



henshaws

beyond expectations

**our
journey**

Annual Review,
Trustee Report &
Accounts 2019-20

Supporting people with sight loss and a range
of other disabilities to go beyond expectations.





.contents

- 04** about henshaws
- 06** our values
- 07** message from the chair and the chief executive
- 08** knowledge village & digital
- 10** specialist college
- 12** community services
- 14** arts & craft centre
- 15** housing & support
- 16** supporters
- 18** funded projects
- 19** staff and volunteers
- 20** financials
- 29** independent auditor's report
- 31** statement of financial activities
- 32** balance sheet
- 33** statement of cash flows
- 34** notes to the financial statements





•about henshaws

Who we are

Henshaws has over 180 years of helping people living with sight loss and a range of other disabilities.

Our aims

Helping to reduce social isolation and increase independence through empowering disabled people to go beyond expectations and achieve their ambitions.

Our vision

To enable people with sight loss and a range of other disabilities to build the skills and independence they need to achieve the future they want.

How we support

Our dedicated staff and volunteers are the fuel of the organisation; they provide support, advice and training, enabling people and their families to build skills, develop confidence, help each other and look forward to a more positive future.

Where we support

We work throughout the North of England and support people in our Specialist College, Residential and Supported Housing, Community Centres and Arts & Crafts Centre. We also support disabled people in their local community. We are continually developing technology to support more people, wherever they are, through delivery of online assistance. Our Knowledge Village provides valuable information for professionals working in social care, people with sight loss and their carers and families.





 **Newcastle** ●
Housing

 **Knaresborough** ●
Arts & Craft Centre

● **Harrogate**  
Specialist College
& Housing

 **Manchester**
Sight Loss





•our values



Informed

Always aiming to increase knowledge through experience, expertise and history



Sharing

Desire to exchange experience and ideas with others



Compassionate

Displaying empathy and understanding



Inspiring

Through the life changing impact on the people we support



Proactive

Actively helping and supporting individuals



Empowering

Encouraging and supporting individuals to reach their full potential



•message from the chair and the chief executive

2019-20 has been a year of two halves for many organisations including Henshaws. There has been a distinct marker between our activities pre- and midst COVID-19 in a period that has presented many challenges and in which more people than ever have needed our support.

We first want to recognise that our service users, their friends, family, support workers, our staff and volunteers have stepped up to unique challenges and gone far beyond expectations under sometimes extreme circumstances and we are especially proud of all of them.

With so many individuals turning to online connections and communications, sometimes as their only lifeline or access to information, the Henshaws Knowledge Village really stepped into its own. 92% of subscribers accessed the information at least once a month and said it had increased their knowledge about visual impairment. Views of our videos almost doubled in the year. In November 2019 Knowledge Village won a national Visionary award for 'Inspirational Service Delivery'

Recognising how many vulnerable people might easily become even more isolated during lockdown measures, the Greater Manchester sight loss service delivery took immediate and effective response to the Covid situation. We made over 4,000 support calls and sent nearly 6,000 letters to service users in the first lockdown and increased our digital content nearly fivefold to support the sight loss community.

Our College has been open throughout the COVID-19 pandemic and received special praise from the NHS for our infection control. An average of 60% of students attended College from March to July through the initial coronavirus pandemic period. The College was rated as 'Good' by CQC, with one area outstanding after our inspection in January 2020. To continue our drive for student recruitment, we launched our "Virtual Tours" to enable families who could not visit in person to meet our staff and see the premises remotely.

Following internal reviews of our housing services we commenced the process of seeking out alternative arrangements with partners and other providers to ensure that residents continued to receive the best possible service. We were successful in these processes and transferred our supported living service in October 2020 and our residential service a few months later.

In March 2020, because of COVID-19 safety guidance, we had to temporarily close our Arts & Crafts Centre in order to protect our vulnerable service users. During the closure, the centre worked hard to develop and deliver remote activity sessions. These were very well received and we were able to safely open the centre to a limited number of art makers later in the year.

Our fundraising was greatly impacted by cancellation of events, but we trialed a number of virtual opportunities including Henshaws Hundreds which had our supporters doing an activity 100 times, for 100 miles or over 100 hours, including, reading, knitting, digging and cycling amongst other activities all to raise over £10k for Henshaws. We also had 2,230 individuals support us by taking part in fundraising events, donating a regular or one-off gift.

As a high-quality service delivery charity, continual improvement in staff practices and training remains critical to our success. This investment is reflected in our staff values and the recognition in our respective communities for our excellent service.

A significant project that we introduced was InSights, in which individuals shared intimate personal stories about their greatest sight loss challenges, their greatest fears, their darkest times and how they overcame them and moved forward in their lives. These stories serve to encourage others to move forward on their own sight loss journey, as well as help sighted people to understand more about what visually impaired people experience.

Henshaws continues to change lives daily and empower people living with disability to change theirs. After having a digital assessment, one person told us "You have taught me that I can use technology. I was ready to throw it all away last week as I thought I would never be able to use it again."

This has been an extraordinary year for us all. Henshaws has continued to help those who need it most throughout the pandemic. This could only have been achieved through the dedication of our fantastic team who, assisted at key times by our valued volunteers, have gone beyond expectations.



Kevin Brady
Chair



Nick Marr
Chief Executive



•knowledge village & digital

Our Knowledge Village is an online platform providing valuable information for professionals working in social care, people with sight loss and their carers and families.

The Knowledge Village became an even more valuable resource during the COVID-19 lockdowns and it was very apparent how valuable our community found the information we provided.

In our Henshaws Knowledge Village survey, we asked our subscribers some questions to establish the impact the resource was having. This is what they said:

92% accessed the digital material in the Knowledge Village at least once a month (almost a third accessed it at least once a week).

92% said the Knowledge Village had increased their knowledge about visual impairment.

85% said the Knowledge Village was easy to navigate and locate what they were looking for.

“Keep doing what you are doing, it is great!”

“The Knowledge Village is an accessible (in more than one way) resource of information and advice on how to do things.”

“An excellent, informative, extremely useful, and friendly resource.”

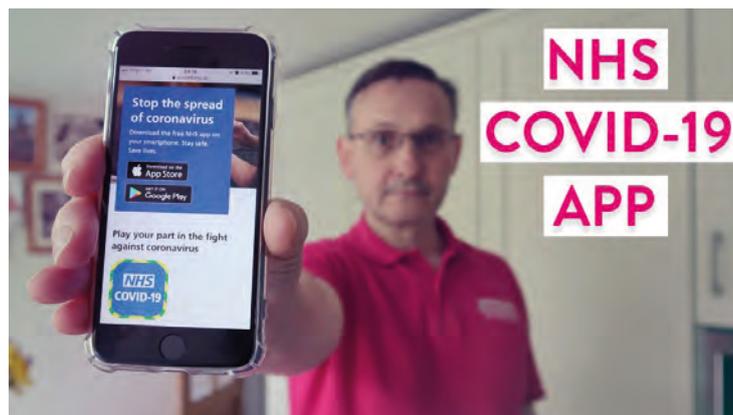


In November 2019 our Knowledge Village won a national Visionary award for ‘Inspirational Service Delivery’

knowledge village & digital

Henshaws Knowledge Village is a free online resource on our website www.henshaws.org.uk where we share our extensive knowledge and expertise with those experiencing or working with sight loss and other disabilities. People with sight loss, their friends and families and the professionals working with them can explore our information library of blogs, eBooks, videos and downloads to learn about everything from assistive technology to useful Life Hacks, Daily Living Tips and specific information for children and their families. The Knowledge Village enables us to deliver valuable information to a diverse and remote population in a cost effective manner whilst still having the wealth of one to one support and expertise available through our First Step contact centre and the activities delivered in our local hubs.

To visit our Knowledge Village go to www.henshaws.org.uk/knowledge-village



What we achieved



381,231

engagements made
(45% increase)



102,765

video views
(96% increase)



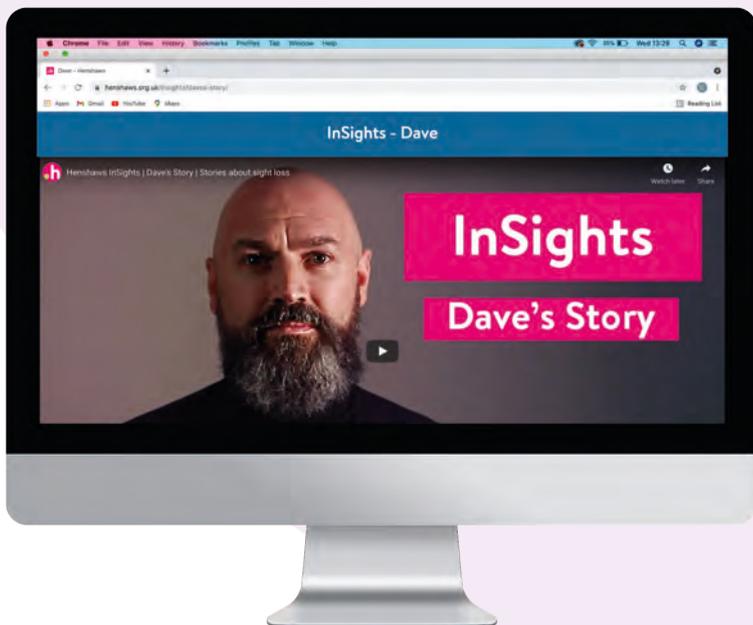
16%

website visitors
from outside
the UK (up from 13%)



3,173

hours of video
viewing
(84% increase)



2,874

Data Captures
(45% increase)



5.2 mil

people reached
(43% increase)

in 2020 Henshaws launched InSights

InSights are intimate personal stories of sight loss from individuals sharing their greatest challenges, their greatest fears, their darkest times and how they overcame them and moved forward in their lives. The stories are brutally honest. Sometimes funny, sometimes poignant, sometimes heart warming and raw – all these very generous people authentically share about how sight loss has affected them and how they have emerged as who they are today.

Sharing such a journey can be very empowering and also provide hope and guidance for others experiencing similar challenges. Being able to relate to someone with shared experiences can also help to reduce feelings of isolation.

We shared these stories in the hope they resonate and encourage others to move forward on their own sight loss journey, as well as help sighted people to understand more about what visually impaired people experience.





•specialist college

Our Specialist College in Harrogate focuses on delivering high quality personalised educational experiences for school leavers aged 16-25 years old. This year we also launched our Next Steps programme which supports students beyond the age of 25 or who no longer have an Education, Health Care Plan (EHCP).

Working with high needs students we aim to enable, empower and equip every student to progress into a fulfilling adult life to go beyond expectations.

Our student impact in 2019 -2020 was:

- **33** English and Maths Qualifications were gained by our students.
- **37 Award Scheme Development & Accreditation Network** units were assessed and passed.
- **8,170 hours** of respite care provided, with 213 overnight stays and 196 24-hour stays.
- **Training** was undertaken for 797 care staff members in 64 role specific sessions.
- **CQC rated as 'Good'** with one area Outstanding after our inspection in January 2020.
- **Virtual tour** launched in July 2020 – allowing prospective students and their families to get a feel for the college when they couldn't visit.
- **An average of 60%** of students attended college from March to July 2020 through the initial coronavirus pandemic period.
- **98%** of Education, Health & Care Plan review paperwork submitted to Local Authorities was accepted without rework.
- **Over 7,330** hours of student facing therapeutic intervention delivered by specialist staff.
- **Over 550** individualised therapeutic resources produced to support and improve students access to learning.
- **Embed our core values** of Building Confidence, Developing Independence and Supporting Achievement, ensuring they are a thread that runs through everything we do in college.

henshaws specialist college

Our Specialist College in Harrogate is a transformational place. Through our personalised approach to education, learning and care we empower young people aged 16-25 living with a disability to progress and live life the way they want.

Every one of our students follows an individual study programme designed around their needs. Whether it is preparing for employment, making friends or learning to live more independently, we enable our students to make their aspirations possible and goals a reality.



What we achieved



7,330

hours therapeutic intervention delivered



60%

of students attended the College through the initial coronavirus pandemic



8,170

hours of respite care provided



33

Maths and English qualifications were gained by our students

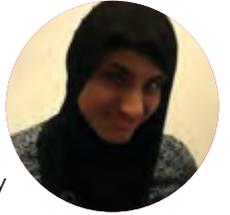


37

ASDAN units were assessed and passed

Hira's Story

When Hira started at College, she was quiet and had low self-confidence, particularly when speaking out in groups. Being visually impaired, Hira felt anxious about navigating around the College campus. Hira aspired to work with assistive technologies and has a passion for passing on her knowledge to others.



During Hira's time at College, she has been supported by the Education, Care and Integrated Therapy teams to make outstanding progress. Employability sessions have allowed Hira to explore avenues of employment and have assisted in developing self-advocacy skills. She is now confident when speaking to individuals and groups. Hira can also navigate around College using mapping and trailing techniques and she has been trained to use a Braille Note Touch device which Hira says "helps her feel more involved in her own education".

Being motivated and now more confident to express her knowledge to others and put her skills into practice, Hira has undertaken a work experience placement at a primary school in her local area working with a group of visually impaired children. Using skills gained at College Hira was able to support groups of children in accessing maths and English lessons. She also took the lead on a life skills session where she spoke about her life experiences and challenges and allowed children to try some of the assistive technology she uses on a daily basis.





community services

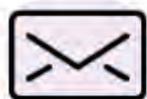
Henshaws Community Services operates across Greater Manchester and Merseyside (for children's and young people's services) responding to the specific needs of the communities in which we work and partnering with key organisations across the locations to achieve better outcomes for people with sight loss. Our Information and Guidance (IAG) service provides valuable, sometimes life changing, impact for our service users.

What service users said	Pre-IAG	Post-IAG
"I know about aids & equipment which can help me"	19%	82%
"I feel good about myself"	27%	76%
"I get out of the house regularly"	35%	69%
"I am able to do day to day tasks by myself at home"	34%	82%
"I am able to travel around my community on my own"	28%	56%
"I feel informed about my eye condition"	34%	85%

The challenge:

The COVID-19 pandemic is the biggest health crisis for generations, and it is having a devastating impact on the lives of people across the world. We recognise that when times are tough, it is the people who already face challenges that can be affected the most. This graphic shows the key statistics of our support to blind and visually impaired people across the North West since March 2020.

Our COVID-19 response at a glance:



Reached out to our service users by sending letters to 5,906 people at the start of Lockdown #1 in March



Made over 4,000 support phone calls to our most vulnerable service users in Lockdown #1



Surveyed 955 visually impaired people to create a report that was shared across the sector



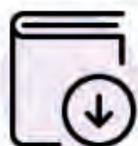
Increased digital content production by 483% to provide remote support to the sight loss community



Digital reach over the year increased by 43%, with non-UK visits of 16% on website, 52% on YouTube



Developed a Community Confidence strategy in response to identified needs of our beneficiaries



Article about our COVID-19 response included in No Going Back GM-wide voluntary sector report



Delivered a comprehensive programme of support via telephone, video calls and home visits



Carried out pre- and post-lockdown assessments with service users to demonstrate outcomes

community services

Henshaws Community Services supports visually impaired people to make informed choices about their future and take the next step in life; whether that's towards employment, accessing new technology, or meeting new people in our social groups. We are here throughout people's sight loss journey offering expert support, guidance and skills helping people to fulfil their potential.

Our hubs in the North of England offer a range of services to provide visually impaired people an improved quality of life.

Children & Young People

Our Childrens & Young People team developed over 10 eBooks and other top tip guides to support parents with a vision impaired child. Some of these titles were:- Supporting your child with vision impairment in the Early Years; Learning through play for your vision impaired child; Common childhood eye conditions; Organising and adapting your home for your visually impaired child; Top tips for visiting an eye clinic with your child; Choosing a school for your child with vision impairment.



Digital Assessment Service

Delivering from the O2 shop in Sale is a true example of collaboration and partnership. Henshaws have supported the teams at Mid Communication to better understand how people with sight loss can access their mainstream technology and how they can better serve the VI community through our Visual Impairment Awareness Course. The Mid Comms team keep our teams abreast of the best offers of hardware, tariffs and allow us to deliver from central community hub.

"You have taught me that I can use technology. I was ready to throw it all away last week as I thought I would never be able to use it again." CE



Optelec Digital Magnifiers

Henshaws was able to issue a number of Optelec hand-held digital magnifiers to our most vulnerable visually impaired service users, after successfully securing a grant from the Greater Manchester High Sheriff's Fund.

Once our Digital Team had carefully selected the recipients based on their level of need, they donned their PPE and ensured the safe delivery of the equipment to homes across the region. During the delivery, our staff were able to carry out some socially distanced training to demonstrate how the magnifiers worked

"You know, that's the first thing I've read in 15 years!" MB, Oldham





arts & crafts centre

Henshaws Arts & Crafts Centre is a multi-activity centre based in Knaresbough. The Centre provides a range of services and activities for disabled people of all ages across the North Yorkshire area and beyond. The services cover skills based activities including; arts, horticulture, handicrafts, therapy and wellbeing, technical including woodwork, metalwork, music, health and fitness, IT skills and volunteering opportunities including in the public café.

Along with many other charities our Arts & Crafts Centre in Knaresborough was and has been impacted greatly by the pandemic and unfortunately had to temporarily close in March 2020. It re-opened in November 2020 with a reduced, socially distanced capacity.

Henshaws needs to ensure we are delivering a safe service for our Art Makers, and a service that is economically viable for the charity in the long-term. These were extremely difficult decisions taken in exceptional circumstances and our team continued to support people across Yorkshire in every way we could, including offering a wide range of online workshops and staying in touch with Art Makers.



henshaws arts & crafts

Henshaws Arts & Crafts in is a community hub where creativity, friendships and opportunities come to life. Through our workshops, people living with a range of disabilities discover their talents, put them into practice and realise their full potential. Our workshops include employability training, health & wellbeing, arts & crafts and multi-sensory. The Centre is open to the public, with a fully licensed café, accessible facilities and green spaces. We hold regular events such as exhibitions, live music and craft fairs.

Jenna's story

By Studio workshop leader, Shirley Hudson

Jenna attends the pottery, art studio and paper workshops at our Arts & Crafts Centre. For Art Makers like Jenna, coming to Henshaws is about more than art.



Over the past decade we have supported Jenna to develop her skills from drawing to modelling with clay. As a result her confidence in her own ability has increased, and she has developed her social skills which benefit her greatly in everyday life.

The past year has certainly been a challenging one for Jenna but amazingly she is more confident than ever. When the centre was forced to close during Summer 2020 due to COVID-19 restrictions, Jenna continued accessing sessions daily via Zoom. During this time Jenna developed her skills in Makaton signing and Zoom also allowed her to keep in touch with friends, support them as well and continue practising her art skills.

With the planned re-opening Jenna is looking forward to getting back to seeing everyone in 3D! She has some commissioned work planned and is also working on pieces for an online gallery put together by The Heart Club based in London.

Shirley her workshop leader said: 'Despite the restrictions and being forced to work remotely Jenna has flourished. She is excelling in her communication and still practising her art. All her workshop leaders agree that she is working really hard and seems really happy'





•housing & support

Henshaws has offered specialist Housing and Support Services for people with visual impairments and other disabilities for nearly 30 years. Our services are based in houses in local communities, in ordinary residential areas.

During the year we operated 16 registered residential care homes, of which 7 were supported living houses providing domiciliary care services for 18 people. The remaining houses provided a residential care service to 46 service users.

Support to residents was delivered through qualified support workers and experienced rehabilitation specialists, including the Henshaws Therapy Education Support Service team (TESS). Most of the residents were long-term service users and the service provided 24-hour support with a focus on enabling people to gain the most from their skills and abilities. Typically, skills training programmes covered practical tasks such as menu planning, shopping, cleaning, orientation, route training, support to use community facilities and resources and increasing skills to access social activities.

As discussed in the financial review on page 23, we made some difficult decisions regarding our Housing and Support services. The supported Living service ceased in October 2020 and the Residential service was sold in December 2020. Both decisions were made with a heavy heart, but we believe both were made in the best long-term interests of the Charity, our service users and staff. We continue to own the houses that the Supported Living service operated in.



Kez's journey

By Chris Ogden,
support worker



Kez has benefited from a range of Henshaws services by attending the specialist college and Arts & Crafts Centre to being a tenant in our residential housing. She has no sight but this is no barrier to her creativity. She works with torn or cut pieces of paper which she assembles using bowls, containers and moulds.

Henshaws supports Kez to be independent by encouraging her to pursue her own interests. Recent examples include trips to see old college friends up in Scotland and Newcastle. She is also involved in regular house meetings. Kez picks up new technologies very quickly, and after a few sessions with the TESS team and lots of practice in her own time is able to use her PC, tablet and phone to contact friends and family via Facebook, text messages or calls. It was via this technology that Kez rediscovered old friendships and found a way to connect with them again.

The TESS team have also taught her how to use the toaster and microwave independently so she can make simple snacks and she can use the Breville One Cup to make a cup of tea. She has recently been taught to use the oven and practices all these skills in the house as part of her day to day living. She can do her own laundry as the washing machine and drier both have 'bump ons' to enable her to set them independently.



•supporters

Every year we are amazed by the efforts and achievements of those who choose to support Henshaws through taking on a challenge event. Whether it's cycling through the Yorkshire hills or throwing themselves out of a plane at 15,000 ft, our fundraisers truly go beyond expectations to raise money for our life changing services. We are also very grateful for all our corporate supporters who help raise funds for Henshaws through a variety of events and initiatives.

With all of our in-person events cancelled due to COVID-19 restrictions we launched a virtual event called Henshaws Hundreds, a fundraising challenge where you set your own goals. For 10 days our supporters chose to do a hundred things in their own way. Here are some of the inventive ways they raised much needed funds for Henshaws!



read

100 Books!



croched

100 inches a day



learnt

100 Makaton signs



cycled

100 miles



walked

100 kilometers



crushed

100 cans



dug

100 potatoes



100

yoga sun salutations



mixed

100 DJ tracks!



made

100 stars

start your

•henshaws

hundreds

Fundraising Complaints

The Fundraising Team are committed to providing a high quality service to our supporters and donors and we welcome comments or suggestions which help us to continuously improve how we work.

If you wish to make a formal complaint about our fundraising, you can do so by speaking to a member of staff, sending an email to fundraising@henshaws.org.uk, or by writing to us. We will acknowledge and make an initial response to any complaints we receive within five working days, and a full response within 30 days if your complaint requires further investigation. If you are not satisfied with the response that you receive, we ask that you contact our Director of Fundraising, Stephen Tongue, in writing at the address on page 54.

If your complaint is about our fundraising activities and we are unable to resolve it to your satisfaction, you can raise it with the Fundraising Regulator by visiting their website, by telephoning 0300 999 3407, or in writing at, Fundraising Regulator, 2nd floor, CAN Mezzanine Building, 49-51 East Road, London, N1 6AH .



Vulnerable Supporters

The fundraising team are always sensitive to signs that may indicate that an individual is in vulnerable circumstances and needs support to make an informed decision and take appropriate steps.

If we reasonably believe the individual lacks capacity to make that decision then a donation will not be taken or will be returned.





•funded projects

CRH Charitable Trust

Receiving the news that a sight problem cannot be treated or cured is devastating. You're not just faced with losing your sight, but also the prospect of losing your employment, your friends and social life, and your independence. Many people with sight loss go on to battle mental health issues. For four years the CRH Charitable Trust has ensured people with sight loss have access to a counsellor trained in the specific needs of people with visual impairments. They have funded individual one to one sessions, peer group counselling and changed many lives. One client reported in the final session that they finally felt able to accept that life could go on with their visual impairment, all of the fear and anxiety had "melted away", and they felt "able to start living again, rather than existing".

This year from the beginning on the pandemic we had calls from many people asking for mental health support and worrying about what the future would hold. This year the CRH Charitable Trust responded to our urgent need to increase the amount of sessions we are able to deliver each week. We have been able to support people through the restrictions with ongoing telephone counselling sessions. We were so thankful that the future of our counselling project was secured through a donation from The CRH Charitable Trust and we can offer mental health support to people through the COVID-19 crisis.

"You've really helped me through one of the toughest times of my life and I will never forget that"

Womble Bond Dickinson

From raising vital funds to building awareness of our cause, Henshaws corporate partners play a crucial role in our life-changing work. Our thanks go out to all of our corporate supporters, with a special mention and thank you to Womble Bond Dickinson and in particular the firm's partner James Love for being a wonderful and passionate champion of Henshaws work! We are delighted to have received support from the Leeds office of the law firm this year, to support our Art Makers at Henshaws Arts & Crafts Centre in Knaresborough. Claire Wilkinson, partner and head of responsible business in WBD's Leeds office, commented:

"We pride ourselves on being a good neighbour and care deeply about the impact of our actions on our people and our local community."





•staff and volunteers

Henshaws staff are highly skilled and experienced but most significantly, hugely dedicated and passionate about achieving the very best for the people who benefit from our services. They continuously go beyond expectations to give others the opportunity to be their very best.

We are enormously grateful to all our volunteers. Their selfless passion, compassion and enthusiasm is an inspiration to us all. Without volunteers providing their time and skills, we would not be able to deliver many of our life changing services.

Being predominately a people-led service delivery charity means we need to keep continual improvement in staff practices and support of volunteers at the heart of our strategy to ensure high quality in our services.

This is reflected in some of our achievements, such as:

- Average headcount of 476 (permanent employed staff) in the year
- Bank Staff of 102 members
- 15% of staff have over 10 years service with the charity
- We actively support independence- 15% of our staff team have a disability as defined by the Equalities Act
- Median Gender pay gap is -3.73



•financials

2019-20





• strategic review

The Trustee Board undertakes a three year rolling strategy review each year.

Eight key development objectives form the basis of the current Strategy and they are expressed through an annual update of the Business Plan. This details how the strategy will be implemented and is presented to the Trustee Board in each year along with the supporting budget.

The Strategic Objectives for Henshaws are:

1. Provision of an excellent service.
2. Development of the appropriate services for the present and future agendas.
3. Development of financially stable services.
4. Proactive development of services.
5. Development of a responsive provision for clientele needs.
6. Development of a flexible planned response to changes in the external commercial environment.
7. Development of the staffing structure to include improved recruitment, retention and training of all staff.
8. Maximisation and development of resources for present and future opportunities.

The year 2019-20 was one of consolidating our conventional delivery of services and agreeing that the forward strategic direction will be strongly digital in character to enable delivery to many new service users in new and innovative ways.

The setting of objectives and monitoring of performance is conducted via a structure of business committees and the use of dashboards, scorecards and other key performance indicators.

In late February and early March 2020 the impacts of the global COVID-19 pandemic became apparent. Our trustee board and senior management developed plans to protect service users and staff and to ensure the safe delivery of all our services. The implementation of these plans has meant that some services could not be delivered in their normal form and we have adapted our offer to provide as much support as possible in these unprecedented times.

The financial consequences of the pandemic could have been catastrophic, had it not been for the excellent work of all our staff and the continued support of our funders; both local authority and generous donors. At the date of this report, the charity had been able to manage its cash flow without seeking further borrowings.

The COVID outlook remains uncertain, but the trustee board remain hopeful about the future of the charity and its finances.



• legal & administrative information

The Charity's name is Henshaws Society for Blind People and its registered charity number is 221888. It was founded in 1837 and registered as a charity on 14 April 1980.

The Charity is governed by the following trust documents: (i) a Charity Commission Scheme dated 18 September 2000; (ii) resolutions of the members of the Charity dated 18 September 2012; and (iii) a Charity Commission Scheme dated 28 February 2013.

The sole trustee is Henshaws Society for Blind People Trustee Limited, company number 8313313. The company was incorporated on 29 November 2012 under the Companies Act 2006 as a private company limited by guarantee. It is governed by its Articles of Association, with its sole purpose being to act as corporate trustee of the Charity.

The Charity and Trustee's registered office together with details of the Trustee Board of Directors, Charity Senior Management Team and principal advisors are shown on page 54.

Charitable objects and public benefit

The Trustee has considered the question of public benefit and is satisfied that all of the Charity's charitable service delivery is for public benefit as defined by charity law (section 17 of the Charity Act 2011) and Charity Commission regulations.

The objects of the Charity are:

- (a) the relief of people who are blind or visually impaired (which shall be the principal object);
- (b) the relief of people with other disabilities; and
- (c) the relief of the families and carers of blind or visually impaired people and other people with disabilities principally, but not exclusively, by providing services, care, facilities, support, advice, education and training.

Governance and management

The Trustee acts for and in the name of the Charity. The Trustee retains ultimate control over all aspects of the Charity's work and ensures that its financial and legal responsibilities are properly fulfilled. The Trustee's Board of Directors consists of up to 20 Directors and comprises the Chair, Treasurer and other elected Directors.

Trustee board members are recruited through an open process of selection and are appointed for a period of three years, after which they may stand for re-election for a second term.

The Charity has purchased indemnity insurance with regard to liability in respect of negligence, default and breach of duty or trust other than that caused by wilful or criminal actions.

All board members give their time voluntarily and receive no benefits from the Charity (any expenses reclaimed are set out in note 5 to the accounts).

New board members receive a Trustee handbook and undergo an induction process to brief them on their legal obligations and responsibilities, the work of the Charity and the sector in which it operates. The Trustee Board undertakes an Annual Skills Audit and members are asked to identify any training needs, which are addressed either by in-house training sessions or by encouraging them to attend appropriate external training events.

There are five sub-committees with clear terms of reference approved by the Board. These are the Business, Finance & Investment Committee, Audit Committee, Governance Committee, People & Reward Committee and the Education & Governance Committee. There are also other sub-groups which act in an advisory capacity to the Trustee Board.

Day to day responsibility for the management of the Charity rests with the Chief Executive, who is directly accountable to the Trustee Board. The Senior Management Team of the Charity is detailed in Note 5 and on page 54. Accountability and Authority levels are clearly defined in the Charity's Corporate Governance Documents, which are reviewed on an annual basis.



• financial review

(i) Operational performance

The Charity provides high quality services to a range of people with visual impairment and other needs. These services are vital and the majority of the fees are paid by local authorities. Whilst there are advantages in terms of continuity of income, there are some difficulties given the pressure on local authority finances.

2019-20 was a year in which the Charity was able to continue providing the majority of its much-valued services, but had to make some difficult decisions because of unsustainably low fees.

The impact of the plans and actions we developed in previous years become evident in 2019-20 as income rose from £12.2 million in the previous year to £12.8 million, costs reduced by £1.0 million and net expenditure before investment gains fell from £1.7 million to £0.1 million. This was a significant improvement and is testament to the hard work of all staff and trustees.

College income rose by 12% to £7.2 million largely as a result of the increasing complexity of the needs of our students and the increased breadth of courses offered. Significant efforts were made to recruit and retain the appropriately qualified staff to meet these needs and this had a positive impact on our costs. These improvements were made despite having closed our Bradford out-centre at the end of the summer 2019 term.

Income for Housing & Support was £3.6 million; split between £2.4 million from Residential Services, £1.0 million from Supported Living services and £0.2 million from property services.

In February 2020 we reached the conclusion that we could no longer afford to provide the quality of Supported Living care we were at fees levels below the costs incurred. We negotiated the transfer of the service to North Yorkshire County Council and this was completed in early October 2020. The transfer protected all service users and staff.

We continued to pursue Residential fee increases from local authorities to reflect increased costs, particularly staffing costs. Whilst we made significant progress, we took the decision that it was not financially sustainable to continue incurring a deficit on this service. We negotiated the sale of the service in which all service user and staff interests were protected and this was completed in early December 2020.

Income at our Arts & Crafts Centre in the year was £0.7 million, a decrease of £0.2 million from the previous year, reflecting the financial impact of the temporary closure of the centre at the end of March 2020 as a result of COVID-19 guidance from central government. During the summer of 2020 it became apparent that it would be some considerable time before the centre could re-open and a sad consequence was that we had to make a small number of staff redundant. The centre re-opened in November 2020 and is currently operating on a socially distanced basis.

The closure was particularly sad as the centre was due to celebrate its 20th anniversary and a range of activities planned had to be cancelled, which reduced the opportunities to fund raise for the centre.

Our Community Services activity continued to deliver and develop its excellent services. Despite the challenges of operating in a pandemic, significant numbers of visually impaired people were supported by our life improving services and activities. In this difficult year we not only managed to maintain income, but reduce costs. We are extremely proud of the work we did.

In common with many charities, our fund raising activities were curtailed because of the pandemic. The majority of our events had to be cancelled, but the continued generosity of our donors meant that income was broadly in line with the previous year. We continue to work hard to generate the funds our activities deserve.

(ii) Investment performance

The investment portfolios are managed by two investment management companies to maximise financial performance. Performance of these managers is monitored by the Business, Finance & Investment Committee throughout the year.

At 31 August 2020 our investment portfolio stood at £3.1 million, of which £0.3 million was a restricted fund. Investment income for the year was £0.1 million and there was a net reduction of £0.03 million in portfolio value.

On 6 July 2020 the Charity Commission approved the trustees' request that the Permanent Endowment funds could be converted into unrestricted funds.

Balance sheet

Total funds as at 31 August 2020 were £6.4 million (2019: £5.4 million). A reduction in the SHPS defined benefits pension reserve of £0.5 million and increases in the value of our residential housing of £0.6 million contributed to this increase.

Net debt, defined as cash less bank overdraft and bank and other loans, amounted to £2.8 million (2019: £2.7 million). Of this net debt, £1.1 million (2019: £2.5 million) was secured on fixed assets and £1.0 million (2019: £1.7 million) was secured against investment funds. The small net cash outflow in the year reflects the progress the charity has made in improving its financial management and cost control practices.

Note 10 to the accounts makes reference to a breach of a financial condition of a bank loan. In April 2021 following a renegotiation of the terms of that loan, the financial condition was removed.

(iii) Financial outlook

The trustees recognise the significant work carried out by management in delivering a very satisfactory financial performance in a difficult year. The excellent work carried out will continue, as will the development of the methods of delivery for our services. We aim to continue working collaboratively with our stakeholders for the benefit of our service users and to secure our financial viability.

Demand for our services remains strong and we aim to provide these cost effectively whilst maintaining quality and being paid appropriately.



• financial review

Risk management

The Trustee has overall responsibility for establishing and maintaining the Charity's system of internal control and for reviewing its effectiveness. The system of internal control is designed to manage key risks and to provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Charity's assets and interests.

In meeting its responsibilities, the Trustee Board adopts a risk-based approach to internal controls and all major risks that the Charity is exposed to have been identified, reviewed and procedures have been established to manage those risks.

Processes in place regarding risk management and internal control include the following:

- A comprehensive risk management framework, which consists of a top-down risk review by the Trustee Board via the Audit Committee and a bottom up review by individual functions.
- The Audit Committee receives an annual report on the effectiveness of controls from the external Auditor.

The principal risks and uncertainties to which the Charity is exposed are:

- Safeguarding vulnerable service users. Robust systems are in place to ensure that vulnerable people using our services are in a safe environment.
- Health & safety. We undertake to give our staff and service users a safe working environment. This includes the provision of quality training as well as the development of a culture of risk awareness and management.
- Income generation. The Charity is faced with a challenging economic climate as much of its income is linked to local authority provision, which is itself under increasing financial pressures. Income levels are continually monitored and there is ever increasing focus on maintaining and enhancing sources of income.
- Cash flow risk. The Trustee Board has undertaken to invest in front line service development across the Charity. This means that cash flow management has become increasingly important and measures are taken, including enhanced budgetary and cost controls as well as the arrangement of overdraft and loan facilities, to ensure sufficient funds are available to meet demands.
- COVID-19 risk. The Charity has implemented measures to mitigate the risk posed to service users, staff and the Charity's finances. These measures have been developed from advice regarding best practice from Government and other agencies.

Fundraising management

Our fundraising strategy and activities reflect our organisational values and is reviewed regularly to ensure it is meeting the needs of the organisation and using resources efficiently and ethically for sustainable income growth. Our relationship with our supporters is very important to us and we monitor feedback and take complaints seriously.

We occasionally work with professional fundraisers and commercial organisations. All contracts and partnerships are subject to due diligence and close management. External partners receive regular training and shadowing visits from the fundraising team. Henshaws is a member of the Fundraising Regulator and follows the Fundraising Code of Practice. We also take our responsibilities to protect vulnerable people seriously and follow the Institute of Fundraising guidance on treating donors fairly, and make sure all our agency partners are fully aware of our policies.

Treasury management and investment powers and policy

Under the Charity Scheme, the Trustee may make any kind of investment that it could make if it were absolutely entitled to the assets of the Charity, subject to the exercise of a duty of care and having regard to the approved standard investment criteria. Within the powers of delegation, the Trustee Board may also authorise one or more persons to exercise all or any of their delegable functions as their agent. Delegable functions include any function relating to the investment of assets belonging to the Charity. Treasury management is defined as the management of the Charity's cash flows, its borrowing and its investments, the management of the associated risks and the pursuit of the optimum performance or return consistent with those risks.

There are four principles of treasury management that drive the policy;

- Compliance – with statute, regulation and best practice
- Security – of financial assets
- Liquidity – adequate to meet financial obligations
- Effectiveness and efficiency – in the use of financial resources.

The Charity has recognised that its cash and reserves should be allocated in a manner consistent with these principles.

In deciding where to invest surplus funds the Charity's objective is to get a reasonable return at an acceptable level of risk. The balance between capital growth and income will be determined in accordance with the needs of the Charity using a range of investments that are permitted for charity holdings. The Charity has split its portfolio of investments between investment managers who manage the funds on a discretionary basis in accordance with investment guidelines that are reviewed annually by the Business, Finance and Investment Committee.

Should liquid funds be available, the Charity operates an approved list of deposit takers for cash not immediately required.

Funds set aside in investments are viewed as long-term holdings and over time it is expected that a rate of return above inflation will be achieved on these assets.

Reserves policy

The Charity Commission use the term reserves to describe that part of a charity's income funds that is freely available for its general (unrestricted) purposes. "Reserves" are therefore the resources the charity has or can make available to spend, for any or all of the charity's purposes, once it has met its commitments. More specifically they define "reserves" as income which becomes available to the charity and is to be expended at the Trustee's discretion in furtherance of any of the charity's objects (sometimes referred to as "general purpose" income); but which is not yet spent, committed, designated or invested in fixed assets.

This definition of reserves might more commonly be referred to as free reserves.

When the Trustee Board reviewed the Charity's reserves policy and level of reserves, they concluded that it was not appropriate to set their free reserves level purely by reference to a period of time of ongoing operations, as some (90%) of our income comes from contracted fees and grants from a wide spread of statutory funders, which to some extent mitigate our exposure.

The Trustee Board acknowledged, however, that there was a more significant degree of uncertainty about the remaining income, which comes mainly from fundraising and time limited funding, and that some sources of income are especially vulnerable to changes in government legislation, policies and priorities.



• financial review

Reserves policy – continued

In reviewing the reserves policy the Trustee Board aims to ensure that the Charity is able to continue to provide all services for a period of at least twelve months, in the event of a significant proportion of income not being realised. All sources of income were reviewed and individual risk factors assigned to take account of the following factors:

- The source of the income
- The predictability of the income based on historical information and experience
- The certainty of anticipated increases in fee levels
- The size of the area of operation (e.g. bed numbers in a residential scheme)
- Demand for the service and the nature of that demand (ongoing, periodic, annual etc.)
- Any known or anticipated changes in funding legislation

In addition, the Trustee Board has concluded that the Charity should also keep available as free reserves amounts relating to a deficit for the year ahead.

In applying the risk factors shown above to the Charity's anticipated income, the Trustee Board have concluded that a level of free reserves of £1.0 million (2019-20: £1.1m) would provide them with the safeguards they need to be able to guarantee continuity of services during periods of instability, uncertainty or change.

As at 31 August 2020 our free reserves, as defined by our bank covenants, stood at £0.8million, (2019: £1.2 million). Under the Charity Commission's guidance, the free reserves are calculated at Enil (2019: £(2.1)million), the difference being the long-term portion of the bank loan of £0.8million (2019: £0.9million). We acknowledge that the free reserves position is lower than we would wish and the intention is to rebuild the free reserves position over the next three years.

Remuneration policy

The People and Reward Committee oversee the remuneration and benefits structure for staff, including key management personnel, and ensure that the pay framework operates within the required remit. Pay scales are monitored regularly with market comparators. The Committee considers feedback from the annual staff survey and Joint Staff Consultative Committee, supports HR processes and considers any major proposed changes to HR policies. A comprehensive job evaluation exercise was undertaken during the year.

Staff liaison

The Henshaws Employee Forum (HEF) is used to discuss employment matters, working practices and strategic issues of employment with staff and to share business information. Recommendations from the HEF are considered by the charity's Senior Management Team and are implemented when appropriate and beneficial.

Going concern

The Trustee Board has reviewed the Charity's financial position taking into account the levels of reserves, amounts receivable, the annual and financial plans, together with its systems of financial risk management. In addition the Board has considered the impact of COVID-19, the net current liabilities of £2.6million and the covenant breach detailed in note 10 to the accounts in considering the appropriateness of the basis.

The Board believes that the borrowing facilities are adequate to meet its ongoing financial needs and that the Charity is able to manage operational and financial risk satisfactorily. Accordingly, they have reasonable expectation that sufficient resources are available to continue in operational existence and therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Summary

The Charity's achievements this year have only been possible through the generosity of our donors, funders, volunteers, supporters and the dedication and commitment of Henshaws' management and staff. Thank you very much to everyone who supported us this year

Kevin Brady Chair - 28 June 2021



• statement of responsibilities of the trustee

The Trustee is responsible for preparing the Trustee's Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustee to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing those financial statements the Trustee's Board of Directors is required to:

- (a) Select suitable accounting policies and then apply them consistently;
- (b) Observe the methods and principles in the Charities SORP (FRS 102);
- (c) Make judgements and estimates that are reasonable and prudent;
- (d) State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- (e) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in business.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the provisions of the Trust Deeds and with Accounting & Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102). The Trustee is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

The Board of Directors is responsible for the maintenance and integrity of the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ legislation in other jurisdictions.

Approved by the Trustee Board of Directors and signed on its behalf by
Kevin Brady
28 June 2021



independent Auditor's Report to the trustee of Henshaws Society for Blind People

Opinion

We have audited the financial statements of Henshaws Society for Blind People “the charity” for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 August 2020 and of the charity’s 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 Act 2011.

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 that are 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 relating to going concern

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

- the trustee’s use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustee has 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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of the trustee

As explained more fully in the Statement of Responsibilities of the Trustee, set out on page 28, the charity trustee is 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 trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is 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 trustee either intends to liquidate the charity or to cease operations, or has 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 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at 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 trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Beever and Struthers *Beever and Struthers*
Statutory Auditor

Beever and Struthers is eligible to act 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

St George's House, 215-219 Chester Road, Manchester, M15 4JE



statement of financial activities for the year ended 31 August 2020

	Note	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2020 £'000	Total funds 2019 £'000
Income from:						
Charitable activities:						
Education & training services		7,878	-	-	7,878	7,275
Housing & support services		3,644	-	-	3,644	3,391
Community services		79	230	-	309	307
		11,601	230	-	11,831	10,973
Donations and legacies		610	116	-	726	603
Other trading activities		142	9	-	151	215
Investments		87	10	-	97	160
Other		17	-	2	19	219
Total income	2	12,457	365	2	12,824	12,170
Expenditure on:						
Charitable activities:						
Education & training services		7,674	-	-	7,674	8,098
Housing & support services		3,856	-	-	3,856	4,082
Community services		584	266	-	850	999
		12,114	266	-	12,380	13,179
Raising funds		417	21	-	438	615
Other		53	17	8	78	120
Total expenditure	3	12,584	304	8	12,896	13,914
Net income (expenditure) before gains on investments		(127)	61	(6)	(72)	(1,744)
Net (losses) gains on investments		(28)	7	(13)	(34)	89
Transfers between funds		1,306	(26)	(1,280)	-	-
Gains / (losses) on revaluation of fixed assets		601	(10)	-	591	271
Initial recognition of multi-employer defined benefit scheme		-	-	-	-	(1,003)
Actuarial gains / (losses) in respect of pension schemes		465	-	-	465	(270)
Net income /(expenditure) - movement in funds		2,217	32	(1,299)	950	(2,657)
Reconciliation of funds						
Total funds brought forward		3,281	841	1,299	5,421	8,078
Total funds carried forward		5,498	873	-	6,371	5,421

All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 34 to 54 form an integral part of the financial statements.

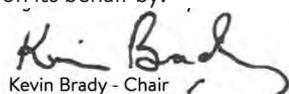
All income and expenditure relates to continuing operations.



balance sheet at 31 August 2020

	Note	Unrestricted funds £'000	Restricted funds £'000	Total funds 2020 £'000	Total funds 2019 £'000
Fixed assets					
Tangible fixed assets	6	8,659	425	9,084	8,964
Investments	7	2,816	251	3,067	3,114
Total fixed assets		11,475	676	12,151	12,078
Current assets					
Consumable stock		-	-	-	5
Debtors	8	607	-	607	1,026
Cash at bank and in hand		45	197	242	1,510
		652	197	849	2,541
Liabilities					
Creditors: Amounts due within one year	9	(3,496)	-	(3,496)	(5,153)
Net current (liabilities)/assets		(2,844)	197	(2,647)	(2,612)
Total assets less current liabilities		8,631	873	9,504	9,466
Creditors: amounts falling due after more than one year	10	(836)	-	(836)	(896)
Net assets excluding pension liability		7,795	873	8,668	8,570
Defined benefit scheme liability	17.1b	(2,297)	-	(2,297)	(3,149)
Total net assets		5,498	873	6,371	5,421
Funded by:					
Unrestricted funds		3,870	-	3,870	3,106
Revaluation reserve		3,925	-	3,925	3,324
Pension reserve		(2,297)	-	(2,297)	(3,149)
Total unrestricted funds	12a	5,498	-	5,498	3,281
Restricted funds		-	448	448	422
Revaluation reserve		-	425	425	419
Total restricted funds	12b	-	873	873	841
Permanent endowment funds		-	-	-	1,299
Total funds	12a	5,498	873	6,371	5,421

The financial statements on pages 31 to 54 were approved by the Board, and authorised for issue, on 28 June 2021 and were signed on its behalf by:


Kevin Brady - Chair


Mrs S Bence - Vice Chair

The notes on pages 34 to 54 form an integral part of the financial statements.



statement of cash flows for the year ending 31 August 2020

	Note	Total funds 2020 £'000	Total funds 2019 £'000
Cash flows from operating activities			
Net cash (used in) operating activities	A	(10)	(1,173)
Cash flows from investing activities			
Dividends, interest and rents received from investments		97	160
Interest paid		(76)	(139)
Purchase of tangible fixed assets		(328)	(313)
Purchase of long term investments		(115)	(307)
Sale of long term investments		378	1,787
Sale of property and motor vehicle		-	444
Net cash (used in) provided by investing activities		(44)	1,632
Cash flows from financing activities			
Repayment of borrowing		(54)	(414)
Net cash (used in) financing activities		(54)	(414)
Change in cash and cash equivalents in the reporting period			
Cash and cash equivalents brought forward		(1,746)	(1,791)
Cash and cash equivalents carried forward	B	(1,854)	(1,746)
Reconciliation of net movement in funds to net cash flows from operating activities			
Net movement in funds		950	(2,657)
(Gains) on investments		(3)	(71)
(Gains) on property revaluations		(593)	(273)
Actuarial (gains) / losses in respect of pension schemes		(465)	1,273
Defined benefit pension costs less contributions payable		(439)	(351)
Depreciation		579	575
Loss /(gain) on disposal of tangible fixed assets		9	(218)
Dividends, interest and rents receivable from investments		(97)	(160)
Interest payable		128	216
Decrease in stock		5	-
(Increase)/Decrease in debtors		419	(105)
Increase/(Decrease) in creditors		(503)	598
	A	(10)	(1,173)
Analysis of cash equivalents			
Cash at bank and in hand		242	1,510
Bank overdraft & facilities		(2,096)	(3,256)
	B	(1,854)	(1,746)

The notes on pages 34 to 54 form an integral part of the financial statements.



• notes to the financial statements for the year ended 31 August 2020

1 Accounting policies

The principal policies of the Charity as a public benefit entity as defined by charity law and Charity Commission regulations, are as follows:

a) Basis of accounting

The financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also meet the requirements of the Charities Act 2011 and UK Generally Accepted Accounting Practice.

b) Going Concern

The financial statements have been prepared on the going concern basis, which is considered to be appropriate in the context of the Charity's ability to meet its obligations as they fall due, in the period of twelve months following the date of approval of these financial statements. In this consideration, the Charity's asset position, the level and profile of its liabilities and the Charity's ability to determine the level of charitable services delivered, have been taken into account.

The Trustee Board has considered the impact of COVID-19, the net current liabilities of (£2.6)m and the covenant breach detailed in note 10 to the accounts in considering the appropriateness of the basis. The Board believes that the borrowing facilities are adequate to meet its ongoing financial needs and that the going concern basis of accounting is appropriate in preparing the annual financial statements.

c) Tangible Fixed assets and depreciation

i) All expenditure above £1,000 for the acquisition, enhancement, production and installation of fixed assets and all fixed assets received by way of donations are capitalised.

ii) Tangible fixed assets, other than residential properties, are stated in the balance sheet at cost less depreciation and impairment, or at estimated value at the date of donation less depreciation in respect of donated assets.

iii) Residential properties are recorded in the balance sheet at open market values, with their values being reviewed on an annual basis. Any changes in the values of the properties are reflected in the Statement of Financial Activities in the year they arise.

iv) Depreciation is calculated to write off the cost or valuation of tangible assets over their estimated useful lives on a straight line basis at the following rates:

Non Residential Properties	4% per annum
Residential Properties	2% per annum
Motor Vehicles	25% per annum
Computer Equipment	33.33% per annum
Furniture, Fixtures & Fittings	10% - 20% per annum

v) Assets in the course of construction are stated at cost. They are not depreciated until complete.



notes to the financial statements for the year ended 31 August 2020

d) Investments

Long term investments in stocks, shares and related products are stated at their market value at the Balance Sheet date as a reasonable measure of fair value. Unrealised gains and losses arising on the revaluation of investments are, together with the realised gains and losses arising on the sale of investments, shown in the notes to the Statement of Financial Activities as net gains/(losses) on investments. Listed investments may fluctuate in value and are subject to a risk profile set and reviewed by the Trustee Board.

e) Taxation

The Charity benefits from various exemptions from taxation afforded by legislation and is, moreover, not liable to corporation tax on income or gains falling within those exemptions. Recovery is made of tax deducted from income and from receipts under Gift Aid. The Charity is also able to partially recover some VAT expenditure. Expenditure subject to VAT that is not recoverable is recorded in the accounts inclusive of the VAT.

f) Stock

Stock is stated at the lower of cost and net realisable value on a first in first out basis.

g) Debtors

Debtors include amounts owed to the Charity for the provision of goods or services or amounts the Charity has paid in advance for the goods or services it will receive. Debtors are stated in the balance sheet at the amount which is considered to be recoverable within 12 months from the balance sheet date.

h) Creditors

A liability is recognised for the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

For creditors due for settlement in more than one year, the amount is discounted for the time value of money where material.

i) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Other than investments which are stated at fair value as noted above in 1d) these are initially recognised at transaction value and may be subsequently measured at their settlement value.

j) Income

Income represents:

- i) income from appeals and fundraising, including donations and legacies
- ii) fees and other income from education and training services
- iii) fees and other income from housing and support services
- iii) grants and other income from community services

All income is recognised in the SOFA when the Charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and amounts can be measured reliably. Where terms and conditions have not been met or uncertainty exists as to whether they can be met then the income is not recognised but deferred as a liability until it is probable that the terms or conditions imposed can be met.



• notes to the financial statements for the year ended 31 August 2020

j) Income continued

Investment income is recognised when the Charity's entitlement is irreversible. Legacies are deemed receivable when sufficient information has been received to enable the Charity to reliably measure the amount receivable and when receipt is probable. Gifts-in-kind of material goods or professional services are, however, recognised as income and expenditure (via depreciation if capital goods or services) and any associated conditions noted.

k) Expenditure

Expenditure has been charged on the accruals basis and such charges include value added tax where appropriate.

Any redundancy and termination costs are recognised when they are contractually due.

l) Cost of charitable activities

Costs of charitable activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objects of the Charity. These costs include staff costs, wholly or mainly attributable support costs, an apportionment of general overheads and governance costs. The apportionment is based on several factors including numbers of staff, levels of income and direct cost and complexity of the activity.

m) Costs of raising funds

Fundraising costs include the salaries and overheads of the staff who directly undertake fundraising activities, plus other direct costs and allocated support and governance costs.

n) Governance and support costs

Governance and support costs include the direct costs of administering the Charity. Support costs represent the central services provided, including the cost of maintaining facilities shared by all or most of the Charity.

Support Service costs consists of the following: Management, Finance, Human Resources, Property Services, IT, Maintenance, Disability Support and Marketing. These costs are allocated out to service areas, on an agreed basis of apportionment relating to total income and expenditure, payroll costs, use of IT and floor space occupied, depending on relevance to the activity. They are included in the charitable activities costs reported in the Statement of Financial Activities.

o) Pensions

The Charity contributes to various pension schemes. The assets of each scheme are held separately from those of the Charity in independently administered funds.

Defined benefit schemes:

The charity contributes to the Teachers Pension Scheme at the advised rates. As it is not possible to separately identify the assets and liabilities of the Teachers Pension Scheme, it is accounted for as if it were a defined contribution scheme. The charity's contribution to the scheme are charged to the SOFA as they occur.

The Charity participates in the Social Housing Pension Scheme (SHPS), a defined benefit multi-employer pension scheme administered by TPT Retirement Solutions (TPT) to which the future accrual was closed at March 2013. Historically, TPT has not been able to provide sufficient information for each social landlord's share of SHPS to allow defined benefit accounting to be applied. Instead, in accordance with FRS 102 paragraphs 28.11 and 28.11A, SHPS has been accounted for as a defined contribution scheme and recognised a liability for the present value of the landlord's deficit funding agreement.



• notes to the financial statements for the year ended 31 August 2020

o) Pensions continued

Following changes made to systems and process by TPT, sufficient information is now available for SHPS. In January 2019, the Financial Reporting Council issued FRD71 (Draft amendments to FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland - Multi-employer defined benefit plans) which provides proposed changes to FRS 102 on this issue.

Consistent with the guidance in FRD71 paragraph 4 (FRS 102 paragraph 28.11B), the difference between the deficit funding liability and the net defined benefit for SHPS has been recognised in Other Comprehensive Income. This constitute a change in the accounting policy. The relevant date to apply the adjustment is judged to be 1 September 2018, as TPT does not have data to provide sufficient information before the date 31 August 2018. Further disclosures in this area are included in note 18.

Defined contribution schemes:

Contributions to these schemes are charged to the Statement of Financial Activities as they are paid and allocated in line with individual staff costs of employment.

p) Leases

Tangible fixed assets held under finance leases and the related lease obligations are recorded in the Balance Sheet at the fair value of the leased asset at the inception of the lease. The excesses of the lease payments over the recorded lease obligations are treated as finance charges which are amortised over each lease term to give a constant rate of charge in the remaining balance of the obligations.

Rentals payable under operating leases are included in total expenditure in annual instalments over the period of the leases.

q) Fund accounting

Fund accounting distinguishes between two primary classes of fund: those that are unrestricted in their use, which can be spent for any purposes of a charity, and those that are restricted in use, which can only be used for a specific charitable purpose.

Restricted funds are either (i) endowment funds or (ii) other restricted funds. Endowments are either permanent or expendable.

Endowments and other restricted funds are disclosed separately in the financial statements and are subject to specific restrictions imposed by the donor or by the nature of the appeal or grant.

The restricted funds comprise of assets that have been given to the Charity subject to certain conditions. They include cash donations and legacies and investments given for a specific purpose, and buildings that have been funded from specific bequests until such buildings are complete then they are transferred to unrestricted funds.

The Trustee Board may exercise its discretion to set aside part of an unrestricted fund for designated purposes. Designated funds may also be used where donors have expressed a preference without imposing a trust. The funds so designated remain unrestricted since the Trustee can remove the designation at any time.

r) Accounting judgements and assumptions

Certain judgements and assumptions are made in the preparation of the financial statements. The matters considered above, particularly depreciation rates and asset values as well as the recognition of income and liabilities, are considered to be the most important in understanding the judgements that are involved in preparing the financial statements and the uncertainties that could impact the amounts reported.



notes to the financial statements for the year ended 31 August 2020

2 Income

	Fees 2020 £'000	Grants 2020 £'000	Legacies 2020 £'000	Other 2020 £'000	Total year ended 31 Aug 2020 £'000	Total year ended 31 Aug 2019 £'000
Unrestricted funds						
Charitable activities:						
Education & training services	7,535	292	-	51	7,878	7,275
Housing & support services	3,550	94	-	-	3,644	3,391
Community services	1	30	-	48	79	81
	11,086	416	-	99	11,601	10,747
Donations & legacies	-	305	161	144	610	519
Other trading activities	-	-	-	142	142	205
Investments	-	-	-	87	87	151
Other	-	17	-	-	17	219
	11,086	738	161	472	12,457	11,841
Restricted funds						
Charitable activities:						
Community services	-	195	-	35	230	226
Donations and legacies	-	24	-	92	116	84
Other trading activities	-	-	-	9	9	10
Investments	-	-	-	10	10	9
	-	219	-	146	365	329
Endowment funds	-	-	-	2	2	-
Total Income	11,086	957	161	620	12,824	12,170



notes to the financial statements for the year ended 31 August 2020

3 Expenditure

Analysis of expenditure

	Staff costs £'000	Other direct costs £'000	Depreciation charges £'000	Governance costs £'000	Other support costs £'000	Total year ended 31 Aug 2020 £'000	Total year ended 31 Aug 2019 £'000
Unrestricted funds							
Charitable activities:							
Education & training services	4,972	1,296	442	12	952	7,674	8,098
Housing & support services	2,359	976	123	6	392	3,856	4,082
Community services	324	80	8	1	171	584	704
	7,655	2,352	573	19	1,515	12,114	12,884
Donations and legacies	271	82	6	1	57	417	543
Other trading activities	21	11	-	-	10	42	75
Investments	-	11	-	-	-	11	24
Total unrestricted expenditure	7,947	2,456	579	20	1,582	12,584	13,526
Restricted funds							
Charitable activities:							
Education & training services	-	-	-	-	-	-	-
Housing & support services	-	-	-	-	-	-	-
Community services	208	38	-	-	20	266	295
	208	38	-	-	20	266	295
Donations and legacies	14	7	-	-	-	21	72
Other	6	11	-	-	-	17	17
Total restricted expenditure	228	56	-	-	20	304	384
Endowment funds							
Investments	-	8	-	-	-	8	4
Total endowment expenditure	-	8	-	-	-	8	4
Total expenditure	8,175	2,520	579	20	1,602	12,896	13,914
Reallocation per note 3a	1,021	581	-	-	(1,602)	-	-
Expenditure after reallocation of support costs	9,196	3,101	579	20	-	12,896	13,914



notes to the financial statements for the year ended 31 August 2020

3(a) Analysis of support costs

	Education & training services £'000	Housing & support services £'000	Community services £'000	Fundraising £'000	Trading £'000	Total year ended 31 Aug 2020 £'000
Finance	168	83	8	15	2	276
Human resources	98	47	8	6	1	160
Information technology	207	9	29	11	4	260
Marketing	111	44	43	12	1	211
Management	224	118	17	13	2	374
Property services	70	19	86	-	-	175
Maintenance	102	44	-	-	-	146
Disability support	(28)	28	-	-	-	-
Unrestricted function/activity	952	392	191	57	10	1,602

3(b) Analysis of governance costs

	Total year ended 31 Aug 2020 £'000	Total year ended 31 Aug 2019 £'000
Legal & Professional	1	3
Audit Fees	17	17
Trustee costs	2	9
Total governance costs	20	29

Legal & Professional fees in the year reflect the changes to the legal structure and governance work.



notes to the financial statements for the year ended 31 August 2020

4(a) Net income/(expenditure)

These are stated after charging:

	Total year ended 31 Aug 2020 £'000	Total year ended 31 Aug 2019 £'000
External Auditors' remuneration (excluding VAT):		
Audit fees	15	14
	15	14
Depreciation	579	575
Operating leases	262	260
Gain on disposal of fixed assets	3	219

4 (b) Operating Leases

The Charity holds properties and office equipment under non cancellable operating leases.

At 31 August 2020 the Charity had total future minimum lease payments under these leases as follows:

	2020 £'000	2019 £'000
Leases expiring not later than one year	134	194
Leases expiring later than one year and not later than five years	398	377
Leases expiring later than five years	1,040	967
	1,572	1,538



notes to the financial statements for the year ended 31 August 2020

5 Staff costs and employee benefits

	Total year ended 31 Aug 2020 £'000	Total Year ended 31 Aug 2019 £'000
Wages and Salaries	8,230	8,078
Social security costs	628	607
Defined contribution pension scheme costs	183	200
Defined benefit pension scheme costs	90	36
Other benefits	21	-
Redundancy and severance pay	44	13
	9,196	8,934
	2020	2019
The average number of employees and supply workers during the year:	476	514

This average is calculated by looking at the totals for employees paid for each month and dividing by the number of months in the year.

In addition to the above employment costs the Charity utilised the services of employment agency staff to support the delivery of essential services to beneficiaries within Education & Training and Housing & Support.

The agency costs reduced in the year as a result of cost control measures implemented late in the previous year.

	2020	2019
	£'000	£'000
Agency staff costs:	680	1,326

Neither the Board of Directors nor persons connected with them received any remuneration or other benefits.

The sum of £892 (2019: £4,642) was reimbursed for travel expenses incurred by 5 Board members (2019: 7 Board members) during the year.

One Board member was reimbursed expenses for volunteering in another role. See Note 18 Related Parties.

	2020	2019
	£'000	£'000

Key management personnel:

Emoluments for that group of employees	459	403
Employers National Insurance contributions	54	47
Employers pension contributions	32	17
	545	467

Key management personnel are defined as the members of the Board of Directors and Senior Management Team: Chief Executive, Director of Marketing & Communications, College Principal, Director of Community Services, Director of Fundraising, Director of Housing & Support and Director of Finance & Resources.

The number of employees whose emolument exceeded £60,000 was:

	2020	2019
£80,001 - £90,000	-	1
£90,001 - £100,000	2	-



notes to the financial statements for the year ended 31 August 2020

6 Tangible fixed assets

	Land and buildings		Fixtures, fittings plant & vehicles Cost £'000	Assets under construction Cost £'000	Total £'000
	Residential housing Valuation £'000	Non residential housing Cost £'000			
Cost					
At 1 September 2019	4,970	10,517	3,511	28	19,026
Additions	18	-	79	18	115
Disposals	-	(102)	(17)	-	(119)
Revaluation	493	-	-	-	493
At 31 August 2020	5,481	10,415	3,573	46	19,515
Depreciation					
At 1 September 2019	-	6,779	3,283	-	10,062
Charge for year	100	375	104	-	579
Disposals	-	(94)	(16)	-	(110)
Revaluation	(100)	-	-	-	(100)
At 31 August 2020	-	7,060	3,371	-	10,431
Net Book Value at 31 August 2020	5,481	3,355	202	46	9,084
Net Book Value at 31 August 2019	4,970	3,738	228	28	8,964

The valuations were carried out on an open market basis by firms of estate agents with knowledge of the local areas, these valuations were corroborated by the Charity's Estates Management Team

Historical cost of residential properties before valuation

	Cost £'000	Depreciation £'000	Net book value £'000
At 1 September 2019	2,787	(1,559)	1,228
Additions	18	-	18
Charge for year	-	(83)	(83)
At 31 August 2020	2,805	(1,642)	1,163

The Charity has a bank overdraft and loans secured on several of its fixed assets.

The valuations in these accounts of those assets that are pledged as security are:

	2020 £'000	2019 £'000
Non-residential properties	2,950	3,212
Residential properties	3,654	2,265
	6,604	5,477
Value of bank overdraft and loans to which security belongs		
Bank overdraft see Note 9	1,096	1,556
Bank loans see Notes 9 & 10	922	976
	2,018	2,532



notes to the financial statements for the year ended 31 August 2020

7 Investments

Investments are stated at market value at 31 August 2020 and are held by nominee companies on behalf the Charity

	Unrestricted £'000	Restricted £'000	Permanent endowment £'000	Total £'000
Market Value 1 September 2019	1,504	311	1,299	3,114
Additions	101	-	227	328
Disposals at market value	(235)	-	(116)	(351)
Revaluation gain - unrealised	1	7	3	11
Movement within investment portfolio	95	-	(130)	(35)
Transfers	1,350	(67)	(1,283)	-
Market Value 31 August 2020	2,816	251	-	3,067
	Unrestricted £'000	Restricted £'000	Total 2020 £'000	Total 2019 £'000
Investments comprise:				
Listed investments	2,642	251	2,893	2,910
Cash in bank	174	-	174	207
	2,816	251	3,067	3,117
Historic cost	2,633	179	2,812	2,713

None of the investments have a market value at 31 August 2020 exceeding 5% of the value of the total portfolio.

On 6 July 2020 The Charity Commission approved the charity's application to reclassify the permanent Endowment investments as unrestricted investments.

At 31 August 2020 the charity had a loan secured against two unrestricted investment portfolios. The value of the loan shown in note 9 was £1million (2019: £1million). The value of the investments was £2.124million (2019 restated:£2.035million).



notes to the financial statements for the year ended 31 August 2020

8 Debtors

	2020 £'000	2019 £'000
Trade debtors	379	703
Other debtors	-	10
Other taxation	2	-
Prepayments and accrued Income	226	313
	607	1,025

9 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	270	794
Bank overdrafts	1,096	2,256
Loans	86	80
Other loans	1,000	1,000
Special purpose funds held	15	16
Other creditors	225	71
Other taxation	144	293
Accruals and deferred income	660	643
	3,496	5,153

10 Creditors: amounts falling due after more than one year

	2020 £'000	2019 £'000
Loan	836	896
	836	896

Loans

The loans are from banks secured by charges on the Charity's properties and are repayable in instalments at varying rates of interest due as follows:

	2020 £'000	2019 £'000
Due in less than one year	86	80
Due between one and two years	87	81
Due between two and five years	264	250
Due in five years or more	485	565
	922	976

One of the Charity's loan agreements is subject to covenant clauses whereby the Charity is required to meet certain financial conditions. At 31 August 2020 the Charity's free reserves were less than £1m and consequently a financial condition was breached. Whilst the bank was contractually entitled to request repayment of the loan, or alter the terms of the loan, it has taken no action. Therefore, £836k of the outstanding balance of £922k is presented as a non-current liability as at 31 August 2020.

In April 2021 the terms of the loan were negotiated and the condition was removed.



notes to the financial statements for the year ended 31 August 2020

11 Deferred income

Deferred income relates to fee income where terms and conditions have not been met at the balance sheet date, or where some uncertainty exists as to whether they can be met. In these instances income is not recognised, but deferred as a liability until it is probable that the terms or conditions imposed can be met.

	Balance as at 1 September 2019 £'000	Prior year released £'000	Additions £'000	Balance as at 31 Aug 2020 £'000
College fees	303	(290)	306	319
Housing and Support fees	5	(5)	119	119
Total	308	(295)	425	438

12 Reserves

a) Funds reported under FRS 102

	Balance as at 1 September 2019 £'000	Incoming funds £'000	Unrealised gain on revaluation of tangible fixed assets £'000	Unrealised gain on investment £'000	Transfers £'000	SHPS defined benefit scheme movement £'000	Amounts expended £'000	Balance as at 31 Aug 2020 £'000
(i) Unrestricted Funds	3,281	12,457	601	(28)	1,306	465	(12,584)	5,498
(ii) Restricted Funds	841	365	(10)	7	(26)	-	(304)	873
(iii) Endowment Funds	1,299	2	-	(13)	(1,280)	-	(8)	-
Total	5,421	12,824	591	(34)	-	465	(12,896)	6,371



notes to the financial statements for the year ended 31 August 2020

12 Reserves – continued

b) Restricted funds: Movement in the year

	Balance as at 1 September 2019 £'000	Incoming funds £'000	Unrealised loss on investment £'000	Unrealised gain on Property Revaluation £'000	Transfers £'000	Amounts expended £'000	Balance as at 31 Aug 2020 £'000
Greater Manchester Community Services	1	-	-	-	-	-	1
BBC Children in Need reference 2017 - 2870/NW	2	31	-	-	-	(27)	6
Revaluation Reserves Fixed Assets	462	-	(10)	-	(26)	-	426
Sight Support Oldham	285	10	-	7	-	(51)	251
Bolton Society for Blind People	4	-	-	-	-	(1)	3
Bolton Council Department of People Services	5	56	-	-	-	(60)	1
Stoller Charitable Trust	3	-	-	-	-	(3)	-
Arts & Crafts Centre Capital Appeal	5	84	-	-	-	(38)	51
The National Lottery Community Fund - Live Life, Go Further	27	35	-	-	-	(28)	34
Tameside Sight Services	27	-	-	-	-	(8)	19
Tameside Council	20	35	-	-	-	(35)	20
The National Lottery Community Fund - Pathway To Wellbeing	-	63	-	-	-	(41)	22
Minds in Sight	-	9	-	-	-	(7)	2
Restricted Liverpool Childrens Services	-	40	-	-	-	(5)	35
Housing	-	2	-	-	-	-	2
Total	841	365	(10)	7	(26)	(304)	873

Restricted funds are funds subject to specific trusts which may be declared by the donor, or with their authority (e.g. in a public appeal) but still within the objects of the Charity. Restricted funds may be restricted income funds, which are expendable in furtherance of some particular aspect of the objects of the charity, or they may be capital funds, where the assets are required to be invested, or retained for actual use, rather than expended.

Restricted Fixed Assets funds relate primarily to premises at College.

Sight Support Oldham funds relate to assets donated by that charity to continue work in Oldham.

Tameside Sight Service fund relates to assets donated by that charity to continue work in Tameside.



• notes to the financial statements for the year ended 31 August 2020

13 Subsidiary companies

Henshaws Society for Blind People has two wholly-owned subsidiary companies, Henshaws Enterprises Limited and Sight Loss Innovation Limited. Neither company is a charity. Henshaws Enterprises Limited was formed on 27 August 2009 with a paid up ordinary share capital of £1. Sight Loss Innovation Limited was formed on 31 May 2017 with a paid up ordinary share capital of £100. Neither company traded during the year ended 31 August 2020, nor did they incur any liability or enter into any commitment.

14 Post balance sheet events

On 2 October 2020 the charity ceased to provide care in its supported living houses. In agreement with North Yorkshire County Council, this is now provided by them.

On 1 December 2020 the charity disposed of its Residential Housing activities to Homes Together Limited for a sum of £2.6m. The proceeds were used to repay the charity's overdraft and provide further liquidity.

15 Fidelity insurance

The Charity has provided fidelity insurance for its Trustee Board of Directors and officers.

16 Capital commitments

No capital expenditure was contracted for but not been provided for in the financial statements (2019: nil).

17 Pension obligations

17.1 Defined benefit schemes

The Charity offers one defined benefit scheme, the Teachers Pension Scheme. The defined benefit scheme for Social Housing Pension Scheme (SHPS) was closed to new entrants as at 31 March 2013. The assets of these schemes are held in separate trustee administered funds and the respective pension providers have provided the following disclosure statements:

a) Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.



notes to the financial statements for the year ended 31 August 2020

(i) The Teachers' Pension budgeting and valuation account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

(ii) Valuation of the Teachers' Pension Scheme

As a result of the latest scheme valuation employer contributions were increased in September 2019 from a rate of 16.4% to 23.6%. Employers also pay a charge equivalent to 0.08% of pensionable salary costs to cover administration expenses.

The next valuation is expected to take effect in 2023.

A copy of the latest valuation report can be found by following this link:

<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>

(iii) Scheme changes

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Since then, claims have also been lodged against the main public service schemes including the TPS. The Department has conceded those in line with the rest of the government. In July 2020 HM Treasury launched a 12-week public consultation which will provide evidence to support the delivery of an appropriate remedy for the affected schemes, including TPS.

A final remedy will be determined once the results of the consultation are established.

In December 2019, a further legal challenge was made against the TPS relating to an identified equalities issue whereby male survivors of opposite-sex marriages and civil partnerships are treated less favourably than survivors in same-sex marriages and civil partnerships. The Secretary of State for Education agreed not to defend the case. In June 2020, the Employment Tribunal recorded its findings in respect of the claimant. DfE is currently working to establish what changes are necessary to address this discrimination.

Any impact of these events will be taken into account when the next scheme valuation is implemented. This is scheduled to be implemented in April 2023, based on April 2020 data.



notes to the financial statements for the year ended 31 August 2020

b) Social Housing Pension Scheme

Present values of defined benefit obligation, fair value of assets and defined benefit liability

	31 Aug 2020 £'000	31 Aug 2019 £'000
Fair value of plan assets	13,710	13,659
Present value of defined benefit obligation	16,007	16,808
Deficit in plan	(2,297)	(3,149)
Defined benefit liability	(2,297)	(3,149)

Reconciliation of opening and closing balances of the defined benefit obligation

	Period Ended 31 Aug 2020 £'000	Period Ended 31 Aug 2019 £'000
Defined benefit obligation at start of period	16,808	15,368
Expenses	16	16
Interest expense	289	385
Actuarial losses (gains) due to scheme experience	48	(234)
Actuarial (gains) losses due to changes in demographic assumptions	(170)	50
Actuarial (gains) losses due to changes in financial assumptions	(288)	2,135
Benefits paid and expenses	(696)	(912)
Defined benefit obligation at end of period	16,007	16,808

Reconciliation of opening and closing balances of the fair value of plan assets

	Period Ended 31 Aug 2020 £'000	Period Ended 31 Aug 2019 £'000
Fair value of plan assets at start of period	13,659	12,215
Interest income	236	308
Experience on plan assets (excluding amounts included in interest income) - gain	55	1,681
Contributions by the employer	456	367
Benefits paid and expenses	(696)	(912)
Fair value of plan assets at end of period	13,710	13,659

The actual return on the plan assets (including any changes in share of assets) over the year ended 31 August 2020 was £292,000.

Defined benefit costs recognised in statement of financial activities

	Period Ended 31 Aug 2020 £'000	Period Ended 31 Aug 2019 £'000
Expenses	16	16
Net interest expense	52	77
Defined benefit costs recognised in statement of financial activities	68	93



notes to the financial statements for the year ended 31 August 2020

b) Social Housing Pension Scheme continued

Defined benefit costs recognised in statement of financial activities

	Period Ended 31 Aug 2020 £'000	Period Ended 31 Aug 2019 £'000
Experience on plan assets (excluding amounts included in interest income) - gain	55	1,681
Experience gains and losses arising on the plan liabilities - (loss) gain	(48)	234
Effects of changes in the demographic assumptions underlying the present value of the defined benefit obligation - gain (loss)	170	(50)
Effects of changes in the financial assumptions underlying the present value of the defined benefit obligation - gain (loss)	288	(2,135)
Total actuarial gains and losses (before restriction due to some of the surplus not being recognisable) - gain (loss)	465	(270)
Total amount recognised in other comprehensive income - gain (loss)	465	(270)

Assets

	31 Aug 2020 £'000	31 Aug 2019 £'000
Global Equity	2,486	1,890
Absolute Return	626	1,020
Distressed Opportunities	278	218
Credit Relative Value	373	313
Alternative Risk Premia	484	746
Fund of Hedge Funds	2	24
Emerging Markets Debt	555	433
Risk Sharing	403	391
Insurance-Linked Securities	365	382
Property	281	273
Infrastructure	871	695
Private Debt	335	182
Opportunistic Illiquid Credit	329	195
High Yield	383	-
Opportunistic Credit	336	-
Cash	8	-
Corporate Bond Fund	718	598
Liquid Credit	143	-
Long Lease Property	220	236
Secured Income	474	398
Liability Driven Investment	3,963	5,616
Net Current Assets	77	49
Total assets	13,710	13,659

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.



notes to the financial statements for the year ended 31 August 2020

b) Social Housing Pension Scheme continued

Key assumptions

	31 Aug 2020 % per annum	31 Aug 2019 % per annum
Discount Rate	1.72	1.75
Inflation (RPI)	3.00	3.18
Inflation (CPI)	2.00	2.18
Salary Growth	3.00	3.18
Allowance for commutation of pension for retirement cash at	75% of max allowance	75% of max allowance

The mortality assumptions adopted at 31 August 2020 imply the following life expectancies:

	Life expectancy years at age 65 31 Aug 2020	Life expectancy years at age 65 31 Aug 2019
Male retiring in 2020	21.5	21.8
Female retiring in 2020	23.5	23.5
Male retiring in 2040	22.9	23.2
Female retiring in 2020	24.5	24.7

17.2 Defined contribution schemes

The Charity also contributes to two defined contribution schemes up to a current maximum of 3% of gross salary. Total contributions of £183k (2019: £200k) were made to the schemes during the year and the average number of Charity staff who were members of these schemes during the year was 349 (2019: 346).

18 Related party transactions

The Charity received donations from 6 directors of the Trustee Board amounting to £1,903 (2019-20 £2,765). The Charity reimbursed Community Services volunteer expenses to 1 director of the Trustee Board amounting to nil (2018-19 £150).

19 Voluntary income and income from trusts and grants

Details of voluntary income generated by the fundraising team, appears on page 38. This income has been received from individuals, groups, companies and charitable trusts, who all receive written acknowledgements. Some of the specific grants were as follows:

The National Lottery Community Fund

£73,067.50 from The National Lottery Community Fund as part payment for Henshaws Pathway to Wellbeing: Trafford, Manchester, Salford (Project ID 0010261149).

£35,410 from The National Lottery Community Fund as part payment for Henshaws Live Life, Go Further project.



• notes to the financial statements for the year ended 31 August 2020

BBC Children in Need

£30,990 from BBC Children in Need towards the cost of the 'Can do, Will do' programme to improve the independence of visually impaired children in Greater Manchester, reference 2017-2870/NW

Donations

We would like to express heartfelt thanks to all those who played a key role in supporting Henshaws in 2019-20. The continuing generosity and commitment of our local supporters, volunteers, partners and funders throughout the past year has been crucial to our success – thank you all. In addition, we are extremely grateful for all those who have left Henshaws a gift in their Will and for those who support Henshaws on a regular basis, allowing us to plan for our future.

The following grant makers, organisations and individuals had a significant impact in generating voluntary income for Henshaws in 2019-20 with donations in excess of £5,000:

Arts Council England
BBC Children in Need
Brendan & Barbara Ainscough
Bruntwood
Cargill
Sovereign Healthcare Charitable Trust
The Beaverbrooks Charitable Trust
The C R H Charitable Trust

The George A Moore Foundation
The Liz & Terry Bramall Foundation
The WO Street Foundation
The Michael Bishop Foundation
The National Lottery Community Fund
The P H Holt Foundation
The Zochonis Charitable Trust
Thomas Pocklington Trust



• trustee board of directors and the senior management team

The following Directors have served on the Board of Henshaws Society for Blind People Trustee Limited during the course of the year and served at the date of signing this report, unless otherwise stated:

Board of Directors

Kevin Brady, Chair
Sally Bence, Vice Chair
Christine Oates
Arthur Aston (resigned 25 January 2021)
Carl Atkinson (resigned 13 February 2020)
Helen Brazier (resigned 25 January 2021)
Ryan Barber (resigned 23 March 2020)
Richard Platt
Dr Anthony Best (resigned 17 September 2019)
Russell Davidson (resigned 16 October 2019)
Patrick Roche
Elizabeth Craig (resigned 2 June 2021)
Sarah C Greensides (appointed 18 November 2019)
Nicola M. Bishop (appointed 29 April 2020)
Jonathan M. H. Oxley (appointed 20 May 2020)
Patrick Moran (appointed 25 January 2021)

Senior Management Team

Nick Marr, Chief Executive
Adrian Sugden, College Principal
David McGonigle, Director of Finance and Resources
Robert Cooper, Director of Community Services (resigned 31 December 2020)
Stephen Tongue, Director of Fundraising (appointed 9 September 2019)
Rachel Lorimer, Director of Housing and Support (resigned 12 January 2020)
Deirdra Barr, Director of Marketing & Communications
Antoinette Stewart, Director of HR (appointed 2 September 2019) (resigned 28 February 2021)
Michela Lee, Director of Housing Development (appointed 25 November 2019) (resigned 1 December 2020)
Anna Lodge, People Director (appointed 1 December 2020)
Tom Harte, Director of Knowledge Village (appointed 12 April 2021)

President

Sir Warren Smith KCVO, KSTJ, JP
D Litt LLD, Lord Lieutenant of Greater Manchester

Ambassadors

Stefan Andrusyschyn
Phil Collins
Paula Lane
Denise Leigh
Harold F Riley
Hannah Russell MBE
Tom Shaw
Rosie King
Sharon King

Patrons

Sir James Anderton CBE QPM DL
Denis Brown
Baroness Susan Masham of Ilton
The Zochonis Charitable Trust

External Auditors

Beever and Struthers,
St George's House,
215-219 Chester Road,
Manchester, M15 4JE

Bankers

Barclays Bank plc
25 James Street,
Harrogate, HG1 1QX

Investment advisers

Rathbone Brothers Plc
1 Curzon Street,
London, W1J 5FB

Sarasin & Partners
100 St Paul's Churchyard,
London, EC4M 8BU

Solicitors

Schofield Sweeney
Church Bank House,
Bradford, BD1 4DY

Registered Office

4A Washbrook House,
Lancastrian Office Centre,
Talbot Road, Stretford,
Manchester, M32 0FP

Get involved

As a local charity we rely on generous people, organisations and communities to be able to continue to offer support to those most at risk of isolation.

This year saw 75 businesses support us through staff fundraising, sponsorship or corporate donations. 2,230 individuals supported us by taking part in Fundraising events, or gave a regular or one-off gift. 30 community groups showed their support and 61 grant giving bodies supported a range of projects of all sizes. We were also notified that 12 generous supporters left us a gift in their will.

We are hugely grateful for their commitment to Henshaws; every donation truly does make a difference.

We have plenty of challenge events taking place throughout the year. Head to our website to see our full list and discover how you could challenge yourself for Henshaws.

website [henshaws.org.uk](https://www.henshaws.org.uk)

email fundraising@henshaws.org.uk

or call the team on **0300 222 5555**