



Sight
Scotland



Annual Report and Accounts

for year ended 31 March 2023



Contents

Welcome from our Chair	3
About us.....	4
What drives our work	5 - 6
Trustees' report	7 - 22
Independent auditors' report.....	23 - 28
Legal and administrative information	29
Statement of financial activities.....	30 - 31
Balance sheet	32
Statement of cashflows	33
Notes to the financial statements	34 - 56



Welcome from our Chair

Sight loss causes isolation and significantly alters lives, yet less than one in three adults get help within the first year of their diagnosis. People with sight loss are at a higher risk of poor education, unemployment, mental health problems, loneliness, and financial challenges for the rest of their lives.

During 2022-23, our new Chief Executive Craig Spalding led the development of our strategic intent for the next two years which has clarified our three priorities around service delivery, policy and campaigning, and investing in research. In addition, we are strengthening and investing in our internal infrastructure and systems to ensure we can deliver effectively and adapt to a constantly changing world. This year we have invested time and resources into upgrading our digital capability, ensuring that our systems and processes are fit for the future as well as being streamlined and efficient.

As the pandemic restrictions eased, it has been a pleasure to see our services return to operating as normal. Our head office staff have settled into a new work pattern of office and home working. We have been delighted by the return to hosting in-person events as part of our engagement with supporters and key stakeholders.

Our profile and reach continue to grow through our promotional strategies and investment, which is enabling us to reach even more people with sight loss across Scotland. We are particularly pleased to have been able to support a growing number of people through our family-wellbeing and rehabilitation community services.



On behalf of the Board of Sight Scotland, I would like to thank all our staff, volunteers, donors and funders who have enabled us to provide care, education and support to ensure that people with sight loss can live a fulfilling life.

Together, we can make a real difference.

A handwritten signature in green ink, appearing to read 'M. Craig', with a stylized flourish at the end.

Michael Craig
Chair of the Board
Sight Scotland



About us

Sight Scotland is one of Scotland's oldest charities and we are proud to be celebrating our 230th anniversary in 2023. Throughout our long and proud history we have constantly evolved and developed our services to ensure that we are continuing to meet the needs of people with sight loss.

Whilst the Royal Blind School and the Scottish Braille Press have been providing services for well over a century, they are delivering very differently today. The school maintains a small cohort of children and young people with complex needs as well as operating an outreach service to local authorities across Scotland. The majority of the Scottish Braille Press's work is transcribing large print and audio documents for the financial sector as well as other clients. Our residential care services, Forward

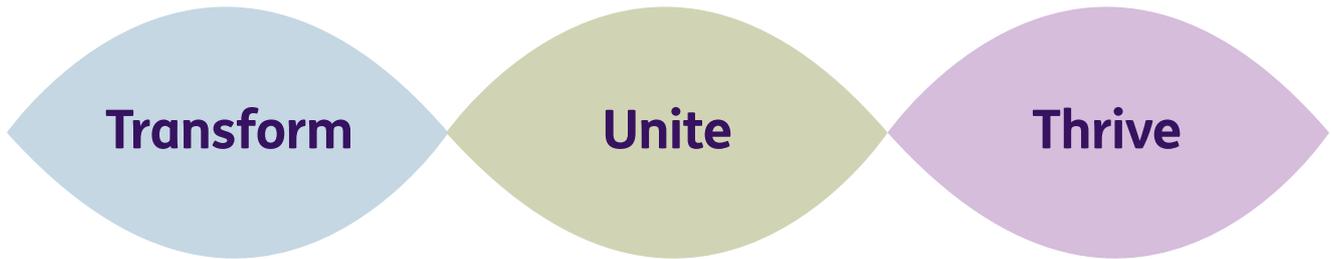
Vision and Allermuir, as well as our after school and holiday club, Kidscene, have been running for over a decade now.

We have an ambitious mission to reach everyone in Scotland with sight loss – where and when they need us. We do this through our more recently established community services. Our aim is to help people to live independently by providing them with practical and emotional support. We are also increasingly investing more in funding medical research into the causes of sight loss and are proud to be working with experts to deliver this, including the Royal College of Surgeons and the University of Edinburgh. Our policy and campaign work takes the issues that concern people with sight loss to decision-makers to bring about change for a fairer and more equal society.

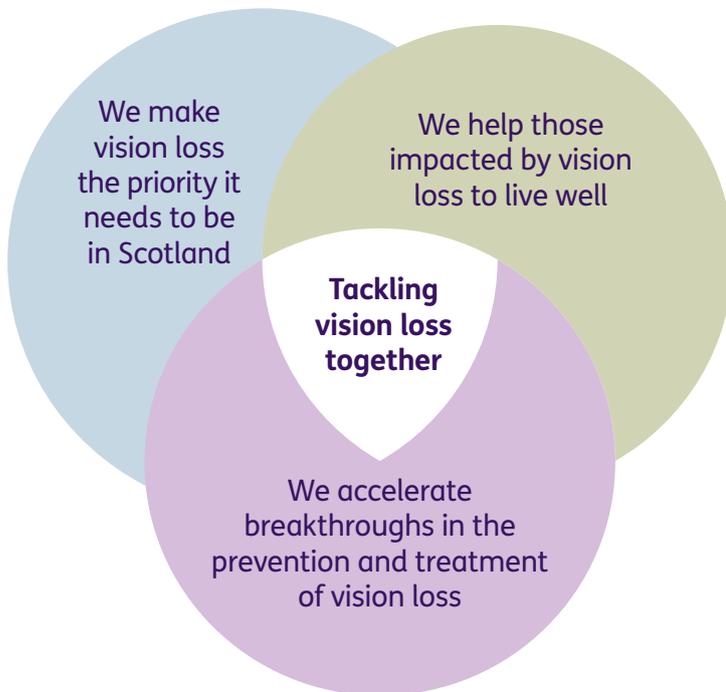


What drives our work

Our work, and that of our sister charity Sight Scotland Veterans, is driven by our values:



During the course of 2022-23 our Executive Team and Board developed a new strategic intent for both charities that would guide us over the next two years:



To deliver these priorities we have identified four enabling factors that we are investing in:



Our people and culture
To ensure our workforce is engaged and ready to meet the challenge ahead.

Financial sustainability
To ensure we'll always be here to help.



Effective governance
To ensure we continue to make the right decisions to improve the lives of those impacted by sight loss.

Digital and data transformation
To modernise our infrastructure and become technical innovators and advocates.



Trustees' report

The Trustees have pleasure in presenting their report for the year ended 31 March 2023. This report is prepared in accordance with the constitution and the recommendations of the Statement of Recommended Practice - Accounting and Reporting by Charities and complies with applicable law.

Statement of Trustees' Responsibilities

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Structure, governance and management

The Royal Blind Asylum and School, trading as Sight Scotland, was founded in 1793. In 1898 it was incorporated by Royal Charter and that charter, as supplemented in 1977, is its governing instrument.

The charity is governed by its Trustees, who are also the Trustees of Sight Scotland Veterans (the trading name for Sight Scotland Veterans), which is a separate charity (SCIO charity number SC047192). Sight Scotland shares a Chief Executive and corporate resources with Sight Scotland Veterans, although each charity is financially separate and neither organisation exerts control over the other. The Trustees of Sight

Scotland actively manage their obligation to respect the separate legal status of the two charities. A charging structure is in place between Sight Scotland and Sight Scotland Veterans to ensure costs are appropriately allocated for shared roles.

Board

The Trustees endeavour to ensure that they recruit to the Board people who are best suited to govern both charities. New trustees receive an induction, which includes briefings on the objectives and activities of the organisation and how it is presently organised to deliver its objectives. The induction also covers the roles and responsibilities of charity trustees. Trustees normally serve for an initial term of three years, with the option of a further three-year term. The length of service may be extended in the case of the Chair, the Vice-Chair(s) and committee conveners.

Full Board meetings are held so that the trustees may review and agree matters of strategy and principle, as well as review performance against agreed plans and budgets. The Chief Executive and Executive Team attend all Board meetings.

Committees

The following Committees were in place during the reporting period and covered both charities:

- Corporate Committee
- Audit Committee
- Remuneration Committee
- Community Committee
- Care and Learning Committee

Terms of reference have been developed for Committees ensuring that sufficient

prominence is given to the affairs of both charities, and potential conflicts appropriately managed.

Each Committee normally meets between two and four times each year and minutes of meetings are presented at Board meetings.

No remuneration has been paid to the Board of Trustees, members of Council or members of any Committee. The Trustees benefit from trustee indemnity insurance.

Governance review

A review of Board effectiveness has been undertaken during the year. The Board has agreed to take forward the recommendations with changes being implemented in the coming year amending the Committee structures and increasing the frequency of Board meetings. This will enable more enhanced strategic discussions at the Board; while allowing more focused oversight of key operational matters at Committee level.

Furthermore, proposals submitted to the Privy Council for the updating of Sight Scotland's Royal Charter have been approved. As of the end of the financial year, the charity is still waiting for the final sealing by the Registrars of Scotland.

As a result of this change, the maximum number of Trustees will reduce from 19 to 13. This change will be enacted following the final sealing.

Risk management

The management of risks is controlled through our Risk Management framework, which includes governance processes, identification, evaluation and management of significant risks, assurance and audit

processes and the underlying policy and control environment.

Risk governance defines the structure of risk accountability ensuring risk awareness and understanding is shared across the charity.

Responsibility for managing the day-to-day activities of Sight Scotland (and in this context, risk management), lies with the Chief Executive as Accountable Officer and through a process of delegation to Executive Directors, Heads of Service, and managers.

The Trustees assess the major risks that face the charity, in particular those relating to its operations and finances.

The Audit Committee undertakes delegated functions in this respect, but the risks that score highest in impact and likelihood are reported annually to, and considered by, the Board itself.

As part of a continuous improvement cycle, we review our governance arrangements to provide assurance that they remain fit for purpose.

The Trustees consider the most important single risks to the organisation (in terms of potential impact) to be:

- A failure to manage organisational change effectively to respond to a rapidly changing external environment.
- A failure to adapt the charity's service proposition to meet the evolving needs of those with a visual impairment.
- A failure to successfully recruit, retain and engage staff and volunteers in support of the charity's operational and strategic objectives.

- Ineffective financial management which fails to support the short-term operations and the long-term viability of the charity.
- A major issue or incident that severely disrupts business operations or has other adverse impacts.

The Trustees manage these and other strategic and operational risks via a risk register which is regularly reviewed and updated.

Achievements and performance

Community Services

Sight Scotland introduced community support as a direct result of the charity's desire to increase reach and to help support those impacted with sight loss to live well.

There are two strands to this workstream:

- The Family Wellbeing service, which comprises of a freephone family support line and the direct provision of support to individuals within the community. This is funded through charitable fundraising, including a grant from the National Lottery Community Fund, and our reserves.
- Rehabilitation and Mobility visual impairment support service straddling three local authority areas. These are funded by local authority contracts.





The Family Wellbeing Service

Our Family Wellbeing Service is there for everyone with sight loss as well as their family, carers and friends to provide support and information.

Crucially, we also offer emotional support to people dealing with the impact of a sight loss diagnosis. Many people with visual impairment can lose their self-confidence and their self-esteem. They may struggle with the emotional impact of a loss of independence, particularly early on in their sight loss journey. We offer:

- A freephone family Support Line, available Monday to Friday, 9am to 5pm
- Home visits
- Befriending
- Online support.

Our freephone Family Support line has taken 2,019 incoming calls this year. This is a 68% increase on the 1,200 calls received in the first year.

During this year, 650 people received support from our Family Wellbeing Service, meaning we have supported around 1,500 people in the first two years of operation.

Our first Community Activity groups took place in February 2023, supported by a launch event. Since then, we have established weekly groups at the Botanic Gardens and Drumrae Library in Edinburgh, and at the Finding your Feet charity hub in Paisley.

Rehabilitation and mobility support

We continued to run rehabilitation and mobility support for three local authorities – City of Edinburgh, Midlothian and East Lothian. Through these services we supported people to learn or re-gain essential living skills following a diagnosis of sight loss.

430 people with sight loss received ongoing support from our teams in 2022-2023.

Rehabilitation and Mobility support includes:

- Helping people get around both indoors and outdoors.
- Maintaining or improving people's daily living skills such as cooking and personal care
- Providing one-to-one training in useful tech, like magnifiers and screen readers.

We provided expert rehabilitation and mobility support to:

- 339 people living in the City of Edinburgh council area.
- 91 people living in Midlothian and East Lothian council areas.

We have managed new referrals while reducing waiting list times for all three local authorities. Under our management, this has fallen from 22 months to the current level of four months for each of the three local authorities. This has been done in the

context of increased waiting list times for vision impairment support from the NHS and other statutory and sector providers.

We have continued to work alongside other sector providers as part of the Scottish Visual Services Steering Group, guiding and monitoring the Rehabilitation qualification which started again in Scotland in January 2023 for the first time in six years.

Learning

Royal Blind School

The Royal Blind School is a grant-aided special school that provides education and care to children and young people with visual impairment, including those with complex needs. With government policy focussed on mainstreaming of pupils with additional support needs, our school roll has been declining over the years, although the complexity of the needs that our pupils have has significantly risen.



Children and young people were supported by the wide range of experts in our team including Qualified Teachers of Children with Visual Impairment (QTVIs), learning support assistants, and habilitation specialists who help children and young people develop their personal mobility, navigation and independent living skills. Through our personalised approach, we deliver a skills-based curriculum alongside formal qualifications, offering a wide range of placements to suit each pupil's needs.

For the academic year starting in Autumn 2022, we had 22 pupils in total. Five of these pupils had split placements with us, spending part of their time at mainstream schools and part of their time at the Royal Blind School. We supported nine of the 22 pupils within a residential placement. Three of these nine pupils stayed with us on a Monday-Friday residential placement during term time; two pupils accessed nightly

respite; two pupils resided five nights per week; and three resided with us for seven nights a week throughout the year, due to their high level of care needs.

Outreach

We also offer outreach education and habilitation services through local authority contracts with East Lothian, Midlothian and Orkney, through which we supported 132 pupils - 12 pupils at Orkney Island schools, 60 pupils at East Lothian schools, and 60 pupils at Midlothian schools.

We were delighted to secure a renewal of the contract with East Lothian in May 2022 for another three years, as well as winning a new contract with West Lothian Council in January 2023 which commenced in April 2023.



Residential

Children's services

We operate across two houses with a capacity of ten beds at our Canaan Lane campus in Edinburgh, where the Royal Blind School is located. One house is open 52 weeks per year, with the other being a mixture of term-time only and respite placements.

Adult services

We provide 24-hour care and support for adults who have visual impairment and additional support needs, including cognitive and communication impairments. Forward Vision is based on the Canaan Lane campus with four houses, and Allermuir is based in the Gilmerton area of Edinburgh.

During the year we substantially developed the outdoor space at Forward Vision, with support from the fundraising team to

contribute towards the cost. Fundraising for the Summer House started in 2019 and was paused during Covid; in total almost £24,000 was raised. The Summer House is an ideal space for our residents and their families to be able to enjoy all year round. Other additions to the garden included sensory plants, a sensory path, a sunken trampoline that could be used by our young people in wheelchairs and a swing basket for everyone to enjoy.

We also opened Canna House during the year alongside the other houses which enabled two young people to move from our children's services. We have since welcomed two additional residents and a third is due to join them in July 2023, taking the new house to full capacity.

We are now operating with a healthy waiting list and formal notes of interest when future spaces become available.





Kidscene

Specialist qualified staff support children with visual impairment and/or additional support needs, as well as mainstream children.

During term-time Kidscene is fully subscribed supporting 35 children per day, and currently has a large waiting list. All activities within the club are designed to be inclusive for all children who attend the club and feedback from parents is exceptionally positive.

Our holiday club operates Tuesday-Thursday during school holidays and attracts children with a range of needs.

Scottish Braille Press

The Scottish Braille Press is a leading supplier of Braille, large print and audio media to a wide range of customers. Our work ensures that people with sight loss have access to mainstream services such as banking and education.

We enjoyed a strong performance throughout the year and total income was over £3 million for the first time since the beginning of the Covid pandemic as our volume of business increased. We continue to work with our clients seeking to add value through innovation and to further diversify our client base.

We have a number of clients from the financial sector and were delighted that one of our key financial clients renewed our contract for a further five years.



Partnerships

Sight Scotland's community service supported Swanson Brasserie to create a visual impairment restaurant guide, an accessibility audit, and provided staff with visual impairment training. This guide has now been made more concise and is a tool we can provide to other restaurants in Scotland.

The Royal Blind School in Edinburgh has been working with vision impairment experts from Germany, Holland and Spain on 3D4VIP, a 3D printing project aimed at modernising education for learners with a vision impairment. The 3D-printing project, which began in 2020, has created a database of 3D printable objects which have been specifically designed to help learners with vision impairment. The database of designs is shared on a new website tactiles.eu which can be accessed by vision impairment professionals across the world. The platform also provides guidelines, instructions and recommendations about creating 3D educational models, together with advice and information about how VI students can learn about 3D design and printing.

Covid recovery

Services across Sight Scotland responded creatively to the Covid-19 situation, adopting a proactive approach. From the outset we adhered to all Scottish Government and Health Protection Guidance on infection control and related guidelines adapting as required with the changes in restrictions. All services were impacted by the pandemic. Our priority throughout was the health and safety of all those we support and care for together with all our colleagues, volunteers and visitors.

We were able to ease Covid restrictions slowly throughout the year as per Health and Social Care guidance. This included re-introducing visits from families both into the residential services and back home for our young people. All visits both on site and remote were risk assessed with the health and wellbeing of each individual in mind.

Although the pandemic is over, we continue to manage Covid in our day-to-day practice and daily living within residential services where we have vulnerable young people. We endeavour to keep up to date with policy and guidelines and liaise openly with the

relevant professional bodies and follow necessary reporting procedures.

We continue to complete six monthly Infection Prevention and Control Audits that interlink with the Health and Social Care standards, inclusive of a Covid Specific and an additional Primary Infection Control Audit.

Medical research

Funding medical research to tackle the causes of sight loss is a key strand of our strategy. For several years we have provided funding of up to £170,000 a year for medical research grants through the Royal College of Surgeons of Edinburgh for students and lecturers.

In 2021 and 2022 we provided £100,000 to the pioneering Scottish Collaborative Optometry-Ophthalmology Network e-research (SCONe) to build a world-leading, retinal image resource for innovation in eye research, healthcare, and education.

In January 2023 – we provided a further £60,285 of funding. Other funders include The RS Macdonald Charitable Trust and The Royal College of Surgeons of Edinburgh.

The first phase of research enabling early detection of Acute Macular Degeneration (AMD) – the UK’s most common cause of blindness – has been completed. The SCONe project is now moving into its second phase, building on the work conducted in the proof-of-concept study and scaling up engagement with optometry partner sites across Scotland, expanding the retinal image repository, extending governance and regulatory applications to support this, and moving ahead with the first stages to develop a prototype diagnostic tool for image analysis and disease screening.

Funding for the second two-year phase of the project is in place from three of the original five funders.

Jointly with Sight Scotland Veterans, we have also committed to providing some initial funding to Foresight LTD, the trading subsidiary of AAAMD (Action Against Age related Macular Degeneration). The agreement was signed on 6 September 2022, and commits Sight Scotland jointly with Sight Scotland Veterans to three milestone payments. The first being £175,000 due upon signing of the agreement, a second payment of £75,000 in line with programme criteria identified and the third payment of £250,000 once Foresight achieve identified criteria outlined in the agreement. The payment of £175,000 is reflected in note 4 of these accounts, under ‘Grants for research’. The second payment of £75,000 was paid post year end and the third and final payment is anticipated to occur at some point in the 2023-24 year. The aim of the investment is primarily to support the establishment of a nationwide database of optical images that can be used by researchers to develop treatments for macular degeneration. Whilst this investment is fundamentally aimed at promoting our charitable interests, it also aims to create a return of up to 1.78 x the investment after ten years.



Promotion, external relations and engagement

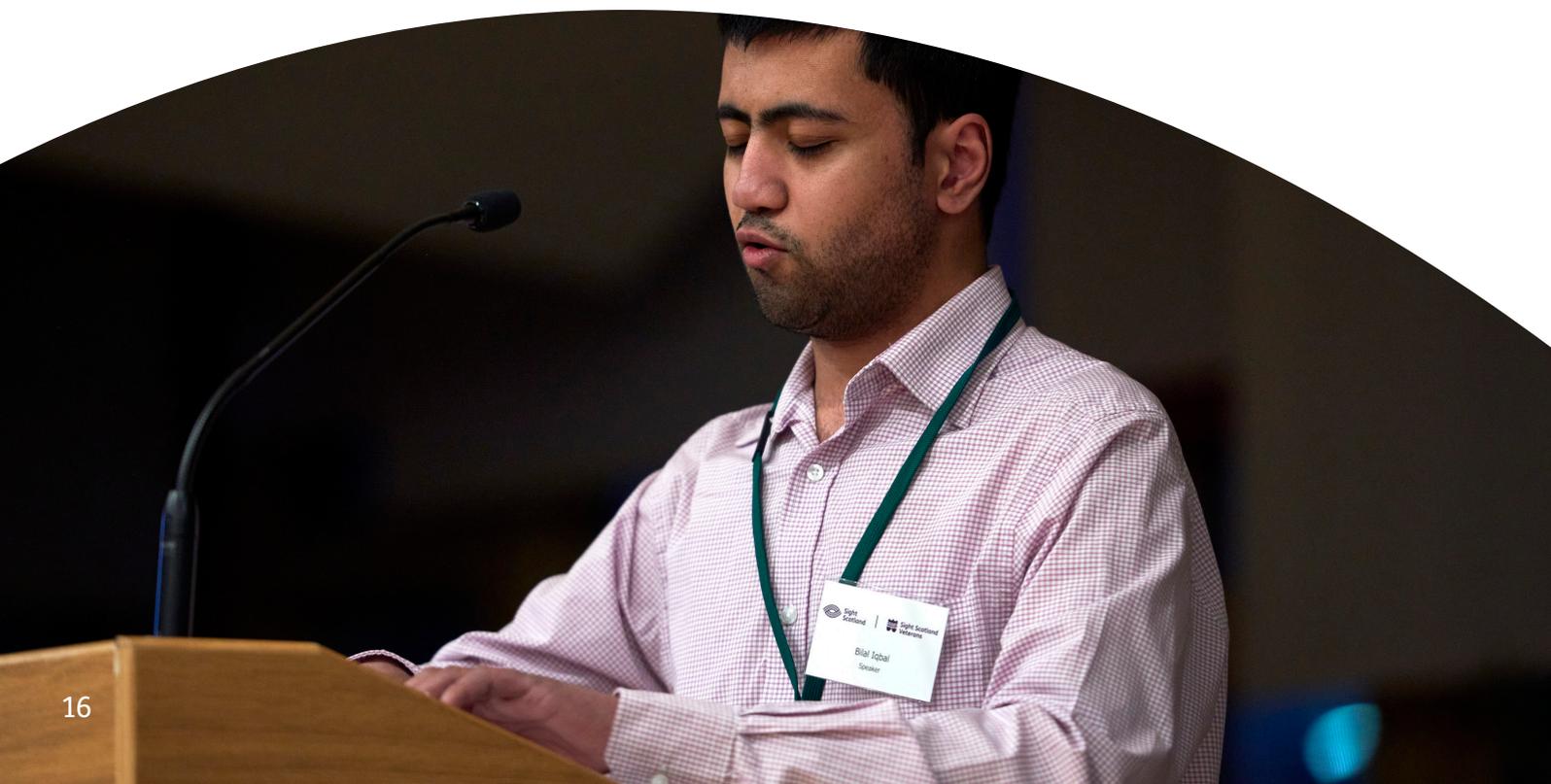
Promoting Sight Scotland is very important to ensure that we are reaching as many people in Scotland as possible, and in turn, help as many people affected with sight loss as we can. Impactful brand awareness raising through multi-channel campaigns also strengthen the success of fundraising campaigns. This year we ran two campaigns for Sight Scotland. One in April to May 2022 and one in January to February 2023. The first campaign 'Someone to Turn To' saw the number of enquiries to our community service increase by around 25% during the time of the campaign. This campaign had an Edinburgh and Lothians focus and as such most enquiries came from those regions.

Developing the campaign concept further we saw a variety of creative concepts for the January to February 2023 campaign with

the iteration being named 'Turn to us today.' Working with our colleagues in community services we established a different targeting strategy to help grow the service in desired regions, such as Glasgow and Lanarkshire areas. This strategy saw a positive shift in the number of enquiries of people reaching out for support with sight loss, reaching an increase of just over 47%.

Our key political campaign this year was #OurFairRailVision, calling on the Scottish Government to work with local authorities to establish a new national policy for free rail travel across Scotland for those with a National (Scotland) Concessionary Travel for Blind Persons card and their companions.

We established a Policy Group of people with lived experience of sight loss to feed into the development of our campaigns. Members of the group are referred to as Sight Loss Champions and contribute to the creation of an annual policy plan, attend internal



and external policy events and conferences, and take part in external media opportunities acting as spokespeople for the charities. Members of the group featured in a BBC news story about street accessibility in Edinburgh and Glasgow and met with Edinburgh City Council's transport convener and other stakeholders to discuss improvements to the re-development of the city centre to ensure examples of unsafe practice are not mirrored in other areas.

We were delighted to be able to hold face-to-face engagement and networking events and activities again with politicians and external stakeholders. We held exhibition stands promoting our campaigns at political party conferences as well as an exhibition stand in the Parliament foyer. Working in partnership with Roche Pharmaceuticals, we co-hosted an inaugural Holyrood Eye Health Day networking reception in the Scottish Parliament calling for a renewed focus on preventing avoidable sight loss and action to improve the support available to people with eye conditions. We organised a promotional event at the Royal College of Surgeons for eye health and research professionals for the SCONE research project mentioned above.

We also teamed up with RNIB Scotland to host a seminar on the future of Visual Impairment Education in Scotland. The seminar featured our Head of Learning, Lucy Chetty, along with one of our split placement pupils Sam Gough.

Caireen Sutherland, Head of Education at RNIB, gave the keynote speech alongside Professor John Ravenscroft, PhD, Chair of Childhood Visual Impairment at the University of Edinburgh, and Director

and Head of the Scottish Sensory Centre. The event was attended by 65 people comprising of teachers, academics, sight loss sector colleagues, parents of children with visual impairment (VI) and Sight Scotland employees.

Throughout the year we responded to various consultations on key issues affecting people with sight loss. We attended a roundtable discussion on a proposed Bill by Jeremy Balfour MSP to establish a Disability Commissioner for Scotland. This post aims to champion the rights of disabled people and act as a link between disabled people and the Scottish Government to ensure their views and experiences shape policy. We provided feedback via a Scottish Government consultation on Adult Disability Payments and highlighted how the application process and eligibility criteria could better meet the needs of blind and partially sighted people. We also gave views on the disability employment gap and what actions need to be taken to increase the number of those with vision loss in quality, paid employment.

We highlighted there is still a great deal of work to do to close the disability pay and employment gap, help more disabled people into work, and adapt workplaces to suit people with visual impairment.

Effective organisation

Digital transformation

This year, we began a process of digital transformation which has involved investing in new systems for Customer Relationship Management (CRM) and Finance. The CRM will be primarily for service users and external stakeholders, including referral

organisations and for the first time will hold data from across both Sight Scotland and Sight Scotland Veterans, enabling us to provide significantly enhanced customer care, as well as much improved administration, reporting and analysis. A new finance system has also been procured to replace an outdated Sage reporting system. Both systems have undergone thorough procurement for selecting suppliers and an investment in external project management as well as significant staff engagement in the design, build and testing. Work on both systems will continue until launch in 2023-4.

People

Investors in People

We were successfully reassessed for the Investors in People accreditation in September 2022. Highlights from our report include:

- Values are at the heart of our decision-making for staff.
- There's a keen focus on learning, whether that's to keep skills and knowledge up-to-date or to keep growing.
- People feel valued for what they do, getting feedback from service users, colleagues, managers, and leaders.

Work on embedding our three core values of Transform, Unite and Thrive, has continued. We expanded the categories of our staff Ways of Working (WOW) Awards so they now include two awards for each value to cover the way that staff work both internally and externally. We also added a Volunteer of the Year category.

Safeguarding and Sight Scotland's Participation in Redress Scheme

Safeguarding and wellbeing of young people and vulnerable adults under our care is one of the highest priorities for staff across the charity. Corporate responsibility for safeguarding is held by a member of the Senior Leadership Team. Rigorous procedures have been and continue to be in place to protect the children and vulnerable people we support.

The Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act received Royal Assent in April 2021. This means that legislation is now in place to establish a Redress Scheme for survivors of past child abuse while in care in Scotland. Sight Scotland is fully supportive of the Redress Scheme, which will play a vital role in acknowledging and repairing the abuse suffered by children and young people in care settings in the past. The scheme opened for applications in December 2021. In May 2022, a decision was made by the Trustees that Sight Scotland should become a participant of the scheme. A copy of our statement on Redress, published on 31 May 2022, can be found on our website – <https://sightscotland.org.uk>.

Volunteering

This year we have worked steadily to rebuild and develop our volunteering programme following the pandemic. We developed an ambitious two-year volunteering strategy which was formally approved in February 2023 and launched shortly thereafter. The strategy focuses on developing our capacity for volunteers throughout the organisation and significantly increasing the number of volunteers involved.

The Volunteer Development Manager represented the organisation as a member of the governance group that oversaw development of the Scottish Government's new volunteer action plan, which was launched in June 2022.

Gender Pay Gap

We are confident that our employees are paid fairly and equally for the same or similar roles, and our equal pay statements are included in our Equality Status Reports in line with statutory reporting requirements.

On 5 April 2022 our workforce consisted of 303 full time equivalent employees, out of which 224 (74%) were female and 79 (26%) were male. Eleven employees were excluded, primarily due to reduced pay due to sickness absence (nine employees) but also maternity leave (two employees).

The median gender pay gap shows that women in Sight Scotland are paid 1.6% less than men. This is a slight increase on the previous year when the median gender pay gap was 1.2%.

The mean gender pay gap shows that women in Sight Scotland are paid 5.8% less than men, which is lower than the figure reported in the previous year (7.4%). The mean gender pay gap continues to be much higher than the median, which is influenced by the fact that our Chief Executive is male.

We also recognise that with our male employees comprising only 26% of the total workforce, even small fluctuations can have a significant impact on our gender pay gap.

Why do we have a Gender Pay Gap?

- As is common within health and social care and education sectors, our employees are

primarily female, and women outnumber men in each pay quartile.

- There are proportionally more part-time jobs in our lower pay brackets, which are societally still more likely to be filled by women. Within Sight Scotland 38% of roles are part time and of these 87.7% are filled by women and only 12.3% by men.
- The ordinary pay used for gender pay gap calculations excludes salary sacrifice schemes, and as such the level of participation in salary sacrifice schemes is worth noting. We operate salary exchange for the following purposes: pensions, childcare vouchers, cycle to work and holiday purchase scheme. There are gender differences in the uptake and level of deductions through salary sacrifice schemes. Our schemes including pensions are taken up primarily by female employees (74.8% of salary scheme members are female).

Learning and Development

To continually support and develop the Sight Scotland teams there has been significant investment in training. The training has focused on professional boundaries (Community Services team) and Dignity at Work. To ensure new joiners have access to this learning, and existing staff can refresh their knowledge, e-Learning will form part of the Sight Scotland induction process.

To support the organisation as we continue to move on from the pandemic and support colleagues through the changing landscape, the FWDF (Flexible Workforce Development Fund) courses being delivered this year focus on adapting with change for all staff and

supporting change for managers. Continual development for managers is also a focus for this year. Courses have been made available through the FWDF and newly promoted managers have had the opportunity to attend training to support their development.

As part of the organisation's inclusion calendar and to recognise and support neurodivergent staff, Learning and Development organised training for managers who have neurodivergent team members.

Plans for future periods

In March 2022-3, a restructure of the Executive Team was announced which removed some posts from the leadership team and introduced the new posts of Director of Technology, Director of Finance, Director of Operations and Head of Impact and Governance. The Director of Operations brings together the services of both Sight Scotland and Sight Scotland Veterans under one leadership role for the first time in our history and will enable us to strengthen our cross-organisation collaboration even further. An existing member of the Executive Team was re-deployed into the Head of Impact and Governance post and the other three posts went to external recruitment. During 2023-34 we expect the new Directors to be recruited and the Executive Team will be further developing our strategic intent into a longer-term strategy.

Our digital transformation will continue and we will be launching our new CRM and finance systems. We also expect to make more detailed plans about expanding our work in funding medical research as well as building a campaigning strand to our policy

work to engage the wider public and people with sight loss in our policy calls. In terms of our mission to reach everyone in Scotland with sight loss, we plan to further invest in promotional and engagement activities, as well as expanding our information services using our new CRM system. Our community services team has a target of providing support to a minimum of 1,000 new people with sight loss each year for the next three years.

Financial review

Reserves policy

A key duty of the Trustees is to ensure that we can protect all our service users, especially those in our residential and learning services, in all foreseeable circumstances. Our reserves policy takes into consideration the type of services that we operate. Due to the complex nature of the services we provide, it is important that we hold enough reserves to ensure that the essential continuity of care needed is not disrupted.

The Trustees consider it appropriate to hold free reserves equivalent to a minimum of twelve months' operating costs (equivalent to £16.0 million in 2022/23) for such purposes.

The present position of funds is as shown in note 14 to the accounts. Sight Scotland's current level of free reserves is £23.1 million (2022 £26.5 million), which is our unrestricted reserves excluding fixed assets. Of this £23.1 million, £4.1 million are free reserves and £19.1 million is in investments (2022, £20.9 million) and can be realised as required for operational purposes and are regarded as free reserves in nature. This level ensures that there are sufficient funds set aside to operate our charitable activities for 18 months.



The Trustees recognise that this is higher than our minimum reserves' threshold. However, it allows us to focus on our future while we are facing rising costs and allows us to move forward and invest in our strategic ambition to reach more people with sight loss in Scotland. There is an expectation that our free reserves will decrease over time as we continue to invest in our service delivery and digital capability, while supporting medical and clinical research opportunities.

The Trustees are committed to continuing the investment in resources and skills required to help us achieve our strategic goals on behalf of our service users, beneficiaries and their families. We are committed to regularly reviewing our free reserves to ensure sustainability of the charity over the short, medium and long term.

Investment policy

The Trustees have the power to invest in such stocks, shares, investments and property as they see fit.

It is the Trustees' basic objective that assets which are not required for operational purposes should be invested to provide a commercial return through income or capital appreciation, in such a way as to guard appropriately against the risk of untimely loss of value.

This basic objective is in accord with charity law and proper stewardship of charitable resources.

The organisation's investment principles are:

- To regard the invested reserve as partly short to medium term and partly long term, and therefore to invest a set amount in lower risk assets (bonds and cash), and the remainder in equities or similar asset classes to provide capital growth as well as income.

- To monitor annually the expected need to realise assets over the next three to five years and adjust the part of the portfolio that is held in investments with low short to medium term value fluctuation on a timescale that fits with the market circumstances pertaining at the time.
- To place the portfolio in management by competent and successful investment managers at a competitive fee level.
- To set performance benchmarks for the section of the portfolio managed by each investment manager, against which the manager's performance will be monitored.
- To invest in multiple markets so as not to expose the whole portfolio to a single set of national or sectoral circumstances.

Pension provision

Sight Scotland is a participating employer of a Defined Benefit pension scheme which was closed to new members in March 2006 and to new accruals in November 2020. A Group Personal Pension plan, including both Sight Scotland and Sight Scotland Veterans staff has been in place since April 2006 to which auto-enrolment applies. The scheme is a salary sacrifice defined contribution scheme, open to all eligible employees, and is provided by Royal London.

VAT Review

Sight Scotland through the Scottish Braille Press delivers a range of braille, large print and audio materials to customers for the ultimate benefit of those with vision impairment. The VAT rules are complex and following a review, and with expert advice, we have identified that some of our sales to which we have applied zero rate output VAT should have had standard rate VAT applied. Please refer to note 18 for further details.



Independent Auditor's Report to Trustees of Sight Scotland

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of Sight Scotland ("the Charity") for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe

that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion;

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements;
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Charity and the sector in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Charity's policies and procedures regarding compliance with laws and regulations; and

we considered the significant laws and regulations to be the applicable accounting framework (UK GAAP and the Charities SORP).

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Review of confirmations received from the entity's solicitor.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Charity's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and invoicing for non-existent Royal Blind School or Adult Services users.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias, including:
 - Actuarial assumptions in respect of the defined benefit pension scheme. Our procedures included an independent actuary review of the assumptions.
 - Assessment of tangible fixed assets for indicators of impairment. Our procedures included reviewing management's assessment of the valuation of properties and considering their ongoing use for the charity's purpose.

Selecting samples of Royal Blind school students and adult services residents and agreeing to supporting evidence to confirm existence of the service user and receipt of income into the bank.

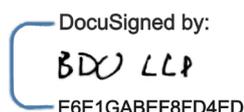
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



BDO LLP, statutory auditor
Edinburgh
Date

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Legal & administrative information

Charity name – Royal Blind Asylum and School, trading as Sight Scotland

Charity number - SC017167

Patron

His Royal Highness the Duke of Gloucester, K.G., G.C.V.O.

President

His Grace the Duke of Buccleuch and Queensberry, KBE

Trustees

Michael Craig (Chair)

Elizabeth Porterfield (Vice-Chair)

Graeme Bold

Mike Donnelly –

Resigned 7th December 2022

Mike Martin –

Resigned 29th June 2022

David McArthur

Aidan McCorry

Michelle McWilliams –

Resigned 15th March 2023

Stephanie Phillips

Dianne-Dominique Theakstone

Catherine Topley

Sif Rai - Appointed as interim Trustee on 13 April 2022 and as permanent Trustee at the AGM on 7 December 2022

Laraine Aikman - Appointed as interim Trustee on 13 April 2022 and as permanent Trustee at the AGM on 7 December 2022

Chief Executive and Secretary

Craig Spalding

Registered office

Sight Scotland and Sight Scotland Veterans,
2a Robertson Avenue, Edinburgh, EH11 1PZ

Auditor

BDO LLP, Citypoint, 65 Haymarket Terrace,
Edinburgh EH12 5HD

Bankers

The Royal Bank of Scotland plc, 26 Home
Street, Edinburgh EH3 9LZ

Solicitors

Thorntons, Citypoint, 3rd Floor, 65
Haymarket Terrace, Edinburgh, EH12

Investment Advisers

Willis Towers Watson, 51 Lime Street,
London, EC3M 7DQ

Statement of financial activities, including the income and expenditure account, for the year ended 31 March 2023

	Note	Unrestricted		Restricted		Total	Total
		General Funds		Funds			
		2023	2022 as restated	2023	2022 as restated	2023	2022 as restated
		£000	£000	£000	£000	£000	£000
Income from:							
Donations and legacies	3	567	504	110	80	677	584
Charitable activities:							
Royal Blind School		2,006	2,072	2,590	2,736	4,596	4,808
Kidscene		134	114	-	-	134	114
Adult services		3,996	3,116	-	-	3,996	3,116
Older people's services		-	6	-	-	-	6
Community Services		309	267	-	-	309	267
Scottish Braille Press		3,082	2,512	-	-	3,082	2,511
Total charitable activities		9,527	8,087	2,590	2,736	12,117	10,822
Other trading activities		-	-	-	-	-	-
Investments		169	351	-	-	169	351
Other		706	721	-	-	706	721
Total		10,969	9,663	2,700	2,816	13,669	12,478
Expenditure on:							
Raising funds	4	319	348	-	-	319	348
Charitable Activities:							
Royal Blind School		2,793	2,074	2,613	2,760	5,406	4,834
Kidscene		188	141	6	-	194	141
Adult services		4,226	3,093	18	-	4,244	3,093
Older people's services		-	400	-	-	-	400
Community Services		544	534	123	-	667	534
Scottish Braille Press		2,901	2,621	-	-	2,901	2,621
Service dev & Marketing		1,241	1,330	-	-	1,241	1,330
Grants and sundry		424	27	-	-	424	27
Total charitable activities		12,317	10,220	2,760	2,760	15,077	12,980
Other	15	615	598	-	-	615	598
Total		13,251	11,166	2,760	2,760	16,011	13,926
Net (expenditure)/income before investment gains/losses		(2,282)	(1,503)	(60)	56	(2,342)	(1,448)
Net (loss)/gain on investments		(717)	1,454	-	-	(717)	1,454
Net (expenditure)/income		(2,999)	(49)	(60)	56	(3,059)	6
Other recognised gains and losses							
Actuarial (loss) / gain on defined benefit pension scheme	3,11	(618)	(4,953)	-	-	(618)	(4,953)
Net movement in funds		(3,617)	(5,002)	(60)	56	(3,677)	(4,947)
Reconciliation of funds:							
Funds at 31 March 2022	12,13	42,116	47,118	689	633	42,805	47,752
Total Funds at 31 March 2023		38,499	42,116	629	689	39,128	42,805

The notes on pages 34 to 56 form part of these financial statements.

Balance Sheet as at 31 March 2023

	Notes	2023 £000	2022 as restated £000
Fixed Assets			
Tangible assets	7	15,993	16,267
Investments	8	<u>19,058</u>	<u>20,874</u>
Total fixed assets		<u>35,051</u>	<u>37,141</u>
Current Assets			
Stocks		74	130
Debtors	9	5,438	6,376
Cash at Bank and in Hand		<u>1,126</u>	<u>741</u>
Total current assets		6,638	7,247
Liabilities			
Creditors: amounts falling due within one year	10	<u>(2,561)</u>	<u>(1,583)</u>
Net Current Assets		<u>4,077</u>	<u>5,664</u>
Net assets excluding pension liability		<u>39,128</u>	<u>42,805</u>
Defined benefit pension liability	11	=	=
Net Assets		<u>39,128</u>	<u>42,805</u>
Represented by			
Restricted Funds	12	629	689
Unrestricted Funds			
General fund	13	38,244	37,975
Investment reserve	13	255	4,141
Pension reserve	13	=	=
Total unrestricted funds		<u>38,499</u>	<u>42,116</u>
Total Funds		<u>39,128</u>	<u>42,805</u>

Approved by the Board and signed on their behalf.



Michael Craig, Chair
6 November 2023

The notes on pages 34-56 form part of these financial statements.

Cash flow statement for the year ended 31 March 2023

	2023	2022
	£000	as restated £000
Reconciliation of net income/expenditure to net cash flow from operating activities		
Net (expenditure) / surplus as per the SOFA	(3,059)	6
Adjustments for:		
Losses/(Gains) on investments	717	(1,454)
(Gain) / Loss on sale of fixed assets	-	121
Adjustment to pension costs	282	(53)
Depreciation charges	792	766
Decrease/(Increase) in stocks	56	38
Decrease/(Increase) in debtors	(1,157)	(642)
(Decrease)/increase in creditors	989	276
Interest and dividends	(169)	(351)
Pension scheme deficit recovery	<u>(900)</u>	<u>(4,900)</u>
Net cash (used in) operating activities	<u>(2,449)</u>	<u>(6,193)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	200	335
Proceeds from sale of property, plant and equipment	2,063	8,740
Purchase of property, plant and equipment	(508)	(369)
Proceeds from sale of investments	15,815	1,000
Purchase of investments	<u>(14,769)</u>	<u>(3,012)</u>
Net cash provided by investing activities	<u>2,801</u>	<u>6,694</u>
Change in cash and cash equivalents	<u>352</u>	<u>503</u>
Cash and cash equivalents at the beginning of the reporting period	<u>774</u>	<u>271</u>
Cash and cash equivalents at the end of the reporting period	<u>1,126</u>	<u>774</u>
Analysis of cash and cash equivalents		
Cash at bank and in hand	1,126	741
Cash held for investment	-	<u>33</u>
Total cash and cash equivalents (Note 17)	<u>1,126</u>	<u>774</u>

The notes on pages 34-56 form part of these financial statements.

Notes to the financial statements for the year ended 31 March 2023

1 Principal accounting policies

Sight Scotland is a charity incorporated by Royal Charter. The address of the office registered with OSCR is given on the legal and administrative information page and the nature of charity's operations and its principal activities are set out in the Report of the Directors.

The financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102)" effective 1 January 2015.

Sight Scotland constitutes a public benefit entity as defined by FRS102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Directors to exercise judgement in applying the charity's accounting policies, as shown in note 2 below.

The financial and presentational currency is GBP. The financial statements have been rounded to the nearest thousand.

a) Accounting Conventions

The financial statements are prepared on the historical cost basis of accounting modified by the revaluation of investments. The financial statements are prepared on an accruals basis. The Directors have reviewed the charity's financial position and have concluded that there are sufficient resources to manage any operational or financial risks, so that it is reasonable to expect that Royal Blind will continue in operational existence for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

b) Going Concern

Further property disposals are planned for 2023-24 for properties held at West Saville terrace as well as initial preparation for the sale of the prior Head Office building at Gillespie Crescent. We will also receive the final tranche of cash relating to the sale of the Craigmillar Park property in October 2023.

We continue to aim to have all our services operate on a break even basis with development costs being funded by investment returns, although the timetable for achieving this may depend on external factors, as we are relying on funding from Central and Local Government for some of our services.

We remain confident that the charity is able to continue as a going concern in the years to come, provided that it acts timeously to control costs when necessary. Therefore we do not consider there to be a material uncertainty arising over the going concern basis of preparation of the financial statements.

The Directors review all our reserve levels as part of their reserves policy review cycle.

c) Income

Donations and similar income are included in the year in which they are receivable, which is when the charity becomes entitled, receipt is probable and the amount can be measured reliably. Fees and sales are accounted for in the period in which the activity occurred.

Grants from the Government and from other charities are accounted for in the year in which they are received and are allocated to the activity to which they relate. Dividends are accrued when our right to receive payment is established.

Legacies are recognised either at the point at which they are received or, if earlier, at the point at which their monetary value due to the charity can be estimated with reasonable accuracy and their receipt is probable.

d) Expenditure

Direct costs are charged to the activities. Support costs are allocated on a relevant basis. Head Office costs and IT costs are allocated to the departments based on staff numbers. Maintenance is allocated based on floor areas. Grants and donations made by the charity are charged when the Directors have agreed to pay the grant. A liability is recognised for outstanding entitlements to holiday pay at the year end date.

Termination benefits are accrued when there is a constructive obligation to pay them. This is normally via a contractual, legislative or other agreement with employees or their representatives.

e) Tangible Fixed Assets

Land is not depreciated. Heritable property is stated at cost less depreciation on the straight line method at varying rates between 10 and 50 years.

Plant and equipment, furniture and fixtures, IT and vehicles are stated at cost less depreciation on the straight line method at various rates calculated to write them off over their estimated useful lives between three and ten years. Items under £5,000 are not capitalised.

Assets in the course of construction are not depreciated until the asset is fully completed and ready for use. Gains or losses on disposal are credited or charged to the Statement of Financial Activities.

f) Investments

Investments listed on a recognised stock exchange are stated at market value. All movements in value arising from investment changes or

revaluations are shown in the Statement of Financial Activities and included with unrestricted funds. Gains and losses on disposal and revaluation of investments are credited or charged to the Statement of Financial Activities.

g) Stock

Stocks of raw materials, work in progress and goods for resale are stated at the lower of cost and net realisable value.

h) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on deposit where funds can be accessed without penalty within three months or less from the opening of the account and cash held with the investment manager.

i) Capital Grants

Capital Grants are credited to the Statement of Financial Activities in the year of receipt. Depreciation is charged on the relevant asset in line with its estimated useful life, as stated in noted above, to the restricted Capital Grants Fund.

j) Fund Accounting

The nature and purpose of each fund is explained in Notes 12 and 13.

k) Pension Costs

The organisation, together with Sight Scotland Veterans, operates a defined benefit pension scheme. The assets are held separately from the two charities in an independently administered fund.

The Statement of Financial Activities is charged with the cost of providing pension benefits earned by employees in the period. The expected return on pension scheme assets less the interest on pension scheme liabilities is included as part of this charge. Actuarial gains and losses arising in the period from the difference between actual and expected returns on pension scheme assets, experience gains and losses on pension scheme liabilities and the effects of changes in demographics and financial assumptions, are included in total recognised gains and losses.

Any accumulated pension scheme surplus or deficit determined on the Actuarial accounting basis specified above is included in the balance sheet. Any accumulated pension scheme surplus is restricted if not recoverable. The reported surplus or deficit may differ from the funding position of the scheme as determined by a Triennial Valuation undertaken by the Trustees of the scheme.

A triennial valuation as at 31 March 2022 indicated the scheme had assets sufficient to cover 111% of its technical provisions, corresponding to a surplus of £5.14 Million.

The Trustees of Sight Scotland and Sight Scotland Veterans have reached agreement with the Trustees of the Pension Scheme that:

No deficit reduction contributions are required to be paid into the Scheme on the basis that the Scheme has a surplus at the valuation date;

All expenses including professional trusteeship fees and levies, will be met from the assets of the Scheme. Sight Scotland and Sight Scotland Veterans have agreed to contribute £25K per month from 1 July 2023 towards these expenses.

The organisation also makes contributions to a group personal pension plan. These contributions are charged to the Statement of Financial Activities in full as they fall due.

l) Financial instruments

Under FRS 102, financial assets and financial liabilities are given the technical term “financial instruments”, and we are required to indicate how these are recognised and measured in the financial statements. Ours are all basic financial instruments and are treated according to well established accounting convention. An analysis is given in note 16.

2 Judgements and estimates

The preparation of these financial statements has required the Directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts.

The areas involving a degree of judgement significant to the view given by these statements are:

- Actuarial assumptions in respect of the defined benefit pension scheme. In making these assumptions, advice has been taken from an independent qualified actuary. The assumptions are all shown in note 11.
- Tangible fixed assets, as mentioned in d above, are depreciated over a period intended to reflect their estimated useful lives. The applicability of the assumed lives is reviewed annually, taking into account factors such as physical condition, maintenance and obsolescence.
- Tangible fixed assets are also assessed as to whether there are indicators of impairment. This assessment involves consideration of the economic viability of the purpose for which the asset is used.

3. Income

(a) Income from Donations and legacies

	Unrestricted		Restricted		Total	
	2023	2022	2023	2022	2023	2022
	£000	£000	£000	£000	£000	£000
Legacies	361	316	-	-	361	316
Other Donations and grants	<u>206</u>	<u>188</u>	<u>110</u>	<u>80</u>	<u>316</u>	<u>268</u>
SOFA	<u>567</u>	<u>504</u>	<u>110</u>	<u>80</u>	<u>677</u>	<u>584</u>

(b) Income from charitable activities

	Unrestricted		Restricted		Total	
	2023	2022 as restated	2023	2022	2023	2022 as restated
	£000	£000	£000	£000	£000	£000
Royal Blind School						
School and residential fees	1,789	1,861	-	-	1,789	1,861
Grant from Scot Govt Recurrent	-	-	2,590	2,726	2,590	2,736
Sundry income	<u>217</u>	<u>211</u>	=	=	<u>217</u>	<u>211</u>
SOFA	<u>2,006</u>	<u>2,072</u>	<u>2,590</u>	<u>2,726</u>	<u>4,596</u>	<u>4,808</u>
Kidscene						
Fees for services	134	114	-	-	134	114
Grants	=	=	=	=	=	=
SOFA	<u>134</u>	<u>114</u>	=	=	<u>134</u>	<u>114</u>
Adult services						
Fees for services	3,995	3,116	-	-	3,995	3,116
Sundry income	<u>1</u>	=	=	=	<u>1</u>	=
SOFA	<u>3,996</u>	<u>3,116</u>	=	=	<u>3,996</u>	<u>3,116</u>
Older people's services						
Fees for services	-	6	-	-	-	6
Sundry income	=	=	=	=	=	=
SOFA	=	<u>6</u>	=	=	=	<u>6</u>
Community Services						
Fees for services	309	267	-	-	309	267
Sundry income	=	=	=	=	=	=
SOFA	<u>309</u>	<u>267</u>	=	=	<u>309</u>	<u>267</u>
Scottish Braille Press						
Sales	2,984	2,447	-	-	2,984	2,447
Funding for supp'd employment	67	59	-	-	67	59
Office rental	-	-	-	-	-	-
Sundry income	<u>31</u>	<u>6</u>	=	=	<u>31</u>	<u>6</u>
SOFA	<u>3,082</u>	<u>2,512</u>	=	=	<u>3,082</u>	<u>2,512</u>
Total from charitable activities	<u>9,527</u>	<u>8,087</u>	<u>2,590</u>	<u>2,736</u>	<u>12,117</u>	<u>10,822</u>

(c) Income from investments

	Unrestricted		Restricted		Total	
	2023	2022	2023	2022	2023	2022
	£000	£000	£000	£000	£000	£000
Dividends	161	351	-	-	161	351
Bank interest	<u>8</u>	=	=	=	<u>8</u>	=
SOFA	<u>169</u>	<u>351</u>	=	=	<u>169</u>	<u>351</u>

(d) Other income

Receivable from Sight Scotland Veterans	615	598	-	-	615	598
Gain on disposal of fixed assets	-	-	-	-	-	-
Other income	<u>91</u>	<u>123</u>	=	=	<u>91</u>	<u>123</u>
SOFA	<u>706</u>	<u>721</u>	=	=	<u>706</u>	<u>721</u>

4. Expenditure

2023	Activities undertaken directly	Grants	Support Costs (Note 5)	Total 2023
	£000	£000	£000	£000
Raising funds				
Raising donations	274	-	28	302
Investment fees	<u>17</u>	=	=	<u>17</u>
	<u>291</u>	=	<u>28</u>	<u>319</u>
Royal Blind School	4,738	-	668	5,406
Kidscene	157	-	37	194
Adult Services	3,806	-	438	4,244
Older People Serv	-	-	-	-
Community Serv	586	-	81	667
Sc. Braille Press	2,577	-	324	2,901
Development	789	-	-	789
Marketing	421	-	31	452
Grants for research	342	-	-	342
Sundry expenditure	<u>82</u>	=	=	<u>82</u>
	<u>13,498</u>	=	<u>1,579</u>	<u>15,077</u>
Provision of services to Sight Scotland Veterans	<u>615</u>	=	=	<u>615</u>
	<u>14,404</u>	=	<u>1,607</u>	<u>16,011</u>

All expenditure from restricted funds in 2023 and 2022 was in the category “Activities undertaken directly” and is included above.

2022 Restated	Activities undertaken directly	Grants	Support Costs (Note 5)	Total 2022
	£000	£000	£000	£000
Raising funds				
Raising donations	300	-	20	696
Investment fees	<u>28</u>	=	=	<u>28</u>
	<u>328</u>	=	<u>20</u>	<u>348</u>
Charitable activities				
Royal Blind School	4,343	-	491	4,834
Kidscene	116	-	25	141
Adult Services	2,836	-	257	3,093
Older People Serv	400	-	-	400
Community Serv	484	-	50	534
Sc. Braille Press	2,405	-	216	2,621
Development	998	-	-	998
Grants for research	-	-	-	-
Other	<u>27</u>	=	=	<u>27</u>
	<u>11,918</u>	=	<u>1,062</u>	<u>12,980</u>
Other expenditure				
Provision of services to Sight Scotland Veterans	<u>598</u>	=	=	<u>598</u>
	<u>12,826</u>	=	<u>1,082</u>	<u>13,908</u>

5. Support cost allocation

2023

	Mgt	Fin	HR	IT	Fac	Gov	Total
	£000	£000	£000	£000	£000	£000	£000
School	133	85	82	71	290	7	668
Kidscene	11	7	6	6	6	1	37
Adult Services	140	90	86	75	39	8	438
Comm.Services	23	15	14	12	16	1	81
Sc. Braille Press	102	66	63	55	32	6	324
Mktg/Fundraising	<u>21</u>	<u>13</u>	<u>13</u>	<u>11</u>	-	<u>1</u>	<u>59</u>
Total	<u>406</u>	<u>273</u>	<u>261</u>	<u>229</u>	<u>383</u>	<u>24</u>	<u>1,607</u>

Management (Mgt), Finance (Fin), Human Resources (HR) IT and Governance (Gov) are allocated based on an average number of staff. Facilities Management (Fac) is allocated based on an estimation of floor area.

Governance costs of £24,000 (2022, £20,000) include external audit fees of £14,000 (2022, £17,000). No fee was payable to the auditor for non-audit services (2022, nil).

2022

	Mgt	Fin	HR	IT	Fac	Gov	Total
	£000	£000	£000	£000	£000	£000	£000
School	9	92	93	85	205	7	491
Kidscene	-	7	7	6	4	1	25
Adult Services	7	74	75	68	27	6	257
Older People	1	13	13	11	11	1	50
Sc. Braille Press	5	63	63	57	23	5	216
Mktg/Fundraising	<u>1</u>	<u>14</u>	<u>14</u>	<u>13</u>	-	<u>1</u>	<u>43</u>
Total	<u>23</u>	<u>263</u>	<u>265</u>	<u>240</u>	<u>270</u>	<u>21</u>	<u>1,082</u>

6. Staff numbers and costs

	2023	2022
	£000	£000
Wages and salaries	8,968	8,238
Redundancy & Severance Pay	-	-
Social security costs	838	718
Pension contributions	799	712
Adjustment to FRS102 basis	<u>290</u>	<u>-</u>
Pension costs	<u>1,089</u>	<u>712</u>
Total staff costs	<u>10,895</u>	<u>9,668</u>

The average weekly number of employees, calculated as full-time equivalents and headcount, during the period was:

	2023	2023	2022	2022
	FTE	Head	FTE	Head
Royal Blind School	72	88	79	96
Kidscene	4	7	4	7
Adult Services	81	93	64	74
Scottish Braille Press	61	68	64	70
Community Services	14	15	12	12
Head Office	<u>49</u>	<u>52</u>	<u>49</u>	<u>52</u>
	<u>281</u>	<u>323</u>	<u>272</u>	<u>311</u>

The numbers of staff whose emoluments for the year fell in the following bands were:

	2023	2022
	Number	Number
£60,001 - £70,000	4	7
£70,001 - £80,000	3	1
£80,001 - £90,000	2	1
£90,001 - £100,000	-	-
£100,001 - £110,000	1	-

Contributions in the year to a defined benefit pension for the above staff were £ nil (2022, £ Nil) and to a defined contribution pension were £91,058 (2022, £67,960). No remuneration has been paid to any Director or member of committee in respect of their duties (2022, £ Nil). No expenses were paid to any Director (2022, £ Nil).

One member of staff is regarded by the Directors as being “Key Management” as defined in FRS102, this being the Chief Executive, as the only manager having decision making responsibility covering the whole organisation. As Chief Executive of both charities, some of the Chief Executive’s duties relate to Sight Scotland Veterans. The cost of that part is paid for by Sight Scotland Veterans as part of the management charge.

The total remuneration of the Chief Executive role for work with both charities, was £109,000 (2022, £122,000). The variation in amount is due to a change in postholder during the 2021/22 year resulting in a 3-month period during which an interim Chief Executive was in post. The new Chief Executive took up post in January 2022.

7. Tangible fixed assets

	Heritable Property	Furniture & Equipt	I.T.	Vehicles	Total
	£000	£000	£000	£000	£000
Cost					
1 April 2022	<u>27,792</u>	<u>1,701</u>	<u>833</u>	<u>321</u>	<u>30,647</u>
Additions	396	56	2	64	518
Disposals	=	=	=	=	=
31 March 2023	<u>28,188</u>	<u>1,757</u>	<u>835</u>	<u>385</u>	<u>31,165</u>
Accumulated depreciation					
1 April 2022	<u>11,967</u>	<u>1,292</u>	<u>825</u>	<u>296</u>	<u>14,380</u>
Charge for year	652	111	1	28	792
Disposals	=	=	=	=	=
31 March 2023	<u>12,619</u>	<u>1,403</u>	<u>826</u>	<u>324</u>	<u>15,172</u>
Net book value					
31 March 2023	<u>15,569</u>	<u>354</u>	<u>9</u>	<u>61</u>	<u>15,993</u>
31 March 2022	<u>15,825</u>	<u>409</u>	<u>8</u>	<u>25</u>	<u>16,267</u>

Included in the above are assets in the course of construction £ Nil (2022, £ Nil), and land, included in heritable property, which is not subject to a depreciation charge, £2,228,000 (2022, £2,228,000).

8. Investments

	2023	2022
Market value as at 1 April 2022	20,841	17,378
Additions at cost	14,767	3,009
Disposals at opening book value	<u>(16,183)</u>	<u>(966)</u>
	19,425	19,421
Change in market value in the year	<u>(367)</u>	<u>1,420</u>
Market value as at 31 March 2023	19,058	20,841
Cash held for investment	-	33
Total investments	<u>19,058</u>	<u>20,874</u>
Investments held at cost	18,803	16,700
Cash held for investment	-	33
Cost as at 31 March 2022	<u>18,803</u>	<u>16,733</u>

The market value represents:

Investments listed on a recognised stock exchange

United Kingdom	17,264	17,655
Outside the United Kingdom	<u>1,794</u>	<u>3,186</u>
	<u>19,058</u>	<u>20,841</u>

Three (2022, five) investments individually exceed 5% of the portfolio:

Towers Watson Partners Sterling Fund valued at £14,566K (2022, £ Nil)

Henderson Multi Asset Credit Fund valued at £1,942K (2022, £4,464K)

Legal and General International Index Trust valued at £1,794K (2022, £3,187K)

Remaining investment holdings:

LGIM Sterling Liquidity Fund valued at £517K (2022, £1,006K)

Legal and General UK Index Trust valued at £239K (2022, £406K)

The Partners Fund valued at £ Nil (2022, £5,779K)

Aberdeen Diversified Growth Fund valued at £ Nil (2022, £4,223K)

Aberdeen Asset Managers Charities Property Fund valued at £ Nil (2022, £1,776K).

All investments are held to provide an investment return.

9. Debtors

	2023	2022 as restated
	£000	£000
Trade debtors	4,472	3,481
Debtors > 1 year	-	2,037
Prepayments	186	180
Due from Sight Scotland Veterans	381	316
Taxation recoverable	33	19
Accrued income	<u>366</u>	<u>343</u>
	<u>5,438</u>	<u>6,376</u>

Trade debtors include £1,896K which relates to the remaining phased receipt for the sale of the Craigmillar Park campus. The final tranche was received in October 2023.

10. Creditors: amounts falling due within one year

	2023	2022 as restated
	£000	£000
Suppliers	403	162
Accruals	390	212
Due to HMRC	1,614	1,071
Pension costs	119	97
Deferred income	<u>35</u>	<u>41</u>
	<u>2,561</u>	<u>1,583</u>

Deferred Income of £35,000 (2022, £41K) relates to grants and service income already received that will be expended during 2023-24 or relate to 2023-24 services.

11. Pension costs

The organisation, together with Sight Scotland Veterans, operates an externally funded contributory retirement benefit scheme for employees. Contributions from the employer, as determined by a qualified independent actuary, are charged to the Statement of Financial Activities over their working lives with the organisation.

The latest full actuarial valuation was conducted as at 31 March 2022 by a qualified independent actuary which showed the scheme hold assets to cover 111% of its Technical Provisions corresponding to a surplus of £5.14 Million. ongoing basis.

There are a number of different methods used to estimate any surplus or deficit in Defined Benefit Pension Schemes. The method used in these accounts is, as required by Generally Accepted Accounting Principles, in accordance with Financial Reporting Standard 102 and the result indicates that there is no deficit in the Pension Scheme at 31 March 2023. This is a consistent basis for the preparation of these accounts.

The Trustees of Sight Scotland and Sight Scotland Veterans have reached agreement with the Trustees of the Pension Scheme whereby:

No deficit reduction contributions are required to be paid into the Scheme on the basis that the Scheme has a surplus at the valuation date;

All expenses including professional trusteeship fees and levies, will be met from the assets of the Scheme. Sight Scotland and Sight Scotland Veterans have agreed to contribute £25K per month from 1 July 2023 towards these expenses.

The Scheme closed to further accrual in November 2021 and therefore no employer costs, other than the deficit recovery payments, will be made to the scheme.

The major assumptions used by the Actuary were as follows:

	2023	2022
Inflation	2.9%	3.2%
Salary increases	3.4%	3.7%
Expected return on investments pre-retirement	2.9%	5.2%

The total payments to the scheme for the year amounted to £900,000 (2022: £4,900,000). Further deficit recovery payments have been paused and payments of an estimated £25K per month will be made to cover administrative cost of the scheme beginning 1 July 2023.

The fund has been valued in accordance with the requirements of FRS102 by Adam Poulson of Barnett Waddingham on 14 July 2023. The actuarial valuation of the fund and any potential liabilities, and the assumptions made by the Directors as the basis of the valuation, are shown below.

Assumptions	at 31 March 2023	at 31 March 2022
Discount rate	4.7%	2.8%
Retail price inflation	3.5%	3.9%
Consumer price inflation	2.9%	3.2%
Salary increase rate	3.4%	3.7%
Pension increases (Limited Price Indexation)		
- RPI maximum 5%	3.3%	3.6%
- RPI maximum 5% minimum 3%	3.8%	4.0%
Deferred pension revaluation	2.9%	2.5%

The actuary has used the CPI assumption for future deferred pension revaluation.

Assuming retirement at age 65, life expectancies in years based on the mortality assumption used are as follows:

	at 31 March 2023	at 31 March 2022
For a male retiring in 2023	21.2	20.5
For a male retiring in 2042	22.8	22.2
For a female retiring in 2023	24.0	22.6
For a female retiring in 2042	25.8	24.4

Assets	31 Mar 2023		31 Mar 2022	
	£000's	%	£000's	%
Invested assets	35,036	100	50,338	100
Total	35,036	100	50,338	100

Liability and Funded Status at 31 March	2023	2022	2021	2020	2019
	£000's	£000's	£000's	£000's	£000's
Fair value of plan assets	35,036	50,338	46,734	41,193	39,062
Value of funded oblig'ns	(28,211)	(42,275)	(45,605)	(40,340)	(46,216)
Asset ceiling & interest income	6,825	(1,154)	-	-	-
Restriction of pension surplus	(6,825)	(6,909)	(1,129)	(853)	-
Surplus/(Deficit)	=	=	=	=	<u>(7,154)</u>

The charge to the Statement of Financial Activities	2023 £000's	2022 £000's
Service cost	-	-
Net interest expense	282	(53)
Losses (gains) due to benefit changes	=	=
Total included in employer expense	<u>282</u>	<u>(53)</u>

Analysis of the change in the defined benefit obligation

	2023 £000's	2022 £000's
Opening defined benefit obligation	42,275	45,605
Current service cost	-	-
Interest cost	1,166	986
Actuarial (gains)/losses	(13,958)	(2,694)
Benefits paid	(1,272)	(1,622)
Losses due to benefit change	=	=
	<u>28,21</u>	<u>42,275</u>

Analysis of the change in fair value of plan assets

	2023	2022
	£000's	£000's
Opening fair value of plan assets	50,338	46,734
Interest income	1,400	1,064
Admin costs	(290)	-
Actuarial gains / (losses)	(16,040)	(738)
Contributions	900	4,900
Benefits paid	<u>(1,272)</u>	<u>(1,622)</u>
	<u>35,036</u>	<u>50,338</u>

Analysis of actuarial gains/(losses)

	2023	2022
	£000's	£000's
Asset return (less interest income recognised in the SOFA)	(16,040)	(738)
Experience gains / (losses) on benefit obligation	2,799	(151)
Gain / (Loss) from change in effect of asset ceiling	11,439	2,845
Restriction of Pension surplus	1,184	(6,909)
Total actuarial gains/(losses)	(618)	(4,953)

History of Experience Gains and Losses

	2023	2022
	£000's	£000's
Difference between the asset return and the interest income recognised in the SOFA	3,129	(151)
- as % of scheme assets	<u>1%</u>	<u>0%</u>
Experience gains/(losses) on obligation	3,129	(151)
- as % of liabilities	<u>11%</u>	<u>0%</u>
Total amount recognised in the SOFA	618	4,953
- as % of liabilities	2%	10%

From 1 April 2006 the defined benefits scheme was closed to new members. A group personal pension plan is provided for employees who are not members of the defined benefits scheme to which auto-enrolment applies.

12. Restricted funds 2023

	Balance	Income	Expenditure	Balance
	31.3.22			31.3.23
	£000	£000	£000	£ 000
Capital grants	609	-	-	609
Grants applied in year	-	2,590	(2,570)	20
Donations applied in year	<u>80</u>	<u>110</u>	<u>(190)</u>	-
Total	<u>689</u>	<u>2,700</u>	<u>(2,760)</u>	<u>629</u>

The Capital Grants fund holds grants received relating to specific items of capital expenditure.

The grants applied for the year ending 31 March 2023 relate to a Scottish Government grant for the Royal Blind School to offer capital and revenue support. Donations applied for during the year relate to funding for development of a courtyard regeneration project at the Royal Blind School.

Restricted funds 2022

Restated

	Balance	Income	Expenditure	Balance
	31.3.21			31.3.22
	£000	£000	£000	£ 000
Capital grants	623	48	(62)	609
Grants applied in year	-	2,688	(2,688)	-
Donations applied in year	<u>10</u>	<u>80</u>	<u>(10)</u>	<u>80</u>
Total	<u>633</u>	<u>2,816</u>	<u>(2,760)</u>	<u>689</u>

13. Unrestricted funds

2023

	General Fund	Investm't Reserve	Pension Reserve	Total
	£000	£000	£000	£000
Balance 31.3.22	37,975	4,141	-	42,116
Net income / (expenditure) before other recognised gains	(2,999)	-	-	(2,999)
Adjustment to Pension Fund Reserve	(618)	-	618	-
Investment disposals, gains and losses	3,886	(3,886)	-	-
Actuarial Gains/(Loss)	<u>-</u>	<u>-</u>	<u>(618)</u>	<u>(618)</u>
Balance 31.3.23	<u>38,244</u>	<u>255</u>	<u>-</u>	<u>38,499</u>

Unrestricted funds

2022

Restated

	General Fund	Investm't Reserve	Pension Reserve	Total
	£000	£000	£000	£000
Balance 31.3.21	44,353	2,765	-	47,118
Net income / (expenditure) before other recognised gains	(49)	-	-	(49)
Adjustment to Pension Fund Reserve	(4,953)	-	4,953	-
Release of designated fund		-	-	-
Investment disposals, gains and losses	(1,376)	1,376	-	-
Actuarial Gains/ (Loss)			<u>(4,953)</u>	<u>(4,953)</u>
Balance 31.3.22	<u>37,975</u>	<u>4,141</u>	<u>-</u>	<u>42,116</u>

14. Analysis of net assets between funds

	Tangible fixed assets	Investments	Net current assets	Total funds
	£000	£000	£000	£000
At 31 March 2023:				
Restricted funds				
Revenue Grant	-	-	-	-
Capital grants reserve	<u>629</u>	=	=	<u>629</u>
Designated funds	=	=	=	=
Other unrestricted funds				
Investment reserve	-	255	-	255
Pension reserve	-	-	-	-
General fund	<u>15,364</u>	<u>18,803</u>	<u>4,077</u>	<u>38,244</u>
Total funds	<u>15,993</u>	<u>19,058</u>	<u>4,077</u>	<u>39,128</u>
At 31 March 2022:				
Restated				
Restricted funds				
Revenue Grant	-	-	80	80
Capital grants reserve	609	-	-	609
Designated funds	-	-	-	-
Other unrestricted funds				
Investment reserve	-	4,141	-	4,141
Pension reserve	-	-	-	-
General fund	<u>15,658</u>	<u>16,733</u>	<u>5,584</u>	<u>37,975</u>
Total funds	<u>16,267</u>	<u>20,874</u>	<u>5,664</u>	<u>42,805</u>

15. Connected organisation

The Directors of Sight Scotland act as Trustees of Sight Scotland Veterans. This is a separate charity having its own funds and properties. Sight Scotland provided administrative services for which a fee was received of £615K (2022, £598K). At the balance sheet date, a charge was due from Sight Scotland Veterans amounting to £381K (2022, £316K).

16. Financial instruments

	2022	2023
	£000	£000
Financial assets measured at fair value	20,841	19,058

Financial assets measured at fair value are listed investments.

17. Net debt reconciliation

	1 April 2022	Cash Flows	31 March 2023
Cash and cash equivalents	774	352	1,126

18. Prior year restatement

Sight Scotland through the Scottish Braille Press delivers a range of braille, large print and audio materials to customers for the ultimate benefit of those with vision impairment. The VAT rules are complex and following a review, and with expert advice, we have identified that some of our sales to which we have applied zero rate output VAT should have had standard rate VAT applied.

The error relates to previously reported financial statements. As these are considered to be fundamental to the reported performance of the company, the comparative information has been restated. The restatement is as follows:

Recognition of VAT payable to HMRC at the standard rate

Amounts due to HMRC per note 10 have been increased by £866k which is the calculated undercharge of VAT as a result of using the wrong rate over the period from FY 2019/20 to FY 2021/22.

Recognition of accounts receivables for additional VAT charged at the standard rate

We assess that £184k of the additional VAT charge is recoverable from our Braille Press customers and as such accounts receivable have been increased by this amount.

Reduction in previously recognised Braille Press income (and impact on opening reserves)

We assess that the remaining amount of additional VAT cannot be recovered from our customers and as such, Braille Press income (considered inclusive of VAT) is overstated. The overstatement for the year ended 31 March 2022 is £308k and Braille Press income has been reduced by this amount. The remaining amount of £374k relates to income recognised in FY2019/20 and FY 2020/21 and therefore the opening general fund has been restated to account for this.

Interest payable to HMRC as a result of errors

Interest payable to HMRC due to the error in undercharging VAT is expected to be £24k therefore amounts due to HMRC have been restated to include this. Of this, £6k relates to periods before the year-ended 31 March 2022 and the opening general fund has been restated to account for this. The remaining £18k relates to the year ended 31 March 2022 and has been included within sundry expenditure.

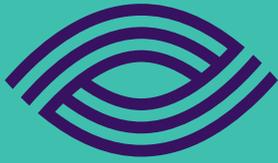
The financial impact of the adjustments is shown in the table below:

Statement of Financial Activities – restatement

	Note	2022 £000	2022 Restated £000	Prior year restatement £000
Income from: Scottish Braille Press	3	2,820	2,512	(308)
Expenditure on: Grants and sundry	4	9	27	18

Balance Sheet - restatement

	Note	2022 £000	2022 Restated £000	Prior year restatement £000
Trade debtors	9	3,297	3,481	184
Creditors: Due to HMRC	10	181	1,071	890
Unrestricted funds: General fund (opening)	13	44,733	44,353	(380)



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