

Fife Society for the Blind

(Company limited by guarantee)

Trustees' report and financial statements

for the year ended

31 March 2009

Company registration number: SC164278

Scottish charity number: SC001354

Fife Society for the Blind
Financial Statements
for the year ended 31 March 2009

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Fife Society for the Blind
Charity Information
for the year ended 31 March 2009

Company Number	SC164278
Scottish Charity Number	SC001354
Trustees	See page 2
Secretary	I H Taylor
Registered Office	Fife Sensory Impairment Centre Wilson Avenue Kirkcaldy Fife KY2 5EF
Bankers	The Royal Bank of Scotland plc 23/25 Rosslyn Street Kirkcaldy Fife KY1 3HA
Solicitors	e-corporate 17 Dunvegan Avenue Kirkcaldy Fife KY2 5SG
Investment Advisors	Tilney & Co 10 Hill Street Edinburgh EH2 3JZ
Auditors	Paterson Boyd & Co Chartered Accountants & Registered Auditors 18 North Street Glenrothes Fife KY7 5NA

Fife Society for the Blind
Charity Information
for the year ended 31 March 2009

Constitution

Fife Society for the Blind is a company limited by guarantee and a registered charity governed by its memorandum and articles of association.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The Articles of Association provide that the maximum number of trustees (other than alternates) shall be 25, of whom one shall be the Chief Executive Officer. A maximum of 7 trustees shall be Local Committee Trustees, a maximum of 7 trustees shall be Fife Forum Trustees, a maximum of 7 trustees shall be Elected Trustees and a maximum of 3 trustees shall be Co-opted Trustees.

The trustees serving from 1st April 2008 to the date of this report were as follows:

Chief Executive

AJ Suttie

Trustees appointed by the Society in General Meeting

Ms CI Bell

CM Clark (Resigned 22 September 2008)

DA Grisenthwaite *

TW Hailey* (Appointed Chair 9 March 2009)

JWG MacGregor MBE (Chair) (Term of office expired 9 March 2009)

Dr A Sinclair

IH Taylor*

R Godfrey-McKay (Appointed 9 March 2009)

RS Oliphant*

Trustees appointed by affiliated Local Committees

Ms DH Durie (Resigned 18 December 2008)

RA Peters

J Stevenson

TG Walsh

Ms J Wilson

R Rodger (Appointed 9 March 2009)

Ms S Keddie (Appointed 9 March 2009)

Ms E Young (Appointed 15 June 2009)

Trustees appointed by the Fife Forum for the Visually Impaired

Ms AM Fraser

Ms MAL Gilfillan

Ms SJ Taylor *

B Thomson *

Ms S Swanney

Ms D Clark

Trustees co-opted to the Board

Ms EH Geddes

J Lindsay* (Appointed 11 August 2008, appointed Vice Chair 9 March 2009)

Ms IC Bennett (Appointed 9 March 2009)

Observers appointed by Fife Council

Mrs Y Jones (Resigned 1 February 2009)

Ms M Reid

Cllr C Lindsay

* Members of the Finance & General Purposes Committee of the charity

Fife Society for the Blind
Trustees' Report
for the year ended 31 March 2009

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2009.

The charity information set out on pages 1-2 forms part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities, as revised in 2005 (SORP 2005).

Objects of the Charity

The objects of the Fife Society for the Blind ('FSB') are:-

- To provide such services and resources to assist its clients in developing independence in the areas of travel, communication and living skills.
- To provide information about services available to visually impaired people in such a way as to enable such individuals to make informed choices.
- To increase public knowledge and awareness of visual impairment and associated issues through the provision of training, education and advice.

It aims to achieve these objects by:-

- Demonstrating a standard of practice based on the best knowledge currently available and by striving to provide a high quality of service.
- Ensuring that the services it provides reflect the diverse needs of persons with a visual impairment.
- Encouraging and maintaining effective communication throughout the organisation and especially with those for whom services are provided.

Organisation

The charity is administered by a board of trustees of up to 25 members, who meet quarterly. There are subcommittees of the board covering fund-raising, and finance & general purposes. A Chief Executive (see page 2) is appointed by the trustees to manage the day-to-day operations of the charity. New trustees are provided with appropriate induction and other training.

Investment Powers

Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit.

Review of Activities and Future Developments

This has been a challenging year for many charities with one in three cutting staff and services. We believe that with good and prudent management we have both met the challenges and continued to plan for the future. Our Insight Team, who provide services on behalf of Fife Council and NHS Fife, have seen new case referrals remain at a similar level to last year with only 201 new cases. However they have dealt with a dramatic increase from 633 to 1119 individuals already known to us, requesting additional support. We believe that this growing demand will continue as individuals strive to retain independence in the face of social and economic challenges.

Our statutory services are experiencing a major boost with support from the Scottish Eye Care fund. Working in partnership with Fife Council's Deaf Communication Service we are pioneering a new dual sensory assessment procedure in residential care facilities for older people. To improve the efficiency of our direct client work our Insight team are now committed to a new state of the art 'Electronic Vision Rehabilitation Record' initially developed in North America. Using tablet computers, staff will be entering assessment data directly on to this electronic record which will improve efficiency but also increase our response times.

Fife Society for the Blind
Trustees' Report
for the year ended 31 March 2009

Similarly our voluntary services have also experienced a dramatic increase in demand and this is clearly seen with the 70% increase in volunteer expenses, which we meet from our voluntary income. With the commitment of the Board to funding strategic priorities from our voluntary income, staff and volunteers have been successfully working to bring about real change to peoples lives.

Looking to bring our services closer to local communities in Fife we held well attended awareness events in St Andrews and Newport as well as in Kirkcaldy. Locality work is being piloted in East Kirkcaldy, Lochgelly and Taybridgehead. Continuing with our priority of addressing social isolation we have run a first 'Art Therapy' group for younger people who are experiencing difficulty with social engagement, and Insight staff have been trained to provide a new 'Friendship Enrichment Programme' which had been developed in Holland. We have invested in upgrading the Karten IT facility which provides for technology assessment and training. Looking forward, we have just joined up with Elmwood College, Cupar to improve access to specialist services in that part of Fife.

The Board believe that we should look to continued development and improvement to ensure that people in Fife having a serious sight loss will continue to receive the best service available anywhere. With this in mind the Society has entered in to a new partnership arrangement with NHS Fife, Fife Council, RNIB Scotland and Sense Scotland to form a new service planning and funding company, Fife Sensory Impairment Services. Finally in the coming year we will be developing two specific new programmes; one looking to improve the way we support people who have dementia and a serious sight loss, and another which will investigate ways of reducing the number of falls resulting from poor vision.

Financial Review

The financial statements for the year ended 31 March 2009 meet the requirements of SORP 2005, which is mandatory guidance for all charities of the size of FSB. In addition, these financial statements include the results of FSB Enterprises Ltd, the trading company of FSB. In consequence, the SOFA includes the income and expenses of both FSB and FSBE, but after elimination amounts invoiced between the companies.

STATEMENT OF FINANCIAL ACTIVITIES

The Statement of Financial Activities ('SOFA') comprises the consolidated results for the combined activities of FSB and its wholly owned subsidiary FSB Enterprises Ltd. A summary SOFA for FSB only is included in note 2 to the financial statements.

Income

Overall income flowing into FSB increased in the year to £911,315, with the major changes being a sustained growth in legacy income from £92,046 to £122,136, a strong fundraising performance and receipt of £155,000 from the Scottish Government for the Eyecare programme.

Voluntary income

This comprises income which is gifted to FSB and includes donations, legacy income, street collections and other income, whether earmarked for a particular purpose or otherwise. Whilst donations saw a slight drop from £22,416 to £20,155, following the efforts of the Voluntary Fund Raising Committee chaired by R Oliphant, income from fundraising events increased from £24,479 to £35,745. Changes in legacy and other income have been noted above.

Incoming resources from charitable activities

This category of income includes those amounts provided to FSB by, for example, Fife Council Social Work Services and NHS Fife, to provide support and assistance to clients. Income from the 'core' funders, Fife Council

Social Work Services and NHS Fife increased slightly although these modest increases do not fully cover the full inflationary cost.

Fife Society for the Blind
Trustees' Report
for the year ended 31 March 2009

Income from these sources has been regarded as Restricted, as defined within SORP 2005, in the sense that the funds have been provided to support a particular service or project and these funds are not therefore capable of being spent in other ways.

Resources Expended

Costs, which are here described as Resources expended, rose from £638,954 to £710,574.

Governance costs include the costs of annual audit and legal fees.

Operating Result

In the year to 31 March 2009, the combined results of FSB and FSBE show a net surplus before losses on investment assets of £200,741 against £39,296 in 2008. This is comprised of net incoming resources of £187,461 from FSB and £13,280 from FSBE.

Revaluation of Investments

The turbulence in the Stock Markets has got significantly worse through 2009 and losses in the valuation of the portfolio was £109,349 (2008 – loss of £37,609).

BALANCE SHEETS

Balance sheets are presented for both the consolidated figures of FSB and FSBE, and for the figures for FSB only. This allows the figures to be assessed on the relative financial positions of the group (FSB and FSBE) and of the holding charity only (FSB).

Tangible Fixed Assets

These are the land, buildings and equipment used to provide services to clients, and in the main comprise the property at Wilson Avenue and its fittings and equipment. There has been significant expenditure of £43,905 during the year on fixtures, fittings and equipment.

Investments

These comprise the property at Townsend Place, now rented to Fife Council, and the investment portfolio, which is managed by Tilney & Co. The fall in valuation reflects the fall in the Stock Market over the past year.

Current Assets and Liabilities

These reflect the normal pattern of activity in that clients and grant providers are billed and pay later and similarly suppliers bill us and are paid later. There has been a significant improvement in the underlying cash balances over the year, mainly reflecting the operating surplus of which the enhanced income from legacies was a significant factor.

Reserves

Reserves tied up in property and equipment are shown as the Fixed Assets Reserve and amounted to £466,050 at the year end. A further amount of £250,000 is held as Contingency Reserve against unforeseen circumstances, including fluctuations in the value of investments. Funds have been retained towards a replacement minibus and in respect of the long term costs of maintaining the Sensory Impairment Centre at Wilson Avenue. The amount on general reserves has fallen from £206,419 to £148,819 during the year.

A detailed statement on reserves is included in note 16 and 17 to the financial statements.

Reserves policy and risk management

The trustees continue to operate a risk management strategy which comprises:

- An annual review of the risks which the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan; and
- The implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

Fife Society for the Blind
Trustees' Report
for the year ended 31 March 2009

Trustees are continuing to focus on the need to develop additional sources of funding and in that regard operate a trading subsidiary, FSB Enterprises Ltd ('FSBE'). The trustee led Fundraising Group, established in 2006, continue to work with volunteers to further increase fundraising and legacy income. The trustees have forecasted the level of free reserves (that is those funds not tied up in fixed assets, and designated and restricted funds) the charity will prudently require to sustain its operations and based on the risk analysis. The trustees consider that the most appropriate level of free reserves at 31 March 2009 would be £224,941. The actual free reserves at 31 March 2009 were £398,819 which is ahead of the target figure. Whilst the current level of reserves may prove sufficient, it is the trustees' view that it is prudent to ensure that there are sufficient free reserves to provide financial flexibility over the course of the forthcoming challenges.

Responsibilities of the Board of Trustees

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees follow best practice and:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees 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.

In so far as the trustees are aware:-

- there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charity's auditors are unaware, and
- the trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

Paterson Boyd & Co. were appointed auditors to the charity and in accordance with section 385 of the Companies Act 1985, a resolution proposing their reappointment will be put to the Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Board on 9 March 2010 and signed on its behalf by:

T W Hailey

T W Hailey
Chairman

Fife Society for the Blind

Auditors' Report

Independent Auditors' Report to the Trustees and Members of Fife Society for the Blind

We have audited the group and parent company financial statements of Fife Society for the Blind for the year ended 31 March 2009 which comprise the group statement of financial activities (incorporating income and expenditure account), the group and parent company balance sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with section 235 of the Companies Act 1985 and to the Charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and charity's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As described in the statement of trustees' responsibilities the charity's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 1985 and report to you in accordance with those Acts.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the charity had not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the trustees' report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of Audit Opinion

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

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

Fife Society for the Blind**Auditors' Report****Independent Auditors' Report to the Trustees and Members of Fife Society for the Blind****Opinion**

In our opinion:-

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the group's and parent company's affairs as at 31 March 2009 and of the group's surplus for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the trustees' report is consistent with the financial statements.

Paterson Boyd & Co

**Paterson Boyd & Co
Chartered Accountants &
Registered Auditors
18 North Street
Glenrothes
Fife
KY7 5NA**

Date 9 March 2010

Fife Society for the Blind
Statement of Financial Activities
(Incorporating Income and Expenditure Account)
for the year ended 31 March 2009

	Notes	Restricted Fund 2009 £	Unrestricted Funds 2009 £	Total 2009 £	Total 2008 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	3	-	161,934	161,934	129,486
Activities for generating funds	4	-	116,981	116,981	89,322
Investment income	5	-	34,532	34,532	32,549
Incoming resources from charitable activities:	6	530,338	67,530	597,868	426,893
Total incoming resources		<u>530,338</u>	<u>380,977</u>	<u>911,315</u>	<u>678,250</u>
Resources expended					
Cost of generating funds					
Cost of generating voluntary income		-	3,609	3,609	4,060
Fundraising trading costs		-	21,402	21,402	1,890
Charitable activities	7	407,202	252,107	659,309	601,630
Governance costs	8	-	26,254	26,254	31,374
Total resources expended		<u>407,202</u>	<u>303,372</u>	<u>710,574</u>	<u>638,954</u>
Net incoming resources before other recognised gains and losses		123,136	77,605	200,741	39,296
Other recognised gains/losses					
Losses on investment assets	12	-	(109,349)	(109,349)	(37,609)
Net movement in funds		123,136	(31,744)	91,392	1,687
Funds brought forward		-	1,051,032	1,051,032	1,049,345
		<u>123,136</u>	<u>1,019,288</u>	<u>1,142,424</u>	<u>1,051,032</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

Fife Society for the Blind

Balance Sheet

as at 31 March 2009

		Group		Charity	
	Notes	2009 £	2008 £	2009 £	2008 £
Fixed assets					
Tangible assets	11	466,050	456,395	455,667	437,098
Investments	12	361,687	471,036	361,689	471,038
		<u>827,737</u>	<u>927,431</u>	<u>817,356</u>	<u>908,136</u>
Current assets					
Stock	13	4,914	6,515	2,914	3,577
Debtors	14	68,211	160,030	99,270	132,366
Cash at bank and in hand		323,451	145,403	262,272	143,475
		<u>396,576</u>	<u>311,948</u>	<u>364,456</u>	<u>279,418</u>
Creditors: amounts falling due within one year	15	(81,294)	(188,347)	(61,572)	(145,426)
		<u>315,282</u>	<u>123,601</u>	<u>302,884</u>	<u>133,992</u>
Net current assets					
Total assets less current Liabilities		1,143,019	1,051,032	1,120,240	1,042,128
Provisions for liabilities		(595)	-	-	-
		<u>1,142,424</u>	<u>1,051,032</u>	<u>1,120,240</u>	<u>1,042,128</u>
Net assets					
Reserves	16				
Unrestricted Funds:					
General reserve		<u>148,819</u>	<u>206,419</u>	<u>137,018</u>	<u>216,812</u>
Designated Funds:					
Fixed assets reserve		466,050	456,395	455,667	437,098
Contingency reserve		250,000	250,000	250,000	250,000
Minibus fund		12,000	12,000	12,000	12,000
Maintenance reserve		15,000	15,000	15,000	15,000
Cupar Ladies Committee		61,493	59,818	61,493	59,818
Projects fund		14,526	-	14,526	-
		<u>819,069</u>	<u>793,213</u>	<u>808,686</u>	<u>773,916</u>
Investment property revaluation reserve		51,400	51,400	51,400	51,400
Restricted Funds		123,136	-	123,136	-
		<u>1,142,424</u>	<u>1,051,032</u>	<u>1,120,240</u>	<u>1,042,128</u>
Total funds					

Fife Society for the Blind
Balance Sheet
as at 31 March 2009

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and in accordance with Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements on pages 5 to 17 were approved by the board of trustees on 9 March 2010 and signed on its behalf by:

Jimmy Lindsay

Jimmy Lindsay (Convenor)

Fife Society for the Blind
Notes on Financial Statements
for the year ended 31 March 2009

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007) and Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) issued March 2005.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The charity capitalises items of equipment where the purchase price exceeds £1,000. Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:-

Freehold buildings	straight line over fifty years
Fixtures, fittings and equipment	straight line over eight years
Computer equipment	straight line over four years
Motor vehicles	straight line over six years

Leases and hire purchase contracts

Rentals paid under operating leases are charged to income as incurred.

Incoming Resources

Voluntary income including donations, gifts and legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:-

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

Income from commercial trading activities is recognised as earned (as the related goods and services are provided). Investment income is recognised on a receivable basis. Income from charitable activities includes income received under contract or where entitled to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Interest receivable

Interest receivable is included when receivable by the charity.

Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the trustees' annual report. Where services are provided the charity as a donation that would normally be purchased from our suppliers, this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs relate to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Stock

Stock includes aids and other items for resale or free issue to clients and is included at the lower of cost or net realisable value.

Fife Society for the Blind
Notes on Financial Statements
for the year ended 31 March 2009

1. Accounting Policies (continued).....

Pensions

Defined contribution scheme

The charity operates a defined contribution pension scheme. The pension costs charged in the accounts and detailed in note 9 represent contributions payable by the charity in the year.

Reserves

The reserves of the charity have been classified as follows:-

(a) Unrestricted reserves

General reserve

These are funds which can be used in accordance with the charitable objects at the discretion of the trustees. They are the free funds of the charity and group that are available to be spent on the direct support of charitable activities.

Investment revaluation reserve

This reserve arises through periodic revaluations of investments.

(b) Designated reserves

These are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Fixed assets reserve

Amounts tied up in land, buildings and equipment are matched by an amount held on capital reserve as such amounts are not available to support directly any charitable activities.

Contingency reserve

This represents the current estimate of the trustees of the amounts that should be held in reserve to meet contingencies such as a fall in income or an increase in costs.

Minibus fund

Funds are set aside annually to meet the costs of purchasing a replacement minibus.

Maintenance reserve

As the property at Wilson Avenue ages, amounts are set aside for major maintenance.

Cupar Ladies Committee

In February 2008, the Cupar Ladies Committee resolved to wind up its activities as a separate charity and to transfer its assets and operations to the Society. The Society has agreed that the assets transferred shall be available to support activities in the Cupar area.

Projects fund

Funds specifically set aside for use on designated projects.

(c) Restricted funds

These are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Fife Society for the Blind
Notes on Financial Statements
for the year ended 31 March 2009

1. Accounting Policies (continued).....

Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

Group accounts

These financial statements consolidate the results of the charity and its wholly owned subsidiary FSB Enterprises Ltd. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 230 of the Companies Act 1985 and paragraph 397 of SORP 2005.

Investment properties

In accordance with Statement of Standard Accounting Practice 19 no depreciation is charged on investment properties. The directors consider that this policy, which represents a departure from statutory accounting principles, is necessary to show a true and fair view.

2. Financial activity of the Charity

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, FSB Enterprises Ltd.

A summary of the financial activities by the Charity is set out below:

	2009 £	2008 £
Gross incoming resources	<u>833,823</u>	<u>619,407</u>
Total expenditure on charitable activities	618,299	534,410
Fundraising costs of grants and donations	3,609	4,060
Government costs	24,454	29,874
Investment losses	109,349	37,609
	<u>755,711</u>	<u>605,953</u>
Net incoming/(outgoing) resources	78,112	13,454
Total funds brought forward	1,042,128	1,028,674
	<u>1,120,240</u>	<u>1,042,128</u>
Represented by:		
Restricted income funds	123,136	-
Unrestricted income funds	997,104	1,042,128
	<u>1,120,240</u>	<u>1,402,128</u>

Fife Society for the Blind
Notes on Financial Statements
for the year ended 31 March 2009

3. Incoming resources from voluntary activities

	Restricted Fund 2009 £	Unrestricted Funds 2009 £	Total 2009 £	Total 2008 £
Donations	-	20,155	20,155	22,416
Legacies	-	122,136	122,136	92,046
Trust fund income	-	12,142	12,142	10,000
Other income from branches	-	7,501	7,501	5,024
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>-</u>	<u>161,934</u>	<u>161,934</u>	<u>129,486</u>

4. Activities for generating funds

	2009 £	2008 £
Fundraising events	35,745	24,479
Commercial trading operations	81,236	64,843
	<hr/>	<hr/>
	<u>116,981</u>	<u>89,322</u>

5. Investment income

	2009 £	2008 £
Bank interest	7,418	4,546
Investment income	27,114	28,003
	<hr/>	<hr/>
	<u>34,532</u>	<u>32,549</u>

Fife Society for the Blind
Notes on Financial Statements
for the year ended 31 March 2009

6. Incoming resources from charitable activities

	Restricted Fund 2009 £	Unrestricted Funds 2009 £	Total 2009 £	Total 2008 £
Fife Council Social Work Department	297,544	-	297,544	291,710
NHS Fife	24,566	-	24,566	22,852
Supported Employment Programme	3,674	-	3,674	3,527
Fife Council, Community Services Grant	5,672	-	5,672	5,560
Resource Centre sales	8,963	-	8,963	6,867
Talking Books	13,674	-	13,674	13,612
Children in Need	15,036	-	15,036	16,255
Breaking Barriers	3,121	-	3,121	8,857
Income from serviced offices and rent	-	66,839	66,839	51,329
The Scottish Executive – Eyecare funding	155,000	-	155,000	-
Other income	3,088	691	3,779	6,324
	<u>530,338</u>	<u>67,530</u>	<u>597,868</u>	<u>426,893</u>

7. Costs of charitable activities

	Restricted Fund 2009 £	Unrestricted Funds 2009 £	Total 2009 £	Total 2008 £
Staff costs, including employer's NIC and Pensions	267,354	142,286	409,640	427,693
Staff related overheads	-	620	620	5,569
Resource centre and library	18,542	22,663	41,205	32,392
Volunteers expenses	-	8,148	8,148	4,741
Travel costs	15,101	-	15,101	23,403
Stroke expenses	-	-	-	14
Depreciation	10,200	19,334	29,534	28,272
Property costs	31,463	15,731	47,194	42,571
Other overheads	32,678	21,786	54,464	36,975
Project expenditure	31,864	21,539	53,403	-
	<u>407,202</u>	<u>252,107</u>	<u>659,309</u>	<u>601,630</u>

8. Governance costs

	Restricted Fund 2009 £	Unrestricted Funds 2009 £	Total 2009 £	Total 2008 £
Legal and professional fees	-	5,185	5,185	4,344
Accountancy costs	-	14,656	14,656	22,030
Audit fees	-	6,413	6,413	5,000
	<u>-</u>	<u>26,254</u>	<u>26,254</u>	<u>31,374</u>

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9. Staff and related costs

	2009	2008
	£	£
Salaries	364,584	380,283
Social security costs	31,125	33,265
Pension costs	13,931	14,145
	<u>409,640</u>	<u>427,693</u>

The average number of full-time equivalent employees by function was as follows:-

Direct service provision (including fundraising and development)	11	11
Support	2	2
Administration	2	2
	<u>15</u>	<u>15</u>

No employee earned in excess of £60,000 in the year.

The Society participates in a defined contribution scheme operated by The Pensions Trust. Contributions are charged to the income and expenditure account as they become payable in accordance with the rules of the scheme. The costs for the year were £13,411 (2008:£14,145), and there were outstanding contributions of £1,837 at the year end (2008:£1,732).

10. Net outgoing resources

	2009	2008
	£	£
Included net outgoing resources are the following:		
Auditors' remuneration		
Audit fee	6,413	5,000
Fees in respect of other work	<u>11,910</u>	<u>811</u>

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11. Tangible fixed assets

Group	Freehold land & buildings £	Motor vehicles £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2008	450,000	29,391	176,473	655,864
Added in year	4,198	-	43,905	48,103
At 31 March 2009	<u>454,198</u>	<u>29,391</u>	<u>220,378</u>	<u>703,967</u>
Depreciation				
At 1 April 2008	38,000	19,587	141,882	199,469
Charge for year	9,085	4,897	24,466	38,448
At 31 March 2009	<u>47,085</u>	<u>24,484</u>	<u>166,348</u>	<u>237,917</u>
Net book value				
At 31 March 2009	<u>407,113</u>	<u>4,907</u>	<u>54,030</u>	<u>466,050</u>
At 1 April 2008	<u>412,000</u>	<u>9,804</u>	<u>34,591</u>	<u>456,395</u>

11.1. Tangible fixed assets

Charity	Freehold land & buildings £	Motor vehicles £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2008	450,000	29,391	126,767	606,158
Added in year	4,198	-	43,905	48,103
At 31 March 2009	<u>454,198</u>	<u>29,391</u>	<u>170,672</u>	<u>654,261</u>
Depreciation				
At 1 April 2008	38,000	19,587	111,473	169,060
Charge for year	9,085	4,897	15,552	29,534
At 31 March 2009	<u>47,085</u>	<u>24,484</u>	<u>127,025</u>	<u>198,594</u>
Net book value				
At 31 March 2009	<u>407,113</u>	<u>4,907</u>	<u>43,647</u>	<u>455,667</u>
At 1 April 2008	<u>412,000</u>	<u>9,804</u>	<u>15,294</u>	<u>437,098</u>

Fife Council provided financial support to the charity for the purchase of land and construction of the buildings at Wilson Avenue, Kirkcaldy. The Society has granted a standard security for the sum of £75,000 over the land and buildings at that location to Fife Council for a period of ten years from June 1999. Further, the Society has agreed to operate the premises as a Sensory Impairment Centre during that period.

The Sensory Impairment Centre at Wilson Avenue was valued by Graham & Sibbald, Chartered Surveyors, at open market value of £450,000 in June 2004.

The Society has entered into lease agreements for four units in the Sensory Impairment Centre, all of which run to 2010.

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12. Investments

Group	Quoted investments £	Property £	Unquoted investments £	Total £
At 1 April 2008	333,036	125,000	13,000	471,036
Additions	24,931	-	-	24,931
Disposals	(46,083)	-	-	(46,083)
Revaluation	(88,197)	-	-	(88,197)
	<u>223,687</u>	<u>125,000</u>	<u>13,000</u>	<u>361,687</u>
At 31 March 2009	<u>223,687</u>	<u>125,000</u>	<u>13,000</u>	<u>361,687</u>
Historical cost of investments held at 31 March 2009	<u>296,787</u>	<u>73,600</u>	<u>13,000</u>	<u>383,387</u>

12.1. Investments

Charity	Quoted investments £	Subsidiary £	Property £	Unquoted investments £	Total £
At 1 April 2008	333,036	2	125,000	13,000	471,038
Additions	24,931	-	-	-	24,931
Disposals	(46,083)	-	-	-	(46,083)
Revaluation	(88,197)	-	-	-	(88,197)
	<u>223,687</u>	<u>2</u>	<u>125,000</u>	<u>13,000</u>	<u>361,689</u>
At 31 March 2009	<u>223,687</u>	<u>2</u>	<u>125,000</u>	<u>13,000</u>	<u>361,689</u>
Historical cost of investments held at 31 March 2009	<u>296,787</u>	<u>2</u>	<u>73,600</u>	<u>13,000</u>	<u>383,389</u>

The investment property at Townsend Place was valued by Graham & Sibbald, Chartered Surveyors, at open market value of £125,000 in June 2004.

12.2. Holdings of 20% or more

The charity holds 20% or more of the share capital of the following companies:

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
FSB Enterprises Limited	Scotland	Training/support Services	Ordinary £1	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Income £	Expenditure £	Capital and reserves £	Profit for the year £
FSB Enterprises Limited	<u>81,236</u>	<u>67,956</u>	<u>22,186</u>	<u>13,280</u>

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13. Stock	Group		Charity	
	2009	2008	2009	2008
	£	£	£	£
Goods for resale and free issue	4,914	6,515	2,914	3,577

14. Debtors	Group		Charity	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	28,254	143,299	29,402	117,463
FSB Enterprises Ltd	-	-	29,911	-
Other debtors	14,677	-	14,677	-
Prepayments	25,280	16,731	25,280	14,903
	<u>68,211</u>	<u>160,030</u>	<u>99,270</u>	<u>132,366</u>

15. Creditors: amounts fallen Due within one year	Group		Charity	
	2009	2008	2009	2008
	£	£	£	£
Trade creditors	14,697	7,524	14,468	7,187
Other taxes and social security costs	11,358	7,399	8,568	7,399
Other creditors	7,577	85,485	6,967	6,430
FSB Enterprises Ltd	-	-	-	4,198
Accruals	32,056	67,156	28,556	27,543
Deferred income	15,606	20,783	3,013	92,669
	<u>81,294</u>	<u>188,347</u>	<u>61,572</u>	<u>145,426</u>

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16. Reserves

Group	At 1.04.08 £	Transfers £	Movement £	At 31.03.09 £
Unrestricted Funds:				
General reserve	206,419	(34,755)	(22,845)	148,819
Designated Funds:				
Fixed assets reserve	456,395	9,655	-	466,050
Contingency reserve	250,000	-	-	250,000
Minibus fund	12,000	-	-	12,000
Maintenance reserve	15,000	-	-	15,000
Cupar Ladies Committee	59,818	-	1,675	61,493
Projects fund	-	25,100	(10,574)	14,526
Investment property revaluation	51,400	-	-	51,400
Restricted funds	-	-	123,136	123,136
	<u>1,051,032</u>	<u>-</u>	<u>91,392</u>	<u>1,142,424</u>

16.1. Reserves

Charity	At 1.04.08 £	Transfers £	Results for the year £	At 31.03.09 £
Unrestricted Funds:				
General reserve	216,812	(43,669)	(36,125)	137,018
Designated Funds:				
Fixed assets reserve	437,098	18,569	-	455,667
Contingency reserve	250,000	-	-	250,000
Minibus fund	12,000	-	-	12,000
Maintenance reserve	15,000	-	-	15,000
Cupar Ladies Committee	59,818	-	1,675	61,493
Projects fund	-	25,100	(10,574)	14,526
Investment property revaluation	51,400	-	-	51,400
Restricted fund: Eyecare	-	-	123,136	123,136
	<u>1,042,128</u>	<u>-</u>	<u>78,112</u>	<u>1,120,240</u>

The accounting policies include notes on each reserve and describe how these are maintained.

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17. Analysis of group net assets between funds

	Tangible fixed assets £	Investments £	Cash at bank and in hand £	Other Net assets £	Total £
Unrestricted Funds:					
General reserve	-	60,287	261,958	(173,426)	148,819
Designated Funds:					
Fixed assets reserve	466,050	-	-	-	466,050
Contingency reserve	-	250,000	-	-	250,000
Minibus fund	-	-	-	12,000	12,000
Maintenance reserve	-	-	-	15,000	15,000
Cupar Ladies Committee	-	-	61,493	-	61,493
Projects fund	-	-	-	14,526	14,526
Investment property revaluation	-	51,400	-	-	51,400
Restricted fund: Eyecare	-	-	-	123,136	123,136
	<u>466,050</u>	<u>361,687</u>	<u>323,451</u>	<u>(8,764)</u>	<u>1,142,424</u>

18. Related parties

For the whole of the financial year the Society was under the control of its Trustees as detailed on Page 2.

Alan J Suttie is the Chief Executive and a Trustee of the Society. In the year to 31 March 2009 his gross salary and benefits were £37,035 (2008:£35,608). In addition Alan J Suttie also received travelling expenses of £3,451.

The Chief Executive, Alan Suttie, is a Trustee of the charity and also a Trustee of Royal National Institute for the Blind (RNIB), who lease from the Society a unit in the Sensory Impairment Centre and provide several services to and obtain services from the Society. During the year to 31 March 2009 £43,118 (2008:£56,847) was invoiced to RNIB and a balance was due from RNIB of £58 (2008:£19,671) at 31 March 2009. Purchases of £29,771 (2008:£19,796) were made from RNIB and a balance was due to RNIB of £128 (2008:£3,629) at 31 March 2009.

Iain Taylor, a Trustee of the charity, is also a partner of e-corporate, solicitors. During the year, e-corporate invoiced the charity £7,280 (2008:£4,629) in respect of professional services. A balance was due to e-corporate of £3,738 at 31 March 2009.

Cameron Clark, a Trustee of the charity until 22 September 2008, is a partner of Cameron Clark, Chartered Accountants. During the year, his firm invoiced the charity £10,038 (2008:£20,755) in respect of professional services.

Fife Society for the Blind owns 100% of the issued share capital of its trading subsidiary, FSB Enterprises Limited. During the year the charity charged rent of £3,744 to FSB Enterprises Limited. At the balance sheet date the charity was due £40,798 from FSB Enterprises Limited. (2008: Balance due to FSB Enterprises Limited of £4,198).