20,318
Greater London Fund for the Blind:	
● Action Team South London	12,500
Dulverton Trust:	
● Assistive Technology	20,000
Mercers Charitable Trust:	
● Action Team North London – Housing Co-ordinator	10,000



Action for blind people

Mission Statement

To inspire change and create opportunities to enable blind and partially sighted people to have equal voice and equal choice.

This publication is available in a range of alternative formats and on our website.

Talk to our experts

Action for Blind People is a national charity supporting blind and partially sighted people. Last year we directly helped 21,000 visually impaired people and a further 12,000 by working with their friends, families and other organisations.

If you need support with sight loss, talk to our experts - talk to Action. Call our National Freephone Helpline on 0800 915 4666 or visit our website: www.actionforblindpeople.org.uk

How you can help

Action relies on voluntary donations and the support of volunteers. Help us continue to have a positive impact on the lives of blind and partially sighted people and we will make sure your support is channelled to help those individuals most in need. From making a donation, involving your company in volunteering to running the marathon or leaving a legacy in your Will, you can help us make it happen for the UK's two million blind and partially sighted people.

If you have been inspired by this review and would like to know how you can help, contact us at:

Email: central@actionforblindpeople.org.uk

Phone: 020 7635 4800

Fax: 020 7635 4900

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Action for blind people

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