

# **The Sheffield Royal Society for the Blind**

Financial statements

For the year ended 30 June 2011



**Company no. 03053277**  
**Charity no. 1047257**

## Company information

### LEGAL AND ADMINISTRATIVE DETAILS

**Constitutional status:** Company limited by guarantee

**Company registration number:** 03053277

**Charity registration number:** 1047257

**Registered office:** 5 Mappin Street  
SHEFFIELD  
S1 4DT

**Trustees:** Mr P W Lee CBE (Chairman)  
Mr B S Campbell  
Mr A P Cooper  
Mr E Hill  
Mrs P M Jewitt  
Mr A J Riddle  
Mr D W Shepherd  
Miss J Smethurst  
Mr M J Winkworth-Smith  
Mr N Wragg OBE

**Secretary and general manager:** Mr S J Hambleton

**Bankers:** Yorkshire Bank PLC  
Regional Business Centre  
3 Broughton Lane  
SHEFFIELD  
S9 2DD

**Auditor:** Grant Thornton UK LLP  
Statutory Auditors  
Chartered Accountants  
2 Broadfield Court  
SHEFFIELD  
S8 0XF

## Company information

### **LEGAL AND ADMINISTRATIVE DETAILS (CONTINUED)**

**Solicitors:**

DLA Piper UK LLP  
1 St Paul's Place  
SHEFFIELD  
S1 2JX

**Investment advisers:**

Investec Wealth & Investment Limited  
Beech House  
61 Napier Street  
SHEFFIELD  
S11 8HA

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## Report of the trustees

The trustees (who are directors of the charitable company for the purpose of the Companies Act) present their report together with the financial statements for the year ended 30 June 2011.

### **Objectives and policies**

The charitable company is established to relieve and care for persons who are blind or who suffer substantially from visual impairment. It provides services and other support to promote the welfare of blind persons in the city of Sheffield either independently or in co-operation with other persons or bodies including government departments, local authorities, health authorities and other organisations interested in promoting the welfare and well being of visually impaired persons.

The objects of the charity are set out in the Memorandum of Association of the charitable company and its governing document is its Articles of Association.

### **Organisation**

The charitable company is controlled by the Board of Trustees and is divided into two sectors of operation, namely:

- Headquarters comprising; social and activities centre, equipment centre, community advice service, and administration, based at 5 Mappin Street, Sheffield.
- Cairn Home, being a residential care home at Crosspool, Sheffield, providing accommodation for elderly visually impaired people.

### **Investment powers**

In accordance with its Memorandum and Articles of Association the charitable company has the power to invest the funds of the charitable company in or on such investments, securities or properties as may be thought fit by the Board of Trustees subject to any conditions and consents as may for the time being be imposed or required by law.

Should the charitable company take or hold any property subject to the jurisdiction of the Charity Commissioners for England and Wales, the charity shall not sell, mortgage, charge or lease the same without such authority, approval or consent as may be required by law.

The charitable company is empowered to borrow or raise money for the furtherment of its objectives on such terms as may be thought fit.

### **Review of the year**

Throughout the year under review the charity has continued to operate from its new Mappin Street Centre which it moved into during June 2009 with the last year being a period of building on the foundations developed during 2009/10, consolidating all the new services.

On 17 September 2010 the Society celebrated its 150<sup>th</sup> Anniversary. Numerous events took place throughout 2010 in connection with this historic achievement, the highlight of the year being a Masquerade Ball on 17 September which not only raised money for the charity but generated some very good publicity, helping to raise the profile of the organisation within Sheffield.

## Report of the trustees

### Review of the year (continued)

The Activities Centre continues to deliver a valuable service to approximately 200 people per week providing social and leisure activities for visually impaired people of all ages as well as refreshments and cooked meals. The Craft Room continues to be popular and the café continues to provide a good facility for our clients and their guests. The Equipment Centre is also providing a much valued service with a large product range on display in a modern shop environment. Our Technology Officer continues to be busy, enabling our clients to receive advice and training on a wide range of "hi-tec" solutions such as computers, mobile phones, GPS navigation devices, etc which are accessible by people with sight problems. The Health & Beauty room is also popular with a range of treatments available, including hairdressing, chiropody and aromatherapy. The "Culture Club", deafblind group and children's services all continue to prosper. A number of outings and holidays were also organised throughout the year.

The Carers Support Scheme continues to be funded by Sheffield City Council and provides valuable breaks for carers on an ongoing frequent basis throughout the year. Funding is in place until March 2012 and, whilst we continue to exceed the requirements of the contract, in the current economic climate there can be no certainty that this funding will continue.

Volunteers continue to provide much needed support to all aspects of the work of the Society including delivering our services, administration and fundraising. Indeed, many of our services would not exist or be seriously curtailed without the time committed by our volunteers. During the year the number of volunteers averaged 140 with in excess of 17,000 hours being worked by these volunteers, in addition to over 3,000 hours from volunteers involved in fundraising activities. This equates to more than 12 full time staff. Our thanks are extended to all of our volunteers for their invaluable contribution and we remain committed to our volunteer development programme.

Visual Impairment Awareness Training continues to be delivered to new staff and volunteers as well as external organisations although, whilst this external training generates income, in the current economic climate it is difficult to market. However, in the awareness arena we have continued taking extended university student work placements from both medical and social care backgrounds. As well as giving students a good insight into the needs of visually impaired people the students are with us for many weeks so can contribute to our workload and we receive payment from the universities for managing these placements. We hope to be able to accommodate more student placements over the coming year. Also on the awareness theme, the Society continues to exhibit at an increasing number of health roadshows throughout the city and in schools both to raise awareness of the Society and also to promote good eye health to reduce the incidence of sight loss in the future.

During the year we have continued to deliver braille tuition at both beginner and advanced level, with funding secured from a variety of sources.

From a fundraising perspective the society had a good year with voluntary income (adjusting for the Mappin Street Centre Appeal and 150<sup>th</sup> Anniversary Appeal) holding steady despite the current economic climate which has resulted in many charities seeing declining income. Legacies for the year were also very healthy at £149,499, although this was a reduction on the previous year which at £261,681 was above average. The number of legacies, rather than value, was also good which is an encouraging indicator for the next few years.

Cairn Home continues to deliver the highest level of care to its residents. The home has had a settled year with the new management team establishing itself, providing Kevin McGrath with the level of support he requires. The home again experienced a high turnover of residents during the year and whilst this did impact upon fee income, careful control of costs and quickly filling the vacant rooms resulted in another healthy financial result for the home.

Friends of Cairn Home continue to raise money which is used for the benefit of residents in the form of entertainment, aromatherapy, outings etc. Our thanks are extended to the committee of Friends of Cairn Home for their hard work in organising the various fundraising events throughout the year.

## Report of the trustees

### **Financial review**

The funds of the charitable company have been applied throughout the year as follows:

1. The operations of the activities centre to cater for social activities including lunches and outings for the benefit of visually impaired people plus transport facilities to and from the Centre.
2. Direct grants for welfare purposes.
3. Providing continuous home visiting and advice services to visually impaired people.
4. The operation of the Residential Care Home for elderly visually impaired people.

The charitable company's assets are held for the sole purpose of carrying out the objectives and policies of the charitable company.

The freehold property (Cairn Home) is shown in the balance sheet at historical cost. It is the opinion of the trustees, without professional valuation, that the market value of this property would be higher than shown in the financial statements by an amount in the region of £0.5m.

All investments held by the charitable company have been acquired in accordance with the powers of the trustees.

### **Future strategy**

The Services Development Committee under the leadership of Julie Smethurst continues to oversee service development. The Society will continue to develop its services and range of activities to support people with sight loss in Sheffield. However, any further service development that requires additional funding will be dependent upon securing appropriate funding.

The main challenge facing the Society in the short term is developing additional funding streams to reduce dependence upon existing funding streams and to increase total income in order to be able to deliver the additional services proposed by the Services Development Committee. In order to assist with this strategy the Society reviewed its marketing strategy during the year under review resulting in marketing consultants being engaged. This work took place in the second half of the year and one of the outcomes was a new website launched in July 2011 which enables the Society to market both its services and fundraising events in a much more professional manner. The Society also has a social media presence through Facebook and Twitter. The new marketing strategy is being fully implemented although it is a long term strategy so is likely to take some time before all the benefits can be quantified in a tangible way.

The trustees are confident that the Society possesses the management team, staff and volunteers together with other necessary resources to meet these challenges, subject to the concerns regarding the state of the general economy and maintaining or increasing our income levels over the short to medium term.

## Report of the trustees

### Reserves policy

The charitable company is committed to providing long term sustainable services and is heavily reliant upon its investment income to enable it to deliver these services. The trustees therefore consider it necessary to continue to hold a high level of reserves to maintain the current level of investment income. This decision is made in a climate of greater volatility in the investment markets with the resultant uncertainty about future returns. The reserves are intended to ensure continuity of operation, essential for an operational charitable company providing valuable services to the community and will of course be reviewed regularly. With the current turmoil in the financial markets and the economy generally being in recession this policy is currently enabling the charity to maintain its level of services.

### Risk assessment

A formal risk management strategy is implemented by the trustees and a full review of all the risks, both financial and other operating risks, is ongoing. The risks are reviewed on a regular basis and appropriate systems are in place to mitigate the effect of any significant risks. The trustees consider that this strategy, combined with maintaining reserves at the levels detailed in the reserves policy, will provide sufficient resources to maintain services during adverse operational conditions, an example of which is the current financial and economic climate which, as previously referred to in this report, causes uncertainty over the income levels of the society in the short to medium term.

### Public benefit

Severe impairment to sight can occur at any time and SRSB is rightly proud of its services to the community for over 150 years. It has changed from a philanthropic organisation to one that combines professional service delivery with the ethos of voluntary service. Its charitable and professional services are open to everyone regardless of age or ethnicity and the Society remains committed to public service of the highest order.

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future work.

### Thanks

The year under review has seen the Society build on the success of recent years, consolidating the new services developed in 2009/10 and concentrating on improving income streams to support the valuable services the Society delivers.

The trustees are grateful to all staff and volunteers for the dedication and commitment to the Society in managing all these matters.

In addition, sincere thanks and appreciation is expressed to all those who provide the charity with funds, through donations, grants or sponsorship which enable it to fulfil its mission in support of blind and partially sighted people in Sheffield.

## Report of the trustees

### **Trustees**

All trustees served throughout the year.

Mr P W Lee CBE (Chairman)  
Mr B S Campbell  
Mr A P Cooper  
Mr E Hill  
Mrs P M Jewitt  
Mr A J Riddle  
Mr D W Shepherd  
Miss J Smethurst  
Mr M J Winkworth-Smith  
Mr N Wragg OBE

For the purposes of charities legislation all trustees are also directors of the charitable company.

In accordance with the Articles of Association Mr E Hill, Mrs P M Jewitt and Mr J Winkworth-Smith retire at the next Annual General Meeting and being eligible offer themselves for re-election.

None of the directors had a material interest in any contract which was significant to the charitable company's business.

### **Trustees induction and training**

Existing trustees select members of the board taking due account of the need to maintain a wide and relevant skills base on the board. Recruitment has traditionally been by word of mouth but alternative methods of recruitment may be considered in the future.

Existing trustees are already familiar with the work that the charity undertakes but a number of these trustees have also undertaken the general induction training and visual impairment awareness training sessions which are regularly held for all new staff and volunteers. Feedback from trustees on the value of these training sessions has been very positive. All new trustees will undertake this training in addition to being briefed by the Chairman and General Manager on the obligations of trustees, the charitable company's governing document being its Memorandum and Articles of Association, the operational and organisational structure, the current financial position, future plans and any other relevant matters of significance such as current major projects.

## Report of the trustees

### Statement of trustees' responsibilities

The trustees (who are also directors of Sheffield Royal Society for the Blind for the purposes of company law) are responsible for preparing the Report of the trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare financial statements in accordance with United Kingdom Accounting Practice (United Kingdom Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as each of the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

### Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Section 419(2) of the Companies Act 2006.

### Auditors

The company's articles require annual reappointment of the auditors. Grant Thornton UK LLP have expressed their willingness to continue in office. In accordance with s485(4) of the Companies Act 2006, a written resolution to reappoint Grant Thornton UK LLP has been sent out with these financial statements.

ON BEHALF OF THE TRUSTEES

P W Lee CBE  
Chairman  
27 October 2011

## Independent auditor's report of the members of The Sheffield Royal Society for the Blind

We have audited the financial statements of The Sheffield Royal Society for the Blind for the year ended 30 June 2011 which comprise the principal accounting policies, the statement of financial activities (incorporating the income and expenditure account), the balance sheet and the related notes. The financial reporting framework that has been approved in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2011 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# Independent auditor's report of the members of The Sheffield Royal Society for the Blind

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the trustees.

Peter Edwards  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
SHEFFIELD  
27 October 2011

## Principal accounting policies

### Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2006, applicable accounting standards and follow the recommendations of the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005) and under the historical cost convention, except for investments which are held at market value.

The principal accounting policies have remained unchanged from the previous year.

### Incoming resources

#### Donations, gifts and legacies

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made. They are included in the statement of financial activities.

#### Nominal rental income - Mappin Street

Nominal rental income relating to the Mappin Street site has been partially received and has been credited to deferred income. The total income receivable will be released to the statement of financial activities on a straight line basis over the life of the lease.

### Investment income

Investment income, including associated income tax recoveries, is recognised when received.

### Resources expended

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the charitable company's objectives (direct charitable);
- expenditure incurred in the governance of the charitable company.

### Financial risk

The charitable company uses financial instruments comprising cash, debtors and creditors. The main purpose of these financial instruments is to finance the working capital cycle of the charitable company and finance longer term capital needs. The policies for managing the risks which may affect the charitable company remain unchanged from the previous year.

### Fund accounting

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charitable company.

Restricted funds are maintained separately from unrestricted funds. The organisation has received restricted funds from two sources during the year.

## Principal accounting policies

### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is calculated to write down the cost of tangible fixed assets other than land by equal annual instalments over their estimated useful economic lives, charging a full year in the year of purchase and none in the year of disposal. The rates generally applicable are:

Freehold and leasehold buildings	2% - 5%
Motor vehicles	15% - 25%
Fixtures and fittings	10% - 20%

### **Investments**

Assets held for investment purposes are valued at market value at the balance sheet date. Net gains and losses arising on revaluations and disposals during the year are included in the statement of financial activities.

### **Stocks**

Stocks are stated at the lower of cost and net realisable value.

### **Retirement benefits**

#### **Defined Contribution Pension Scheme**

The pension costs charged in the statement of financial activities represent the amount of the contributions payable to the scheme in respect of the accounting period.

### **Operating leases**

Rentals under operating leases are charged to expenditure on a straight line basis over the lease term.

## Statement of financial activities (incorporating the income and expenditure account)

	Note	Unrestricted funds 2011 £	Restricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
<b>Income</b>					
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income					
Donations and gifts		99,526	500	100,026	116,923
Legacies		149,499	-	149,499	261,681
Investment income	1	235,272	-	235,272	205,650
<b>Incoming resources from charitable activities</b>					
Contract and grant income		82,783	-	82,783	83,137
Residential home fees		639,246	-	639,246	633,575
Catering receipts		41,140	-	41,140	35,656
Release of deferred income from disposal of Mappin Street leasehold interest		5,000	-	5,000	5,000
<b>Total incoming resources</b>		<u>1,252,466</u>	<u>500</u>	<u>1,252,966</u>	<u>1,341,622</u>
<b>Expenditure</b>					
<b>Resources expended</b>					
Costs of generating funds	2	80,647	-	80,647	53,568
Charitable activities	2	1,211,329	11,223	1,222,552	1,192,939
Deficit on disposal of tangible fixed assets		-	-	-	12
Governance	2	9,034	-	9,034	6,550
<b>Total resources expended</b>		<u>1,301,010</u>	<u>11,223</u>	<u>1,312,233</u>	<u>1,253,069</u>
<b>Net (outgoing)/incoming resources (before realised gains on investments)</b>		(48,544)	(10,723)	(59,267)	88,553
Losses on investment assets realised		(13,939)	-	(13,939)	(49,127)
<b>Net (outgoing)/incoming resources (including (deficit)/surplus of income over expenditure)</b>		(62,483)	(10,723)	(73,206)	39,426
Gains on investment assets unrealised	5	584,077	-	584,077	435,916
<b>Net movement in funds</b>		521,594	(10,723)	510,871	475,342
Total funds brought forward at 1 July 2010		5,199,825	92,406	5,292,231	4,816,889
<b>Total funds carried forward at 30 June 2011</b>	9/10	<u>5,721,419</u>	<u>81,683</u>	<u>5,803,102</u>	<u>5,292,231</u>

All activities are classed as continuing.

**The accompanying accounting policies and notes form an integral part of these financial statements.**

## Balance sheet

	Note	2011 £	2010 £
<b>Fixed assets</b>			
Tangible assets	4	1,550,290	1,588,505
Investments	5	4,974,931	4,288,737
		<u>6,525,221</u>	<u>5,877,242</u>
<b>Current assets</b>			
Stocks		25,850	22,746
Debtors	6	74,319	149,932
Cash at bank and in hand		10,160	47,360
		<u>110,329</u>	<u>220,038</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(92,448)</u>	<u>(60,049)</u>
<b>Net current assets</b>		<u>17,881</u>	<u>159,989</u>
<b>Total assets less current liabilities</b>		<b>6,543,102</b>	<b>6,037,231</b>
<b>Creditors: amounts falling due after more than one year</b>	8	<u>(740,000)</u>	<u>(745,000)</u>
		<u>5,803,102</u>	<u>5,292,231</u>
<b>Unrestricted funds</b>			
Revaluation fund	9	1,029,431	445,354
General funds	9	4,691,988	4,754,471
Total unrestricted funds		<u>5,721,419</u>	<u>5,199,825</u>
<b>Restricted funds</b>	9/10	<u>81,683</u>	<u>92,406</u>
		<u>5,803,102</u>	<u>5,292,231</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Section 419(2) of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Board of Trustees on 27 October 2011.

P W Lee CBE

Trustee

Company number: 03053277

**The accompanying accounting policies and notes form an integral part of these financial statements.**

## Notes to the financial statements

### 1 Investment income

Investment income comprises income from:	2011	2010
	£	£
Rental income	9,961	10,659
Listed investments	225,190	194,618
Bank deposits	121	373
	<u>235,272</u>	<u>205,650</u>

### 2 Analysis of total resources expended

#### Unrestricted Funds

	Fundraising costs	Cairn Home	Mappin Street	Governance	Total 2011	Total 2010
	£	£	£	£	£	£
<b>Direct costs</b>						
Staff costs	41,857	436,584	289,687	-	768,128	738,970
Depreciation	1,125	52,225	24,419	-	77,769	74,169
Catering costs	-	41,044	35,770	-	76,814	72,109
Client transport costs	-	-	34,679	-	34,679	32,522
Holidays and outings	-	-	1,384	-	1,384	2,724
Other direct welfare costs	-	-	8,155	-	8,155	10,355
Staff travel costs	2,539	-	17,337	-	19,876	20,609
Property and equipment maintenance costs	-	22,516	10,740	-	33,256	24,213
Other establishment costs	15,203	71,148	54,460	-	140,811	137,575
Audit fee	-	-	-	9,034	9,034	6,550
Legal and professional	-	742	1,919	-	2,661	12,388
	<u>60,724</u>	<u>624,259</u>	<u>478,550</u>	<u>9,034</u>	<u>1,172,567</u>	<u>1,132,184</u>
		<b>Basis of allocation</b>				
<b>Allocated costs</b>						
General office, finance and management staff	Time	6,763	23,601	71,759	-	102,123
Marketing & website design	Time	13,160	-	13,160	-	-
		<u>80,647</u>	<u>647,860</u>	<u>563,469</u>	<u>9,034</u>	<u>1,301,010</u>
<b>Restricted Funds</b>						
Staff Costs		-	-	-	-	10,000
Depreciation		-	-	10,234	-	10,234
Other direct welfare costs		-	-	989	-	989
		<u>-</u>	<u>-</u>	<u>11,223</u>	<u>-</u>	<u>11,223</u>
<b>Total Funds</b>		<u>80,647</u>	<u>647,860</u>	<u>574,692</u>	<u>9,034</u>	<u>1,312,233</u>
		<u>1,232,883</u>	<u>1,253,069</u>			

## Notes to the financial statements

### 3 Employees

Staff costs during the year were as follows:

	2011 £	2010 £
Wages and salaries	797,813	773,652
Social security costs	52,677	53,313
Pension costs	15,306	18,319
Other costs	4,454	4,385
	<b>870,250</b>	<b>849,669</b>

The average number of employees during the year was as follows:

	2011 Full time	2011 Part time	2010 Full time	2010 Part time
Mappin Street Centre	13	20	14	18
Cairn Home Residential Home	24	13	26	14
	<b>37</b>	<b>33</b>	<b>40</b>	<b>32</b>

No employee earned £60,000 per annum or more in the current or preceding period.

Payments of £1,280 were made during the period (2010: £56) to two trustees, by way of reimbursement of mileage allowance whilst acting as a volunteer driver (£130) and in respect of the production of printed material for visually impaired readers (£1,150).

### 4 Tangible fixed assets

	Long leasehold buildings* £	Freehold land and buildings £	Motor vehicles £	Fixtures and Fittings £	Total £
Cost					
At 1 July 2010	750,000	813,399	134,661	257,920	1,955,980
Additions	7,682	2,773	7,495	31,838	49,788
Disposals	-	-	-	(16,958)	(16,958)
At 30 June 2011	<b>757,682</b>	<b>816,172</b>	<b>142,156</b>	<b>272,800</b>	<b>1,988,810</b>
Depreciation					
At 1 July 2010	15,000	81,256	126,317	144,902	367,475
Provided in the year	15,163	40,850	5,692	26,298	88,003
Disposals	-	-	-	(16,958)	(16,958)
At 30 June 2011	<b>30,163</b>	<b>122,106</b>	<b>132,009</b>	<b>154,242</b>	<b>438,520</b>
Net book amount at 30 June 2011	<b>727,519</b>	<b>694,066</b>	<b>10,147</b>	<b>118,558</b>	<b>1,550,290</b>
Net book amount at 30 June 2010	735,000	732,143	8,344	113,018	1,588,505

All tangible fixed assets were used for charitable purposes.

\*As a result of the redevelopment of the Mappin Street site, the building was valued in 2009 by surveyors. They estimated that the value of the part of building to be occupied and used by The Sheffield Royal Society for the Blind to be £750,000. The valuation was carried out by Lambert Smith Hampton for the purpose of the valuation of the lease and underlease and was completed on 30 June 2009. The Society has acquired this asset by entering into a lease agreement allowing the developer to use the freehold land for 150 years. The rent for this land is deemed to be received in advance and is shown as deferred income.

## Notes to the financial statements

### 5 Fixed asset investments

	Total £
Valuation	
At 1 July 2010	4,288,737
Additions	313,657
Surplus on revaluation	584,077
Disposals	(211,540)
At 30 June 2011	<u>4,974,931</u>
At 30 June 2010	<u>4,288,737</u>

Listed investments are stated at their mid market value as at the balance sheet date.

If listed investments had not been re-valued, they would have been included on the historical cost basis at £3,945,500 (2010: £3,843,383). The difference between historical cost and market value is included in unrestricted funds.

The following investments represent more than 5% of the investment portfolio:

	£	%
Royal Dutch Shell	348,056	7.0
4% Treasury 2018	319,246	6.4
4.75% Treasury 2022	<u>304,796</u>	<u>6.1</u>

### 6 Debtors

	2011 £	2010 £
Other debtors	18,395	24,178
Prepayments	9,603	6,414
Accrued income	46,321	119,340
	<u>74,319</u>	<u>149,932</u>

### 7 Creditors: amounts falling due within one year

	2011 £	2010 £
Social security and other taxes	13,244	13,478
Other creditors	35,011	22,008
Accruals	44,193	24,563
	<u>92,448</u>	<u>60,049</u>

## Notes to the financial statements

### 8 Creditors: amounts falling due after more than one year

	2011 £	2010 £
Deferred income	<u>740,000</u>	<u>745,000</u>

The deferred income represents the value of a lease over freehold land at Mappin Street which has been received in the form of the leasehold property shown within fixed assets. The lease is for 150 years and the deferred income will be released over this period.

### 9 Funds

	General funds £	Revaluation fund £	Restricted funds £	Total £
At 1 July 2010	4,754,471	445,354	92,406	5,292,231
Incoming resources	1,252,466	-	500	1,252,966
Expenditure	(1,301,010)	-	(11,223)	(1,312,233)
Losses on investments realised	(13,939)	-	-	(13,939)
Gains on investments unrealised	-	584,077	-	584,077
<b>At 30 June 2011</b>	<u><b>4,691,988</b></u>	<u><b>1,029,431</b></u>	<u><b>81,683</b></u>	<u><b>5,803,102</b></u>

### 10 Restricted Funds

	Henrietta Kitchen Trust £	Earnshaw Trust £	Mappin Street Appeal £	Total £
At 1 July 2010	1,256	11,851	79,299	92,406
Incoming resources	500	-	-	500
Expenditure	(989)	-	(10,234)	(11,223)
<b>At 30 June 2011</b>	<u><b>767</b></u>	<u><b>11,851</b></u>	<u><b>69,065</b></u>	<u><b>81,683</b></u>

**Henrietta Kitchen Trust** This represents a grant from the trust to be spent specifically on provision of equipment and materials for the benefit of visually impaired children.

**Earnshaw Trust** This represents a payment received from the trust on condition that the money is invested and the income therefrom used to fund the services of the charity.

**Mappin Street Appeal** During 2008 the charity launched an appeal to raise funds to assist with the cost of equipping and operating the new Mappin Street Centre. Donations and grants were received specifically in response to this appeal.

## Notes to the financial statements

### 11 Analysis of fund balances by net assets

	Restricted funds £	Unrestricted funds £	Total £
Fixed assets	66,267	1,484,023	1,550,290
Investments	11,851	4,963,080	4,974,931
Net current assets	3,565	14,316	17,881
Deferred income	-	(740,000)	(740,000)
	<b>81,683</b>	<b>5,721,419</b>	<b>5,803,102</b>

### 12 Liability of members

Under Clause 6 of the Memorandum of Association all members undertake to contribute to the assets of the charitable company such an amount as may be required, not exceeding £1, in the event of it being wound up during the period of membership and within one year afterwards.

### 13 Capital commitments

There were no capital commitments at 30 June 2011 or 30 June 2010.

### 14 Contingent liabilities

There were no contingent liabilities at 30 June 2011 or 30 June 2010.

### 15 Leasing commitments

At 30 June 2011 the Charity had annual commitments under operating leases as follows:

	2011		2010	
	Land and buildings £	Other £	Land and buildings £	Other £
In two to five years	-	1,404	-	1,375
After five years	-	1,082	-	-
	<b>-</b>	<b>2,486</b>	<b>-</b>	<b>1,375</b>

### 16 Derivatives

The charitable company had no financial derivatives during the year.

### 17 Retirement benefits

#### Defined Contribution Pension Scheme

The charitable company operates a defined contribution pension scheme for the benefit of the employees. The assets are administered by trustees in a fund independent from the funds of the charitable company.

## Notice of the Annual General Meeting

NOTICE is hereby given that the ANNUAL GENERAL MEETING of THE SHEFFIELD ROYAL SOCIETY FOR THE BLIND will be held at Sheffield Town Hall, Pinstone Street, SHEFFIELD, S1 2HH, on 18 April 2012 at 3 pm for the following purposes:

- i To receive and adopt the Annual Report and Accounts for the year ended 30 June 2011.
- ii To re-elect Mr E Hill as a Director.
- iii To re-elect Mrs P M Jewitt as a Director.
- iv To re-elect Mr M J Winkworth-Smith as a Director.
- vi To re-appoint GRANT THORNTON UK LLP as Auditors of the Society for the ensuing year and to authorise the Directors to determine their remuneration.

BY ORDER OF THE BOARD

S J Hambleton  
Secretary  
27 October 2011