

**Sight Scotland  
(Previously known as Royal Blind)**

**Annual Report and Accounts for year ended 31 March 2020**

**Working with, and for, people affected by visual impairment**



**The Royal Blind Asylum and School, Edinburgh, trading as Sight Scotland**

**Scottish Charity Number SC017167**

## **Contents Page**

	<b>Page</b>
<b>Legal and Administrative Information</b>	<b>3</b>
<b>Chair's Statement</b>	<b>5</b>
<b>Chief Executive's Statement</b>	<b>6</b>
<b>Report of the Directors</b>	<b>8 - 35</b>
<b>Independent Auditor's Report</b>	<b>36 - 38</b>
<b>Statement of Financial Activities</b>	<b>39</b>
<b>Balance Sheet</b>	<b>40</b>
<b>Cash Flow Statement</b>	<b>41</b>
<b>Notes to the Financial Statements</b>	<b>42 - 63</b>

Sight Scotland is the operating name of The Royal Blind Asylum and School, Edinburgh, Scottish Charity Number SC017167. Sight Scotland was previously known as Royal Blind and the change of name occurred on 8 October 2020.

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

**President** His Grace The Duke of Buccleuch and Queensberry, K.B.E.

**Vice President** The Hon. Mrs Janet Buchanan-Smith, C.B.E.

### **Board of Directors**

#### **Elected by Contributors**

Gwenn McCreath (Chair, Resigned 4 December 2019)

Kate Cherry (Vice-Chair, Resigned 4 December 2019)

Michael Craig (Chair from 4 December 2019)

Jamie Cuthbertson

Mike Donnelly (Appointed 4 December 2019)

Patsy Gillies (Resigned 4 December 2019)

Michelle McWilliams

Michael Martin

Graeme Bold

Jay Hogarty

Aidan McCorry

Ian McGregor (Vice-Chair from 25 March 2020)

Stephanie Philips

Elizabeth Porterfield (Appointed 4 December 2019)

#### **Appointed by Public Bodies**

Mike Boorman – Edinburgh Merchant Company (Resigned 13 January 2020)

Professor Baljean Dhillon – University of Edinburgh

Robert Mooney – Scottish Trade Union Congress

Derek Howie – City of Edinburgh Council

James Milhench – Scottish Council of the National League of the Blind and Disabled

#### **Chief Executive and Secretary**

Mark O'Donnell – Chief Executive

**Principal Office** – 50 Gillespie Crescent, Edinburgh, EH10 4JB

**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, 3<sup>rd</sup> Floor, 65 Haymarket Terrace, Edinburgh EH12 5HD

## Who we are

Sight Scotland is Scotland's largest visual impairment organisation. We have been creating life-changing opportunities for people with visual impairment for over 225 years. Our vision is for a community in which blind and partially sighted people, including those who have other disabilities, are fully included and able to lead fulfilling lives.

There are more than 175,000 people living in Scotland today with significant sight loss. We know that we have an ageing population and with the number of people living with sight loss set to increase by 30,000 over the next 10 years, we work to ensure that every single person has **access to care, learning, support and hope**.

We are there to support people of all ages with sight loss by:



We are continually evolving our approach to ensure we can reach everyone who needs us. None of our work would be possible without the commitment of our donors and the strength of our outstanding people including our volunteers, staff and supporters, as well as those affected by sight loss.

## **Chair's Statement**

### **Our Chair Michael Craig reflecting on his first year**

I am honoured to become Chair of Sight Scotland at what is a pivotal time in the future direction of the charity. At the time of writing, we are facing unprecedented challenges as a result of the health crisis due to the Covid-19 pandemic and the unknown impact of Brexit. Our staff are doing an amazing job of protecting and supporting the vulnerable people in our care. This annual review is an opportunity to reflect on what our staff, services users and supporters have achieved during the last financial year.

2019/20 was a strong year for the charity where once again the needs of those we care for and educate were at the heart of what we do.

I would like to thank all our donors, volunteers and all the staff across the charity for their hard work and dedication to helping ensure people with sight loss lead a fulfilling and meaningful life. Collectively your work and support has proven what can be done through a strong community in helping us to care for and support those who need us most.

We continue to be as committed as ever to supporting and investing in medical research to give people hope for the future.

We also continue to make our voices heard through our policy work to convince decision-makers to develop policies and services which improve the lives of those with sight loss.

Throughout the year we have worked hard on developing our future strategic direction and looked at how we can grow our offering to reach more people with sight loss across the country. I look forward to launching our new plans and widening our support to all those who need us in the coming year and beyond.

In line with our new strategy, we have also taken the time to review our current services to ensure that they are operating in a way that means we are sustainable for the future.

## **Chief Executive's Statement, Mark O'Donnell Reflecting on the year and looking to the future**

### **Our Covid-19 response**

At the time of writing this report, the country is in the midst of a health crisis due to the Covid-19 pandemic. Sight Scotland, like many other charities, has been deeply affected by the pandemic, particularly through reduced income in our older people's services and also our investment holdings.

From March to July 2020 residents and families were separated from each other and staff have had to adopt new practices and follow guidelines that change frequently.

However, our staff have been going above and beyond the call of duty to ensure that all those in our care are well and living the best life possible under the circumstances. For a five-month period no visitors except for essential medical ones were permitted and residents understandably were, and in some cases still are, missing their loved ones. We are grateful to all those who have donated funds, iPads, tablets, home baking and much more for our staff and residents at this time.

This has been a very difficult time for everyone and I wish to acknowledge and thank our staff team, who despite their own fears, continued to come to work. They have adapted well and have been innovative in their approach in order to support the residents, their families and each other.

### **A year to be proud of**

This year we have much to be proud of as we continue to care for and support those with a visual impairment. We are working hard to ensure that we are the best that we can be to help meet the needs of the growing number of people being diagnosed with sight loss.

I am delighted that our offering of educational support has expanded from the remarkable work in the Royal Blind School to include working with children and young people across Scotland.

Following on from our introduction of the East Lothian Visual Impairment Service in 2018, we have now built on this success and in October 2019 we were awarded the contract to deliver the Orkney & Islands Visual Impairment Service. This is a great step forward in allowing us to expand on our work delivering specialist education and support to visually impaired pupils in mainstream schools.

People with sight loss can have other disabilities, and often the people we support have complex care needs. I am grateful to and proud of all our staff who go above and beyond on a daily basis to help care for those we support to help ensure they live life to the fullest. Over the last year we have made our voices heard through our policy and research work which you can read about further on. We have been delighted to take part in a dementia research project at our Jenny's Well care home

in Paisley and we have committed to funding a variety of key medical research projects to help people with sight loss in the coming year.

Along with the many opportunities for us and the successes highlighted throughout this report, we continue to see financial challenges with our care homes and school and are working to put in place measures that will help with this in the coming years. It is important to all of us at Sight Scotland that we spend every penny we receive wisely and we continue to be incredibly grateful to all those who support our fundraising efforts- thank you.

We have an ageing population in Scotland and, with the number of people living with sight loss set to increase by 30,000 over the next 10 years, we need to act now to ensure that every single person has access to care, learning, community support and hope. I look forward to sharing with you how we plan on tackling this and the new chapter in our charity's history on page 26.

Together, we will address the needs of those with sight loss with determination and optimism.

Thank you.

## **Report of the Directors**

### **Our people, structure and governance**

The Directors have pleasure in presenting their report for the year ended 31 March 2020. This report is prepared in accordance with the Royal Charter of Incorporation and the recommendations of the Statement of Recommended Practice - Accounting and Reporting by Charities and complies with applicable law.

#### **Directors' responsibilities**

The Directors are responsible for preparing the report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Directors 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 Directors 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 Directors 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 Directors 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.



## **Report of the Directors (continued)**

### **Directors' Responsibilities (continued)**

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 Directors. The Directors' 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, is a charity registered in Scotland, tracing its origins back to 1793. In 1898 it was incorporated by Royal Charter and that charter, as supplemented in 1977, is its governing instrument.

Sight Scotland is governed and directed by a Board of up to 19 Directors (who are the Trustees of the charity for the purposes of charity law), comprising 12 members elected by the qualified contributors (members who subscribe and contribute £2 or more for the year ended each 31 March) and seven who are appointed by other bodies. The Directors endeavour to ensure that they recruit to the Board a diverse group of members with the skills and experience who are appropriately suited to govern the charity. New members of the Board 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 Directors.

Directors normally serve for a term of up to six years, which may be extended in the case of the Chair, the Vice-Chairs and committee conveners. No remuneration has been paid to any non-executive Director. The Directors of the charity benefit from Trustee indemnity insurance.

There are four main activities (education and childcare, adult services, older people's services and the production of documents in accessible formats), each of which is overseen by a committee of Directors and co-opted members. These committees have responsibility for oversight and detailed consideration of budgets, plans and decisions, which are then the subject of recommendation to the Board. There is also a Finance and General Purposes Committee, an Audit Committee and a Marketing, Fundraising and Communications Committee. A Remuneration Committee, consisting of the Chair, the Vice Chairs and the Finance Convener, oversees the operation of the Remuneration Policy and determines the remuneration of the Chief Executive.

## **Report of the Directors (continued)**

### **Directors' Responsibilities (continued)**

The day-to-day management of the organisation is delegated to the staff, headed by the Chief Executive. Each operation has a defined management structure and a manager accountable for it.

The Directors are also Trustees of Sight Scotland Veterans, a Scottish Charitable Incorporated Organisation (SCIO) – a separate charity (charity number SC047192) having its own objectives. This charity was founded in 1915 as The Scottish National Institute for the War Blinded and was reconstituted as a SCIO in April 2017, assuming the engagements, assets and liabilities of The Scottish National Institute for the War Blinded. Sight Scotland Veterans operates with its own activities, funds and properties, but is managed together with Sight Scotland, though they are financially separate, have different charitable objectives and neither organisation exerts control over the other. The Sight Scotland Directors have been appointed as Directors of Sight Scotland in line with the terms of its constitution and are aware of their obligation to respect the separate legal status of the two charities.

The 'Chief Executive' is simultaneously the Chief Executive of both Sight Scotland and Sight Scotland Veterans, which is the same for a number of Head Office roles and functions. The main exception is that a Director of Service for each charity has been appointed who oversees day-to-day management for their charity in line with authority delegated to them by the Chief Executive. Board meetings and Committee meetings have been reconstituted for 2020-21 to allow Directors to focus on strategic issues. Terms of reference have been developed for committees ensuring that sufficient prominence is given to the affairs of both charities in the structure, and minutes and agendas clearly mark where issues relate to either charity or both.

### **People**

Four Board Members stepped down during 2019/20. Gwenn McCreath, Kate Cherry and Patsy Gillies all stepped down on 4 December 2019, and Mike Boorman stepped down on 13 January 2020.

Mike Donnelly and Elizabeth Porterfield were both appointed on 4 December 2019. The Board would like to thank all of its former Members for their hard work and commitment over the years.

### **Our objectives**

In 1793, Reverend Dr David Johnston, Dr Thomas Blacklock and Mr David Miller founded the charity that is today called Sight Scotland, with a vision and dedication to improving the welfare of blind people in Scotland. Today this vision continues – to see a community in which blind and partially sighted people, including those who have other disabilities, are fully included and lead fulfilling lives.

## **Report of the Directors (continued)**

### **Our Objectives (continued)**

Sight Scotland provides services to blind and partially sighted children and adults which enable them to live without disadvantage.

Our objectives are currently articulated in the charities purpose, vision and mission statements.

**Our goal is to sustain and improve the array of services we provide for the benefit of those who use them. In the long term, our aim is to grow and diversify our services, as resources permit, to make meaningful contribution to the lives of people with sight loss in Scotland.**

We will achieve this through our main service provisions and the development of new ones.

## **Our performance, activities and achievements**

### **Education and Learning**

- **The Royal Blind School**

Our Royal Blind School is a sector-leading school providing the very best in specialist learning for blind and partially sighted pupils, including those with complex needs. Pupils are encouraged to have a strong voice that is listened to and valued. Our inclusive approach ensures that friendships, peer support and increased social opportunities are fostered and embedded in curricular activities and educational experiences.

Thanks to funding from National Lottery Community Fund, the Morrison's Foundation, and the other generous trusts, corporates and individuals, we have transformed the school's courtyards this year to create themed activity areas. Our **kitchen courtyard** was opened at our Friends and Family Day in June 2019. The kitchen courtyard is for pupils to enjoy growing plants, herbs and vegetables. This allows pupils to experience nature to plate, as many items are used in their home economics class and some in science too.

A highlight of the year was our participation in the education programme for **Oor Wullie's Big Bucket Trail** across Edinburgh. The pupils designed and decorated a 3ft Oor Wullie sculpture which was displayed at various locations in Edinburgh before being returned to the Royal Blind School in Autumn 2019.

Staff members continue to share their expertise through national and international forums and attend international projects, which focus on developing the social skills of blind and partially sighted children and young people.

## **Report of the Directors (continued)**

### **Andrew's story**

After seven years of schooling at the Royal Blind School, Andrew Pettigrew is readying himself for the University of Strathclyde.

Andrew excelled in his studies at the Royal Blind School. He scored straight As for his Advanced Highers in English and his Scottish Highers in Biology, Politics, History, and Modern Studies.

Andrew, who is Registered Blind, said the school's strongest assets were its teachers. "The staff are brilliant and you get a lot of confidence from that," he said. English was Andrew's favourite subject, inspiring his passion for writing short stories and poetry, using his braille-writing skills.

To Andrew's surprise, he found he enjoyed learning Biology and Maths too. He said: "My Biology teacher once demonstrated the structure of DNA by building strands and nucleotides out of sweets, making it tactile. It was a fantastic idea and definitely received my fullest attention!"

In Maths, Andrew wrote equations using braille numbers. His Maths tutor Keith would create models of mathematical concepts using cardboard and wire for Andrew to touch, helping him to understand the concepts.

In addition to Latin, Andrew learned occupational and independent living skills in his last year at the Royal Blind School.

"I've learned to iron and I've learned to cook for myself without burning down the house," he said. Playing chess is another of Andrew's passions.

"On Tuesdays, I used to play chess with the ICT teacher, Mr Levin. It was a Chess club, but no-one else was interested in playing," he said.

"In December 2019, I finally beat Mr Levin. It was a proud moment."

While he attended the school, Andrew won the Pushkin Prize for young writers in 2016; he attended work experience at the Scottish Poetry Library in June 2019, and he spoke at the UK Eye Geneticists' annual conference in November 2019 about his experience growing up with a visual impairment.

At the University of Strathclyde, Andrew will be studying an English and Creative Writing course as part of a Bachelor of Arts degree, following his ambition to be a writer.

He said: "I'll be attending lectures in person. I was feeling a bit nervous but I've been in touch with the disability department at Strathclyde so it's more a feeling of excitement now. I have been exploring the university's intranet portal so I can familiarise myself with it before I visit."

## **Report of the Directors (continued)**

Andrew has many fond memories of the Royal Blind School, including the time he performed the role of Willy Wonka in a production of Charlie and the Chocolate Factory- one of six Christmas Plays he participated in. **“The Royal Blind School is all about what pupils can do, not what they can’t do. It’s empowering them and getting them to where they want to be.”**

We continue to provide a range of residential care options, including weekly, termly, 52-week and occasional respite care according to need. Our residential services give children and young people the opportunity to learn new skills and build friendships with peers who have similar life experience.

### **Ciaran’s story**

Ciaran Vassie is a determined young man. With assistance from the Royal Blind School’s residential care workers, Ciaran channeled his determination into learning karate in 2019.

Ciaran is Registered Blind and has Autism Spectrum Disorder. Because of his autism disorder, Ciaran finds it very difficult to join in with group activities. He likes a highly structured timetable and finds it extremely difficult to cope with changes, or new places.

However, in May 2019, Ciaran started going to Dalry Karate Group on a weekly basis. Care workers from Sight Scotland’s residential accommodation service helped him to adjust to the unfamiliar environment and the new people.

He continued attending every week on a Tuesday. In October 2019, the karate group named Ciaran the Student of the Month, out of 120 students, because of his determination and focus on training.

Collete Walker, Ciaran’s mother, said his progress is remarkable. “I never thought Ciaran would be able to go to any of these activities,” Collete said, “Ciaran didn’t work in a group before. To get him to sit in a group for two minutes is a huge achievement.”

Collete says Sight Scotland’s residential care workers, who know Ciaran well, made the difference.

“It’s all to do with the right support. Ciaran needs people he can trust and can understand him. If he doesn’t feel comfortable with you, he won’t participate. Ciaran really does rely on people he trusts.”

Ciaran earned his Yellow Belt in December 2019, after months of practice.

## **Report of the Directors (continued)**

### **- Education Outreach Support Services**

In July 2017, the Royal Blind School successfully tendered to deliver a **Visual Impairment Support Service** to children and young people in educational settings across **East Lothian** Council. In 2019/20 this service supported **59 pupils** and in October 2019 we were delighted to be awarded the contract to deliver a similar support programme in the **Orkney Islands**.

Pupils with a visual impairment at primary and high schools across Orkney benefit from the new service, which provides a wide range of support to pupils and families, and advice to staff on curriculum access, independent living and social inclusion.

The key areas of support include teaching of specialist skills, access to learning through mediums such as braille and large print, assistive technology, guidance for school staff, social skills and transitions.

In East Lothian, the service draws on the in-depth knowledge and experience of the Royal Blind School qualified teachers of visual impairment, and education support staff. The aim is to support the successful inclusion of children and young people with a visual impairment in their local communities, nurseries, mainstream and special schools.

As part of our ongoing commitment to learning and education for people living with sight loss, in July 2019 we began a new partnership with **Queen Margaret University, Edinburgh**. The partnership sees our expert staff helping to shape the inclusive education curriculum for student teachers.

**We deliver lectures, workshops and seminars** to inform teacher knowledge and awareness. We also host community placements for teachers to provide them with hands-on experience of working with pupils with visual impairment and additional needs. This helps increase their skills and supports greater inclusion in school and in the community.

Over time, this should have a significant impact on teacher awareness, practice and delivery and help Sight Scotland to extend our reach and influence to support more people affected by sight loss.

### **Freya's story**

Freya is learning to use her vision, thanks to support from the East Lothian Vision Impairment Service. Freya was born prematurely.

As a baby, she presented as Severely Sight Impaired. Pam Young, a QTVI (Qualified Teacher of Children and Young People with Vision Impairment) with Sight Scotland, first visited Freya at her home in Tranent in April 2018 when she was one year old.

## **Report of the Directors (continued)**

Pam said: "Freya has a Cerebral Visual Impairment or CVI. When children like Freya are very small, they may present as if they don't see at all. At the very beginning, it was trial and error to work out what objects and colours would catch her attention visually. We paired objects with light and movement properties alongside a sound stimulus to gain Freya's attention. Eventually, we began to reduce the level of sound to determine if she was still motivated by the object."

Coached by Pam, Freya's parents (Eilidh and Keir) began employing a variety of strategies to stimulate their child's visual abilities, using objects with specific properties to gain her visual attention: bright colours, light and movement.

"Eilidh and Keir are really creative and have lots of great ideas to help Freya use her vision," said Pam. "One of the first things Freya reached for by herself was a bright orange cheesy Wotsit snack. Her Mum held it up against a black background and it got Freya's attention. Eilidh slowly moved the Wotsit a little bit further away and Freya reached for it with purpose.

"Freya could see it, she knew it was there, and by reaching for it, she was saying 'I want that, I know where it is, I'm going to get it'. That was a victory. Pam visits Freya's family every fortnight.

"Eilidh and Keir have been absolutely brilliant in their willingness to try anything I suggest. We talked about them wearing brightly coloured T-shirts, hats or wigs to attract Freya's attention, encouraging her to look at them. This has worked really well and they don't need to use these props as much now because she is able to focus on them herself, which is great."

### **- Learning Hub**

The Sight Scotland Learning Hub provides **free training and online learning** for education professionals working in the field of visual impairment across Scotland and beyond.

We provide one-to-one contact with pupils in mainstream schools, teacher and support staff training through our seminars, and supply online learning services for school staff through our website.

### **Lynne's story**

Lynne Donald is one of many educators who has improved her professional practice since attending a Learning Hub Seminar.

Lynne is a Teacher for Visual Impairment for the Highland Council. She attended the Learning Hub's Seminar on 'Communication in Practice with Learners at an Early Stage of Development with Vision Impairment and Complex Needs'.

## **Report of the Directors (continued)**

"I visit children from age three up to school-leaving age, and I go to nurseries, primaries, secondary schools and special schools," Lynne said.

"I hoped to get some kinds of strategies I could use when communicating with children with visual impairment and complex needs. Because I'm a travelling peripatetic teacher and going into different schools, I don't meet children very often. I find it really important to build rapport with them — especially with children with complex needs. But, often that's quite difficult to do when you're only seeing them once every few weeks. You don't know how their communication works or how best to interact with them."

Lynne said the seminar presenters demonstrated a number of techniques for building rapport. "The presenters have a lot of experience," she said. "They showed through video clips some of the interactions they've had with pupils. A lot of it I can use when I'm working with my children with complex needs and building that communication."

Additionally, the Learning Hub seminar created the opportunity for Lynne to meet and mix with others working in the visual impairment field. She said: "What happens in the course is lots of conversation and sharing of experiences, which is really helpful to take back. Quite often you learn from others — not just the presenters of the course."

Lynne said the session helped her to evaluate and improve her assessment. "There's a tendency to feel a bit of pressure when you're going out to do an assessment of vision—especially with children with a stable visual impairment—to get out there and start writing your assessment, working with the children, and producing a report that staff can use straight away," she said. "I think what I've learned is that I maybe need a bit more time for observation.

"Perhaps, I need a bit more time to observe the pupil — just how they are in their environment and the classroom — before maybe I start to work on the communication, and then begin to build up a picture of how best to do that. That's the key thing I've learned today."

### **- Kidscene**

Kidscene is an inclusive after school and holiday club looking after children with and without disabilities between the ages of five and 16 in an integrated environment. Children with a visual impairment and those with additional support needs are particularly welcome.

During the year children enjoyed daily games and activities, as well as use of the sensory garden, sensory room, hydrotherapy pool and outdoor play areas. During holiday clubs, children enjoyed themed activity weeks which included Under the Sea, Superheroes, Acts of Kindness and Halloween.



## **Report of the Directors (continued)**

### **Will's story**

Will, who has Down's syndrome and a visual impairment, has been attending Kidscene since the summer of 2016.

When Will first attended Kidscene, he would find some of the noisy environments very stressful. Will would seek out a quieter area of Kidscene to play with a staff member on his own.

Over time though, we have been delighted to see Will making great progress in mixing with other children. He has built some wonderful friendships with several children who attend Kidscene.

Now, Will enjoys spending time with his friends in the garden and in the playrooms. Will will laugh out loud with the most wondrously infectious laugh!

### **Care**

#### **- Adult Services**

Our Adult Services provide 24-hour care and support for young adults who have a visual impairment and additional needs including cognitive and communication impairments. Our two residential services are based in Edinburgh – Forward Vision and Allermuir.

At Forward Vision we have three house-, Katrine, Lomond and Morlich - with capacity for 14 adults, and one bedroom is currently used for short breaks. Allermuir has four beds, all of which are filled by full-time residents.

### **Jamie's story**

Jamie has boundless energy, so he loves making use of Forward Vision's facilities. Jamie is a resident at Morlich House, one of Forward Vision's three residential care units for adults with visual impairments and additional complex needs.

As well as a visual impairment, Jamie has Autism Spectrum Disorder. Routine is very important to him.

To support his wants and needs, residential care workers take Jamie to visit Forward Vision's sensory garden and grounds almost every day.

He will often use his walker to visit the multi-use games area too. At the games area, Jamie loves chasing a football kicked around by a staff member.

## **Report of the Directors (continued)**

Jamie enjoys spending time in the water too. Each week, residential care workers take Jamie to Forward Vision's on-site hydrotherapy pool. This is one of his favourite activities.

Forward Vision's excellent facilities, as well as its qualified and committed staff, enable residents like Jamie to do the activities they enjoy and to love the place they live.

Throughout the year residents enjoyed a range of activities, including rebound and hydrotherapy sessions, as well as going on outings to the **Orcadia trampoline centre and the Salt Caves**. Music continued to be very popular, with residents attending sessions at 'I muse', which utilises music through the computer by putting pressure on vibration plates, which move in time to the music. Residents have also attended lots of varied and interesting events within Edinburgh and further afield, including concerts, theatre trips, and cinema outings.

**One of our Allermuir residents travelled to Sight Scotland Veterans' Linburn Centre to do woodwork on a Monday with the veterans.** Our annual family BBQ was held in July, with the theme 'Our Heroes'. Residents and staff joined families in fancy dress to enjoy an afternoon in the garden. We held our annual Ceilidh in January 2020, which proved another great opportunity for residents and their families to join the staff for an informal get together.

### **- Care for Older People**

**We run Scotland's only specialist care homes for older people with sight loss, Braeside House in Edinburgh and Jenny's Well in Paisley.**

One of the key highlights from the last year was the development of some projects which reflected the residents' interests. At Jenny's Well, to complement Jenny's Bar, work began on setting up a tearoom as well as converting a room into a **Namaste room**. Namaste has two basic principles: 'a loving touch approach' and a 'calm environment'. The new room has been developed for residents who have advanced illnesses. Jenny's Well is now well established in the local area and we are grateful for all the support we receive from the local community in helping bring these projects to fruition.

2020 sees the end of our two-year funding from **the Life Changes Trust** for our work with the Rights Made Real project to research and improve activities for people with sight loss and dementia. The project is due to end in August 2020 and we look forward to sharing our findings.

At Braeside House, thanks to **funding from the Elise Pilkington Trust** in May 2019 and funds raised at the care home's annual summer fair, we were able to purchase a Touch Table to allow families to Skype and video call their families, as well as play games like crosswords on the giant screen. This has been a great addition to the

## **Report of the Directors (continued)**

home and the residents love using it to play games and look up places from their past on Google Earth.

Jenny's Well operated at 87% (90.3% previous year) capacity this year and the average length of stay was 1.3 years (6 months previous year).

Braeside House operated at 83.2% (96.2% previous year) capacity this year and the average length of stay was 2.4 years (1.25 years previous year).

### **Jeanette's story**

Jeanette Simon, aged 94, has been staying at Braeside House since March 2018. Jeanette has glaucoma. Her vision became increasingly cloudy and she found it too hard to continue living at home in Corstorphine.

She said: "It's a very bad blur in front of your eyes. I can't see faces, I can't read and I can't see the television properly. It's misty."

Braeside House care staff help Jeanette to take care of her eyes.

Jeanette said: "Staff put drops in my eyes three times during the day, plus once before I go to sleep. If I don't put these drops in, it causes my eyes to go dry. I'm blind, but not as blind as I would be without the drops."

Jeanette says the care she receives at Braeside House is top quality. "They have a big tablet screen here which I can make the writing very large on, so I can do crosswords with that," she said. "I like the quizzes, the talks and the concerts from different people who come here to play. I don't think you could get a better place than this."

## **Enterprise**

### **- Scottish Braille Press**

In 1891, a department of the Royal Blind School began commercial braille production at Craigmillar Park. Early work concentrated on the production of religious and educational materials in braille, pioneered by Louis Braille in 1829, involving cells of six raised dots depicting letters of the alphabet.

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

In the last year we strengthened our development team and, through technological development, we enhanced our production process. We also strengthened our

## **Report of the Directors (continued)**

Business Continuity and Disaster Recovery provision, developing a more robust response.

In 2019 we stopped producing our Braille magazine due to the significant costs and low readership numbers. As a result of stopping this area of work, we had to reduce our work force.

In November we attended the Virgin Money supplier event and received the Special Category award which recognises suppliers who have delivered a notable piece of work. Scottish Braille Press were one of only 14 winners at the event. This is a considerable achievement as CYBG and Virgin Money have over 1,000 suppliers between them.

From March 2020 the Scottish Braille Press, like the rest of the organisation, has been impacted by the Coronavirus pandemic. We have remained open throughout the Coronavirus pandemic to ensure that our clients can continue to communicate with their customers in their preferred formats and have implemented appropriate safety, hygiene and social distancing measures.

## **External Affairs**

### **- Marketing**

During the year the marketing team focused their efforts on supporting our services as we prepare for the charity to start its new chapter. In the latter half of 2020 the organisation will have a new look and feel which will reflect our new strategic direction, as we aim to reach more people with sight loss across Scotland.

Our team have been working with our colleagues across our services to create memorable experiences for our service users. In October we enabled Royal Blind School pupils to be the first in Scotland to play with a new prototype of braille LEGO bricks. The bricks, which feature a braille and printed letter or character, allow sighted teachers, students and family members to interact on equal terms. The pupils were delighted to have the chance to play with the inclusive toys.

We also worked hard to spread the word about our specialist care homes for older people with sight loss, to help ensure the care homes run at full capacity.

We increased the awareness of sight loss and the work of Sight Scotland through:  
153 articles in the press

Our online community of supporters, which continues to grow

613 new Facebook followers

329 new Twitter followers

520,000 people reached over the year on Facebook

## **Report of the Directors (continued)**

360,000 people reached over the year on Twitter  
82,000 people engaged with us during the year on Facebook  
1.4% of our Twitter posts were engaged with (sector average is 0.5%)

### **- Fundraising**

We recognise and appreciate the ongoing support of our fundraisers and donors who during the year gave generously, took on the Kiltwalk, braved abseiling down the Forth Rail Bridge, climbed Ben Nevis and much more.

Fundraising underpins everything we achieve and allows us to go that extra mile for those we care for.

Therefore it is essential that we continue to invest in fundraising in order to not only offer the level of care that we do, but to also protect our income and explore new ways to raise money to ensure we can reach all those who need us and provide a dedicated support to those raising funds on our behalf. This is why in 2019 we invested in increasing our team of professional fundraisers.

Legacy donations make an everlasting impact on our charity and continue to be our biggest source of fundraising income totaling **£569,000** over the year. This form of fundraising allows us to plan for the future, grow as an organisation to reach all who need us, and direct the money to where it is needed most in caring for people with sight loss.

As we continue to grow it is important we develop new and exciting ways to raise the funds we need. This began in the last year with the development of our raffle and online Christmas appeal, raising over £5,000.

### **- Policy**

Our Policy team has engaged with people with visual impairments to find out what matters most to them and worked with them to make the case for positive change for people living with sight loss

## **Report of the Directors (continued)**

### **1. We undertook research to highlight the need for better support for people living with sight loss**

- In 2019, nearly 400 people who use Sight Scotland and Sight Scotland Veterans services took part in our research into the impact of visual impairment on emotional wellbeing, and 100 people took part in our study into Self Directed Support.
- We collaborated with the Mental Health Foundation to produce a report on **Emotional Wellbeing and Sight Loss**. Results showed 85% had experienced challenges to their mental health as a result of their visual impairment.
- Our **call for better specialist support** in colleges was highlighted in the media.
- **We worked with people** with sight loss to ensure they continue to be at the forefront of our campaigns for change.

### **2. We developed policy and carried out research to make a difference for blind and partially sighted people**

- We conducted research which showed that two thirds of people living with sight loss had not heard of self-directed support which gives people a greater say on the care they receive.
- In 2019, we carried out research which showed that 12,500 people in Scotland are living with dementia and sight loss.
- We took forward Freedom of Information requests on waiting times for hospital eye treatment which showed that six health board areas were breaching the waiting times guarantee.

### **3. We engaged with Parliament and Government to make raising the profile of sight loss as a political priority**

- We took part in Scottish Government consultations and Scottish Parliament inquiries on issues including social care, the national transport strategy and new benefits for disabled people to be administered by Social Security Scotland.
- We have hosted visits by Scottish Government Ministers and MSPs to the Scottish Braille Press, our care services and the Royal Blind School.
- During the 2019 UK General Election, we asked candidates to support our Rights Pledge for people with visual impairment, calling on them to protect the rights of disabled people, access to medicines, the ability to recruit specialist staff and improve employment opportunities.

## **Report of the Directors (continued)**

### **4. We worked collaboratively to highlight priority issues for disabled people**

- We produced a joint call for more resources for Additional Support Needs provision in schools.
- We led a session at the Cross Party Group on Disability in the Scottish Parliament to give a presentation on the need for more support for pupils with visual impairment.
- We joined fellow social care providers CrossReach and Erskine to highlight the need for more sustainable funding for third sector care home providers.

### **Key achievements**

Consulted with over 500 people with a visual impairment to identify the key issues which matter to them.

54 General Election candidates supported the Royal Blind Rights Pledge.

We responded to 12 Scottish Government and Scottish Parliament consultations.

We produced two new reports - "Emotional Wellbeing and Sight Loss" and our findings on awareness of Self Directed Support among people with visual impairment

### **Employment Practices at work**

#### **Safeguarding**

Safeguarding continues to be of the highest priority for all staff across all Sight Scotland services. A member of the Senior Leadership Team assumes corporate responsibility for this key consideration. As of the year end our safeguarding policy was in the process of being updated and will include a mandatory e-learning course for all staff.

In addition to this, all frontline colleagues complete enhanced training modules. A robust mechanism for reporting of any safeguarding concerns is in place.

#### **Volunteering**

Following on from the introduction of the Volunteer Development Manager position and the launch of our volunteer programme in early 2019, we now have an active and varied volunteering programme. Opportunities include befriending, teaching support, outreach, driving and fundraising.

With 54 volunteers recruited from all walks of life, and many more hopeful to join us throughout the year, we are expanding the number and variety of opportunities we

## **Report of the Directors (continued)**

### **Employment practices at work (continued)**

can offer throughout our organisation. We are working towards, the 'Investing in Volunteers' accreditation: a status to help ensure that our volunteers have high-quality experiences with us, and that we can make the very most of their contributions.

### **Gender Pay Gap**

The Sight Scotland Gender Pay Gap Report shows that in April 2019 our median gender pay gap was negative at -2.7% (-10.6% in 2018/19), which means that on average women are paid more than men. This is due to the types of roles men occupied across the organisation at the time. At 5.9% (2.6% in 2018/19) our mean gender pay gap was much higher than the median, which is influenced by the fact that our Chief Executive and 46% (40% in 2018/19) of our Strategic Leadership Team are male. We recognise however that with our male employees comprising only 19% of the total workforce, even small fluctuations can have a significant impact on our gender pay gap. Our figures compare favourably to the ONS statistics, which show a national gender pay gap for Scotland (2019) at 13.3% (mean) and 14.3% (median). 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.

## **Our policy on reserves, pension and risk**

### **Risk Management**

The Directors assess the major risks that may face the charity, in particular those relating to its operations and finances. Accordingly the Board ensures that suitable systems, processes and procedures are put in place to control all of the services that support the main activities of the charity.

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.

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

- A significant fall in the value of the charity's investments. Much reduced reserve levels create financial insecurity and reduces the potential to expand activities.
- The Defined Benefit Pension Scheme becomes less affordable. This could result in contributions becoming unsustainably high, placing a strain on our operating costs and making them unjustifiable to funders, and/or a schedule of recovery payments that depletes our reserves.



## **Report of the Directors (continued)**

### **Risk Management (continued)**

- The outbreak of a pandemic. This could result in loss of life, particularly in vulnerable groups as well as sickness and potential loss of life to (frontline) staff. We discussed our approach to the current pandemic in the Chief Executive's statement on page six.
- Abuse or failure to safeguard vulnerable people, neglect or other instance of poor professional practice, and the loss of trust and reputational damage that might arise from it.
- Insufficient funding to cover the costs of delivering core services - Sight Scotland has been reviewing the operation of loss making services, in particular its learning services and older people services. The operation of the Royal Blind School was reviewed during 2019/20 and a programme of rationalisation to better align costs with pupil numbers has been taken forward in the early part of 2020/21 which will reduce expenditure by around £600k p.a. An exercise examining the costs and strategic fit of older people services given the ongoing deficit in both care homes will be taken forward in 2020/21.

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

The Directors have reviewed the situation at the date of signing this report and are confident that the charity has sufficient financial resources to continue operating for at least a year after the signing of these accounts.

### **Investment Policy**

In accordance with the Royal Charter, the Directors have the power to invest in such stocks, shares, investments and property as they see fit.

It is the Directors' 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.

## **Report of the Directors (continued)**

### **Investment Policy (continued)**

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. The equity portfolio will also be seen as covering contingencies, so long as it is deemed large enough even after a fall in values.
- 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 active 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 equity portfolio to a single set of national or sectoral circumstances.

The investment strategy for our overall asset allocation is:

- Retention of holdings in a property fund, and of the remainder –
- 25% passive global equity funds to provide cost-effective equity exposure and access to long term expected returns
- 75% multi-asset funds to provide exposure to active asset allocation as a source of potential returns, divided as follows:
  - 25% in a diversified growth fund to diversify exposure to liquid asset classes away from equity, benefitting from equity-type returns but with protection against market downturns
  - 25% in Multi Asset Credit to provide exposure to less liquid credit holdings, with an income focus
  - 25% in multi-alternatives to provide access to low liquidity asset classes not provided elsewhere in the portfolio.

## **Report of the Directors (continued)**

### **Pension Provision**

The organisation operates a Defined Benefit pension scheme which was closed to new members in March 2006. A Group Personal Pension plan operates from April 2006 to which auto-enrolment applies. During 2019/20 Sight Scotland moved to a salary sacrifice defined contribution scheme with Royal London.

### **Reserves Policy**

A key duty of the Charity's Directors is to ensure that users of Sight Scotland's services are cared for and protected. Due to the complex nature of the care we provide, it is important that we hold enough reserves to ensure that the essential continuity of care needed is not disrupted.

The Directors consider it appropriate to hold free reserves equivalent to a minimum of six months' operating costs (equivalent to £10.6 million in 2019/20) for such purposes. These reserves must be held in a realisable form that can be accessed in a timely manner. Sight Scotland's current level of free reserves of £19.3 million (2019, £22 million), which is our unrestricted reserves excluding fixed assets, ensures that there are sufficient funds set aside to operate our charitable activities for 22 months. The Directors believe this level gives adequate time to respond to any adverse changes or opportunities as they present themselves, but are closely monitoring the level of reserves.

The importance of having an adequate level of reserves has been evident during the Covid-19 pandemic. Due to our ability to call upon Sight Scotland's free reserves we were able to retain all of our staff during the pandemic, ensuring our continuity of care was not compromised.

A number of Sight Scotland's core services incur a financial deficit each year. While we have put in place several measures to reduce operational deficits, the Directors anticipate the funding of some core services will continue to rely upon the Charity's reserves for the next few years. It is important that we continue to invest in fundraising and other sources of unrestricted income in order to maintain the provision of high quality care and support for our vulnerable service users and to underpin the Charity's strategic ambition to reach more of the c175,000+ individuals in Scotland who are suffering from a deterioration in or loss of their sight. The Directors have agreed to continue to deploy the Charity's reserves while we grow our fundraising, as we aim to increase investment in our charitable activities in line with our new strategic plans. Details on our future plans can be read about below.

The Directors regularly review Sight Scotland's reserve levels as part of their reserves policy review cycle.

## **Report of the Directors (continued)**

### **Plans for our future direction**

In 2020 we plan to launch the next chapter in our organisation's history. For over 225 years we have been leading the way in caring for people who are blind or partially sighted, predominantly in the central area of Scotland.

With the growing number of people in Scotland starting to lose their sight, we know further action is needed if we are to be there for all those across the country who are living with sight loss.

We recognise that our current range of services cannot support the number of people who will need our help over the next ten years. We have therefore invested and worked hard to look in detail at how our charity needs to change to be better positioned to help all those who need us.

Our ambition is to develop a community-based service across Scotland, for all ages at all stages of sight loss.

This will involve significant financial investment and also joint working with our partners in the charity sector and local organisations. We will also continue to increase our fundraising efforts to help us achieve our new ambition - to provide the care and support that will ensure every person with a visual impairment in Scotland is empowered to overcome barriers and achieve their maximum potential.

### **Our existing services**

While we look to build new services, we will continue to review our existing services to ensure that they are operating in an effective and sustainable manner to address the needs of the service users.

An application is currently with the Care Inspectorate to change the registration for our Royal Blind School Residential Service to enable Sight Scotland to provide support to a wider age range of children and young people.

We will aim to grow our learning provision in order to support more pupils with visual impairments and build on the work done to date in partnership with local authority colleagues in East Lothian Council and Orkney Islands Council. We are in active discussions with other local authorities regarding how we can provide support.

Additionally, we will look to expand our work in the higher education and further education sectors and are in active discussions with a college to provide support services for staff and students.

## **Report of the Directors (continued)**

### **Technological and medical advancements**

We know that technological developments can revolutionise the support people with a visual impairment receive and we want to be at the forefront of this to provide innovative and life-changing forms of support. For example, we are in discussions with Heriot Watt University as they seek to develop new technology to aid mobility and independent living for people with a visual impairment.

We will continue to promote research into how artificial technology can support people with sight loss and help improve diagnosis and treatment of eye conditions. For example, we are supporting the work of the Scottish Optometry Network to build links between health services, academia and opticians to collect data on eye conditions which will enable new research to be taken forward.

### **Making our voices heard**

Our work to ensure the voices of those with sight loss are represented at the highest level continues and in the next year we will publish our manifesto for sight loss for the 2021 Scottish Parliament elections.

We also intend to research the impact of the Coronavirus crisis on people with visual impairments and how support could have been improved in order to provide guidelines in the event of a future pandemic.

### **Our continued fight against Covid-19**

The Coronavirus pandemic has meant we have paused taking any new residents in to our care homes, and this will continue indefinitely and will have a negative effect on the income we will be able to generate from our care homes.

We know our fundraising will be adversely effected as many community events and larger events, like our annual golf classic, will be cancelled. We will, however, look at new ways to fundraise and adapt to new opportunities such as virtual events.

Should a second wave of the pandemic hit, we believe we are in a good place to respond and ensure that the safety of our residents and staff remain our priority. Our staff are highly skilled and trained in caring for residents and, where needed, offering barrier nursing.

We will continue to see an increase in costs due to the need for PPE, extra nursing and care staff plus any additional equipment needed, however we know we have a generous supporter base and will work hard to raise the funds needed to cover these additional costs.

## **Report of the Directors (continued)**

### **Thank you**

Thank you to everyone who gave so generously towards our work. Thank you to all our supporters who gave individual donations and fundraised tirelessly on our behalf and especially to those who so kindly left a gift in their will.

The following Charitable Trusts, foundations and companies (in alphabetical order) contributed greatly to the services and projects we run.

Aberdeen Standard Investments Charitable Foundation

The Beatrice Laing Foundation

BlackRock

Buccleuch Charitable Trust

Columba Charitable Trust

Davis Ruebens Charitable Trust

The Dome

Donald Fund

The Ecton Trust

Elise Pilkington Charitable Trust

Glebefoot Charitable Trust

Hayward Sanderson Trust

The James Inglis Charitable Trust

J Smart and Co.

J T Borland Charitable Trust

J T H Charitable Trust

Lady Marian Gibson Charitable Trust

Life Changes Trust

Lothian Buses

Martin Connell Charitable Trust

M E B Charitable Trust

Mickel Fund

Miss E C Hendry Charitable Trust

Mrs E Y Imrie Charitable Trust

Nimar Charitable Trust

P F Charitable Trust

Row Fogo Charitable Trust

Templeton Goodwill Trust

Thomas Sivewright Catto Charitable Trust

Tilney Investment Management

Transocean

William H Fernie Charitable Trust

W Scott Charity

## **Report of the Directors (continued)**

### **FINANCIAL REVIEW**

#### **Income**

Total income, at £17.7 million decreased by £0.5 million from the previous year's figure. Income from our two care homes fell by £35,000 due to a number of vacant beds remaining unfilled following our decision to admit only privately funded residents in 2019. At a very early stage in the Coronavirus pandemic, we decided to close our care homes to any new residents and this has also contributed to the fall in income..

Adult Services also encountered a fall in income of £41,000 and this was due to a temporary reduction in resident numbers. The vacant space was filled by September 2019, but we had managed to mitigate the fall in income by increasing respite provision. Income to the Scottish Braille Press fell by £160,000 following the re-negotiation of a contract with one of our major customers, but this was also met by a fall in costs of £398,000 as a result of restructuring the business and adopting more efficient technology.

Income from fundraising and legacies also fell by £374,000 during 2019 with both legacy income (reduced by £181,000) and other fundraising (reduced by £193,000) reduced. Legacy income is very difficult to predict, but our average receipts over the last 10 years have remained steady at £932,000 per year.

**Report of the Directors (continued)**  
**FINANCIAL REVIEW (continued)**

**The financial performance of the main activities**

The statement below shows how income and expenditure divided between our principal activities, and gives the breakdown of cost for each.

	<b>Royal Blind School £000</b>	<b>K'scene £000</b>	<b>Adult services £000</b>	<b>Older people's services £000</b>	<b>Scottish Braille Press £000</b>
<b>Income</b>					
Operating income	<u>4,530</u>	<u>107</u>	<u>2,889</u>	<u>5,169</u>	<u>3,200</u>
<b>Expenditure</b>					
Cost of Sales	-	-	-	-	249
Payroll costs	4,123	131	2,467	4,358	1,826
Depreciation	511	3	71	297	194
Other expenditure	<u>1,303</u>	<u>34</u>	<u>415</u>	<u>2,033</u>	<u>607</u>
Total	<u>5,937</u>	<u>168</u>	<u>2,953</u>	<u>6,688</u>	<u>2,876</u>
Net operating (deficit)/surplus 2019	<u>(1,407)</u> (1,027)	<u>(61)</u> (52)	<u>(64)</u> 239	<u>(1,519)</u> (1,091)	<u>324</u> 315
Depreciation: vacated site	27				
Other costs: vacated site	86				
Total cost of vacated site	(113)	-	-	-	-
Adjustment of pension cost:					
Staff costs (note 7)	(98)	-	(39)	(45)	(23)
Other costs (note 12)	(8)	-	(3)	(4)	(2)
Restricted fund transactions	<u>(24)</u>	<u>-</u>	<u>-</u>	<u>(7)</u>	<u>-</u>
<b>Net (expenditure)/income 2019</b>	<b><u>(1,650)</u></b> (1,867)	<b><u>(61)</u></b> (52)	<b><u>(106)</u></b> (41)	<b><u>(1,574)</u></b> 1,377	<b><u>299</u></b> 111

The net operating deficit of £1.4 million (2019, £1.0 million) for the Royal Blind School includes £191,000 net expenditure of the Sight Scotland Learning Hub (2019, £198,000). The school's expenditure includes depreciation charges resulting from past capital expenditure that was funded from resources we already had, with no expectation of recovering those costs from future operations.

Disregarding depreciation, the deficit of the school excluding the Learning Hub was £701,000 (2019, £702,000).

Of the deficit of £61,000 in operating Kidscene, £41,000 was expended deliberately through the operation of a bursary fund to allow children with complex support needs to attend the club.



## **Report of the Directors (continued)** **FINANCIAL REVIEW (continued)**

Within older people's services, the deficits at Braeside House and Jenny's Well increased during 2019/20 due to a number of long term vacant beds in both homes. The delivery of elderly care in Scotland has changed over the years and this means that people are coming into homes at a much later stage in their lives and with very complex needs. We will be reviewing our elderly care provision during 2020/21.

The Scottish Braille Press continued to perform well during 2019/20, having retained its biggest contractor and reporting a surplus of £299,000 (2019, £111,000).

Expenditure on fundraising and marketing our services increased by £183,000 as we further strengthened our Marketing & Fundraising team to increase our public profile as part of our ongoing strategy to develop the charity. In particular, we appointed a Head of Fundraising in the summer of 2019.

### **Overall result**

Net expenditure before investment gains of £3.5 million (2019, £3.1 million) is higher than we expected due to the continued budget deficit at Jenny's Well, Braeside House and the Royal Blind School. We are actively working to reduce these deficits with a long term aim of achieving break-even across our services.

Following the financial market downturn as a result of the Coronavirus pandemic, the position at 31 March is that our investments encountered an unrealised loss of £1.7 million (2019, unrealised gain £642,000), following gains in the first 9 months of the year. Our investment values have since started to recover, although financial markets generally remain volatile.

The defined benefit pension scheme gave total actuarial gain of £7,010,000 (2019, £261,000 loss). All the assumptions are set out in note 12 to the financial statements. The information previously provided by our Actuary in 2018 and 2019 has been found to be inaccurate and we have included a prior year adjustment to correct this in 2019/20.

We are continuing to make recovery payments to repair the deficit in the pension scheme's funding position as determined by the latest Actuarial Valuation (effective as at 31 March 2019).

Overall, the result is a net increase in funds of £2.0 million (2019, £2.3 million decrease). We continue to seek new areas of funding to develop our services and are reviewing our existing services in order to maximise income and reduce costs. We have also developed a deficit reduction strategy in order to bring our services closer to break even and have a 5 year financial plan to reduce or eliminate deficits throughout our services.

## **Report of the Directors (continued) FINANCIAL REVIEW (continued)**

### **Balance sheet items**

Net current assets have decreased by £280,000 and net assets have increased by £2 million. There has been a reduction in the value of our investments as a result of the Coronavirus pandemic and we have also traded investments in order to fund our services. Following the latest FRS102 Pensions report, the Defined Benefit Pension Scheme is in a reported surplus position which has been restricted to nil in the balance sheet at 31 March 2020.

### **Going Concern**

In March 2020, the Covid-19 virus turned into a pandemic. By that point, we had already closed our two elderly care homes to new admissions and where possible, children were asked not to attend school. The school did, however, remain open along with the residential unit for pupils and we provided a remote learning facility for home based pupils. Production at the Braille Press continued as an essential service and social distancing rules were implemented.

Forward Vision continued as normal but we did not allow families of residents to visit. Income from the two care homes has been adversely affected due to the reduction in occupied beds and staffing levels are being adjusted to reduce costs. All other sources of income have remained at pre-Covid levels. Costs for additional equipment have been met via a substantial grant from the Scottish Government Wellbeing Fund and other equipment has been donated free of charge. A small number of staff have been furloughed and our Head Office remains closed with all activities being carried out remotely.

At present, we do not expect the Coronavirus pandemic to have a long-term material effect on the finances of the charity. Forecasts have been produced to March 2025 and these will be regularly updated as we understand how the Coronavirus pandemic might affect our services in the longer term. We have also conducted stress testing exercises in order to identify how the Charity would perform if certain activities were curtailed in the future and this included the closure of one of our major services as a result of withdrawal of Government support and the loss of a major contract by the Braille Press.

The stress testing conclusion is that the Charity would be able to continue as a going concern under such circumstances, provided that it acted timeously to curtail costs that arose as a result of these possible scenarios.

Therefore, there is not considered 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.

**Report of the Directors (continued)**  
**PROVISION OF INFORMATION TO AUDITOR**

So far as the Directors are aware, at the time the report is approved:

- there is no relevant audit information of which the organisation's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.



Michael Craig  
Chair  
9 December 2020

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE ROYAL  
BLIND ASYLUM AND SCHOOL, EDINBURGH, TRADING AS SIGHT  
SCOTLAND**

We have audited the financial statements of Sight Scotland ("the charity") for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 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.

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

**Conclusions related to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE ROYAL BLIND ASYLUM AND SCHOOL, EDINBURGH (continued)**

### **Other information**

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

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.

In connection with our audit of the financial statements, 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 or a material misstatement of the other information. 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 contained in the financial statements is inconsistent in any material respect with the report and financial statements or
- 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 Directors**

As explained more fully in the directors' responsibilities statement, the directors 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 directors' determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF THE ROYAL  
BLIND ASYLUM AND SCHOOL, EDINBURGH (continued)**

In preparing the financial statements, the directors 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 directors 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 Acts 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.

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 directors, 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 directors 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 directors as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP, statutory auditor  
Edinburgh, UK  
Date: 14 December 2020



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).

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020**

	Note	Unrestricted General Funds		Restricted Funds		Total	Total
		<b>Restated</b>					<b>Restated</b>
		2020 £000	2019 £000	2020 £000	2019 £000	2020 £000	2019 £000
<b>Income from:</b>	<b>4</b>						
Donations and legacies		814	1,142	10	56	824	1,198
Charitable activities:							
Royal Blind School		1,917	1,794	2,613	2,618	4,530	4,412
Kidscene		107	107	-	-	107	107
Adult services		2,889	2,930	-	-	2,889	2,930
Older people's services		5,169	5,204	-	-	5,169	5,204
Scottish Braille Press		3,200	3,360	-	-	3,200	3,360
Total charitable activities		13,282	13,395	2,613	2,618	15,895	16,013
Other trading activities		-	-	-	-	-	-
Investments		438	479	-	-	438	479
Other		581	531	-	-	581	531
<b>Total</b>		<b>15,115</b>	<b>15,547</b>	<b>2,623</b>	<b>2,674</b>	<b>17,738</b>	<b>18,221</b>
<b>Expenditure on:</b>	<b>5</b>						
Raising funds		601	411	-	-	601	411
Charitable Activities:							
Royal Blind School		3,567	3,517	2,613	2,620	6,180	6,137
Kidscene		168	160	-	-	168	160
Adult services		2,996	2,915	-	-	2,996	2,915
Older people's services		6,742	6,509	-	7	6,742	6,516
Scottish Braille Press		2,902	3,217	-	-	2,902	3,217
Service development		884	568	-	-	884	568
Grants and sundry		12	437	6	-	18	437
Total charitable activities		17,271	17,323	2,619	2,627	19,890	19,950
Other		578	528	-	-	578	528
<b>Total</b>		<b>18,450</b>	<b>18,262</b>	<b>2,619</b>	<b>2,627</b>	<b>21,069</b>	<b>20,889</b>
Net (expenditure)/income before investment gains/losses		(3,335)	(2,715)	4	47	(3,331)	(2,668)
Net (loss)/gain on investments		(1,726)	643	-	-	(1,726)	643
Net (expenditure)/income		(5,061)	(2,072)	4	47	(5,057)	(2,025)
<b>Other recognised gains and losses</b>							
Actuarial (loss) / gain on defined benefit pension scheme	<b>3,12</b>	7,010	(261)	-	-	7,010	(261)
<b>Net movement in funds</b>		1,949	(2,333)	4	47	1,953	(2,286)
<b>Reconciliation of funds:</b>							
Funds at 31 March 2019	<b>13,14</b>	48,198	50,531	655	608	48,853	51,139
<b>Total Funds at 31 March 2020</b>		<b>50,147</b>	<b>48,198</b>	<b>659</b>	<b>655</b>	<b>50,806</b>	<b>48,853</b>

All amounts relate to continuing operations

The notes on pages 42 to 63 form part of these financial statements.

**BALANCE SHEET AS AT 31 MARCH 2020**

	Notes	2020 £000	Restated 2019 £000
<b>Fixed Assets</b>			
Tangible assets	<b>8</b>	30,873	31,787
Investments	<b>9</b>	<u>18,000</u>	<u>22,007</u>
Total fixed assets		<u>48,873</u>	<u>53,794</u>
<b>Current Assets</b>			
Stocks		45	50
Debtors	<b>10</b>	1,823	2,205
Cash at Bank and in Hand		<u>947</u>	<u>990</u>
Total current assets		2,815	3,245
<b>Liabilities</b>			
Creditors: amounts falling due within one year	<b>11</b>	<u>(882)</u>	<u>(1,032)</u>
<b>Net Current Assets</b>		<u>1,933</u>	<u>2,213</u>
<b>Net assets excluding pension liability</b>		<u>50,806</u>	<u>56,007</u>
Defined benefit pension liability	<b>12</b>	<u>-</u>	<u>(7,154)</u>
<b>Net Assets</b>		<u>50,806</u>	<u>48,853</u>
<b>Represented by</b>			
<b>Restricted Funds</b>	<b>13</b>	<u>659</u>	<u>655</u>
<b>Unrestricted Funds</b>			
General fund	<b>14</b>	50,387	53,437
Investment reserve	<b>14</b>	(240)	1,915
Pension reserve	<b>14</b>	<u>-</u>	<u>(7,154)</u>
Total unrestricted funds		<u>50,147</u>	<u>48,198</u>
<b>Total Funds</b>		<u>50,806</u>	<u>48,853</u>

Approved by the Board and signed on their behalf



Michael Craig  
Chair  
9 December 2020

The notes on pages 42-63 form part of these financial statements.



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020**

	<b>2020</b>	<b>Restated</b>
	£000	2019 £000
<b>Reconciliation of net income/expenditure to net cash flow from operating activities</b>		
Net (expenditure) as per the SOFA	(5,057)	(2,025)
<b>Adjustments for:</b>		
Losses/(Gains) on investments	1,726	(643)
(Gain) on sale of fixed assets	(3)	-
Adjustment to pension costs	222	364
Depreciation charges	1,193	1,161
Decrease/(Increase) in stocks	5	(5)
Decrease in debtors	382	(564)
(Decrease)/increase in creditors	(136)	69
Interest and dividends	(438)	(479)
Pension scheme deficit recovery	<u>(366)</u>	<u>(366)</u>
<b>Net cash (used in) operating activities</b>	<u>(2,472)</u>	<u>(2,487)</u>
<b>Cash flows from investing activities</b>		
Dividends, interest and rents from investments	438	478
Proceeds from sale of property, plant and equipment	9	94
Purchase of property, plant and equipment	(298)	(415)
Proceeds from sale of investments	6,270	2,370
Purchase of investments	<u>(3,990)</u>	<u>(520)</u>
<b>Net cash provided by investing activities</b>	<u>2,429</u>	<u>2,006</u>
<b>Change in cash and cash equivalents</b>	<u>(43)</u>	<u>(481)</u>
Cash and cash equivalents at the beginning of the reporting period	<u>1,003</u>	<u>1,484</u>
Cash and cash equivalents at the end of the reporting period	<u>960</u>	<u>1,003</u>
<b>Analysis of cash and cash equivalents</b>		
Cash at bank and in hand	947	990
Cash held for investment	<u>13</u>	<u>13</u>
Total cash and cash equivalents <b>(Note 19)</b>	<u>960</u>	<u>1,003</u>

The notes on pages 42-63 form part of these financial statements.

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

### **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**

In March 2020 the Covid-19 virus turned into a pandemic. By that point we had already closed our two elderly care homes to new admissions and where possible, children were asked not to attend school. The school did, however, remain open along with the residential unit for pupils and we provided a remote learning facility for home based pupils.

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **1. PRINCIPAL ACCOUNTING POLICIES (continued)**

Production at the Braille Press continued as an essential service and social distancing rules were implemented. Forward Vision continued as normal but we did not allow families of residents to visit. Income from the two care homes has been adversely affected due to the reduction in occupied beds and staffing levels are being adjusted to reduce costs. All other sources of income have remained at pre-Covid levels. Costs for additional equipment have been met via a substantial grant from the Scottish Government Wellbeing Fund and other equipment has been donated free of charge.

A small number of staff have been furloughed and our Head Office remains closed with all activities being carried out remotely.

At present we do not expect the Covid outbreak to have a long-term material effect on the finances of the charity. The Directors have therefore concluded that it continues to operate on a going concern basis. Forecasts have been produced to March 2025 and these will be regularly updated as we understand how Covid might affect our services in the longer term. We have also conducted stress testing exercises in order to identify how the Charity would perform if certain activities were curtailed in the future and this included the closure of one of our major services as a result of withdrawal of Government support and the loss of a major contract by the Braille Press. The stress testing conclusion is that the Charity would be able to continue as a going concern under such circumstances, provided that it acted timeously to curtail costs that arose as a result of these possible scenarios.

Therefore, there is not considered to be a material uncertainty arising over the going concern basis of preparation of the financial statements.

#### **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

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **1. PRINCIPAL ACCOUNTING POLICIES (continued)**

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 11 and 12.

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **1. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **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. 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.

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 2020. This is a consistent basis for the preparation of these accounts.

The Scheme Actuary has however used a different basis of calculation in the triennial valuation as at 31 March 2019 and this indicated a deficit of £6.8Million on a Scheme funding basis and a deficit of £21.9Million on a solvency valuation basis. Subsequently the Directors of Sight Scotland have reached agreement with the Trustees of the Pension Scheme whereby substantial monthly recovery payments will be made until 2027, along with additional one-off lump sum payments in order to address the deficit. These additional contributions have been included in the stress testing carried out when reviewing the impact of the uncertainties caused by COVID-19.

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.

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **1. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **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 14.
- 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. PRIOR YEAR ADJUSTMENT**

A Prior year adjustment has been made to account for an error in the calculation of pension costs in the FRS102 statement produced by the Actuary. Following the 2016 Triennial valuation of the Sight Scotland Group Pension Scheme, benefits paid were reduced from 60ths of salary to 80ths but subsequent pension accounting statements did not recognise the change. This has now been rectified and consequently a prior year adjustment is necessary. The adjustment is as follows:

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**3. PRIOR YEAR ADJUSTMENT (continued)**

**Pension Liability and funded status at 31 March**

	<b>Funds</b>	<b>Funds</b>	<b>Net</b>	<b>Actuarial</b>
			<b>expenditure</b>	<b>loss</b>
	<b>1 April</b>	<b>31</b>	<b>For the year ended 31</b>	<b>March</b>
	<b>2018</b>	<b>March</b>	<b>March 2019</b>	
		<b>2019</b>		
As previously stated	50,843	48,232	(2,319)	(292)
Prior year adjustment – correction of error	296	621	294	31
As restated	<u>51,139</u>	<u>48,853</u>	<u>(2,025)</u>	<u>(261)</u>

**4. INCOME**

**a) Income from Donations and legacies**

	Unrestricted		Restricted		Total	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	£000	£000	£000	£000	£000	£000
Legacies	569	750	-	-	569	750
Other Donations and grants	<u>245</u>	<u>392</u>	<u>10</u>	<u>56</u>	<u>255</u>	<u>448</u>
SOFA	<u>814</u>	<u>1,142</u>	<u>10</u>	<u>56</u>	<u>824</u>	<u>1,198</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**4. INCOME (Continued)**

**b) Income from charitable activities**

	Unrestricted		Restricted		Total	
	2020	2019	2020	2019	2020	2019
	£000	£000	£000	£000	£000	£000
<b>Royal Blind School</b>						
School and residential fees	1,912	1,671	-	-	1,912	1,671
Grant from Scot Govt Recurrent	-	-	2,588	2,574	2,588	2,574
Non-recurrent	-	-	25	35	25	35
Sundry income	5	123	-	9	5	132
SOFA	<u>1,917</u>	<u>1,794</u>	<u>2,613</u>	<u>2,618</u>	<u>4,530</u>	<u>4,412</u>
<b>Kidscene</b>						
Fees for services	<u>107</u>	<u>107</u>	-	-	<u>107</u>	<u>107</u>
SOFA	<u>107</u>	<u>107</u>	-	-	<u>107</u>	<u>107</u>
<b>Adult services</b>						
Fees for services	<u>2,889</u>	<u>2,930</u>	-	-	<u>2,889</u>	<u>2,930</u>
SOFA	<u>2,889</u>	<u>2,930</u>	-	-	<u>2,889</u>	<u>2,930</u>
<b>Older people's services</b>						
Fees for services	<u>5,169</u>	<u>5,204</u>	-	-	<u>5,169</u>	<u>5,204</u>
SOFA	<u>5,169</u>	<u>5,204</u>	-	-	<u>5,169</u>	<u>5,204</u>
<b>Scottish Braille Press</b>						
Sales	3,039	3,201	-	-	3,039	3,201
Funding for supp'd employment	101	93	-	-	101	93
Office rental	60	66	-	-	60	66
SOFA	<u>3,200</u>	<u>3,360</u>	-	-	<u>3,200</u>	<u>3,360</u>
Total from charitable activities	<u>13,282</u>	<u>13,395</u>	<u>2,613</u>	<u>2,618</u>	<u>15,895</u>	<u>16,013</u>

**c) Income from investments**

	Unrestricted		Restricted		Total	
	2020	2019	2020	2019	2020	2019
	£000	£000	£000	£000	£000	£000
Dividends	434	476	-	-	434	476
Bank interest	4	3	-	-	4	3
SOFA	<u>438</u>	<u>479</u>	-	-	<u>438</u>	<u>479</u>



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**4. INCOME (Continued)**

**d) Other income**

Receivable from Sight Scotland Veterans	578	528	-	-	578	528
Gain on disposal of fixed assets	3	-	-	-	3	-
Trading activities	-	3	-	-	-	3
SOFA	<u>581</u>	<u>531</u>	<u>-</u>	<u>-</u>	<u>581</u>	<u>531</u>

**5. EXPENDITURE  
2020**

	<b>Activities undertaken directly</b> £000	<b>Grants</b> £000	<b>Support Costs</b> (Note 5) £000	<b>Total 2020</b> £000
<b>Raising funds</b>				
Raising donations	572	-	25	597
Investment fees	4	-	-	4
	<u>576</u>	<u>-</u>	<u>25</u>	<u>601</u>
<b>Charitable activities</b>				
Royal Blind School	5,746	-	434	6,180
Kidscene	152	-	16	168
Adult Services	2,854	-	142	2,996
Older People Serv	6,363	-	379	6,742
Sc. Braille Press	2,735	-	167	2,902
Development	884	-	-	884
Grants for research	-	-	-	-
Other	18	-	-	18
	<u>18,752</u>	<u>-</u>	<u>1,138</u>	<u>19,890</u>
<b>Other expenditure</b>				
Provision of services to Sight Scotland Veterans	578	-	-	578
	<u>578</u>	<u>-</u>	<u>-</u>	<u>578</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**5 EXPENDITURE (continued)**

All expenditure from restricted funds in 2020 and 2019 was in the category "Activities undertaken directly" and is included above.

<b>2019 Restated</b>	<b>Activities undertaken directly</b>	<b>Grants</b>	<b>Support Costs</b>	<b>Total 2019</b>
	£000	£000	(Note 5) £000	£000
<b>Raising funds</b>				
Raising donations	401	-	13	414
Investment fees	<u>(3)</u>	<u>-</u>	<u>-</u>	<u>(3)</u>
	<u>398</u>	<u>-</u>	<u>13</u>	<u>411</u>
<b>Charitable activities</b>				
Royal Blind School	5,708	-	429	6,137
Kidscene	148	-	12	160
Adult Services	2,784	-	131	2,915
Older People Serv	6,174	-	342	6,516
Sc. Braille Press	3,051	-	166	3,217
Development	568	-	-	568
Grants for research	306	-	-	306
Other	<u>131</u>	<u>-</u>	<u>-</u>	<u>131</u>
	<u>18,870</u>	<u>-</u>	<u>1,080</u>	<u>19,950</u>
<b>Other expenditure</b>				
Provision of services to Sight Scotland Veterans	<u>528</u>	<u>-</u>	<u>-</u>	<u>528</u>
	<u>528</u>	<u>-</u>	<u>-</u>	<u>528</u>

**6 SUPPORT COST ALLOCATION  
2020**

	Mgt £000	Fin £000	HR £000	IT £000	Fac £000	Gov £000	Total £000
School	3	83	65	70	204	9	434
Kidscene	1	4	4	4	2	1	16
Adult Services	2	44	34	36	21	5	142
Older People	4	120	93	100	50	12	379
Sc. Braille Press	2	52	41	43	23	6	167
Mktg/Fundraising	<u>1</u>	<u>9</u>	<u>7</u>	<u>7</u>	<u>-</u>	<u>1</u>	<u>25</u>
Total	<u>13</u>	<u>312</u>	<u>244</u>	<u>260</u>	<u>300</u>	<u>34</u>	<u>1,163</u>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 6 SUPPORT COST ALLOCATION (CONTINUED)

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 £34,000 (2019, £31,000) include external audit fees of £18,000 (2019, £17,000). No fee was payable to the auditor for non-audit services (2019, nil).

#### 2019

	Mgt £000	Fin £000	HR £000	IT £000	Fac £000	Gov £000	Total £000
School	32	80	19	66	224	8	429
Kidscene	1	4	1	4	3	-	13
Adult Services	16	42	10	35	23	5	131
Older People	45	111	26	93	55	12	342
Sc. Braille Press	22	54	13	45	25	6	165
Mktg/Fundraising	<u>2</u>	<u>5</u>	<u>1</u>	<u>4</u>	<u>-</u>	<u>1</u>	<u>13</u>
Total	<u>118</u>	<u>296</u>	<u>70</u>	<u>247</u>	<u>330</u>	<u>32</u>	<u>1,093</u>

### 7 STAFF NUMBERS AND COSTS

	2020 £000	2019 Restated £000
Wages and salaries	12,615	12,278
Social security costs	1,055	1,008
Pension contributions	1,347	911
Adjustment to FRS102 basis	<u>768</u>	<u>987</u>
Pension costs	<u>2,115</u>	<u>1,898</u>
Total staff costs	<u>15,785</u>	<u>15,184</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**7 STAFF NUMBERS AND COSTS (CONTINUED)**

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

	<b>2020 FTE</b>	<b>2020 Head</b>	<b>2019 FTE</b>	<b>2019 Head</b>
Royal Blind School	113	138	115	140
Kidscene	4	8	4	7
Adult Services	62	72	63	74
Older Peoples Serv's	157	198	151	196
Scottish Braille Press	73	86	89	96
Head Office	<u>50</u>	<u>53</u>	<u>41</u>	<u>44</u>
	<u>459</u>	<u>555</u>	<u>463</u>	<u>557</u>

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

	<b>2020 Number</b>	<b>2019 Number</b>
£70,001 - £80,000	5	3
£90,001 - £100,000	1	1

Contributions in the year to a defined benefit pension for the above staff were £49,636 (2019, £12,638) and to a defined contribution pension were £21,017 (2019, £8,521). No remuneration has been paid to any Director or member of committee in respect of their duties (2019, £nil). No expenses were paid to any Director (2019, £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 for work with both charities, was £118,000 (2019, £113,000).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**8 TANGIBLE FIXED ASSETS**

	<b>Heritable Property</b>	<b>Furniture &amp; Equipt</b>	<b>I.T.</b>	<b>Vehicles</b>	<b>Total</b>
	£000	£000	£000	£000	£000
<b>Cost</b>					
1 April 2019	39,677	2,782	937	415	43,811
Additions	217	43	24	-	284
Disposals	-	-	-	(40)	(40)
31 March 2020	<u>39,894</u>	<u>2,825</u>	<u>961</u>	<u>375</u>	<u>44,055</u>
<b>Accumulated depreciation</b>					
1 April 2019	9,182	1,753	782	306	12,023
Charge for year	893	169	95	36	1,193
Disposals	-	-	-	(34)	(34)
31 March 2020	<u>10,075</u>	<u>1,922</u>	<u>877</u>	<u>308</u>	<u>13,182</u>
<b>Net book value</b>					
31 March 2020	<u>29,819</u>	<u>903</u>	<u>84</u>	<u>67</u>	<u>30,873</u>
31 March 2019	<u>30,494</u>	<u>1,029</u>	<u>155</u>	<u>109</u>	<u>31,787</u>

Included in the above are assets in the course of construction £70,050 (2019, £135,000), and land, included in heritable property, which is not subject to a depreciation charge, £4,849,000 (2018, £4,849,000).

An agreement was reached in the year with a third party for the sale of Craigmillar Park for a sum greater than its net book value. This is contingent on certain planning permissions being obtained; accordingly it has not been recognised as a sale in the year.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 9 INVESTMENTS

	<b>2020</b>	<b>2019</b>
	£000	£000
Market value as at 1 April 2019	21,994	23,201
Additions at cost	3,990	520
Disposals at opening book value	<u>(6,135)</u>	<u>(2,313)</u>
	19,849	21,408
Change in market value in the year	<u>(1,861)</u>	<u>586</u>
Market value as at 31 March 2020	17,988	21,994
Cash held for investment	<u>12</u>	<u>13</u>
Total investments	<u>18,000</u>	<u>22,007</u>
Investments held at cost	18,240	20,092
Cash held for investment	<u>12</u>	<u>13</u>
Cost as at 31 March 2020	<u>18,252</u>	<u>20,105</u>
The market value represents:		
Investments listed on a recognised stock exchange		
United Kingdom	14,612	20,221
Outside the United Kingdom	<u>3,376</u>	<u>1,773</u>
	<u>17,988</u>	<u>21,994</u>

Five (2019, five) investments individually exceed 5% of the portfolio:

Aberdeen Diversified Growth Fund valued at £4,177,000 (2019, 4,826,000)

The Partners Fund valued at £4,015,000 (2019, £6,828,000)

Henderson Multi Asset Credit Fund valued at £4,049,000 (2019, £6,523,000)

Legal and General International Index Trust valued at £3,375,000 (2019, £1,773,000)

Aberdeen Asset Managers Charities Property Fund valued at £1,555,000 (2019, £1,595,000).

All investments are held to provide an investment return.

The Henderson Multi Asset Credit Fund is placed with Janus Henderson Investors.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 10 DEBTORS

	<b>2020</b>	<b>2019</b>
	£000	£000
Trade debtors	1,124	1,096
Prepayments	167	173
Due from Sight Scotland Veterans	310	297
Taxation recoverable	20	21
Accrued income	<u>202</u>	<u>618</u>
	<u><b>1,823</b></u>	<u><b>2,205</b></u>

### 11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Suppliers	157	165
Accruals	342	504
Due to HMRC	248	256
Pension costs	112	99
Deferred income	<u>23</u>	<u>8</u>
	<u><b>882</b></u>	<u><b>1,032</b></u>

Deferred Income of £23,000 (2019, £8,000) relates to European funding of school activities to be expended during 2020.

### 12 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 1 April 2019 by a qualified independent actuary which showed the scheme to be 14% under-funded on an 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 2020. This is a consistent basis for the preparation of these accounts.

The Scheme Actuary has however used a different basis of calculation in the triennial valuation as at 31 March 2019 and this indicated a deficit of £6.8Million on a Scheme funding basis and a deficit of £21.9Million on a solvency valuation basis. Subsequently the Trustees of Sight Scotland have

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **12 PENSION COSTS (continued)**

reached agreement with the Trustees of the Pension Scheme whereby substantial monthly recovery payments will be made until 2027, along with additional one-off lump sum payments in order to address the deficit. These additional contributions have been included in the stress testing carried out when reviewing the impact of the uncertainties caused by COVID-19.

The employer's contribution has been 28% of pensionable salary since 1st April 2017. This will increase to 32.1% from 1 April 2020. The employees' contribution is at a rate of 5%. The major assumptions used by the Actuary were as follows:

	<b>2020</b>	<b>2019</b>
Inflation	2.0%	2.5%
Salary increases	2.5%	3.0%
Expected return on investments pre-retirement	5.2%	5.2%

The total payments to the scheme for the year amounted to £1,073,000 (2019: £1,159,000) and included £366,000 of exceptional contribution made to address the estimated pension scheme deficit. We estimate that payments to the scheme in the year to 31 March 2020 will be £1,264,000, which will include £529,000 in deficit recovery contributions.

The fund has been valued in accordance with the requirements of FRS102 by Audrey Hay of JLT in 6 June 2020. 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 overleaf.

<b>Assumptions</b>	<b>at 31 March 2020</b>	<b>at 31 March 2019</b>
Discount rate	2.3%	2.3%
Retail price inflation	2.8%	3.5%
Consumer price inflation	2.0%	2.5%
Salary increase rate	2.5%	3.0%
Pension increases (Limited Price Indexation)		
- RPI maximum 5%	2.7%	3.3%
- RPI maximum 5% minimum 3%	3.5%	3.8%
Deferred pension revaluation	2.0%	2.5%

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



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**12 PENSION COSTS (continued)**

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

	<b>at 31 March 2020</b>	<b>at 31 March 2019</b>
For a male retiring in 2020	20.5	21.2
For a male retiring in 2040	22.2	23.4
For a female retiring in 2020	22.5	23.3
For a female retiring in 2040	24.3	25.6

<b>Assets</b>	<b>31 Mar 2020</b>		<b>31 Mar 2019</b>	
	<b>£000's</b>	<b>%</b>	<b>£000's</b>	<b>%</b>
Invested assets	<u>41,193</u>	<u>100</u>	<u>39,062</u>	<u>100</u>
Total	<u>41,193</u>	<u>100</u>	<u>39,062</u>	<u>100</u>

<b>Liability and Funded Status at 31 March</b>	<b>2020</b>	<b>2019 restated</b>	<b>2018 restate d</b>	<b>2017</b>	<b>2016</b>
	£000's	£000's	£000's	£000's	£000's
Fair value of plan assets	41,193	39,062	36,044	34,148	27,948
Value of funded oblig'ns	<u>(40,340)</u>	<u>(46,216)</u>	<u>(42,939)</u>	<u>(42,631)</u>	<u>(33,047)</u>
Restriction of pension surplus	(853)	-	-	-	-
Surplus/(Deficit)	<u>-</u>	<u>(7,154)</u>	<u>(6,895)</u>	<u>(8,483)</u>	<u>(5,099)</u>

<b>The charge to the Statement of Financial Activities</b>	<b>2020</b>	<b>2019 Restated</b>
	£000's	£000's
Service cost	768	849
Net interest expense	161	168
Losses (gains) due to benefit changes	<u>-</u>	<u>138</u>
Total included in employer expense	<u>929</u>	<u>1,155</u>

**NOTES TO THE FINANCIAL STATEMENTS continued)**

**12 PENSION COSTS (continued)**

**Analysis of the change in the defined benefit obligation**

	<b>2020</b>	<b>2019</b>
	£000's	<b>Restated</b> £000's
Opening defined benefit obligation	46,216	42,939
Current service cost	768	849
Interest cost	1,063	1,073
Actuarial (gains)/losses	(6,934)	2,078
Benefits paid	(773)	(861)
Losses due to benefit change	<u>-</u>	<u>138</u>
	<u>40,340</u>	<u>46,216</u>

**Analysis of the change in fair value of plan assets**

	<b>2020</b>	<b>2019</b>
	£000's	<b>Restated</b> £000's
Opening fair value of plan assets	39,062	36,044
Interest income	902	905
Actuarial gains	929	1,815
Contributions	1,073	1,159
Benefits paid	<u>(773)</u>	<u>(861)</u>
	<u>41,193</u>	<u>39,062</u>

**Analysis of actuarial gains/(losses)**

	<b>2020</b>	<b>2019</b>
	£000's	<b>Restated</b> £000's
Asset return (less interest income recognised in the SOFA)	929	1,817
Experience (losses) on benefit obligation	(492)	(173)
Effect of assumptions changes on benefit obligation	7,426	(1,905)
Restriction of Pension surplus	<u>(853)</u>	<u>-</u>
Total actuarial gains/(losses)	<u>7,010</u>	<u>(261)</u>

**History of Experience Gains and Losses**

	<b>2020</b>	<b>2019</b>
	£000's	<b>Restated</b> £000's
Difference between the asset return and the interest income recognised in the SOFA	929	1,817
- as % of scheme assets	2%	5%

**NOTES TO THE FINANCIAL STATEMENTS continued)**

**12 PENSION COSTS (continued)**

Experience gains/(losses) on obligation <i>- as % of liabilities</i>	(492) <i>1%</i>	(173) <i>0%</i>
Total amount recognised in the SOFA <i>- as % of liabilities</i>	8,628 <i>21%</i>	(261) <i>-1%</i>

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.

**13 RESTRICTED FUNDS 2020**

	<b>Balance 31.3.19</b>	<b>Income</b>	<b>Expenditure</b>	<b>Balance 31.3.20</b>
	£000	£000	£000	£ 000
Capital grants	643	24	(24)	649
Grants applied in year	-	2,589	(2,589)	-
Donations applied in year	<u>12</u>	<u>10</u>	<u>(6)</u>	<u>10</u>
Total	<u>655</u>	<u>2,623</u>	<u>(2,619)</u>	<u>659</u>

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

The grants applied for the year ending 31 March 2020 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 activities in the Older People Services and a courtyard regeneration project at the Royal Blind School.

**13 RESTRICTED FUNDS 2019**

	<b>Balance 31.3.18</b>	<b>Income</b>	<b>Expenditure</b>	<b>Restated Balance 31.3.19</b>
	£000	£000	£000	£ 000
Capital grants	608	35	-	643
Grants applied in year	-	2,583	(2,583)	-
Donations applied in year	<u>-</u>	<u>56</u>	<u>(44)</u>	<u>12</u>
Total	<u>608</u>	<u>2,674</u>	<u>(2,627)</u>	<u>655</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**14 UNRESTRICTED FUNDS  
2020**

	<b>General Fund</b>	<b>Investm't Reserve</b>	<b>Restated Pension Reserve</b>	<b>Total</b>
	£000	£000	£000	£000
Balance 31.3.19 (Restated)	53,437	1,915	(7,154)	48,198
Net (expenditure) before other recognised gains	(5,061)		-	(5,061)
Pension deficit recovery	(366)	-	366	-
Adjustment to Pension Fund Reserve	222	-	(222)	
Release of designated fund Investment disposals, gains and losses	2,155	(2,155)	-	-
Actuarial Gains	<u>-</u>	<u>-</u>	<u>7,010</u>	<u>7,010</u>
Balance 31.3.20	<u>50,387</u>	<u>(240)</u>	<u>-</u>	<u>50,147</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**UNRESTRICTED FUNDS (continued)**  
**2019**

	<b>General Fund</b>	<b>Investm't Reserve</b>	<b>Restated Pension Reserve</b>	<b>Total</b>
	£000	£000	£000	£000
Balance 31.3.18	55,903	1,523	(6,895)	50,531
Restated Net (expenditure) before other recognised gains	(2,072)		-	(2,072)
Pension deficit recovery	(366)	-	366	-
Adjustment to Pension Fund Reserve	364	-	(364)	
Release of designated fund Investment disposals, gains and losses	(392)	392	-	-
Actuarial losses	-	-	(261)	(261)
Balance 31.3.19	<u>53,437</u>	<u>1,915</u>	<u>(7,154)</u>	<u>48,198</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**15 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Tangible fixed assets</b> £000	<b>Investments</b> £000	<b>Net current assets</b> £000	<b>Total funds</b> £000
<b>At 31 March 2020:</b>				
<b>Restricted funds</b>				
Revenue Grant			10	10
Capital grants reserve	<u>649</u>	-	-	<u>649</u>
<b>Designated funds</b>				
	-	-	-	-
<b>Other unrestricted funds</b>				
Investment reserve	-	3,824	-	3,824
Pension reserve	-	-	-	-
General fund	<u>30,224</u>	<u>14,176</u>	<u>1,923</u>	<u>46,325</u>
	<u>30,224</u>	<u>18,000</u>	<u>1,923</u>	<u>50,147</u>
Total funds	<u>30,873</u>	<u>18,000</u>	<u>1,933</u>	<u>50,806</u>
<b>At 31 March 2019:</b>				
<b>Restated</b>				
<b>Restricted funds</b>				
Capital grants reserve	<u>655</u>	-	-	<u>655</u>
<b>Designated funds</b>				
	-	-	-	-
<b>Other unrestricted funds</b>				
Investment reserve	-	1,915	-	1,915
Pension reserve	-	(7,154)	-	(7,154)
General fund	<u>31,132</u>	<u>20,105</u>	<u>2,213</u>	<u>53,437</u>
	<u>32,129</u>	<u>14,866</u>	<u>2,213</u>	<u>48,198</u>
Total funds	<u>31,787</u>	<u>14,866</u>	<u>2,213</u>	<u>48,853</u>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 16 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. Royal Blind provided administrative services for which a fee was received of £578,000 (2019, £528,000). At the balance sheet date, a charge was due from Sight Scotland Veterans amounting to £310,000 (2019: £297,000).

### 17 FINANCIAL INSTRUMENTS

	<b>2020</b>	<b>2019</b>
	£000	£000
Financial assets		
Financial assets measured at fair value	17,988	21,994
Financial assets measured at amortised cost	<u>2,595</u>	<u>3,014</u>
	<u>20,583</u>	<u>25,008</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>611</u>	<u>768</u>

Financial assets measured at fair value are listed investments. Financial assets measured at amortised cost include cash at bank, trade debtors, amounts due from Sight Scotland Veterans and accrued income.

Financial liabilities measured at amortised cost are suppliers and accruals and accrued pension costs.

### 18 CAPITAL COMMITMENTS

At 31 March, there was a capital commitment of £500,000, (2019, £119,000) in respect of alterations to the Robertson Avenue building to accommodate Head Office.

### 19 NET DEBT RECONCILIATION

	1 April 2019	Cash Flows	31 March 2020
Cash and cash equivalents	<u>1,003</u>	<u>(43)</u>	<u>960</u>