

RNIB Group annual report and accounts 2017/18

R N I B

See differently





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Introduction by Chair and Interim Chief Executive Officer



Transforming RNIB to achieve our mission

RNIB exists to create a world with no barriers for blind or partially sighted people. To achieve this, we need to fundamentally change how we work. We have initiated some of this change and, in the coming year, we will build on this, guided by our values, behaviours and core mission.

Last year, we set out our plans for an ambitious two-year transformation that would touch every part of RNIB and we have made strong and positive progress. We have however needed to reprioritise to focus on the significant regulatory challenges we have faced this year. In April, the Charity Commission opened a statutory inquiry into safeguarding at RNIB, triggered by serious concerns

at The RNIB Pears Centre. This, along with related regulatory pressure, has had an impact. Despite this, we are still in a much stronger position to drive forward and secure our sustainable future. We've looked at every aspect of the organisation and started a comprehensive overhaul of our structures, strategy and financial management to make sure they deliver what we need.

Managing change on this scale is challenging. We would like to thank everyone for their hard work and patience, particularly those who left RNIB as part of the regrettable but necessary reductions in headcount.

During the year we saw changes in leadership with both Kevin Carey, our Chair, and Sally Harvey, our

Chief Executive, leaving RNIB. We would like to acknowledge Kevin and Sally, alongside all colleagues who departed during the year, for their contributions to RNIB over the years. We wish them well for the future.

Building financial sustainability

Securing RNIB's financial future is at the heart of our two-year transformation plan. Significant changes have been delivered in the way we manage our finances, and control cash and costs, although there is still some way to go.

Our income remained steady and expenditure reduced significantly, as planned, by £20.4 million. This reduction, much of which came from permanent cost reductions, is part of our planned efforts to refocus on our core purpose and achieve greater impact. Our ongoing transformation to an efficient and sustainable organisation will allow us to invest where we need to in order to strengthen our community, reach

more blind and partially sighted people and tackle the inequalities which still exist in society. This will include investing to deliver our most vital services such as providing advice to anyone who needs it.

We ended the year with an operating surplus of £6.3 million against a deficit position of £12.6 million in the previous year. Our liquidity position (including cash and facilities minus restricted funds) has improved markedly from £3.0 million to £12.9 million. Over the year we have made loan repayments of £3.8 million. We will continue to reduce our reliance on these facilities as our cash management improves.

The RNIB Pears Centre update

The RNIB Pears Centre for Specialist Learning in Coventry has been in the headlines this year. We are deeply sorry for letting the young people and their families down. We worked hard to put things right, but we have accepted that we are not the right organisation to be running this highly

specialised service for children with complex health needs. As a result, in August 2018 we made the difficult decision to close The RNIB Pears Centre in November 2018.

Our new vision and strategy

The lives, expectations, hopes and aspirations of blind and partially sighted people are changing, and this has led to the birth of our new vision and strategy. This is how we will transform RNIB to meet these challenges faster and more effectively and continue to put blind and partially sighted people at the heart of everything we do.

We want to make equal participation the norm: where people, whether born blind or partially sighted, or affected by sight loss later in life, can lead the lives they want to and be valued for who they are, not pitied for the disabilities they have. We will transform society to bring about our vision: of a world where there are no barriers for people with sight loss.

150th anniversary and the future

All this transformation and growth creates a positive backdrop to the 150th anniversary of RNIB which we marked in October 2018 with celebrations across the UK. We were particularly excited by the individual stories shared by the community on the website.

The anniversary year provides the opportunity to look back and celebrate how much the lives of blind and partially sighted people have been transformed and to thank our community and the generous individuals and organisations across the UK who make all our work possible. But it is also a time to take stock, acknowledge the ongoing challenges blind and partially sighted people face and reflect on how we respond.

This has been a challenging year but one which has laid the foundations for an organisation which is ready to serve blind and partially sighted people for as long as we are needed.

Thank you for taking the time to read this report and for your continuing support of RNIB.







Trustees Report introduction

The Royal National Institute of Blind People (RNIB) Trustees' report and the audited Group and RNIB financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities 2015, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act and the Charities Accounts (Scotland) Regulations 2006 (as amended).

This report covers the work of the RNIB group of charities throughout the UK, which includes Action for Blind People (Action), RNIB Charity, Cardiff Institute for the Blind (CIB), BucksVision and RNIB Specialist

Learning Trust. These charities are responsible for delivering the charitable activities of the Group.

The Group also includes four shell charities: National Library for the Blind; The Talking Newspaper Association of the United Kingdom (known as NTN); Blind Centre for Northern Ireland; and Glynn Vivian Home of Rest for the Blind. In addition, the Group includes three wholly owned trading subsidiaries: RNIB Enterprises Limited; RNIB Services Limited; and MPH Accessible Media Limited and two subsidiaries for our lotteries and raffles RNIB Direct Services Lottery Limited and RNIB Feel Good Friday Lottery Limited.

Contact details, together with details of the Trustees and advisers, can be found from pages 160 and 166 and form part of the Trustees' Report.

The Trustees' Report includes a Strategic Report. In approving the Trustees' Report, the Board of Trustees have also approved the Strategic Report.



Structure, governance and management

Our legal structure

The Royal National Institute of Blind People (RNIB) is a registered charity, number 226227 in England and Wales, number SC039316 in Scotland and number 1226 in the Isle of Man. Established in 1868, RNIB was incorporated under Royal Charter in 1949, with a Supplemental Charter in 1993 (revised in 2007 and 2014).

Between 1 September 2015 and 31 March 2017, RNIB group of charities was structured so that RNIB Charity and Action for Blind People, both subsidiaries of RNIB, focused on customer service delivery; whilst support functions were amalgamated in RNIB to ensure efficiency for all member charities. Action transferred all its assets, liabilities, people and activities to RNIB on 1 April 2017,

whilst RNIB Charity transferred all except its regulated functions. RNIB Charity continued to operate RNIB's regulated care and education services through 2017/18.

RNIB is governed by a Trustee Board. The Trustee Board generally meets a minimum of four times a year, although it met six times in 2017/18. It makes all important strategic, policy and financial decisions, and has overall responsibility for RNIB activities. The Trustee Board structure and key governance documents have been refreshed over the past year.

Our Chair is committed to strengthening the Board's breadth of skills and effectiveness to best deliver its governance role. We are looking forward to welcoming new Trustee

colleagues shortly as a result of an open recruitment process.

Trustees serve terms of office of three years. A Trustee can serve for no more than three consecutive terms of three years, other than in the case of an Honorary Officer (RNIB Group Chair, Vice-Chairs or Honorary Treasurer) in exceptional circumstances approved by the Board. An induction pack is provided to all new Trustees, and they are invited to attend an intensive induction, during which they are provided with information on the key services provided by RNIB and the main challenges and policy issues facing us. Each Trustee receives an annual appraisal, during which any individual training needs are identified. Where collective

training needs are established, these are delivered to the Board as a whole.

In 2017/18, we began to consider how best to adopt and use the new Charity Governance Code to help support continuous improvement within the organisation. In producing the board development plan to cover the work that is undertaken to help the board to deliver its role more effectively, we have referred back to the Code's principles to ensure that the actions that have already been taken, and the proposed actions over the 2018 /19 year appropriately reflect the Code. Trustees have also discussed the Code's principles and recommended practice at their bi-annual awaydays with a view to determining how best these can be applied to RNIB. We also plan to carry out an annual governance health check, for which we will consider using a form of self-assessment against the Charity Governance Code.

How we are managed

During 2017/18, the key committees that supported the Board were as follows, with a description of their areas of responsibility:

- **Audit and Risk Committee:** overseeing effective auditing, financial reporting, internal controls and risk management;
- **Finance Committee:** an ad hoc committee set up to oversee internal controls specifically relating to finance and monitoring financial performance during this time of financial transformation;
- **Investment Committee:** overseeing the effective investment of funds for RNIB on behalf of the Board. The same committee acts in an advisory role on the effective investment of funds to the Trustees of the RNIB Retirement Benefits Scheme, although under a separate remit;

- **Remuneration Committee:** reviewing the salaries for the Chief Executive Officer (CEO) and executive directors and other relevant matters, such as the general position relating to remuneration at RNIB (including approving general pay increases) and reviewing whether it is in the interests of RNIB to pay or contract with Trustees or connected persons for the provision of services to the organisation, rather than any other company.

During the 2018/19 year, a revised and strengthened governance structure has been put in place.

The day-to-day management of RNIB is delegated to the Executive. The Executive structure during 2017/18 was as follows:

- Chief Executive Officer;
- Deputy Chief Executive Officer and Director of Advocacy;
- Director of Corporate Services;
- Director of Relationships;
- Director of Services;
- Director of Finance;
- Managing Director, Solutions.

A restructure took place during 2018 and the following Executive structure is in place as at December 2018:

- Chief Executive Officer;
- Director of Relationships;
- Director of Services;
- Strategic HR Advisor;
- Director of Finance;
- Director of Digital Transformation;
- Director of Care, Education and Safeguarding;
- Director of Development.

The Chief Executive of RNIB, with the support of the rest of Executive, reports to the Board of Trustees for approval of all major decisions. Full details of Executive can be found in the section “Who’s who at RNIB”.

Sally Harvey held the position of Acting Chief Executive until her appointment as Chief Executive on 17 October 2017. She held this position until her resignation on 6 April 2018 and Eliot Lyne was then appointed as Interim Chief Executive.

Relationship with other charities

We maintain close links with, and support the aims of, other organisations such as local, national and international charities working with or for people with sight loss. We also work closely with other disability charities on issues of mutual concern. We deliver services in partnership with some local societies for blind and partially sighted people, and some of our funding comes from

charities and trusts which support our aims.

Our work in Scotland

RNIB provides a wide range of support and services for blind and partially sighted people living in Scotland. Information and advice is provided through our helpline, website, eye health information services and Eye Care Liaison Officers located in eye clinics throughout Scotland. Practical and emotional support is offered via our Connect Network and Specialist Services. Services specifically in Scotland include visual impairment learning disabilities (VILD) services, social work, mobility and rehabilitation and support for minority communities through our Diversity Team.



Statement of Trustees' responsibilities

RNIB's charitable objects are enshrined within its Charter, and as such, the Trustees ensure that this Charter is carried out for public benefit through our four strategic priorities. This is done through delivery of services that are primarily aimed at blind or partially sighted people, and, where appropriate, open to all who might benefit throughout the United Kingdom as well as through advocacy and campaigning.

The Trustees are responsible for preparing the RNIB Group annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England, Wales and Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources of the group for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP; make
- judgments and estimates that are reasonable and prudent;

- state whether applicable accounting standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

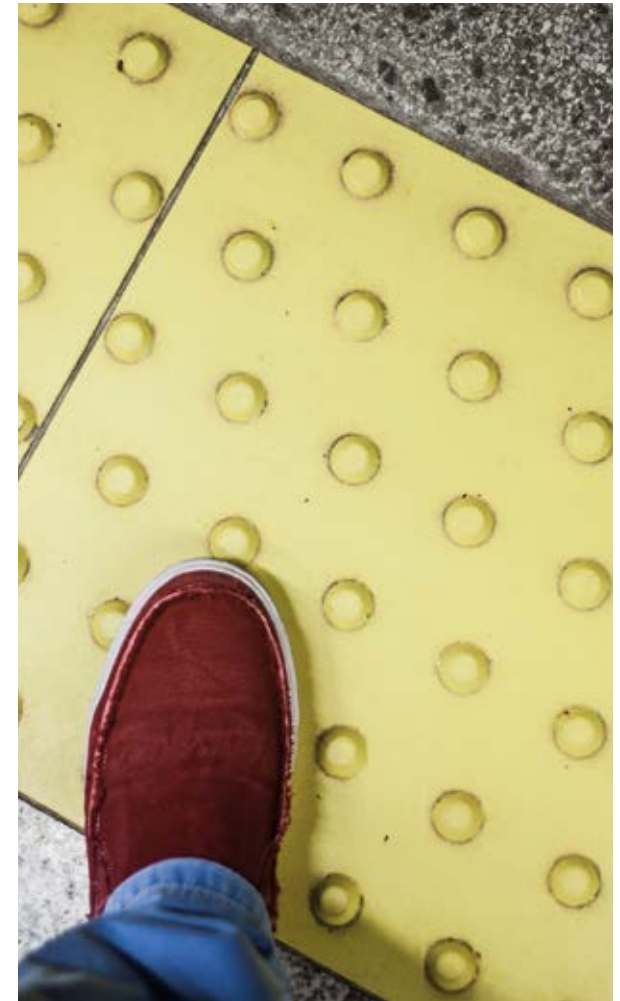
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment

(Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

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



Statement of public benefit

RNIB's charitable objects are enshrined within its Charter, and as such, the Trustees ensure that this Charter is carried out for public benefit through our four strategic priorities. This is done through delivery of services that are primarily aimed at blind or partially sighted people, and, where appropriate, open to all who might benefit throughout the United Kingdom as well as through advocacy and campaigning.

Where we provide specialist services for which we charge, and these are supplied directly to blind and partially sighted people, then we provide a significant subsidy from our own charitable funds. Where fees are paid through central or local government or commercial organisations, then the pricing model covers the costs for the delivery of the service and long-term maintenance and development.

We also, where necessary, provide individuals with assistance in applying for funding.

This report allows us to show how our charitable funds are distributed and spent. It also demonstrates the benefits and effect that the funds have had on those using the services, as well as their wider impact on society for the reported year and in the future.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charitable Purposes and Public Benefit".







Our values

Our values describe our ethos and drive everything we do:

- 1. Led by blind and partially sighted people**
Blind and partially sighted people are at the heart of RNIB and they influence everything we do.
- 2. Collaborative**
We work together to make the biggest difference.
- 3. Creative**
We understand the challenges we face and find creative and innovative ways to overcome them and move forward.
- 4. Inclusive**
We include and value people with diverse experience, abilities and backgrounds.
- 5. Open**
We're honest, candid and transparent, continually challenging ourselves and others.

"We understand the challenges we face and find creative and innovative ways to overcome them and move forward"



Creating
a world
without
barriers for
people

A Year in Review

It's been a challenging year for RNIB. We have acted quickly to resolve issues that had serious implications for RNIB and, in the process, taken some difficult decisions to do this effectively. At the same time, we have continued to focus on and deliver our current strategy and objectives.

We've had considerably less resource to work with, but are pleased to have delivered significant progress in key areas. This year RNIB Eye Clinic Liaison Officers (ECLOs) supported 22 per cent more people than in 2016/17 (25,492 people in 2017/18) and 56 per cent of NHS Trusts now have access to this vital support for those newly diagnosed with sight loss. Our Connect Community continues to go from strength to strength, growing by 21 per cent (to 35,000) and we now have an active network of local Facebook Groups. We're delighted

to have worked with more than 200 partners to deliver technology and independence-building activity, and to have achieved a 22 per cent increase in the number of people attending our confidence-building courses. You can read more about our achievements this year in the next section.

We continue to work to renew RNIB to be fit for the future in order for us to deliver our strategy.

Financial transformation

Last year we started the financial transformation of RNIB, which we're continuing in the coming year. We've made big steps forward in terms of financial sustainability, cash management and cost control. You can read full details of what we have achieved and what else we need to do in the Financial Review from page 34. Fundraising and commercial

activities are, as always, essential to our success. We'll continue to take on the challenges of external pressures, so we can guarantee the resources we need to deliver our strategy.

This year
RNIB Eye Clinic
Liaison Officers
supported

22%

more people
than in 2016/17

Organisational transformation

Many of the challenges we've faced this year have led to fundamental changes to the organisation. We understand RNIB must be fit for purpose to take on the challenges of the future. This means we are having to take some difficult decisions about the way the organisation is structured, which, regrettably led to a reduction in headcount (and some of this will also show in the 2018/19 financial statements). Whilst RNIB is in a stronger position there is still work to do to secure our future.

The RNIB Pears Centre

Without doubt the biggest challenge we have faced this year came from The RNIB Pears Centre for Specialist Learning in Coventry. Due to serious concerns raised by our regulators, we put a Service Improvement Plan in place in January, but it became clear we had not acted fast enough.

In March, Ofsted proposed to cancel our registration to run the Centre.

The Care Quality Commission (CQC) also raised concerns and placed part of the service into special measures. The Charity Commission launched a statutory inquiry into the issues at the Centre and safeguarding governance across RNIB. Following these events, Sally Harvey stepped down as Chief Executive of RNIB.

We have worked hard to put things right and have made significant improvements to Safeguarding practices across the organisation as detailed from page 58, but we have accepted that we are not the right organisation to be running this highly specialised service for children with complex health needs. In August 2018 we made the difficult decision to close The RNIB Pears Centre and this happened in November 2018.

We set up our own independent review to ensure we fully understand what happened, that we learn from it and to guide us in making significant improvements. This

review has been set up with Hugh Davies QC as chair and will report findings during 2018/19. Hugh has vast experience of independent reviews of this nature and advises charities, NGOs and statutory bodies on safeguarding. We are determined to learn the lessons from these events and become a stronger and more focused organisation.

The RNIB Pears Centre property was valued this year, as we do with all our properties from time to time. As the value was notably lower than previously reported, an impairment review was performed which resulted in the asset being written down by £16.6 million.

The additional costs of our response to The RNIB Pears Centre, together with lost income, have placed increasing strain on our financial recovery in the 2018/19 financial year. This is being addressed to ensure that our financial recovery remains on track.

Establishing a new vision and strategy

A vital part of our work over the last year has been to establish our new strategy. Our 150th anniversary is an excellent time to take stock of what we have achieved and to look forward to the future of the organisation. We've successfully worked closely with our community to do this. In early 2018, we consulted nearly 700 stakeholders on our strategy. The feedback included responses from blind and partially sighted people, other customers, partners, supporters, volunteers and staff.

Our new strategy sets out how we will address the challenges of the future and how we will transform ourselves to meet these challenges faster, more effectively and – importantly – under the leadership of blind and partially sighted people. A number of factors are at play – an ageing population means there will be a growing need for our services and the lives, expectations, hopes and aspirations

of blind and partially sighted people are changing.

Together we must create a world where there are no barriers to the equal participation of blind and partially sighted people. We imagine a world where people will say 'I can lead the life I want to lead' and 'I'm valued for who I am and not pitied for the disabilities I happen to have.'

Our purpose is to stand alongside blind and partially sighted people, to give people the tools to transform their personal experience, grow a self-sustaining community, and transform society for blind and partially sighted people, their family and friends, and those that care about sight loss.

We'll spearhead the creation of a world where there are no barriers to people with sight loss. You can read more about how we'll do this on page 30.

Company Structure

We have made some simplifications to our company structure with all activities which previously sat under Action being brought into RNIB as of 1 April 2017 and all non regulated activities within RNIB Charity also coming into RNIB on 1 April 2017. These changes have simplified our group structure and the transition can be seen across our numbers.



Our achievement and performance this year

These priorities relate to the strategy which was in place in 2017/18, this has now been replaced by the new strategy and priorities outlined from page 30.

Strategic Priority 1: Being There

Being diagnosed with a sight condition can be devastating. From the first diagnosis, practical advice and emotional support is vital for the individuals affected, as well as their families and friends. We're focused on being there for everyone in the UK.

Increasing access to support in eye clinics

This year, our sight loss advisers supported 25,492 individual patients in eye clinics across the UK, against a target of 25,500. On top of this, we provided advice to an additional 5,421

patients in eye clinics who required less intense support. 56 per cent of NHS Trusts in the UK now have access to a qualified sight loss adviser or 'ECLO' (eye clinic liaison officer).

In England, between 2014-18, RNIB has increased the availability of qualified sight loss advisers in the busiest 100 eye departments from 44 per cent to 71 per cent. We are prioritising the growth of in-clinic patient support amongst these eye departments because they deal with 90 per cent of all the ophthalmology appointments in England.

We've maintained access to eye clinic support for patients across the whole of Northern Ireland and Wales. We are close to securing access to support for patients across the whole of

Scotland, with just two health boards now lacking a service.

Providing advice

As well as in-clinic support, we provide help and advice to anyone who needs it over the phone, and online. This year has seen an increase of 61 per cent in enquiries to the UK Advice Service, along with a 16 per cent increase in the number of customers we've advised.

Fundraising

We are delighted to report that our major three-year fundraising initiative for RNIB's sight loss advice service is transforming lives.

This year alone, we secured £1.3 million from funders and donors specifically for this work.

We've also embedded messages about the critical need for support for patients in eye clinics across all our fundraising activity. We're continuing this approach next year, so everyone who supports RNIB can help make sure that the right support is there at the eye clinic, when people need it.

Strategic Priority 2 and 3: Independence and inclusion

We believe blind and partially sighted people of all ages should be able to make informed choices about their lives. Barriers to using mainstream goods and services, along with poor employment opportunities, can lead to isolation and exclusion.

Working with communities and across society, we've raised awareness of the need to improve access for blind and partially sighted people. We're focused on promoting ongoing independence by offering ways for people to develop skills for confident living.

- **Changing people's attitude to sight loss**

This year we have worked with Guide Dogs to develop and jointly fund a piece of research into attitudes to sight loss amongst the general public. In 2018/19 we will receive the findings of this research and will work with the sight loss sector to explore ways to address them.

Our sight loss
advisers supported

25,492

patients in eye clinics

- **'Need it to Read it' NHS Accessible Information Standard campaign**

Following our 'Need it to Read it' campaign, which involved more than 5,000 people, we are now working with the NHS to embed the standard in their practice. As part of this we're continuing to work with CQC to ensure that adherence to the Standard is part of their inspection regime.

- **Confidence Building courses**

We've seen a 22 per cent increase in the number of people joining our confidence building courses across all channels, including telephone and digital. This beats our target of a 20 per cent increase.

- **Supporting independence with partner organisations**
We've worked with over 200 partners to support confidence building and technology services. This is quite an achievement as we set out with the modest target of engaging with 40 new partners. For example, we're working with Blind Aid, moving from delivering training to their customers to the development and delivery of training for their own staff and volunteers. We've equipped them with the knowledge and confidence to talk about accessible mobile technology when visiting people in their homes. We've run courses with more than 250 customers at the Galloways Society for the Blind. And working with the Accrington Blind Society, we've run Leisure, Health & Wellbeing (LWSL) courses for their members, encouraging them to become volunteers. These volunteers now have the skills and confidence to run these courses successfully without our help.

Strategic priority 4: Prevention

Sight loss has a major impact on people's quality of life and it's reflected in a significant cost to society.

We play a role in preventing sight loss and improving people's eye health. It's important that people understand how to look after their sight and can access the tools and information to help them do it properly.

Transforming Eye Health campaign with Specsavers

This ongoing campaign has reached 68.2 per cent of UK adults through a co-branded TV ad. We've also run adverts in most national press and magazines and on more than 2,200 poster sites across the country. Our UK tour of the RNIB Eye Pod added to the visibility of the campaign and we know there were 7,000 more eye tests each week in September and October compared to the previous six months.

Ask and Tell pilot project

Ask and Tell was designed to support patients to become self-advocates and take an active role in self-management of their sight and associated conditions. The pilot ran in nine eye clinics in Scotland and England to get an understanding of the issues facing patients and staff. Over 700 patient resource packs and approximately 3,000 leaflets were handed out. Patient feedback has been very positive, and the pilot has helped us reconsider our approach to self-advocacy. Now we are currently developing some shared decision-making materials with our partners International Glaucoma Association and the Royal College of Ophthalmologists.

All-Party Parliamentary Group on an Eye Health and Visual Impairment Inquiry

We acted as the secretariat supporting the APPG as they looked into the capacity of eye clinics. Over 550 patients shared their experience of eye care services and over 100 organisations submitted written evidence. The final report launched in June 2018. RNIB will be working with a range of partners to secure support for and implementation of the inquiry recommendations.



And bringing everything together – a more connected community

We believe that we can create a place where everyone can find something relevant and helpful to their lives by facilitating a more connected community. RNIB Connect is transforming both RNIB and our wider society by making sure the voices of blind and partially sighted people are heard.

- **Connect community**

We've worked hard to build our Connect community, and get more people involved with RNIB. The community has grown by 21 per cent over the last year to almost 35,000 members and continues to grow.

- **Building diversity into our community**

As an inclusive organisation, we're always keen to engage with as many people as possible from any background. To this end we

created a steering group of blind and partially sighted people from diverse communities to help us identify what we can do to reach more people of minority ethnic origin. We're now developing a community support pack to help people develop links at a local level and establish partnerships with local community organisations.

In March 2018 we started to recruit Volunteer Ambassadors, including Young Ambassadors, to help engage young people with Connect. We're also creating a community leadership role for young people, helping to establish peer groups in the community. As a result of their feedback, we're creating more content that is relevant to young people, including a new series of videos featuring our community – 'How I See'.

Transforming RNIB

We are committed to achieving our ambition for blind and partially sighted people and anyone affected by sight loss. To do this we needed to make big changes and this work continued in 2017/18.

- **Staff and volunteers with sight loss**

We believe it's important that we include as many people with sight loss in our organisation as possible. 7 per cent of our staff and 21 per cent of our volunteers have sight loss. This is not enough, and we are determined to do more in the coming year.

- **Financial and fundraising targets** We achieved our financial target of a net income surplus due to a strong fundraising performance in particular in legacies and a larger cost reduction than originally planned.

Fundraised net income of £54.9m has exceeded the target of £54.4m with income reducing slightly and expenditure showing large reductions particularly within Individual Giving.

- **New Customer Relationship Management (CRM) System**

We're investing in a project to consolidate our CRM systems to create seamless customer journeys through our newly restructured organisation. This will also help us manage our partner relationships. Progress towards this goal has been slower than planned given the complexity of our current systems, changes in strategic focus and available financial resources.

"Blind and partially sighted people are at the heart of RNIB and they influence everything we do"





Looking ahead

Our 150th year is a unique moment in time. It is a time to look back and celebrate how far the lives of blind and partially sighted people have been transformed and our role in bringing about that change. It is also a time for us to take stock, acknowledging the ongoing challenges blind and partially sighted people face and reflecting on how we respond to those challenges. Our new strategy and three year rolling business plan set out how we will address this and how we will transform ourselves to meet these challenges faster, more effectively and, very importantly, under the leadership of blind and partially sighted people.

More than two million people in the UK live with a degree of sight loss that has an impact on their daily lives. Most sight loss is age-related, with people over the age of 80 making

up 47 per cent of the total blind and partially sighted population. The number of people in this age group is projected to more than double by 2039 – it's estimated that the number of people living with sight loss will have risen from two million now to four million by 2050.

Faced with increasing demand, increasing levels of aspiration and an inefficient provision landscape, we need to change how we serve blind and partially sighted people.

Ultimately, this is about creating a world where equal participation of blind and partially sighted people is the norm. A world where blind and partially sight people will say 'I can lead the life I want to lead' and 'I am valued for who I am and not pitied for the disabilities that I happen to have'.

What we'll do – our priorities

Priority 1: Equip people with sight loss to thrive

We provide all the expert information and advice necessary to give everyone the tools they need – blind and partially sighted people, as well as those who care about sight loss. We'll supply this at whatever volume is required to meet customer needs. And we deliver it through the RNIB Sight Loss Advice Service, RNIB Products and RNIB Reading Services.

Our goals

We will grow our Sight Loss Advice Service to cover a more comprehensive range of topics that are more relevant to people with sight loss today. Working with our partners amplifies our reach, so we'll build the capability and capacity of other sight loss charities to deliver more effectively alongside us.

And we'll use a digital first approach to make reading and products sustainable.

Objectives for 2018/19

1. To reach more than 48,000 customers through our Sight Loss Advice Service, an increase of around 12 per cent from last year
2. Create 10 new ECLo services in eye clinics across the UK
3. Work with 70 new partners to co-deliver our technology and confidence building courses across the UK
4. Continue to improve the standards at our care and education services.

Priority 2: Connect the community

We will create a self-sustaining community that comes to life digitally through peer-to-peer connection; by telephone through connection groups; and face-to-face through our local networks. To make this happen, we'll further develop our platform through the RNIB Connect Community.

Our goals

We want to grow our Connect Community to make it the primary community engagement platform for blind and partially sighted people and we'll work closely with our partners to transform the sight loss charity sector.

Objectives for 2018/19

1. Establish a local connection model across the UK which enables more people to easily meet others who live with sight loss
2. Establish a National Involvement structure which increases the level of influence and involvement in all aspects of RNIB's work
3. Increase the proportion of blind or partially sighted volunteers to 25 per cent of all volunteers.

Priority 3: Change society

It's a big challenge but we will do everything we can to encourage people to understand sight loss and remove any barrier to equal participation. We'll do this by influencing decision makers – in Government and corporate settings – and the public.

Our goals:

We will continue to raise the awareness of RNIB, what we do and what we stand for. Educating the public on sight loss is key to our success, demonstrating how our community can thrive as a valuable part of society.

Objectives for 2018/19

1. Identify the barriers to full inclusion of blind and partially sighted people and prioritise which barriers to focus on with our community and partners

2. Launch our report on the All Party Parliamentary Group (APPG) inquiry into the capacity of eye clinics and use this as a platform to influence decision makers
3. Launch our new brand, celebrate 150 years of RNIB and increase our brand relevance to the UK population.

Priority 4: Create a fit-for-purpose organisation

We believe the way forward is to develop a nimble, customer-centred, knowledge-based organisation that puts accountability and empowerment at the heart of the culture. Getting the basics right is vital to build an organisation that's defined by its deep knowledge, relationships and reputation.

Our goals:

We must continue to change if we're going to achieve our vision. This means getting the basics right. For example; more customer-focused ways of working and behaviours; better safeguarding and compliance processes; better and more integrated systems and processes.

Objectives 2018/19

1. Launch our new fundraising strategy to increase cause-led income
2. Continue to improve safeguarding processes
3. Continue to strengthen our long-term reserves and liquidity
4. Continue to work to secure ongoing GDPR compliance
5. Exceed the UK average for all Charity Pulse staff engagement scores.



Financial review

Introduction

We have made a huge step forward with our finances in 2017/18, thanks to cost reduction programmes, improved processes and a strong focus on cash management and control. The result is a strong turnaround in RNIB's financial stability.

This successful implementation of the first year of our two-year Financial Transformation plan has changed the organisational shape, focus and pace. It has put the building blocks in place to make us fit for the future.

The reduction of £20.4 million in expenditure relates primarily to reductions in raising funds (some of which are permanent savings) and structural efficiencies that have been achieved as we have reshaped the organisation as "one RNIB".

The previous year's figures also included several property write-downs and one off provisions.

This year we have also made repayments against our loan facilities of £3.8 million and have reduced our reliance on these but they were still in place at the end of the year.

There remains much to do, and we will continue to drive this forward over the coming year.

Year two of our transformation plan focuses on embedding much of the change implemented in 2017/18, at the same time implementing further cost management and reduction programmes.

This will happen alongside the introduction of our newly focused strategy and business plan. We will also look closely at internal

capabilities, with training and system enhancements to support improved reporting.

We will continue to reduce our reliance on credit-based facilities to support our overall sustainability and focus on cash management.

Overview of Financial Performance

The overall operating surplus for the year was £6.3 million (2017: £12.6 million deficit). This represents a significant turnaround and was mainly achieved through planned and sustainable cost reductions with organisational expenditure reduced by £20.4m year on year.

A number of non-cash gains and losses sit below the net income figure within both the current and previous year. Firstly, the actuarial gain or loss on our Pension schemes can

change year-on-year based on market conditions and updates to underlying assumptions. In 2016/17, we reported a loss of £16.8 million from the combined pension schemes and in 2017/18, we reported a gain of £11.3 million. During 2017/18 we performed an impairment review on one of our properties, The RNIB Pears Centre, and recognised a loss of £16.6 million on revaluation.

As a result, the movement in total funds for the year was an increase of £2.1 million (compared to 2016/17 reduction of £29.1 million).

As a result, our reserves and liquidity are much stronger and RNIB is on a sounder footing as we start on our new strategy.

Income

Group income was largely flat at £118.7 million (2017: £119.2 million). In

2017/18, 62 per cent (2017: 61 per cent) of our overall income came from fundraising activity.

Donations increased by 4.5 per cent to £32.3 million (2017: £30.9 million) and legacy income increased slightly to £41.9 million (2017: £41.7 million). We are particularly delighted by another record legacy income performance for RNIB.

Expenditure

Group expenditure was split between supporting our four strategic priorities of Being There (6 per cent) (2017: 6 per cent reclassified), Independence (64 per cent) (2017: 62 per cent reclassified), Inclusion (13 per cent) (2017: 9 per cent) and Prevention (less than 1 per cent) (2017: 1 per cent). In addition, we spent 17 per cent of group expenditure (2017: 22 per cent reclassified) on raising funds to ensure our future financial sustainability.

Group expenditure as a whole has decreased by £20.4 million to £112.4 million (2017: £132.8 million) with the major contributors to this reduction being the reduction in staff numbers as we realigned our business and fundraising investment in the short term. The costs of raising funds decreased by 34 per cent to £19.3 million (2017: £29.0 million), as discussed in the Fundraising Review section on page 44.

A full analysis of group expenditure is shown in note 4 and the allocation of support costs in note 5.

Subsidiary Entities

RNIB's operational subsidiary charities were RNIB Charity, Action, CIB, RNIB Specialist Learning Trust and BucksVision (subsidiary of Action). These charities contributed total external income of £20.4 million (2017: £35.7 million), almost all of which relates to charitable activities. This amount excludes the intra-group grants shown in note 3.

The two active trading entities of the Group (RNIB Enterprises Limited and RNIB Services Limited) contributed £0.3 million (2017: £0.1 million) to the RNIB Group through gift aid and share of profit. This significant increase is mainly a result of the transfer of all transcription, retail and consultancy services to RNIB Enterprises Limited from RNIB Charity.

RNIB is committed to ensuring its subsidiaries are operating effectively.

Within 2017/18 RNIB provided specific assurance to the trustees of the Specialist Learning Trust and BucksVision of its ongoing support as part of the annual review process.

The full results of all subsidiary entities are shown in note 3.

Balance Sheet and Cash flow

Overall net assets have increased from £77.6 million to £79.7 million, due mainly to the in-year operational surplus, the actuarial gain on the pension schemes, partly offset by the impairment of The RNIB Pears Centre.

Tangible assets reduced by £16.7 million to £71.8 million, principally due to the write down of The RNIB Pears Centre property as mentioned above. Group investments increased from £6.8 million to £8.0 million mainly relating to a gift of investment properties from the Westbury

Vaughan Trust. The remaining investments relate to endowment and restricted funds. Further details of the investment policy are included on page 40.

An increase in accrued legacies offset by a decrease to trade debtors has resulted in a relatively flat debtor position of £31.4 million against £31.3 million. The decrease to trade debtors is largely due to a significant doubtful debt provision of £5.3m giving a trade debtors figure of £4.5 million (2017: £8.9 million). Given the later signing date it was appropriate that we took a far more prudent approach to our debtor position. The £8.5 million decrease (2017: £2.9 million increase) in short term creditors is largely due to a decrease in both short term loans and accrued expenditure.

Cash has decreased slightly from £5 million to £4.7 million over the year, however this is in the context of a reduction in our drawn down loan facilities of £3.8 million during the year. As part of the agreed Financial Transformation plan, cash is closely managed, and we have made the repayment of the final tranche of drawn down loan funds in July 2018 of £2.5 million. We have also amended our Reserves policy to focus more closely on cash position and management and it is a key internal financial focus.



Pensions

RNIB Group has a large number of pension schemes which are detailed in note 23. The financial statements show a significant gain on the main scheme of £11.1 million (2017: £16.8 million loss) as the actuarial valuation deficit for accounting purposes has reduced. This is mostly due to factors outside our control including an increase in the discount rate used to value the scheme liabilities (influenced by wider macro-economic conditions) and an increase in inflation. No additional cash payments result from this accounting valuation. However, the actuarial valuation as at 31 March 2017 resulted in a deficit of £14.1 million and deficit recovery payments of £2.5 million per year until 31 March 2027, which we have accounted for in our future budgets.

After the year end, a proposal has been made to staff to close the RNIB Retirement Benefits Scheme to future accruals and provide benefits in a new "Defined Contribution" section of the Scheme. The consultation has closed and the decision has been confirmed and agreed with the Pension Scheme Trustees. In addition, we are proposing to cease contributions to the NEST auto-enrolment scheme and provide all pension benefits through the defined contribution scheme noted above. We are currently in the process of setting up the new scheme and the RNIB Retirement Benefits Scheme closure date is in the process of being agreed. It is likely to be in early 2019.

A full disclosure of the all schemes is shown in note 23.

Reserves policy

RNIB Group has implemented a revised reserves policy for 2017/18 to introduce a liquidity requirement, as well as a level of general reserves. This is to reinforce a strong cash management approach and effectively manage risk and financial sustainability within the organisation.

The liquidity target focuses on free cash and available facilities and reduces this by the value of restricted funds to ensure these funds are appropriately ringfenced. General reserves exclude restricted funds and designated funds, which include the net book value of land and buildings occupied by RNIB services and activities. The assessment of general reserves excludes any surplus or deficit reported on the pension scheme.

The recommended liquidity and general reserves level is calculated annually. This is based on the financial impact of the current risks facing RNIB Group to safeguard against income volatility and increased costs. The reserves policy is reviewed annually by the Trustees.

The Trustees wish to operate within a range of £10.7 million and £16.1 million of liquidity and between £21.4 million to £32.1 million for general reserves, based on the current analysis of risk.

At 31 March 2018, liquidity stood at £12.7 million (2017: £3.0 million) and general reserves £25.6 million (2017: £14.3 million), so both within target ranges.

Going concern

The strong results for the first year of our financial transformation plan have significantly improved both our current financial position and the sustainability of our long-term position. In the second year of the plan, we are continuing to focus on strong financial management. At the heart of this are cash flow and cost control, managing down our reliance on financing facilities, and ensuring ownership of our financial management across the organisation.

We have seen rapid change in 2017/18 with new leadership in place, resulting in renewed focus and pace. We've made significant cost reductions (with more planned) to restore RNIB to long term financial sustainability. Expenditure is down by £20.4 million for the year with a significant proportion of this being long term cost reductions. We've achieved this against a backdrop of less than a £1 million reduction to income.

We have a revolving credit facility in place to safeguard our financial position however have nil drawn down against this facility.

An amended reserves policy puts us in a strong position for the future. It brings in a liquidity requirement to further sharpen our focus on cash flow and cash management.

Internally we are working on process improvements and budget holder training, so we can drive the necessary step change in financial performance.

Trustees and management continue to monitor and review the financial position of the Group, including its current liquidity position, forecast cash flows and available financing facilities. Key financial risks have been identified and we are actively managing them.

We have put clearer and more robust medium and long term financial plans in place. These will help us achieve our strategic goals within our financial constraints.

As a result, the Trustees believe there are adequate resources to continue for the foreseeable future. Therefore, our financial statements are drawn up on a going concern basis.

Investment policy

The Endowment Funds are managed by F&C. F&C fee structures are:

- Foreign & Colonial Responsible Sterling Bond Fund – 0.57 per cent per annum;
- Foreign & Colonial Responsible UK Income Fund – 0.81 per cent per annum.

Included within Group investments are £55,000 (2017: £55,000) relating to CIB.

RNIB Endowment Investment performance

The Endowment funds in which the investments are held, are measured against agreed benchmark indices for each relevant holding.

At 31 March 2018, the unrealised loss on the Endowment Funds was £53,000 (2017: £0.3 million) and the breakdown can be found in note 21.

The Elizabeth Eagle-Bott and Dr Duncan Leeds Funds are all held in both the F&C Responsible UK Income Fund and the F&C Responsible Sterling Bond Fund.

The Emma Nye Fund is held in the F&C Responsible UK Income Fund only.

The Bristol Blind and GDC Rushton Funds are held in the F&C Responsible Sterling Bond Fund only.

The Sunshine Fund is held in the F&C Responsible Sterling Bond Fund, F&C Responsible UK Income Fund and F&C Money Markets Fund only.



Remuneration policy

We use four different pay scales for employees on different terms and conditions. The majority of employees are engaged on the RNIB pay framework.

A few employees are engaged on other terms:

- Further education – lecturers;
- Primary and Secondary Education – teachers;
- Other pay scales – staff who have transferred employment from other organisations and who remain on their pay scales;
- Apprentices – paid the Apprentice National Minimum Wage rates.

The RNIB pay framework comprises of nine levels divided into three pay groups:

- Leadership Group;
- Management/Professional/Specialist Group;
- Support/Delivery Group.

Pay scales are reviewed annually and a number of factors are considered in order to determine whether an annual pay increase is paid. These include RNIB's financial performance and affordability, external benchmarking within the voluntary sector and economic indicators such as RPI and CPI.

The RNIB Group is led by the Executive Leadership Team consisting of the CEO and five group directors as identified in the Who's Who section of this report. The total remuneration paid to this group was £0.9m (2017: £1.3 million). Of this, directors received

£67,000 related to termination and loss of office payments. Senior management pay is determined by the Remuneration Committee, which is comprised of board trustees and independent members. Pay awards to this group are determined using the same policy as all other RNIB employees.

RNIB are committed to equality and diversity. The median gender pay gap for the whole economy was 19.2 per cent in November 2016 (source: ONS). RNIB Group and RNIB Charity are able to report median gender pay gap figures of 11.8 per cent in RNIB Group and zero per cent in RNIB Charity. Our full gender pay gap disclosure is available from our corporate website. This includes our action plan about this issue.



Fundraising review

Principal Fundraising Activities and Performance

RNIB continues to have a diverse supporter base and receives donations through a variety of fundraising activities and programmes:

- **Legacies:** Gifts from RNIB supporters who have been inspired to give through their Will represent the largest single source of voluntary income. In 2017/18 income from these gifts was £41.9 million (2017: £41.7 million), which represented another record year.
- **Individual Giving:** We receive individual donations through our raffle, lottery and direct marketing appeal programmes and in 2017/18, this amounted to a total of £25.4 million (2017: £25.0 million). Investment in Individual Giving is designed to generate a long-term, sustainable income stream, which

is an important part of funding our work. Our spend in Individual Giving was reduced in 2018 by £7.2 million, but this follows an increase in investment in prior years and we are planning to invest more again in 2019.

- **Corporates, Trusts, Major Gifts and Statutory:** We receive a number of high value gifts from Charitable Trusts and Companies and Individuals that support specific events and/or projects. In 2018, income from these sources was £9.3 million (2017: £8.9 million), of which £4.1 million (2017: £4.9 million) is accounted for within charitable activities.
- **Community and Events:** By engaging with supporters and the wider community, Community Fundraising plays a key role in the development of networks while also

generating income to fund RNIB's work. In 2018 income generated by community giving activity was £1.7 million. This is £0.2 million lower than in 2017 but a reduction in the cost of the community fundraising team lessened the net impact of that drop.

In total, fundraising income amounted to £78.3 million (2017: £77.5 million), a positive achievement at a time of tightened household spending and generally challenging conditions for the charity sector.

Total fundraising costs amounted to £19.3 million (2017: £29.0 million). This £9.7 million reduction resulted mainly from the reduction in Individual Giving investment mentioned above, significant efficiencies achieved and also a lower level of marketing spend.

Our investment in fundraising remains vital to sustaining our income and our ability to plan and fund our work in the long term. The reduced spend in 2018 relates to efficiencies achieved, a change to approach particularly around Individual Giving Supporter recruitment activity and some deferral of investment.

Fundraising Controls and Regulation

We are very aware that our fundraising success is dependent on maintaining the trust of our donors and the public. We have a number of controls in place to ensure that our fundraising remains ethical, transparent and compliant with both current regulation and public expectation.

Our Board of Trustees play an active role in our fundraising activities, and we have a Relationships' Steering

Committee of Trustees that evaluates fundraising performance, and plans and ensures that fundraising activity operates in line with regulatory requirements and all relevant best practice.

In addition, our Audit and Risk Committee provides independent scrutiny of fundraising control and regulation, through regular reviews from our internal auditors.

We have an Ethical Fundraising Policy which ensures that we only receive donations from individuals and organisations whose aims and objectives are compatible with our own. All of our fundraisers receive compulsory training in this area.

Use of Agencies and Third Parties

We continue to work with a number of external agencies to fundraise on our behalf. These agencies are contracted

to carry out a range of fundraising activities including door-to-door, telephone fundraising, and private site fundraising. We have made further strides during the past year, in making improvements to our contracts with these agencies and further developing our monitoring systems. Assurance includes regular mystery shopping, call monitoring and other quality checks on all of our activities. We have reviewed all contracts with agencies and third parties.

All of our third-party agencies are required contractually to follow the Codes of Conduct and Codes of Practice put in place by the Fundraising Regulator, the Institute of Fundraising and the Charity Commission.

Vulnerable People

We have had a Vulnerable People Policy for fundraising activity in place for some time. All of our staff are made aware of this policy and are trained in how to identify a potentially vulnerable person and the actions they should take to disengage from a fundraising activity. All our third-party agencies are required to adhere to this policy.

Complaints

We take all complaints very seriously and report them as part of our organisational dashboard. We will respond to each complaint within two working days.

Complaints received are used to improve our levels of service. We discuss all our fundraising complaints with the fundraising teams to help shape and improve our future fundraising activities and campaigns. Where a complaint relates to our

work with fundraising partners and suppliers we work closely with them to ensure any concerns are addressed quickly.

The number of fundraising complaints we received during 2017/18 totalled 773 (2017: 806). More than one quarter of these complaints (214) related to face-to-face fundraising carried out by fundraising agencies. As a proportion of direct debit sign ups, this is 0.5 per cent.

Total breakdown of fundraising complaints is:	
Individual giving	624
In-house telephone fundraising	60
Community partnerships	41
Legacies	24
Fundraising operations and supporter care	19
Major donor and corporate	5

Our Commitment

We remain absolutely committed to continually improving the standards we achieve with our relationships with supporters and the public. We ensure that anyone involved in our fundraising activities is aware of our requirement to live by our Fundraising Promise:

We are committed to high standards

- We do all we can to ensure that fundraisers, volunteers and fundraising contractors working with us to raise funds comply with the Codes and with this promise.
- We comply with the law including those that apply to data protection, health and safety and the environment.

We are honest and open

- We tell the truth and do not exaggerate.
- We do what we say we are going to.
- We answer all reasonable questions about our fundraising activities and costs.

We are clear

- We are clear about who we are, what we do and how your gift is used.
- Where we have a promotional agreement with a commercial company, we make clear how much of the purchase price we receive.
- We give a clear explanation of how you can make a gift and amend a regular commitment.

We are respectful

- We respect the rights, dignities and privacy of our supporters and beneficiaries.
- We will not put undue pressure on you to make a gift and if you do not want to give or wish to cease giving, we will respect your decision.
- If you tell us that you don't want us to contact you in a particular way we will not do so.

We are fair and reasonable

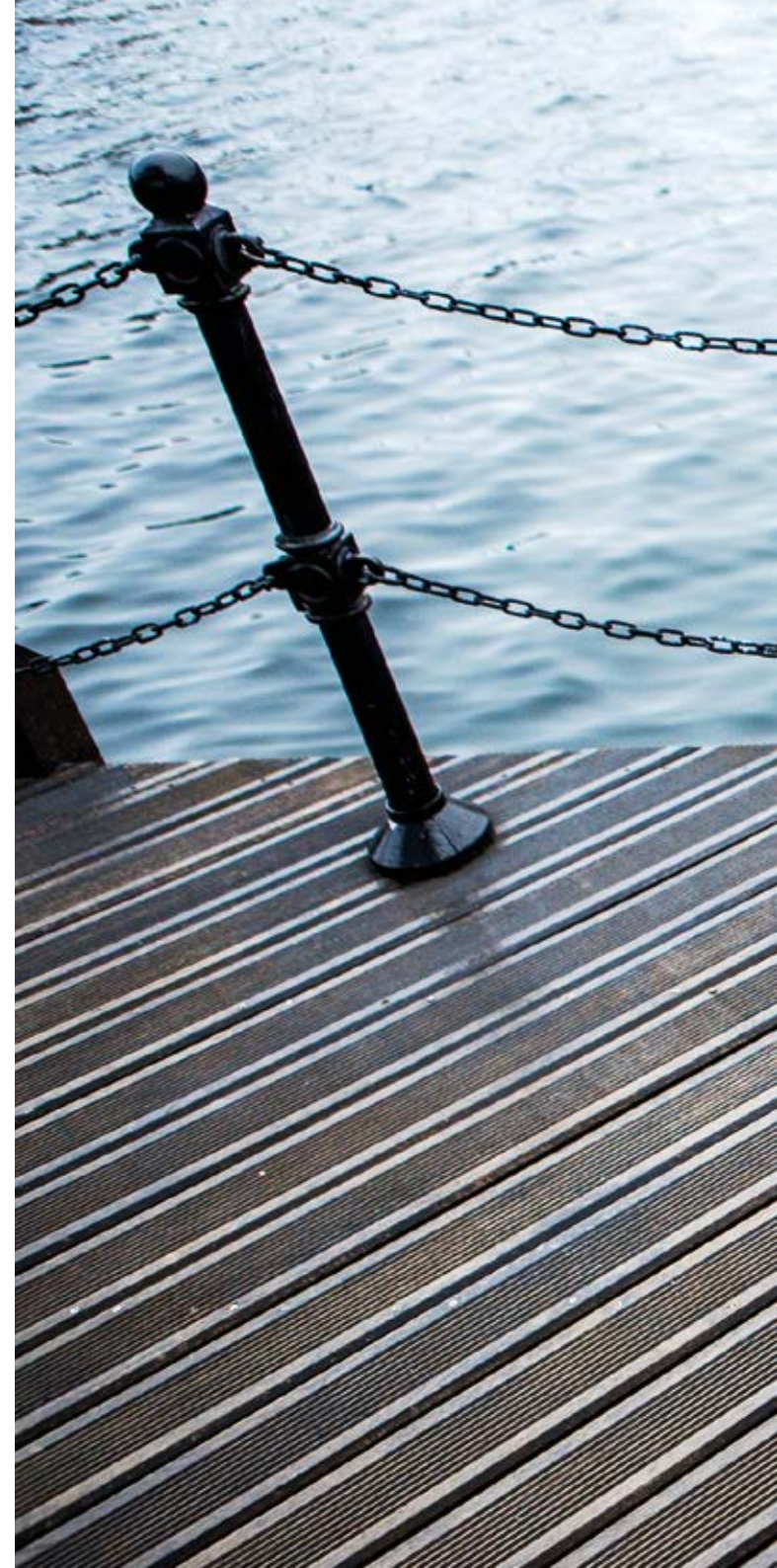
- We take care not to use any images or words that cause unjustifiable distress or offence.
- We take care not to cause unreasonable nuisance or disruption.

We are accountable

- If you are unhappy with anything we've done whilst fundraising, you can contact us to make a complaint.
- We have a complaint procedure, a copy of which is available on request. If we cannot resolve your complaint, we accept the authority of the Fundraising Regulator to make a final adjudication.

We are very grateful for the continued support through legacies, gifts and donations, as well as the work of our many volunteers, which allows the vital work of RNIB to continue.

**"We are clear
about who
we are, what
we do and
how your gift
is used"**





Principal risks and uncertainties

The strategic management of risk is an integral part of RNIB's decision-making processes and culture, supporting effective planning and evaluation of activities. Our risk management is focused on risks and opportunities associated with delivering the strategy and business plan.

Governance of the Group's risk management ultimately sits with

the Board of Trustees, with detailed consideration of risk delegated to Audit and Risk Committee. The Executive Leadership Team oversees the management of risks and reports to the Audit and Risk Committee four times a year.

Our risk management approach details the structures and processes that have been put in place, as well as the key roles and responsibilities for successful risk management.

There are six principal risks. These are summarised below, with their respective mitigation/controls.

1. Finance

Risk that budgets are not delivered as planned. Mitigation: Regular monitoring of income vs budget, reforecasting and tracking of performance indicators.

Risk that we experience a short-term cash shortage, caused by lower than planned income or higher expenditure. Mitigation: Appropriate credit facilities, tight financial management.

2. Strategy, planning and delivery

Risk that we do not deliver our strategy. Mitigation: Implementation of robust and closely managed performance management processes to track delivery of our strategic plans.

Risk around complexity of partnership working on strategy delivery. Mitigation: Some of this risk must be accepted, as partnership working represents the best way to maximise impact. Effective management and focus on partnership working.

3: People

Risk that momentum is affected by leadership change. Mitigation: Ensure continuity with Interim staff during recruitment processes, and development of existing managers stepping up as required. Strategic plans are approved, with performance management processes to track progress.

Risk that we need to ensure we recruit and retain the right people (trustees, employees and volunteers) with skills and experience required to deliver the strategy. Mitigation: Our reward and benefits package is benchmarked

against the sector, and in line with an approved pay policy. We monitor turnover, with exit interviews providing qualitative data.

4: External environment

Risk that demand for our services increases beyond our ability to respond (as a result of demographic changes (ageing population) and/or pressures on NHS/social care budgets). Mitigation: Efficiencies are being introduced where possible to maximise capacity in service delivery – ensuring support is consistent with beneficiary need as far as is possible.

Risk around impact of Brexit.
Mitigation: Effective performance management and delivery of strategy. Focus on our campaigning agenda and the broader issues potentially arising as consequence of Brexit.

5: Safeguarding and Regulatory risk

Risk that the delivery of services inevitably involve some safeguarding risk. Mitigation: Director with corporate responsibility for Safeguarding recruited. Safeguarding project established. Designated Safeguarding Leads group established. Corporate mandatory training being rolled out across the charity. New Safeguarding policy, procedures and protocols implemented.

Risk that we may experience operational disaster caused by loss of services, networks or buildings. Results: potential service disruption and customer impact. Mitigation: Business Continuity Plans.

6: Technology, data and digital

Risk of not delivering our digital transformation effectively. Mitigation: Effective leadership with appropriate

skills and experience and a clear internal vision to be defined.

Risk of cyber-attack or other serious information security breach.
Mitigation: Information Security and Information Governance teams established. Security upgrades and improvements are underway. Enhanced compliance reporting to the Board and Audit and Risk Committee.

The Board of Trustees is satisfied that the major risks have been identified and processes for addressing them have been put in place. It's recognised that control systems can only provide reasonable – but not absolute – assurance that major risks are being adequately managed. Overall, we are confident that our risk position remains within acceptable levels.

Exposure to price, credit, liquidity and cash flow risk

Price risk for RNIB Group arises because of changes in unit trust and equity prices. Total investments with a fair value of £8 million (2017: £6.8 million) are exposed to price risk, but this exposure is managed through our investment policy.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. RNIB Group policies are aimed at minimising such losses and require that credit terms are only granted to customers who demonstrate an appropriate payment history and/or satisfy credit worthiness procedures. Details of RNIB Group debtors are shown in note 16 to the financial statements and we are actively working to reduce our debtor figure and exposure.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. RNIB Group aims to mitigate liquidity risk by managing cash generation by its operations, applying cash collection targets throughout the group. The group also manages liquidity risk via revolving credit facilities and long-term debt.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a risk associated with a recognised asset or liability, such as future interest payments on a variable rate debt. RNIB in 2008 entered into an interest rate swap which still exists. As a relatively unsophisticated investor, RNIB is more likely to wish to manage future interest rate risk through less complex financial instruments.



Employee and volunteer engagement

Staff engagement

At RNIB we engage with staff and seek their views. A recognition agreement with the unions Unite and UNISON gives collective bargaining rights over certain terms and conditions of employment. We had no disputes during the year.

Change Champions Network

Our 75 Change Champions support, promote and embed the changes we're making as we modernise RNIB and improve customer services. They've tested our new HR system, delivered GDPR/Data Protection training to staff and reviewed flexible working and pay-and-reward schemes.

Digital channels

Internal digital channels have helped to democratise communications with and amongst staff. Workplace by Facebook lets staff share news, celebrate success, ask questions and

improve collaboration across teams. The introduction of Skype for Business enables us to run Skype Broadcasts on issues of importance. Staff are regularly invited to hear from senior leaders about our priorities and ask questions, in real time.

Engagement survey

Response to the staff survey in early 2018 rose from 55 per cent to 59 per cent. We exceeded charity sector averages in two areas: 82 per cent of staff now agree that they feel like they're making a difference and 87 per cent of staff trust and respect their line manager. Given the significant changes that have been taking place to transform RNIB, overall engagement scores were down on previous years, but these results were not unexpected.

Volunteer engagement

Our Volunteers

Volunteers are a vital part of our

work, offering their time, skills and experience. They help make life better every day for people affected by sight loss. This year, 4,796 volunteers supported us in 6,159 roles. This is a reduction of 4.1 per cent in the number of volunteers in 2016/17 (5,000).

Faster volunteer recruitment

We work hard to make volunteering enjoyable and worthwhile. Volunteer recruitment time has reduced from an average 53 days to less than 28. Online DBS checks have sped up the process, making it easier to manage sensitive data more securely.

Rolling internship programme

We've set up a rolling internship programme – last year eight interns worked with our Community Fundraising, External Communications, Resourcing, HR and Advocacy teams.

Social Media recruitment

We've successfully started using social media campaigns to attract Technology and Fundraising Volunteers. We've also created ways for people to share their talents and interests across our growing Connect Community.

Volunteer Council

The new Volunteer Council gives feedback on volunteer support and acts as a sounding board for new approaches before we roll them out.

Electronic Volunteer Welcome Pack

Digital technology has changed the way we welcome volunteers. The electronic volunteer Welcome Pack includes a message from our Chair, handbook, basic safeguarding training, understanding sight loss pack and links to personal customer stories. Backed-up by new bite-size

Skype training and a refreshed toolkit, it gives volunteer managers the skills and resources to support their teams.

Employing disabled people

As part of the Disability Confident Scheme, we're now recognised as a Level 2 employers and a Disability Confident Employer (DCE). We are currently working towards Level 3 accreditation and expect to achieve this in early 2019.

Recruiting blind and partially-sighted people

As a sight loss charity, we automatically interview all blind and partially sighted applicants who meet the minimum requirements for a role. We also offer constructive feedback if they're unsuccessful. As a DCE, we offer the same employment opportunities to people who declare any disability. Currently 10.5 per cent of RNIB staff declare themselves as

disabled, which includes an increase of blind and partially sighted staff to 7.1 per cent from 6.1 per cent last year.

This year,

4796

volunteers supported us

Accessibility and Inclusion

Our Accessibility and Inclusion Group (AIG) has worked to create an inclusive culture at RNIB. Key focuses include improving accessibility and consulting with colleagues on recruiting more staff with sight loss. Colleagues have also tested accessibility and usability of new systems, like our HR self-service system, iTrent. And they've fed back on the development of new or improved processes.

Development and training opportunities

Working with the AIG, we've devised a development programme for blind and partially sighted staff. We also operate a trainee scheme for blind and partially sighted people. This has been successful as a route to permanent employment both with and beyond RNIB.

RNIB Apprenticeship programme

We've launched our apprenticeship programme for blind and partially sighted people aged 16+ living in England. The 2017/18 programme offers an intermediate business and administration qualification, with practical work experience at RNIB.

"We respect the rights, dignities and privacy of our supporters and beneficiaries"





Safeguarding, Health and Safety and Compliance

Safeguarding is everybody's responsibility. RNIB is determined to prevent and reduce the risk of harm to vulnerable customers from abuse or other types of exploitation whilst supporting individuals to maintain control over their lives and to make informed choices.

The events of the last year including the Charity Commission review in relation to safeguarding at The RNIB Pears Centre have highlighted areas of urgent improvement in our safeguarding processes in some parts of the organisation.

We have started a campaign "Keeping us safe, keeping us legal" which, amongst a broader range of compliance topics, has focused on raising awareness amongst all

RNIB staff and volunteers, on how to identify potential safeguarding concerns and best practice for addressing them appropriately.

We have set up and resourced a Safeguarding Review Team which will review and update the current safeguarding policy and procedures, and introduce mandatory training across the organisation.

In addition, during 2018, we have created a sub-committee to the Board, the Regulated Services and Safeguarding Committee, which comprises trustees nominated by the Board, independent members and chair. The committee will monitor and ensure full compliance with best safeguarding practices.

Our recruitment of a Director of Care, Education and Safeguarding will ensure that safeguarding is given appropriate oversight at Executive and Board level.

Information governance

We are committed to improving, embedding and maintaining a clear and consistent approach to Information Governance and Data Protection. Alongside many other organisations in 2017/18, a major priority was the GDPR compliance deadline of May 2018.

Our focus has been on establishing robust data protection processes that are applicable to personal data managed by RNIB. We are continuing to concentrate on giving our staff the guidance, tools, knowledge and

confidence to manage customers' information securely and compliantly, and to be open and honest if they make a mistake or find something that concerns them.

Moving forward, we will be evaluating and reporting against the tools and processes already established, while continuing to carry out additional improvement work.

Our health and safety commitment

We will ensure the safety and health of our people, our customers and anyone else we come into contact with. Our pragmatic, intuitive systems safeguard compliance. We continue to develop our safety, health, fire and environmental (HSFE) management systems.

Fire safety standards

With increased awareness of fire safety, the rigorous programme of annual fire risk assessments of RNIB properties continues. We

use a recognised British Standards methodology, enhanced in-house, to quantify the level of compliance. Of 63 fire risk assessments, the average compliance figure is 93.3 per cent. The average for our residential and school premises is 96.7 per cent.

Emergency and Business Continuity Plans

Reviewed and updated so each site (and larger departments) have bespoke plans. This lets them manage emergencies and re-establish the business in one seamless process. Supported by site, departmental and corporate Major Incident Response Teams, further training was carried out in 2018.

Insurance savings

A comprehensive review of our insurances saved 8 per cent in costs. It also ensures these policies meet the needs of the organisation, now and in the future.

Reducing environmental impact

We've improved our energy use monitoring. Cutting our vehicle fleet by 52 per cent has significantly reduced fuel use. Online meeting software has cut travel-associated costs and energy use. Training is being developed so more meetings can be held online to reduce travel further. Low energy LED lighting, energy efficient appliances and heating have been introduced to refurbished sites.

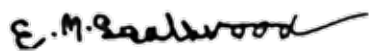
Flexible working

We're reviewing our approach to flexible working, working hours, location and new technologies. This will lead to improved productivity, greater organisational agility and reduced costs, with optimal use of real estate. Our greater focus on technology means our business travel costs have reduced. Staff commuting time is also reduced, promoting a better employee home-life balance.

Health and happiness

Thanks to early interventions and proactive assistance, RNIB is below the national average for workdays lost per person per year. We've reduced the days lost to 5.9, down from 6.0 (national average 6.6 days). Health and wellbeing benefits for staff are continually reviewed and updated to encourage healthy lifestyles and reduce sickness absences.

The Trustees' report, including the strategic report, was approved by the Board of Trustees, and authorised for issue on 19 December 2018.



**Eleanor Southwood,
Chair**



**Alan Tinger,
Treasurer**

"We have started a campaign 'Keeping us safe, keeping us legal' which has focused on raising awareness amongst all RNIB staff and volunteers..."

Accounts

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Independent auditors' report to the Trustees of The Royal National Institute of Blind People

Report on the audit of the financial statements

Opinion

In our opinion, Royal National Institute of Blind People's group financial statements and parent charity financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 March 2018 and of the group's incoming resources and application of resources and of the group's cash flows, for the year then ended;

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within the RNIB Group annual report and accounts 2017/18 (the "Annual Report"), which comprise: the Group and RNIB balance sheets as at 31 March 2018; the Group statement of financial activities for the year then ended, the Group cash flow statement for the year then ended; and the notes to the financial statements which include a summary of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described

in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent charity's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express

an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Trustees' Report

Under the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion the information given in the Trustees' Report is inconsistent in any material respect with the financial statements. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit **Responsibilities of the trustees for the financial statements**

As explained more fully in the Statement of Trustees' responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with

the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

We are eligible to act and have been appointed auditors under section 144 of the Charities Act 2011 and section

44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charity's trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011 and regulations made under those Acts (regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and Part 4 of The Charities (Accounts and Reports) Regulations 2008) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting Charities Accounts (Scotland) Regulations 2006 (as amended) and Charities (Accounts and Reports) Regulations 2008 exception reporting

Under the Charities Accounts (Scotland) Regulations 2006 and Charities (Accounts and Reports) Regulations 2008 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- sufficient accounting records have not been kept by the parent charity; or
- the parent charity financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

**Chartered Accountants and Statutory Auditors
London**

19 December 2018

PricewaterhouseCoopers LLP is eligible to act, and has been appointed, as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and section 144(2) of the Charities Act 2011.

Group statement of financial activities for the year ended 31 March 2018

	Notes	2018 Unre- stricted funds £'000	2018 Re- stricted funds £'000	2018 Endow- ment funds £'000	2018 Total £'000	2017 Unrestricted funds (Reclassified) £'000	2017 Restricted funds £'000	2017 Endow- ment funds £'000	2017 Total (Re- classified) £'000
Income and Endowments from:									
Donations		24,700	7,557	-	32,257	24,715	6,152	-	30,867
Legacies		34,053	7,866	-	41,919	37,562	4,168	-	41,730
Charitable activities:									
Being there		1,231	391	-	1,622	67	2,095	-	2,162
Independence		11,233	23,926	-	35,159	4,369	30,889	-	35,258
Inclusion		6,002	1,544	-	7,546	2,266	6,103	-	8,369
Prevention		26	6	-	32	18	240	-	258
Total Income from charitable activities:		18,492	25,867	-	44,359	6,720	39,327	-	46,047
Investment income	2	9	182	-	191	8	221	-	229
Other income		-	1	-	1	326	-	-	326

	Notes	2018 Unre- stricted funds £'000	2018 Re- stricted funds £'000	2018 Endow- ment funds £'000	2018 Total £'000	2017 Unrestricted funds (Reclassified) £'000	2017 Restricted funds £'000	2017 Endow- ment funds £'000	2017 Total (Re- classified) £'000
Total income and endowments		77,254	41,473	-	118,727	69,331	49,868	-	119,199

Expenditure on:									
Raising funds	4/5/6	19,208	55	-	19,263	28,979	6	-	28,985

Charitable activities:									
Being there	4/5/6	5,015	1,503	-	6,518	5,127	3,020	-	8,147
Independence	4/5/6	23,889	48,370	36	72,295	33,013	49,951	-	82,964
Inclusion	4/5/6	8,348	5,650	-	13,998	8,475	2,949	-	11,424
Prevention	4/5/6	164	157	-	321	997	308	-	1,305
Total expenditure on charitable activities:		37,416	55,680	36	93,132	47,612	56,228	-	103,840

Total expenditure		56,624	55,735	36	112,395	76,591	56,234	-	132,825
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	Notes	2018 Unre- stricted funds £'000	2018 Re- stricted funds £'000	2018 Endow- ment funds £'000	2018 Total £'000	2017 Unrestricted funds (Reclassified) £'000	2017 Restricted funds £'000	2017 Endow- ment funds £'000	2017 Total (Re- classified) £'000
Net gains/ (losses) on investments	14	40	(1)	(53)	(14)	142	557	312	1,011
Net income/ (expenditure)		20,670	(14,263)	(89)	6,318	(7,118)	(5,809)	312	(12,615)
Exceptional item	12	(16,580)	-	-	(16,580)	-	-	-	-
Transfers between funds		305	(305)	-	-	720	(720)	-	-
Other recognised gains/(losses):									
Net gains on interest rate swap		1,137	-	-	1,137	280	-	-	280
Actuarial gain/ (loss) on defined benefit pension scheme	23	10,957	297	-	11,254	(16,259)	(491)	-	(16,750)

	Notes	2018 Unre- stricted funds £'000	2018 Re- stricted funds £'000	2018 Endow- ment funds £'000	2018 Total £'000	2017 Unrestricted funds (Reclassified) £'000	2017 Restricted funds £'000	2017 Endow- ment funds £'000	2017 Total (Re- classified) £'000
Net movement in funds		16,489	(14,271)	(89)	2,129	(22,377)	(7,020)	312	(29,085)

Reconciliation of funds									
Total funds brought forward		51,009	20,698	5,871	77,578	73,386	27,718	5,559	106,663
Total funds carried forward		67,498	6,427	5,782	79,707	51,009	20,698	5,871	77,578

The Statement of Financial activities includes all gains and losses recognised in the year. Total income of RNIB during the year, including investment gains/losses was £98.9 million (2017: £78.5 million) less resources expended of £93.6 million (2017: £84.6 million) led to a surplus of £5.3 million (2017: deficit of £6.2 million). All income, expenditure and resulting net movements in funds are derived from continuing activities. The Isle of Man government require that we disclose the income and expenditure in the Isle of Man which amounted to £0.2 million (2017: £0.1 million) and £0.1 million (2017: £0.2 million) respectively.

The notes that follow form part of the financial statements.

Income and expenditure through our subsidiary charities – Action for Blind People, BucksVision, RNIB Charity, CIB and RNIB Specialist Learning Trust – are treated as restricted as these funds relate to the specific services provided by each entity. This balance reduced significantly in the year due to the changes in group structure as mentioned in the Trustee's report.

2017 results have been reclassified to remove a recharge of public awareness expenditure from raising funds expenditure to charitable activities expenditure categories (£4.6 million). There is no net effect on net income/(expenditure) resulting from this change.






Group and RNIB balance sheets as at 31 March 2018

	Notes	Group 2018 £'000	Group 2017 £'000	RNIB 2018 £'000	RNIB 2017 £'000
Fixed assets					
Tangible assets	12	68,786	88,505	65,684	69,597
Intangible assets	13	2,523	3,142	2,523	3,142
Investments	14	7,967	6,812	7,868	6,750
Total fixed assets		79,276	98,459	76,075	79,489
Current assets					
Stocks and work in progress	15	1,361	1,856	381	369
Debtors due within one year	16	31,379	31,263	38,854	41,280
Investments	14	-	96	-	-
Cash at bank and in hand		4,691	5,002	3,803	2,419
Total current assets		37,431	38,217	43,038	44,068
Creditors: amounts falling due within one year	17	W11,582	20,099	17,859	28,862
Net current assets		25,849	18,118	25,179	15,206
Total assets less current liabilities		105,125	116,577	101,254	94,695
Creditors: amounts falling due after one year	18	19,768	21,960	19,768	21,959

	Notes	Group 2018 £'000	Group 2017 £'000	RNIB 2018 £'000	RNIB 2017 £'000
Provisions for liabilities and charges	19	2,398	4,543	1,882	3,088
Net assets excluding pension liability		82,959	90,074	79,604	69,648
Defined benefit pension liability	23	(3,252)	(12,496)	(1,823)	(9,162)
Net assets including pension liability		79,707	77,578	77,781	60,486
The funds of the Group/RNIB:					
Endowment funds	21	5,782	5,871	5,781	5,870
Restricted income funds	21	6,427	20,698	4,502	3,607
Unrestricted income funds:					
Designated	21	43,751	45,866	43,751	45,866
General	21	25,570	14,305	25,570	14,305
Pension reserve	21/23	(1,823)	(9,162)	(1,823)	(9,162)
Total unrestricted income funds		67,498	51,009	67,498	51,009
Total Group/RNIB funds		79,707	77,578	77,781	60,486

These financial statements were approved by the Board of Trustees on 19 December 2018 and signed on behalf of RNIB by Eleanor Southwood, Chair, and Alan Tinger, Honorary Treasurer.

E. M. Southwood



Group cash flow statement for the year ended 31 March 2018

	Note	2018 £'000	2017 £'000
Net cash generated by/(used in) operating activities	A	3,477	(6,051)
Cash flows from investing activities			
Investment income		191	229
Purchase of fixed assets		(1,355)	(5,295)
Proceeds from sale of tangible fixed assets		1,955	509
Purchase of investments		-	(75)
Proceeds from sale of investments		140	9,958
Proceeds from sale of property held for sale		-	-
Net cash provided by investing activities		931	5,326
Cash flows from financing activities			
Repayments of borrowing		(4,891)	(2,503)
Cash inflows from new borrowing		-	4,000
Net cash (used in)/generated by financing activities		(4,891)	1,497
Net (decrease)/increase in cash and cash equivalents in the reporting year	B	(483)	772
Cash and cash equivalents at the beginning of the reporting year	B	5,002	4,230
Cash and cash equivalents at the end of the reporting year		4,519	5,002

Notes to the cash flow statement

A. Reconciliation of net income/(expenditure) to net cash outflow from operating activities	2018 £'000	2017 £'000
Net income / (expenditure) for the reporting year before transfers	6,318	(12,615)
Adjustments for:		
Investment income	(191)	(229)
Depreciation	3,091	3,377
Amortisation	1,362	562
Impairment of tangible fixed assets	-	2,095
Investment management fees charged to portfolio	36	-
Transfer investments from current assets to fixed assets	(49)	-
Gift of investment properties	(1,295)	-
(Profit)/Loss on disposal of tangible fixed assets	(1,334)	31
Loss/(Gain) on investments	14	(1,011)
Decrease in current creditors	(4,725)	(126)
Decrease in long term creditors	(90)	(2)
(Decrease)/Increase in provisions for liabilities and charges	(2,145)	3,549
Increase in pension provision	2,010	350
Increase in debtors	(20)	(1,518)
Decrease/(Increase) in stock	495	(514)
Net cash inflow/(outflow) from operating activities	3,477	(6,051)

Group statement of financial activities for the year ended 31 March 2018

B. Analysis of change in net debt	1 April 2016 £'000	Cash flow 2016/17 £'000	31 March 2017 £'000	Cash flow 2017/18 £'000	31 March 2018 £'000
Cash at bank	4,272	730	5,002	(311)	4,691
Bank overdraft	(42)	42	-	(172)	(172)
Total cash and cash equivalents	4,230	772	5,002	(483)	4,519
Debt due within one year	(4,848)	(2,581)	(7,429)	3,838	(3,591)
Debt due after one year	(18,402)	1,084	(17,318)	1,091	(16,227)
Total change in net debt	(19,020)	(725)	(19,745)	4,446	(15,299)



Notes to the financial statements for the year ended 31 March 2018

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of these financial statements are as set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation

These consolidated and separate 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also conform to the requirements of the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. No separate Statement of Financial Activities (SOFA) has been presented for the Charity alone as permitted by the Charities SORP (FRS 102).

1.2 Going concern

The Group meets its day-to-day financing requirements through

a combination of cash generated by operations and banking facilities. Cash levels were being supported by asset sales over the last few years, and there were significant operating deficits, so Trustees agreed a Financial Transformation Plan in March 2017, for the next two years. This focuses on cash flow management and cost control, supported by better communications and engagement of internal stakeholders from top to bottom.

Against this backdrop, Trustees and management continue to monitor and review the financial position of the Group, including its current liquidity position, forecast cash flows and available financing facilities for a rolling 24-month period into the future. We generated £3.4 million

of operating cash during the year (2017: £6 million cash loss), which meant that we were able to reduce our reliance on short-term financing facilities and we paid off £3.8 million during the year. We paid a further £2.5 million in July 2018 and now have no short-term facilities drawn down which is a major step forward in our financial transformation.

We still have these short-term financing facilities available which means that our financial commitments can be met, and robust procedures are in place to quickly identify and remedy underperformance. In addition, we have a robust property-backed balance sheet which is relatively unencumbered with debt which would allow further borrowing if required. Longer term, we have put in place clearer and more robust medium and long term financial plans which will allow our strategic goals to be achieved within our financial constraints.

As described above and in the Trustees' Report (on pages 34 and 35), the Group's forecasts and projections, taking account of reasonable possible changes in performance, show that the Group will have sufficient cash flows and reserves to adopt the going concern basis in preparing its financial statements.

1.3 Group financial statements

The results of each of RNIB's subsidiary undertakings, as listed in note 3, have been consolidated in these financial statements under the heading "Group" on a line-by-line basis, adopting uniform accounting policies. Their objectives contribute to those of the RNIB Group strategy and under the tests of control they are deemed to be charitable subsidiaries of RNIB.

The net assets at the date of acquisition or merger are assessed on a fair value basis for the purposes of consolidation into the results for the RNIB Group. The results of the

subsidiaries acquired during the year are included in the SoFA from the effective date of acquisition. The intra-group transactions, balances and unrealised profits are eliminated in full.

No separate SoFA has been presented for RNIB alone as permitted by an administrative concession issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

1.4 Foreign currency transactions

Foreign currency transactions completed within the year are included at their transacted sterling equivalents. Monetary assets and liabilities are valued using those rates published by HM Revenue and Customs as at the balance sheet date. Any foreign exchange gains or losses are charged to the SoFA.

1.5 Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the Trustees in furtherance of the general objectives of RNIB.

Designated funds are unrestricted funds that the Trustees of RNIB have set aside for a specific purpose. Within designated funds are "service properties" and "other fixed assets". "Service properties" represents the value of RNIB's interests in land and buildings, for the provision of services to people with sight problems. This value is shown in a separate designated fund, as the properties represented are essential for the provision of RNIB's services. Transfers in respect of additions to property in the year are made from the general fund. Transfers are made from this fund to the general fund in respect of property disposals during the year. Property depreciation is charged to this fund. "Other fixed assets"

represents other assets in use by RNIB. The assets of subsidiary charities are held within the restricted funds.

Restricted funds comprise income received with special conditions attached. Income for a specific purpose not spent in any year is carried forward in the relevant fund. Also within restricted funds are the results of the subsidiary charities, which are operating under narrower objectives than those of RNIB. Endowments received are credited directly to the relevant endowment fund. Income arising from the related investments is allocated to the general fund or to the relevant restricted fund, depending on the terms of endowment.

1.6 Income

Donations are accounted for as soon as there is entitlement and the amount is measurable and receipt is probable. Donations include Gift Aid based on amounts recoverable at the accounting date. Donated goods and services are included at the point in

time when they are received at the value to RNIB where these can be quantified. No amounts are included in these financial statements for the services donated by volunteers. Income from trading in subsidiary undertakings is transferred to RNIB by covenanting the profits of those undertakings.

Pecuniary legacies are recognised when probate is in place. This is a change in accounting policy, the previous policy having been to recognise on receipt. There has been no associated prior year adjustment, since the difference under the new policy is not material for 2016/17. Residuary legacies are recognised when probate is granted, a copy of the will has been received to confirm RNIB Group's entitlement, and there is sufficient information to value them. In practice this is usually when the assets and liabilities statement is received. Reversionary interests involving a life tenant and contentious legacies are not recognised.

Income generated from charitable activities is recognised when it can be reliably measured, there is entitlement, and receipt is probable. Where received in advance of the activity to be performed then the income is deferred.

Income from the sale of goods and services is recognised when orders are fulfilled or services are delivered.

Investment income, interest on deposits and income in connection with services to people with sight problems is recognised on an accruals basis. Investment income arising on endowment funds is credited to the appropriate fund in accordance with the prescribed conditions.

Accrued income is provided for revenue that has been earned in the current financial year but is yet to be invoiced.

1.7 Expenditure

(a) Expenditure, including irrecoverable VAT, is accounted for on an accruals basis.

(b) Support costs include both Group and corporate costs and are incurred in support of direct service expenditures. Support costs also include the governance costs incurred in relation to the running of RNIB and the charitable subsidiaries. The allocation of support costs is on a mixture of bases (see note 5).

(c) Fundraising expenses include those costs incurred in raising donations and legacies.

(d) Grants payable are charged to the SoFA when a constructive obligation exists: when the recipient has been informed.

(e) Redundancy costs are recognised when there is a legal or constructive obligation (see note 8).

1.8 Tangible fixed assets

Tangible assets are recorded at cost, including irrecoverable VAT, or where donated, open market valuation at the time of donation. Individual items of expenditure below £5,000 are not capitalised across the RNIB Group.

Depreciation is provided on all tangible fixed assets, except freehold land and assets under construction, at rates calculated to write off the cost on a straight-line basis over their expected useful lives. Where the assets have been acquired under a finance lease then depreciation, and any impairment, is provided at rates calculated to write off the cost, less estimated residual value of each asset, over the life of the primary lease.

The standard rates of depreciation are as follows:

Service properties	
Freehold buildings	50 years
Leasehold land and buildings – lease longer than 50 years	50 years
Leasehold land and buildings – lease shorter than 50 years	Lease period
Machinery, vehicles and equipment	
Motor vehicles; fixtures and fittings; equipment	5 years
Computer hardware	3 years

Fixed asset residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year. The effect of any change is recognised in the SoFA in the year in which it occurs. Fixed assets are also reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced

to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of financial activities.

1.9 Intangible Fixed Assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated and charged to the SoFA, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software – 3 years

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended in the year of change to reflect the new circumstances.

Intangible assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired. Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use; management intends to complete the software and use or sell it;
- there is an ability to use or sell the software; it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred.

1.10 Investments

Listed investments are stated at market value, valued at their bid price, at the balance sheet date.

Investment properties are stated at market value as advised by RNIB's independent property advisers, who are appropriately qualified, at the balance sheet date and this is done on an annual basis.

The investment in subsidiary undertakings is at cost.

The SoFA includes the net gains and losses arising on disposals and revaluations throughout the year.

1.11 Stocks

Stocks of raw materials, consumables, work-in-progress, and finished goods are valued at the lower of cost and estimated selling price less costs to complete and sell. The cost of stock is calculated using the direct cost method on a first-in first-out basis. Finished goods for resale comprise products suitable for use by blind and

partially sighted people. Provision is made to reduce carrying values for slow moving, obsolete and defective stock. Stocks are recognised as an expense in the year in which the related income is recognised.

1.12 Debtors

Debtors are stated after provision for impairment. Prepayments are valued at the amount prepaid. Where debtors are due after more than one year they are discounted for the time value of money where material.

1.13 Property held for sale

In accordance with the Charity SORP (FRS 102), land and property held for resale are disclosed separately within fixed assets at cost. Gains and losses on disposal are recognised at the point of sale.

1.14 Cash at bank and in hand

Cash at bank and cash in hand includes cash, short term highly liquid investments with a maturity of three months or less and bank overdrafts.

Bank overdrafts are shown within creditors in current liabilities.

1.15 Creditors

Creditors are recognised where there is a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount. For creditors due for settlement in more than 1 year the amount will be discounted for the time value of money where material.

1.16 Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Complex financial instruments such as interest rate swaps and forward exchange

contracts are measured at fair value with changes put through the SoFA in the relevant year. The group applies hedge accounting where allowable under FRS102 section 12 and this is disclosed in the notes if applicable.

1.17 Pension schemes

For the defined benefit pension schemes of the RNIB Group, the current service costs, gains and losses on settlements and curtailments, and administrative expenses are charged to expenditure. Similarly, pension finance costs arising from changes in the net of the interest costs and expected return on assets are charged to expenditure. Where income arises as a result of such changes this is shown in the SoFA as "other" income. Actuarial gains and losses are recognised immediately in the SoFA as "Actuarial gain, or loss, on Defined benefit pension scheme".

RNIB is a member of a multi-employer defined benefit pension plan with Pensions Trust where its share of the

actuarial deficit cannot be identified and hence it is treated as a defined contribution scheme. There is an agreement in place to make additional contributions based on current and past service employees and hence a liability is recognised for the present value of these outstanding additional contributions. The Group and RNIB defined benefit pension net scheme asset/liability is shown on the face of the Balance Sheet. For the defined contribution schemes of the RNIB Group the amounts charged to the SoFA in respect of pension costs and the post-retirement benefits are the contributions payable in the year.

There are a number of pension arrangements within the Group which are multi-employer pension schemes and as such it is not possible to identify the employer's share of the underlying assets and liabilities. These are treated as defined contribution schemes in line with the exemption within FRS102. Where multi-employer defined benefit pension schemes

have and agreed deficit reduction plan, a liability is recognised for the contributions payable.

1.18 Leased assets

Leases are regarded as finance leases where their terms transfer to the lessee substantially all of the benefits and burdens of ownership other than the right to legal title.

The obligations to the lessor are shown as part of the borrowings and the rights in the corresponding assets are treated in the same way as owned fixed assets.

All operating leases and rental expenses are charged to the SoFA as incurred over the term of the lease on a straight line basis.

1.19 Taxation

RNIB is a registered charity, and as such is entitled to certain tax exemptions on income and profit from investments and surpluses on any trading activities carried out

in furtherance of RNIB's primary objectives, if these profits are applied solely for charitable purposes.

1.20 Accounting estimates and judgements

In preparing the financial statements, the trustees are required to make estimates and judgements. The matters considered below 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 in the results of operations, financial position and cash flows.

Cost allocation

Support costs not attributable to a single charitable activity are allocated or apportioned on a basis consistent with identified cost drivers for that cost category. Cost drivers utilised include head count, floor space, and effort and judgement is exercised in applying cost drivers to cost categories.

Public awareness recharge

2017 results have been reclassified to remove a recharge of public awareness expenditure from raising funds expenditure to charitable activities expenditure (£4.6 million).

There is no net effect on net income / (expenditure) resulting from this change.

Interest rate swap

RNIB entered into an interest rate swap with AIB that runs from 2011 to 2026 and as a result it is necessary to calculate the fair value of the swap at the end of each financial year. Judgement is required in calculating the fair value as it is reliant on discount rates and future interest rate predictions.

Legacy income accrual

Legacy income is recognised in accordance with the income recognition policy detailed in 1.6 above.

In calculating the level of legacy accrual, management is required to exercise estimation and judgement, particularly in determining the amount and probability of receipt.

Actuarial assumptions in respect of defined benefit pension schemes

The application of actuarial assumptions relating to various defined benefit pension schemes is incorporated in the financial statements in accordance with FRS 102. In applying FRS 102, advice is taken from independent qualified actuaries. In this context, significant judgement is exercised in a number of areas, including future changes in salaries and inflation, mortality rates and the selection of appropriate discount rates.

Pension scheme deficit reduction payments

As explained at note 23, there is a deficit reduction plan in place in respect of several of the Group's

defined benefit pension schemes. In each instance, the relevant group member has agreed with the respective scheme that it will make annual recovery payments that aim to eliminate the deficit. The level of the deficit and the deficit recovery payments are highly sensitive to a number of assumptions, hence the use of independent qualified actuaries.

Provisions

Provisions are recognised when the RNIB has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Impairment of assets

Where an indication of impairment is identified, an estimate of the recoverable value of the asset is required. This requires an estimate of the future economic benefits

from the asset and the selection of an appropriate discount rate to calculate the present value of the economic benefits.

2. Investment income

	2018 Unrestricted £'000	2018 Restricted £'000	2018 Total £'000	2017 Unrestricted £'000	2017 Restricted £'000	2017 Total £'000
General funds						
Investment income from quoted investments	8	182	190	-	221	221
Bank interest receivable	1	-	1	1	-	1
Rents	-	-	-	7	-	7
Total	9	182	191	8	221	229

Details of our investment policy can be found in the financial review section of the Trustees Report.

3. Subsidiary undertakings

RNIB has the following nominal holdings in subsidiary undertakings. The subsidiaries are all based within the

United Kingdom and their accounting year ends are 31 March, with exception of RNIB Specialist Learning Trust whose year end is 31 August. The holding

in RNIB Business Services LLP is held indirectly through RNIB Enterprises Limited (50 per cent) and MPH Accessible Media Limited (50 per cent).

Subsidiary undertakings with a share capital	Registered in	Capital held per cent	Number of £1 ordinary shares held
RNIB Enterprises Limited	England and Wales	100	5,000
RNIB Services Limited	England and Wales	100	1
MPH Accessible Media Limited	England and Wales	100	10,000
Transforming Braille Group LLC	USA	20	5 ownership units
RNIB Business Services LLP	England and Wales	100	Not applicable

RNIB is the sole corporate member of the following organisations which, all bar the Glynn Vivian Home of Rest for the Blind, are limited by guarantee with no shares in issue:

Subsidiary undertakings limited by guarantee	Registered in	Company number	Charity number	Charity number – Scotland
Action for Blind People	England and Wales	00026688	205913	SC040050
RNIB Charity	England and Wales	08971500	1156629	SC044876
CIB	England and Wales	00149982	214131	-
RNIB Direct Services Lottery Limited	England and Wales	10907799	-	-
RNIB Feel Good Friday Lottery Limited	England and Wales	11275644	-	-
NTNM	England and Wales	01973092	293656	-
BCNI	Northern Ireland	NI020701	XN48801	-
NLB	England and Wales	00058823	213212	-
Glynn Vivian	England and Wales	-	214330	-
RNIB Specialist Learning Trust	England and Wales	08478985	Exempt Charity	-

RNIB has an indirect holding in the following organisations, through Action, which are all limited by guarantee with no shares in issue:

Subsidiary undertakings limited by guarantee	Registered in	Company number	Charity number
BucksVision	England and Wales	08016572	1147814
The Blind Society for North Tyneside Limited	England and Wales	03736040	1075973
Staffordshire Blind	England and Wales	04154438	1091458

Net income from trading activities of subsidiary undertakings

	RNIB Charity £'000	CIB £'000	BucksVision £'000	RNIB Specialist Learning Trust £'000	Total 2018 £'000
Income and Expenditure					
Total income	21,839	466	360	1,592	24,257
Total expenditure	(23,153)	(426)	(366)	(1,911)	(25,856)
Net (expenditure) /income	(1,314)	40	(6)	(319)	(1,599)
Actuarial gain/loss on defined benefit scheme	-	365	-	(68)	297
Net movement in funds	(1,314)	405	(6)	(387)	(1,302)
Funds brought forward	1,367	1,211	458	192	3,228
Funds carried forward	53	1,616	452	(195)	1,926

Balance Sheet					
Fixed assets	53	1,809	73	1,271	3,206
Current assets	11,037	200	436	286	11,959
Creditors – amounts falling due within one year	(11,037)	(393)	(57)	(323)	(11,810)
Creditors – amounts falling due after one year	-	-	-	-	-
Pension scheme liability	-	-	-	(1,429)	(1,429)
Net assets	53	1,616	452	(195)	1,926

The income in the tables above includes the grants received from RNIB, which are eliminated in the consolidated numbers.

Results for the year ended 31 March 2017 of the subsidiaries of RNIB operating under association agreements.

	RNIB Charity £'000 (Restated)	Action £'000 (Restated)	CIB £'000 (Restated)	NTNM £'000 (Restated)	BucksVision £'000 (Restated)	RNIB Specialist Learning Trust £'000 (Restated)	Total 2017 £'000 (Restated)
Income and Expenditure							
Total income	38,198	23,114	360	42	301	1,827	63,842
Total expenditure	(37,187)	(30,475)	(427)	(42)	(316)	(1,854)	(70,301)
Net income/(expenditure)	1,011	(7,361)	(67)	-	(15)	(27)	(6,459)
Actuarial loss on defined benefit pension scheme	-	(48)	-	-	-	(443)	(491)
Net movement in funds	1,011	(7,409)	(67)	-	(15)	(470)	(6,950)
Funds brought forward	356	21,273	1,278	-	473	662	24,042
Funds carried forward	1,367	13,864	1,211	-	458	192	17,092
Balance Sheet							
Fixed assets	-	14,376	1,852	-	28	1,358	17,614
Current assets	22,437	12,844	224	70	675	1,374	37,624
Creditors – amounts falling due within one year	(21,070)	(10,768)	(184)	(70)	(245)	(1,279)	(33,616)
Creditors – amounts falling due after one year	-	(1,196)	-	-	-	-	(1,196)
Pension scheme liability	-	(1,392)	(681)	-	-	(1,261)	(3,334)
Net assets	1,367	13,864	1,211	-	458	192	17,092

The income in the tables above includes the grants received from RNIB, which are eliminated in the consolidated numbers.

The 2016/17 figures have been restated to reflect the final results and balance sheet amounts as reported in the individual entity accounts. This results in no impact to the consolidated 2016/17 results and balance sheet amounts.

RNIB Charity delivers care and educational services across the UK, funded by a grant from RNIB. RNIB provides the fundraising service, with net fundraising receipts being restricted for RNIB Charity. The sum of such grants amounted to £1.4 million in the year (2017: £14 million).

As a result of the organisation restructure all non-regulated services were transferred to RNIB as of 01 April 2017.

CIB provides a wide range of services to blind and partially sighted people within Cardiff and the Vale of Glamorgan. RNIB provides the fundraising service, with net fundraising receipts being restricted

for CIB. The sum of such grants amounted to £198,000 in the year (2017: £95,000).

BucksVision provides services for blind and partially sighted people in Buckinghamshire. BucksVision became a subsidiary charity of Action on 1 July 2014. RNIB has paid a grant to BucksVision in the year of £0.1 million (2017: £0.3 million).

RNIB Specialist Learning Trust is an Academy Trust which has taken responsibility for Three Spires School in Coventry in September 2013 which provides education for primary age pupils with special educational needs. No financial support was given to the Trust. The Trust's year end is 31 August and so the consolidation is on the basis of management accounts.

RNIB also has a further seven wholly owned subsidiaries. These are RNIB Enterprises Limited, RNIB Services Limited, National Library for the Blind (NLB), Blind Centre for Northern

Ireland (BCNI), the Glynn Vivian Home of Rest for the Blind (Glynn Vivian), RNIB Direct Services Lottery Limited, RNIB Feel Good Friday Lottery Limited and MPH Accessible Media Limited. RNIB Enterprises Limited holds the controlling interest in RNIB Business Services LLP; the remaining interest is held by MPH Accessible Media Limited.

Results for the year ended 31 March 2018 of other subsidiaries.

	RNIB Enter- prises Limited £'000	RNIB Services Limited £'000	Action £'000	NLB £'000	BCNI £'000	NTNM £'000	RNIB Business Services LLP £'000	MPH £'000	Total 2018 £'000
Income and Expenditure									
Total income	10,897	3,130	9,860	98	-	59	-	-	24,044
Total expenditure	(10,642)	(3,121)	(14,848)	(3)	-	-	-	-	(28,614)
Net income	255	9	(4,988)	95	-	59	-	-	(4,570)
Amount gifted/ covenanted to RNIB	(255)	(9)	(8,876)	(95)	-	(59)	-	-	(9,294)
Net movement in funds	-	-	(13,864)	-	-	-	-	-	(13,864)
Funds brought forward	5	-	13,864	-	-	-	10	-	13,879
Funds carried forward	5	-	-	-	-	-	10	-	15

Balance Sheet									
Investment	10	-	-	-	-	-	-	-	10
Current assets	4,739	7,348	1,162	5	17	75	10	-	13,356
Creditors – amounts falling due within one year	(4,744)	(7,348)	(1,162)	(5)	(17)	(75)	-	-	(13,351)
Net assets	5	-	-	-	-	-	10	-	15

Results for the year ended 31 March 2017 of other subsidiaries.

	RNIB Enterprises Limited (Restated) £'000	RNIB Services Limited (Restated) £'000	NLB* (Restated) £'000	BCNI* (Restated) £'000	RNIB Business Services LLP (Restated) £'000	MPH (Restated) £'000	Total 2017 (Restated) £'000
Income and Expenditure							
Total income	6,475	3,081	826	38	-	456	10,876
Total expenditure	(6,240)	(3,072)	(5)		-	(1,222)	(10,539)
Net income	235	9	821	38	-	(766)	337
Amount gifted/covenanted to RNIB	(235)	(9)	(821)	(38)	-		(1,103)
Net movement in funds	-	-	-		-	(766)	(766)
Funds brought forward	5	-	-		10	766	781
Capital investment	5	-	-		10	766	781
Funds carried forward	5	-	-		10		15
Balance Sheet							
Investment	10	-	-		-		10
Current assets	3,966	4,761	4,435	16	10		13,188
Creditors – amounts falling due within one year	(3,971)	(4,761)	(4,435)	(16)	-		(13,183)
Net assets	5	-	-		10		15

The 2016/17 figures have been restated to reflect the final results and balance sheet amounts as reported in the individual entity accounts. This results in no impact to the consolidated 2016/17 results and balance sheet amounts.

RNIB Enterprises Limited carries out trading activities that include transcription, consultancy and training services to businesses and sales of principally sight-loss related retail products to individuals. A £0.2 million facility remains available to RNIB Enterprises Limited and if called upon would be made by RNIB to cover the working capital requirements.

RNIB Services Limited administers RNIB's school fees.

Action's services were transferred to RNIB as at 1 April 2017. The income and expenditure relates to the Lauriston hotel, which was sold on 5 April 2017. Action remains as a shell charity to receive donations

and legacies, which are transferred to RNIB to be ring-fenced for related services.

RNIB provides the fundraising service, with net fundraising receipts being restricted for Action. Due to the transfer of the services to RNIB the sum of such grants amounted to £nil in the year (2017: £13.9 million).

NLB exists as a shell charity to receive donations and legacies, which are transferred to RNIB to be ring-fenced for the RNIB National Library Service.

BCNI exists as a shell charity to receive donations and legacies, which are transferred to RNIB to be ring-fenced for RNIB Northern Ireland.

NTNM exists as a shell charity to receive donations and legacies, which are transferred to RNIB to be ring-fenced for the talking newspapers and magazine service.

Glynn Vivian exists as a shell charity following the sale of the property previously owned by Glynn Vivian. RNIB is the sole corporate Trustee and on the grounds of control Glynn Vivian has previously been consolidated within the financial statements of the RNIB Group. The charity is now dormant and so there is no disclosure in the tables above.

MPH was acquired as a going concern on 1 October 2015 by RNIB. Its activities and net assets (except property) were transferred to RNIB Charity on 1 December 2015. The property was transferred to RNIB Group. Therefore, the income and expenditure disclosed in the prior year relates to the period October to November 2015.

RNIB Enterprises Limited is one of two corporate members of **RNIB Business Services LLP**. The Limited Liability Partnership was set up to work in partnership with MPH Accessible Media Limited to provide services to

the commercial and public sectors both in the UK and internationally. On 1 October 2015, RNIB acquired the shares of MPH and as a result the activities of the LLP were wound down in 2016.

The 2016/17 figures have been restated to reflect the final results and balance sheet amounts as reported in the individual entity accounts. This results in no impact to the consolidated 2016/17 results and balance sheet amounts.

The total net assets of the subsidiary charities and other subsidiaries as at 31 March 2018 amounting to £1.9 million (2017: £17.1 million) are held within the Group restricted and endowment funds as detailed in note 21.

The reduction in net assets in the RNIB subsidiaries is due to the net assets of Action transferring to RNIB on 1 April 2017, as a result of the transfer of Action's services.

A summary of the net assets results for all RNIB subsidiaries is as follows:

	Total 2018 £'000	Total 2017 (Restated) £'000
Total income	48,301	74,718
Total expenditure	(54,470)	(80,840)
Net expenditure	(6,169)	(6122)
Actuarial gain/(loss) on defined benefit pension scheme	297	(491)
Amount gifted/covenanted to RNIB	(9,294)	(1,103)
Net movement in funds	(15,166)	(7,716)
Funds brought forward	17,107	24,823
Funds carried forward	1,941	17,107

	Total 2018 £'000	Total 2017 £'000
Fixed assets	3,216	17,624
Current assets	25,315	46,812
Creditors – amounts falling due within one year	(25,161)	(42,799)
Creditors – amounts falling due after one year	-	(1,196)
Pension scheme liability	(1,429)	(3,334)
Net assets	1,941	17,107

4. Expenditure – Group

2018	Unrestricted direct costs £'000	Restricted direct costs £'000	Endowment direct costs £'000	Support costs £'000	Total £'000
Raising funds	17,283	55	-	1,925	19,263
Charitable activities					
Being there	4,266	1,503	-	749	6,518
Independence	11,944	48,370	36	11,945	72,295
Inclusion	6,257	5,650	-	2,091	13,998
Prevention	53	157	-	111	321
Total charitable activity costs	22,520	55,680	36	14,896	93,132
Total expenditure	39,803	55,735	36	16,821	112,395

2017	Unrestricted direct costs £'000 Reclassified	Restricted direct costs £'000	Endowment direct costs £'000	Support costs £'000	Total £'000 Reclassified
Raising funds	25,322	6	-	3,657	28,985
Charitable activities					
Being there	3,889	3,020	-	1,238	8,147
Independence	19,880	49,951	-	13,133	82,964
Inclusion	6,784	2,949	-	1,691	11,424
Prevention	761	308	-	236	1,305
Total charitable activity costs	31,314	56,228	-	16,298	103,840
Total expenditure	56,636	56,234	-	19,955	132,825

5. Support costs allocation

2018	Human Resources £'000	Finance £'000	Info-rmation Technology £'000	Legal Services £'000	Property Services £'000	Other £'000	Governance £'000	Total £'000
Raising funds	192	549	266	103	223	481	111	1,925

Charitable activities								
Being there	158	158	159	30	67	144	33	749
Independence	2,828	1,758	3,995	330	745	1,858	431	11,945
Inclusion	670	282	639	53	122	265	60	2,091
Prevention	13	18	50	3	7	16	4	111
Total charitable activity costs	3,669	2,216	4,843	416	941	2,283	528	14,896

Total support expenditure	3,861	2,765	5,109	519	1,164	2,764	639	16,821
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2017	Human Resources £'000	Finance £'000	Information Technology £'000	Legal Services £'000	Property Services £'000	Other £'000	Governance £'000	Total £'000
Raising funds	574	858	828	158	116	836	287	3,657
Charitable activities								
Being there	240	204	318	37	100	270	69	1,238
Independence	3,193	1,803	3,859	331	601	2,685	661	13,133
Inclusion	419	242	579	45	54	269	83	1,691
Prevention	41	29	106	5	10	35	10	236
Total charitable activity costs	3,893	2,278	4,862	418	765	3,259	823	16,298
Total support expenditure	4,467	3,136	5,690	576	881	4,095	1,110	19,955

Basis of allocation:

Human resources – Headcount

Finance – Expenditure

Information and technology services
– Number of workstations

Legal Services – Expenditure

Property services – Floor space

Other and Governance (including
Strategy and performance,
Group support) – Expenditure

6. Governance costs

	Group 2018 £'000	Group 2017 £'000	RNIB 2018 £'000	RNIB 2017 £'000
Auditors remuneration				
Fees payable to the Charity's auditor and its associates for the audit of the parent Charity and the Group's consolidated financial statements*	180	101	180	101
Audit of the Charity's subsidiaries*	70	91	-	-
Audit-related assurance services*	14	14	14	14
Total amount payable to the Charity's auditor and its associates	264	206	194	115
Internal audit	62	91	62	91
Audit fees – non PricewaterhouseCoopers LLP	15	11	-	-
Trustees' expenses	15	32	13	22
Costs incurred in running the Chairman's Office	81	51	81	51
International activity – including World Blind Union	15	90	15	90
General costs incurred in servicing RNIB's corporate committees and the statutory affairs of RNIB	186	629	105	94
Total governance costs	638	1,110	470	463

* Excluding VAT

Included within the fees payable to the Charity's auditor and its associates for the audit of the parent Charity and

the Group's consolidated financial statements is £0.1 million relating to additional fees for the 2017 audit.

7. Taxation

RNIB is a registered charity and is thus exempt from tax on income and gains falling within sections 478 – 489 of the Corporation Tax Act 2010 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charge arises in any of the non-charitable subsidiary entities included in the Group financial statements due to their policy of gifting all taxable profits to their parent each year.

8. Group employee remuneration

The average monthly number of employees during the year was 2,083 (2017: 2,335), of which, the average full time equivalent was 1,768 (2017: 1,973). The total emoluments are analysed as shown below:

Included in the total emoluments figures above are payments amounting to £0.8 million made to 210 members of staff (2017: £2.2 million to 198 members of staff) on termination of employment. These costs have been incurred as part of a programme of work to implement our strategy and ensure we have the right people with the right skills to effectively meet the needs of our customers.

Where redundancy, termination and compensation payments were made, payments were based on service. These payments are managed by the Human Resources department in line with policy and procedures and authorised according to the scheme of delegation based on size of payment.

	2018 £'000	2017 £'000
Salary costs	49,839	55,719
Employer's NI contributions	4,478	5,089
Employer's pension contributions	4,408	4,954
Total ongoing emoluments	58,725	65,762
Redundancy and termination costs	759	2,180
Total emoluments	59,484	67,942

The following numbers of employees received total emoluments within the bands shown. Emoluments include salaries, fees, redundancy payments, amounts in lieu of notice and the estimated money value of any other benefits, received otherwise than in cash, and exclude employer pension costs. The column entitled 2018 no longer employed contains staff who left during the year or who

were under notice of redundancy at 31 March 2018. There is one person (2017: 21 people) disclosed in the bandings above where individuals received a payment on the termination of employment.

RNIB Group was led by the Executive Board consisting of the Chief Executive Officer and five other members during the 2017/18 year

and following a restructure that took place during the year the Executive Board will consist of the Chief Executive Officer and six other members from 1 April 2018. The Executive Board are regarded as the Charity's key management personnel under the Financial Reporting Standard 102. A fuller explanation can be found in the 'How we are managed' section of this report.

	2018 no longer employed	2018 still employed	2018 Total	2017 Total
Between £60,001 and £70,000	-	14	14	26
Between £70,001 and £80,000	1	7	8	9
Between £80,001 and £90,000	1	2	3	9
Between £90,001 and £100,000	-	-	-	2
Between £100,001 and £110,000	-	-	-	1
Between £110,001 and £120,000	1	-	1	2
Between £120,001 and £130,000	-	1	1	3
Between £140,001 and £150,000	1	-	1	1
Between £150,001 and £160,000	-	1	1	1
Between £180,001 and £190,000	1	-	1	-

The total earnings, including benefits, employer pension contributions and termination payments received by staff who were members of the Executive Board during 2017/18, totalled £0.9 million (2017: £1.3 million). Of this, Directors received £67,383 related to termination and loss of office payments; these costs are not included in the table of salary bandings above.

RNIB made payments on behalf of 41 (2017: 39) higher paid employees in respect of the RNIB Retirement Benefit Scheme and the Teachers' Pension Scheme as well as NEST, and there were payments made to 27 (2017:22) members of staff in respect of the defined contribution element of the RNIB Retirement Benefits Pension Scheme. The total amount of employer contributions paid in respect of these employees was £0.4 million (2017: £0.4 million). For new entrants since 1 April 2005 the RNIB Retirement Benefits Pension Scheme (RBPS) is partly defined benefit and partly defined contribution so included in the numbers reported are staff that may be within both elements of the scheme.

In addition, Action made payments on behalf of none (2017: 12) of its employees in respect of pension contributions totalling £nil (2017: £99,000) as a result of transfer.

Staff can claim reimbursement of expenditure incurred by them in the course of undertaking business on behalf of RNIB. Expenses are claimed against a set policy and guidelines, are independently authorised and are not regarded as part of the employee's emoluments.

9. RNIB Trustees' expenses and related party transactions

A number of Trustees bear the cost of attending meetings themselves. Trustees receive no benefits from the Group except as users of our services and as described below.

Most Trustees of RNIB Group sit on a number of RNIB Committees, Steering Groups and/or school governing bodies in addition to their charity's Board. As such, most trustees need to travel to RNIB's London office on multiple occasions throughout the year.

A total of £6,309 was paid to or on behalf of 13 Trustees of the Charity as reimbursement of travel and subsistence expenses incurred in attending meetings (2017: £7,280 to 12 Trustees). Of this, £577 was paid to one Trustee and £2,042 was paid by RNIB on behalf of one trustee as reimbursement of overseas travel and subsistence incurred in attending international meetings and conferences. (2017: £10,475 to one Trustee). Eight Trustees chose to waive their expenses, which totalled £1,048 (2017: £369).

Lunches and overnight stays in RNIB establishments during meetings cost a further £3,922 (2017: £4,522).

During the year RNIB paid Kevin Carey, £17,375 (2017: £26,075) as remuneration in respect of carrying out his duties as Chair of RNIB, up until his resignation on 9 November 2017. These payments have been made with the consent of the Charity Commission. Kevin Carey is Director of Lateral Thinking, which received £3,960 from RNIB in the year for invoices raised. Kevin is also Head of Global marketing for Orbit Research LLC, from whom RNIB received invoices totalling \$21,750 RNIB during the course of the year.

In November 2017, Eleanor Southwood, became Chair of RNIB, she received £10,242 as remuneration in respect of carrying out her duties in this role. These payments have been made with the consent of the Charity Commission. Eleanor is also an Elected Councillor for London Borough of Brent, to whom RNIB raised invoices and credits totalling £390,046 during the financial year, at the close of business on the 31 March 2018, £102,867 was still owing to RNIB.

Mike Nussbaum, a Trustee of RNIB Group and a Trustee of Action for Blind People, is also a Trustee of Guide Dogs for the Blind Association from which the RNIB Group has received invoices totalling £53,234, with a balance of £3,046 owing to them as at 31 March 2018. The RNIB group raised invoices for Guide Dogs totalling £56,843, within the financial year with £4,416 owing to them as at the year-end. Mike is a Trustee and Director of The Equality and Diversity Forum from whom RNIB received invoices totalling £3,000.

Mike is also a Trustee and Director of Shaw Trust from whom the RNIB received Invoices totalling £640 and to whom the RNIB Group raised invoices to the total of £338,806. As at the 31 March 2018 £61,832 was still owing to the RNIB.

Mike Nussbaum is also a trustee for Vision 2020 UK Ltd, RNIB received invoices totalling £10,000 from Vision 2020 UK Ltd (2017: £448,939 Action)

and raised invoices to Vision 2020 UK for the sum of £173,300. As at 31 March 2018 a total of £57,398 was owing to RNIB. Mike is also a trustee of Blind Children UK, to whom RNIB raised invoices totalling £29 during the course of the year. As at 31 March 2018 there was £87 owing to the RNIB.

Keith Valentine, a Trustee of the RNIB Group until his resignation on the 18th October 2017, was Deputy Chief Executive of the Thomas Pocklington Trust, who issued invoices to RNIB to the sum of £13,500. RNIB issued invoices to Thomas Pocklington Trust totalling £4,890.

Keith Valentine was also Chief Executive Officer at Vision UK, from whom RNIB received invoices totalling £10,000 during the financial year. Keith Valentine joined RNIB on 1 June 2018 as the Director of Development.

Vidar Hjordeng, a Trustee of the RNIB until his resignation on the 31 August 2017, was also a Trustee

of Leonard Cheshire Disability, with whom RNIB Enterprises Limited raised transactions of £28, during the year, as at 31 March 2018 there was £87 owing to the RNIB. Vidar is also Director of Communications at Focus Birmingham, who used the services of the RNIB to the sum of £7,110 during the course of the year, as at the 31 March 2018, there was £2,192 still outstanding to the RNIB.

Heather Giles, a Trustee of RNIB Group, is also a Director of Heather Giles Consulting, no invoices were issued during 2017/18 but as at the 31 March 2018, £30 remains outstanding to RNIB from previous years.

Simon Finnie, a Trustee of RNIB Group, is also a Group Strategic Director for Laing O'Rourke, as at the 31 March 2018 there was an outstanding balance owed to RNIB of £1,548 relating to the previous year.

Fazilet Hadi, Deputy CEO and Director of Advocacy, is also a Trustee of

Vocaley, who during the financial year received invoices from the RNIB totalling £180, with £540 outstanding to the RNIB as at 31 March 2018.

Sophie Castell, Director of Relationships, is also a trustee of The National Autistic Society, during the financial year they invoiced RNIB £5,884.

During the year, a total of £1,364 was donated to RNIB from seven Trustees.

The RNIB Group enters a comprehensive range of insurance policies to protect Trustees, officers

and employees against losses and legal liabilities arising from neglect or default in the course of business. Total premiums for these policies amounted to £24,302 (2017: £22,000).

10. Grants payable

Grants payable in the year amount to £123,000 (2017: £214,000) with one (2017: two) grants of £5,000 or above, amounting to £5,000 (2017: £51,000). In addition, around 587 (2017: 525) small grants at an individual value of less than £5,000 were made.

	2018 £'000	2017 £'000
Association of Blind Asians	5	-
Clore Leadership	-	26
World Blind Union – Core Work Sponsorship	-	25
Other grants – all under £5,000	118	163
Total grants payable	123	214

11. Total movements of funds in the year is stated after charging

	2018 £'000	2017 £'000
Auditors remuneration		
Fees payable to the Charity's auditor and its associates for the audit of the parent Charity and the Group's consolidated financial statements*	180	101
Audit of the Charity's subsidiaries*	70	91
Audit-related assurance services*	14	14
Total amount payable to the Charity's auditor and its associates	264	206
Audit fees – non PricewaterhouseCoopers LLP	15	11
Operating lease payments – other	1,886	1,626
Foreign exchange (gains)/losses	(13)	51
Depreciation charge – tangible fixed assets	3,091	3,377
Amortisation charge – intangible fixed assets	1,362	562
Impairment on tangible fixed assets	16,580	2,095
Profit on disposal of fixed assets	(1,334)	(31)
Inventory recognised as an expense	-	86
Impairment of inventory	-	121

* Excluding VAT

Included within the fees payable to the Charity's auditors and its associates for the audit of the parent Charity and the Group's consolidated

financial statements is £113,000 relating to additional fees relating to the 2017 audit. The impairment on tangible fixed assets of £16.6 million

included above relates to the write down of the property at The RNIB Pears Centre.

12. Tangible assets

Group	Service properties £'000	Service properties held for sale £'000	Machinery, vehicles and equipment £'000	Total £'000
Cost				
Balance 1 April 2017	102,199	8,379	11,108	121,686
Additions	481	-	149	630
Elimination on disposal	(3,460)	-	(439)	(3,899)
Balance 31 March 2018	99,220	8,379	10,818	118,417
Accumulated depreciation				
Balance 1 April 2017	20,419	5,079	7,683	33,181
Charge for year	1,727	190	1,174	3,091
Impairment provision	16,580	-	-	16,580
Elimination on disposal	(2,875)	-	(346)	(3,221)
Balance 31 March 2018	35,851	5,269	8,511	49,631
Net book value 31 March 2018	63,369	3,110	2,307	68,786
Net book value 31 March 2017	81,780	3,300	3,425	88,505

The impairment provision of £16.6 million included above, also referred to in note 11 on page 106, is included as an exceptional item on the statement of financial activities and relates to the

write down of the property at The RNIB Pears Centre. Following the closure of The RNIB Pears Centre we intend to consider our options around the future of the property.

RNIB	Service properties £'000	Service properties held for sale £'000	Machinery, vehicles and equipment £'000	Total £'000
Cost				
Balance 1 April 2017	81,616	8,379	4,469	94,464
Additions	481	-	130	611
Elimination on disposal	(1,692)	-	(439)	(2,131)
Transfer of assets on reorganisation	16,401	-	4,124	20,525
Balance 31 March 2018	96,806	8,379	8,284	113,469
Accumulated depreciation				
Balance 1 April 2017	17,133	5,079	2,655	24,867
Charge for year	1,815	209	961	2,985
Impairment provision	16,580	-	-	16,580
Elimination on disposal	(1,378)	-	(346)	(1,724)
Transfer of assets on reorganisation	2,224	(19)	2,872	5,077
Balance 31 March 2018	36,374	5,269	6,142	47,785
Net book value 31 March 2018	60,432	3,110	2,142	65,684
Net book value 31 March 2017	64,483	3,300	1,814	69,597

Service properties are used to provide services to blind and partially sighted people. Of the net book value of property used by the Group,

£27 million (2017: £26.6 million) represents leaseholds of more than 50 years whilst £0.3 million (2017: £0.3 million) represents leaseholds

of less than 50 years. The net book values of fixed assets of the subsidiary charities are held within the restricted funds as set out in note 21.

13. Intangible assets

Group RNIB	Software Development £'000
Cost	
Balance 1 April 2017	3,704
Additions	725
Balance 31 March 2018	4,429

Accumulated amortisation	
Balance 1 April 2017	562
Charge for year	1,362
Elimination on disposal	(18)
Balance 31 March 2018	1,906
Net book value 31 March 2018	2,523
Net book value 31 March 2017	3,142

14. Investments

	Group Fixed Asset Investments £'000	Group Current Asset Investments £'000	Group Total £'000	RNIB Fixed Asset Investments £'000	RNIB Current Asset Investments £'000	RNIB Total £'000
Market value at 1 April 2017	6,812	96	6,908	6,750	-	6,750
Acquisitions at cost	-	-	-	-	-	-
Donated property	1,295	-	1,295	1,295	-	1,295
Disposal proceeds	(140)	-	(140)	(140)	-	(140)
Transfers	49	(49)	-	12	-	12
Net gain on revaluation	(49)	(47)	(96)	(49)	-	(49)
Market value at 31 March 2018	7,967	-	7,967	7,868	-	7,868
Historical cost at 31 March 2018	4,657	-	4,657	4,514	-	4,514

Fixed Asset Investments	Market value 2018 Group £'000	Market value 2017 Group £'000	Market value 2018 RNIB £'000	Market value 2017 RNIB £'000
UK quoted unit trusts	5,787	5,967	5,683	5,900
UK unquoted equity shares	-	-	5	5
Property	2,180	845	2,180	845
Market value at 31 March	7,967	6,812	7,868	6,750
Historical cost at 31 March	4,657	4,841	4,514	4,782

Current Asset Investments	Market value 2018 Group £'000	Market value 2017 Group £'000	Market value 2018 RNIB £'000	Market value 2017 RNIB £'000
UK quoted investments	49	96	-	-
Market value at 31 March	49	96	-	-
Historical cost at 31 March	-	50	-	-

Within the portfolio of quoted investments, the following holdings for RNIB Group exceed five per cent of the total market value of the fund:

	2018 £'000	2018 per cent	2017 £'000	2017 per cent
F&C Responsible Sterling Fund formerly Ethical Bond Share Class 2 (Emma Nye)	3,143	55.4	3,215	53.9
F&C Responsible UK Income Fund Share Class 2 (Elizabeth Eagle Bott)	392	6.9	406	6.8
F&C Responsible Sterling Fund formerly Ethical Bond Share Class 2 (Elizabeth Eagle Bott)	329	5.8	348	5.8
F&C Responsible UK Income Fund Share Class 2 (Dr Duncan Leeds)	704	12.4	701	11.7
F&C Responsible Sterling Fund formerly Ethical Bond Share Class 2 (Dr Duncan Leeds)	590	10.4	600	10.1

15. Stocks and work in progress

	Group 2018 £'000	Group 2017 £'000	RNIB 2018 £'000	RNIB 2017 £'000
Finished goods for resale	1,224	1,716	381	369
Raw materials and consumables	137	140	-	-
Total	1,361	1,856	381	369

Included in figures above is a slow-moving stock provision of £134,000 (2017: £50,000) in respect of

finished goods for resale and £83,000 (2017: £nil) in respect of raw materials and consumables.

16. Debtors due within one year

	Group 2018 £'000	Group 2017 £'000	RNIB 2018 £'000	RNIB 2017 £'000
Trade debtors	4,495	8,926	63	1,094
Amounts owed by Group undertakings	-	-	14,155	20,751
Other debtors	2,055	1,060	1,879	602
Legacy accrued income	22,169	17,555	21,035	17,555
Prepayments and accrued income	2,660	3,722	1,722	1,278
Total	31,379	31,263	38,854	41,280

The Group and RNIB has been notified of further legacies amounting to £8.7 million (2017: £11.2 million), which have not been recognised as

income at 31 March 2018 because the conditions of the accounting policy for legacies have not been met. When these conditions are met these

amounts will be included in future years. This figure includes £3.2 million relating to the Thomas Russell James UK estate.

17. Creditors amounts falling due within one year

	Group 2018 £'000	Group 2017 £'000	RNIB 2018 £'000	RNIB 2017 £'000
Trade creditors	1,431	795	983	763
Bank overdraft	172	-	-	-
Obligations under bank loans	3,591	7,429	3,591	7,429
Interest rate swap	684	809	684	809
Net obligations under finance leases	88	137	88	83
Taxes and social security costs	1,313	1,545	1,003	756
Amounts owed to Group undertakings	-	-	8,822	15,014
Other creditors	1,122	2,106	677	636
Accruals	2,909	6,159	1,858	3,356
Deferred income	272	1,119	153	16
Total	11,582	20,099	17,859	28,862

All of the deferred income will be recognised within the year.

The finance leases primarily relate to printing equipment used in the Group's production operations and iPads that are available for customers to allow pupils better access to learning materials via

RNIB's Bookshare service. There are no contingent rental, renewal or purchase option clauses.

At the year end, RNIB had an unsecured revolving credit facility with Barclays Bank with a maximum limit of £6 million (expired in July 2018). Loan tranches with 12 month

maturity were available for drawn down at any time. Interest is charged at 1.25 per cent above the Barclays Bank base. £2.3 million was repaid on 16 February 2018 and the remaining £2.5 million was repaid in full on 31 July 2018.

At the year end, RNIB had an unsecured revolving credit facility with Natwest Bank with a maximum limit of £9 million (later reduced to £6million with a revised expiry date of 31 Dec 2019). This facility has nil drawn down.

The remaining amount disclosed as net obligations under loans relates to the AIB mortgage repayment due in the next 12 months (£1 million) and the mortgage repayments due on the mortgages acquired with MPH (£91,000).

Full details of the AIB mortgage is disclosed in note 18. Full details of the interest rate swap are disclosed in note 20.

18. Creditors – amounts falling due after more than one year

	Group 2018 £'000	Group 2017 £'000	RNIB 2018 £'000	RNIB 2017 £'000
Net obligations under finance leases are payable as follows				
Between one and two years	93	97	93	96
Between two and five years	105	191	105	191
Obligations under bank loans are payable as follows				
Between one and two years	1,091	1,091	1,091	1,091
Between two and five years	3,136	3,227	3,136	3,227
More than five years	12,000	13,000	12,000	13,000
Interest rate swap				
Between one and two years	596	737	596	737
Between two and five years	1,449	1,809	1,449	1,809
More than five years	1,298	1,808	1,298	1,808
Total	19,768	21,960	19,768	21,959

Interest was charged on the mortgage at 1.25 per cent above the three-month LIBOR rate. RNIB has entered into a swap with AIB under which for the period 30 December 2011 to 31 December 2026 the interest charged on the outstanding amount of the

loan, less £500,000, is at a fixed rate of 5.05 per cent. Under the terms of the mortgage RNIB undertakes to maintain the aggregate of Designated and General Reserves at a level 25 per cent above the amount outstanding at any time. At 31 March 2018, with the

amount outstanding at £17,000,000 (2017: £18,000,000) the level of such reserves has to exceed £21,250,000 (2017: £22,500,000). The aggregate of Designated and General Reserves as at 31 March 2018 was £67,498,000 as shown in note 21.

19. Provisions for liabilities and charges

Group	Balance at 1 April 2017 £'000	Charged to income and expenditure £'000	Spent £'000	Released during the year £'000	Balance at 31 March 2018 £'000
Dilapidations on leases	1,219	-	942	-	277
Redundancy and Termination costs	1,309	551	1,309	-	551
Potential Taxation costs	2,015	-	-	515	1,500
Sleep in provision	-	70	-	-	70
	4,543	621	2,251	515	2,398

RNIB	Balance at 1 April 2017 £'000	Charged to income and expenditure £'000	Spent £'000	Released during the year £'000	Balance at 31 March 2018 £'000
Dilapidations on leases	479	-	202	-	277
Redundancy and Termination costs	594	551	594	-	551
Potential taxation costs	2,015	-	-	961	1,054
	3,088	551	796	961	1,882

The provision for VAT costs relates to a potential liability relating to VAT that has been recovered in relation to

RNIB's Lottery fundraising activities. This will be paid in the financial year ending 31 March 2019.

20. Financial instruments

	Note	Group 2018 £'000	Group 2017 £'000	RNIB 2018 £'000	RNIB 2017 £'000
Financial assets at fair value through statement of financial activities					
1. long term investments	14	7,967	6,812	7,868	6,750
2. short term investments	14	-	96	-	-
Financial assets that are debt instruments measured at amortised cost					
1. trade debtors	16	4,495	8,926	63	1,094
2. amounts owed by group undertakings	16	-	-	14,155	20,751
3. other debtors	16	2,055	1,060	1,879	602
4. legacy accrued income	16	22,169	17,555	21,035	17,555
5. other accrued income	16	1,842	2,677	966	335

	Note	Group 2018 £'000	Group 2017 £'000	RNIB 2018 £'000	RNIB 2017 £'000
Financial liabilities measured at fair value through statement of financial activities					
1. derivative financial instruments: interest rate swap	17/18	4,027	5,163	4,027	5,163
Financial liabilities measured at amortised cost					
1. secured short term debt	17	1,000	2,500	1,000	2,500
2. secured long term debt	17/18	16,000	17,000	16,000	17,000
3. MPH secured and unsecured mortgages	17/18	318	409	318	409
4. finance leases	17/18	286	425	286	370
5. unsecured short term loan	17	1,000	4,838	1,000	4,838
6. bank overdraft	17	172	-	-	-
7. trade creditors	17	1,431	795	983	763
8. taxes and social security costs	17	1,313	1,545	1,003	756
9. other creditors	17	1,192	2,106	747	636
10. amounts owed to group undertakings	17	-	-	8,752	15,014
11. accruals	17	2,909	6,159	1,858	3,356
12. deferred income	17	272	1,119	153	16
13. provisions for liabilities and charges	19	2,328	4,543	1,882	3,088

Interest rate swap

In 2011/12 RNIB was provided with a 23 year mortgage with the AIB Group (UK) plc to finance the redevelopment known as The RNIB Pears Centre for Specialist Learning in Coventry. Interest is charged on the loan at 1.25 per cent above the three-month LIBOR rate. At the same time RNIB entered into an interest rate swap with AIB under which for the period 30 December 2011 to 31 December 2026 the interest charged on the outstanding amount of the mortgage, less £500,000, is at a fixed rate of 5.05 per cent.

In accordance with FRS 102, RNIB Group is treating the interest rate swap as a cash flow hedge and as a result the fair value of this financial instrument is shown as a liability in the balance sheet of RNIB Group. The annual movement in the fair value of the instrument is shown in other gains and losses on the face of the statement of financial activities. The fair value was calculated by AIB and the assumptions have been tested for reasonableness by the management.

21. Group/RNIB statement of funds for year ended 31 March 2018

Designated funds

	1 April 2017 £'000	Income £'000	Expenditure £'000	Transfers £'000	Other Gains/ (losses) £'000	31 March 2018 £'000
Net book value – Service properties	40,910	-	(18,395)	15,434	1,137	39,086
Net book value – Other fixed assets	4,956	-	(2,294)	2,003	-	4,665
Total designated – Group and RNIB	45,866	-	(20,689)	17,437	1,137	43,751

Net book value – service properties:

The purpose is to recognise the value, net of long term debt, of RNIB's service properties that are unavailable to general reserves. The transfer of £15,434,000 comprises £481,000 of additions, £14,176,000 transfers of assets from Action For Blind People to RNIB offset by disposals of £314,000 together with a reduction in the long-term debt of £1,000,000 relating to the loan repayment regarding the redevelopment at The RNIB Pears Centre. There has also been a

reduction in the loan relating to the assets acquired from MPH of £91,000. Such fixed asset properties held in the subsidiary charities are recognised within the restricted funds.

Net book value – other fixed assets:

The purpose is to recognise the value, net of long term debt, of RNIB's other fixed assets that are unavailable to general reserves. Such other fixed assets held in the subsidiary charities are recognised within the restricted funds. The transfer of £2,003,000

comprises additions amounting to £855,000, transfer of assets from RNIB Charity and Action For Blind People to RNIB of £1,223,000 less the net book value of disposals of £75,000.

Total unrestricted funds

	1 April 2017 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/ (losses) £'000	31 March 2018 £'000
Designated from above	45,866	-	(20,689)	17,437	1,137	43,751
Free Reserves	14,305	54,585	(27,580)	(15,740)	-	25,570
Pension reserve	(9,162)		(2,226)	(1,392)	10,957	(1,823)
Total other unrestricted	5,143	54,585	(29,806)	(17,132)	10,957	23,747
Action	-	8,535	(8,535)	-	-	-
RNIB Enterprises Limited	-	10,897	(10,897)	-	-	-
RNIB Services Limited	-	3,130	(3,130)	-	-	-
NLB	-	87	(87)	-	-	-
NTNM	-	59	(59)	-	-	-
BCNI	-	1	(1)	-	-	-
Total unrestricted – RNIB and Group	51,009	77,294	(73,204)	305	12,094	67,498

Restricted funds

	1 April 2017 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/ (losses) £'000	31 March 2018 £'000
Emma Nye fund welfare pensions	363	72	(50)	-	-	385
Dr Duncan Leeds Bequest	75	47	(50)	-	-	72
Elizabeth Eagle-Bott Memorial Fund	11	26	(19)	-	-	18
Donations for specified services and equipment	2,087	16,689	(15,810)	(294)	-	2,672

Big Lottery Fund						
AdvantAGE – Wales Eye Patient Advocacy Service	3	-	-	(3)	-	-
AdvantAGE – Wales Eye Patient Advocacy Service Continuation	3	-	(1)	3	-	5
Awards for All – RIBS (Reducing Isolation, Building skills)	2	-	(2)	-	-	-
Empowering Young People Programme – Realise	(17)	149	(76)	-	-	56
Supporting Families – Family Insight	26	137	(129)	-	-	34
Safe and Well – Lisburn in Focus	1	-	(1)	-	-	-

	1 April 2017 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/ (losses) £'000	31 March 2018 £'000
Reaching Communities – Optimeyes	4	-	(4)	-	-	-
Connecting Older People – Looking Forward	91	47	(131)	-	-	7
Bright New Futures – Future In-Sight	77	217	(179)	-	-	115
Reaching Communities – Talk and Support: Supporting our Volunteers through Mentoring	20	50	(51)	-	-	19
Reaching Communities – Trainee Grade Scheme: Extending the Reach	(2)	10	(1)	(2)	-	5
Investment In Communities – Looking To The Future	131	90	(154)	-	-	67
People & Places – All Wales Welfare Rights Service for People with Sensory Loss	182	146	(280)	-	-	48
Basic Online Skills – Online Today	414	1,547	(1,453)	-	-	508
Investing in Communities – IRISS	124	138	(97)	(27)	-	138

	1 April 2017 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/ (losses) £'000	31 March 2018 £'000
Investing in Communities – Advice Plus – See Me Right	-	155	(93)	26		88
Reaching Communities – Big Skills Pilot	-	250	(123)	-	-	127
Reaching Communities – Being There When It Matters Most	-	244	(122)	-	-	122
Big Lottery Funds – Our Bright Future						
Our Bright Future – Vision England	-	129	(139)	-	-	(10)
Heritage Lottery Fund						
Your Heritage – CultureLink SE	(16)	213	(177)	-	-	20
Department of Health and Social Care						
IESD – Electronic Certificate of Visual Impairment (eCVI)	5	(2)	-	-	-	3
IESD – EIRECS Early Intervention and Rehabilitation in Eye Care Services	18	31	(40)	(9)	-	-
HSCVF – Community Eye Health Champions	5	46	(52)	1	-	-

	1 April 2017 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/ (losses) £'000	31 March 2018 £'000
Sight Loss Booklet – What I Needed To Know	-	16	(13)	-	-	3
Total restricted – RNIB	3,607	20,447	(19,247)	(305)	-	4,502

Action	13,864	984	(14,848)	-	-	-
RNIB Charity	1,367	17,944	(19,258)	-	-	53
CIB	1,210	268	(228)	-	365	1,615
RNIB Specialist Learning Trust	192	1,592	(1,911)	-	(68)	(195)
BucksVision	458	237	(243)	-	-	452
Total restricted – Group and RNIB	20,698	41,472	(55,735)	(305)	297	6,427

Restricted fund balances may be in a deficit situation pending future receipts where such funding is given on a reclaim basis and at 31 March 2018 such deficit balances amounted to £21,000 (2017: £148,000), which lies within “Donations for specified services and equipment”.

The negative balance on the Our Bright Future – Vision England fund relates to a timing difference of amounts received due to the project running over a calendar year and not a financial year. There will be further receipts in 2018/19 to cover this negative balance.

The amounts included within “Group” represent the net assets at fair value of the subsidiary charities, other than those held within endowment funds.

Endowment funds

	1 April 2017 £'000	Income including Investment gains/(losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/ (losses) £'000	31 March 2018 £'000
Sunshine	357	1	2	-	-	356
Emma Nye	3,215	(54)	18	-	-	3,143
Bristol Blind Fund	116	(1)	1	-	-	114
Eagle-Bott Memorial	694	2	5	-	-	691
Dr Duncan Leeds Bequest	1,302	1	9	-	-	1,294
GDC Rushton	186	(2)	1	-	-	183
Total endowment – RNIB	5,870	(53)	36	-	-	5,781
CIB	1	-	-	-	-	1
Total endowment – Group and RNIB	5,871	(53)	36	-	-	5,782

We apply a total return approach to The Sunshine Endowment Fund. In the year this resulted in the release of the unapplied total return amounting to £nil (2017: £Nil) to general funds. Within the balance at 31 March 2018, the value of the gift element of the

permanent endowment was £323,000 (2017: £323,000) and the unapplied total return was £33,000 (2017: £34,000).

Summary of funds

	1 April 2017 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other losses £'000	31 March 2018 £'000
RNIB						
Unrestricted	51,009	54,585	(50,495)	305	12,094	67,498
Restricted	3,607	20,447	(19,247)	(305)	-	4,502
Endowment	5,870	(53)	(36)	-	-	5,781
Total	60,486	74,979	69,778)	-	12,094	77,781

Group						
Unrestricted	51,009	77,294	(73,204)	305	12,094	67,498
Restricted	20,698	41,472	(55,735)	(305)	297	6,427
Endowment	5,871	(53)	(36)	-	-	5,782
Total	77,578	118,713	(128,975)	-	12,391	79,707

RNIB Income and Expenditure amounts are shown after eliminating intra group amounts.

Group/RNIB statement of funds for year ended 31 March 2017**Designated funds**

	1 April 2016 £'000	Income £'000	Expenditure £'000	Transfers £'000	Other Gains/ (losses) £'000	31 March 2017 £'000
Net book value – Service properties	40,401	-	(1,551)	1,780	280	40,910
Net book value – Other fixed assets	2,613	-	(1,183)	3,526	-	4,956
Total designated – Group and RNIB	43,014	-	(2,734)	5,306	280	45,866

Net book value – service properties:
The purpose is to recognise the value, net of long term debt, of RNIB's service properties that are unavailable to general reserves. The transfer of £1,780,000 comprises £1,030,000 of additions and transfers offset by disposals of £301,000 together with a reduction in the long-term debt of £1,000,000 relating to the loan repayment regarding the redevelopment at The RNIB Pears Centre. There has also been a reduction in the loan relating to the

assets acquired from MPH of £51,000. Such fixed asset properties held in the subsidiary charities are recognised within the restricted funds.

Net book value – other fixed assets:
The purpose is to recognise the value, net of long term debt, of RNIB's other fixed assets that are unavailable to general reserves. Such other fixed assets held in the subsidiary charities are recognised within the restricted funds. The transfer of £3,526,000 comprises additions amounting to

£3,545,000 less the net book value of disposals of £19,000.

Total unrestricted funds

	1 April 2016 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/(losses) £'000	31 March 2017 £'000
Designated from above	43,014	-	(2,734)	5,306	280	45,866
Free Reserves	22,810	58,520	(62,439)	(4,586)	-	14,305
Pension reserve	7,562	326	(791)	-	(16,259)	(9,162)
Total other unrestricted	30,372	58,846	(61,625)	(4,586)	(16,259)	5,143
RNIB Enterprises Limited	-	6,374	(6,374)	-	-	-
RNIB Services Limited	-	3,081	(3,081)	-	-	-
NLB	-	883	(883)	-	-	-
NTNM	-	252	(252)	-	-	-
BCNI	-	37	(37)	-	-	-
Total unrestricted – RNIB and Group	73,386	69,473	(76,591)	720	(15,979)	51,009

Restricted funds

	1 April 2016 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/(losses) £'000	31 March 2017 £'000
Emma Nye fund welfare pensions	409	96	(142)	-	-	363
Dr Duncan Leeds Bequest	64	39	(28)	-	-	75
Elizabeth Eagle-Bott Memorial Fund	9	6	(4)	-	-	11
Donations for specified services and equipment	2,254	10,875	(10,322)	(720)	-	2,087
Big Lottery Fund						
AdvantAGE – Wales Eye Patient Advocacy Service	3	-	-	-	-	3
AdvantAGE – Wales Eye Patient Advocacy Service Continuation	37	(16)	(18)	-	-	3
Awards for All – RIBS (Reducing Isolation, Building skills)	8	-	(6)	-	-	2
Empowering Young People Programme – Realise	12	99	(128)	-	-	(17)
Supporting Families – Family Insight	19	135	(128)	-	-	26
Safe and Well – Lisburn in Focus	9	(1)	(7)	-	-	1

	1 April 2016 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/(losses) £'000	31 March 2017 £'000
Reaching Communities – Optimeyes	22	215	(233)	-	-	4
Connecting Older People – Looking Forward	134	87	(130)	-	-	91
Bright New Futures – Future In-Sight	38	203	(164)	-	-	77
Reaching Communities – Talk and Support: Supporting our Volunteers through Mentoring	13	43	(36)	-	-	20
Reaching Communities – Trainee Grade Scheme: Extending the Reach	(1)	47	(48)	-	-	(2)
Investing in Communities – Advice Plus	1	-	(1)	-	-	-
Investment In Communities – Looking To The Future	126	171	(166)	-	-	131

	1 April 2016 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/(losses) £'000	31 March 2017 £'000
People & Places – All Wales Welfare Rights Service for People with Sensory Loss	120	364	(302)	-	-	182
Basic Online Skills – Online Today	236	1,998	(1,820)	-	-	414
Investing in Communities – IRISS	65	204	(145)	-	-	124
Awards for All						
Family Activity Days	1	-	(1)	-	-	-
Heritage Lottery Fund						
Your Heritage – Seeing Our History	1	-	(1)	-	-	-
Our Heritage – Museums in Focus	(1)	-	1	-	-	-
Your Heritage – CultureLink SE	-	106	(122)	-	-	(16)

Restricted fund balances may be in a deficit situation pending future receipts where such funding is given on a reclaim basis and at 31 March 2017 such deficit balances amounted

to £148,000 (2016: £104,000), which lies within "Donations for specified services and equipment". The amounts included within "Group" represent the net assets at fair value

of the subsidiary charities, other than those held within endowment funds.

	1 April 2016 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/(losses) £'000	31 March 2017 £'000
Department of Health						
IESD – Electronic Certificate of Visual Impairment (eCVI)	83	61	(139)	-	-	5
IESD – Support for Early Reach in Clinics and Hospitals (SEARCH)	1	-	(1)	-	-	-
IESD – EIRECS Early Intervention and Rehabilitation in Eye Care Services	2	98	(82)	-	-	18
HSCVF – Community Eye Health Champions	12	132	(139)	-	-	5
Total restricted – RNIB	3,677	14,962	(14,312)	(720)	-	3,607
Action	21,273	9,170	(16,531)	-	(48)	13,864
RNIB Charity	356	24,236	(23,225)	-	-	1,367
CIB	1,277	248	(315)	-	-	1,210
RNIB Specialist Learning Trust	662	1,827	(1,854)	-	(443)	192
BucksVision	473	(18)	3	-	-	458
Total restricted – Group and RNIB	27,718	50,425	(56,234)	(720)	(491)	20,698

Endowment funds

	1 April 2016 £'000	Income including Investment gains/(losses) £'000	Expenditure £'000	Transfers £'000	Other Gains/(losses) £'000	31 March 2017 £'000
Sunshine	343	14	-	-	-	357
Emma Nye	3,040	175	-	-	-	3,215
Bristol Blind Fund	110	6	-	-	-	116
Eagle-Bott Memorial	657	37	-	-	-	694
Dr Duncan Leeds Bequest	1,231	71	-	-	-	1,302
GDC Rushton	177	9	-	-	-	186
Total endowment – RNIB	5,558	312	-	-	-	5,870
CIB	1	-	-	-	-	1
Total endowment – Group and RNIB	5,559	312	-	-	-	5,871

We apply a total return approach to The Sunshine Endowment Fund. In the year this resulted in the release of the unapplied total return amounting to £nil (2016: £19,000) to general funds.

Within the balance at 31 March 2017, the value of the gift element of the permanent endowment was £323,000 (2016: £323,000) and the unapplied total return was £34,000 (2016: £20,000).

Summary of funds

	1 April 2016 £'000	Income (including investment gains/losses) £'000	Expenditure £'000	Transfers £'000	Other losses £'000	31 March 2017 £'000
RNIB						
Unrestricted	73,386	69,462	(76,580)	720	(15,979)	51,009
Restricted	3,677	14,962	(14,312)	(720)	-	3,607
Endowment	5,558	312	-	-	-	5,870
Total	82,621	84,736	(90,892)	-	(15,979)	60,486

Group						
Unrestricted	73,386	69,473	(76,591)	720	(15,979)	51,009
Restricted	27,718	50,425	(56,234)	(720)	(491)	20,698
Endowment	5,559	312	-	-	-	5,871
Total	106,663	120,210	(132,825)	-	(16,470)	77,578

22. Analysis of net assets between funds

Group fund balances are represented by:	Un-restricted funds £'000	Re-stricted funds £'000	Endow-ment funds £'000	Total funds 2018 £'000	Un-restricted funds £'000 Re-classified	Re-stricted funds £'000	Endow-ment funds £'000	Total funds 2017 £'000 Re-classified
Tangible/intangible fixed assets	68,207	3,102	-	71,309	72,739	18,908	-	91,647
Investments	2,192	133	5,642	7,967	845	96	5,871	6,812
Net current assets	21,018	4,691	140	25,849	13,089	5,029	-	18,118
Long-term liabilities	(22,096)	(70)	-	(22,166)	(26,502)	(1)	-	(26,503)
Defined benefit pension scheme liability	(1,823)	(1,429)	-	(3,252)	(9,162)	(3,334)	-	(12,496)
Total net assets	67,498	6,427	5,782	79,707	51,009	20,698	5,871	77,578

RNIB fund balances are represented by:	Un-restricted funds £'000	Re-stricted funds £'000	Endow-ment funds £'000	Total funds 2018 £'000	Un-restricted funds £'000 Re- classified	Re-stricted funds £'000	Endow-ment funds £'000	Total funds 2017 £'000 Re- classified
Tangible/intangible fixed assets	68,207	-	-	68,207	72,739	-	-	72,739
Investments	2,197	30	5,641	7,868	850	30	5,870	6,750
Net current assets	20,567	4,472	140	25,179	11,629	3,577	-	15,206
Long-term liabilities	(21,650)	-	-	(21,650)	(25,047)	-	-	(25,047)
Defined benefit pension scheme liability	(1,823)	-	-	(1,823)	(9,162)	-	-	(9,162)
Total net assets	67,498	4,502	5,781	77,781	51,009	3,607	5,870	60,486

23. Pension costs

The RNIB Group pension arrangements comprise those of RNIB and the subsidiary charities, RNIB Charity, Action and CIB. The net pension reserve of £2.1m deficit (2017: £9.2m deficit) disclosed in the balance sheet only refers to RNIB and NLB. The scheme deficits for CIB and RNIB Specialist Learning Trust are included in restricted reserves along with all reserves for those entities.

A summary of the movement in pension assets and liabilities for the Group's defined benefit pension funds is shown below:

The amount charged to the SoFA of £6,471,000 in the table above has been expensed as part of charitable activities.

The actuarial gain of £10,889,000 in the table above differs to the amount in the SoFA by £365,000, which relates to gain relating to Cardiff Institute for the Blind following the confirmation of the cessation liability as mentioned on page 139.

	Amounts charged to SoFA £'000	Actuarial gains (losses) £'000	Defined Benefit Pension Scheme liability £'000
RNIB Retirement Benefit Scheme	6,142	9,595	(1,419)
RNIB Pension Trust Scheme	109	1,362	129
NLB	67	-	(533)
RNIB Specialist Learning Trust	153	(68)	(1,429)
Total defined benefit schemes	6,471	10,889	(3,252)

RNIB

The RNIB Retirement Benefits Pension Scheme (RBPS) is partly defined benefit and partly defined contribution. Members joining before 1 April 2005 are wholly defined benefit, with those members joining after, having a hybrid of defined benefit and defined contribution. The assets of the Scheme are held in a separate fund, under control of its Trustees, to which RNIB has no access. A salary sacrifice arrangement was introduced 1 July 2010 whereby the member's salary is reduced by the amount of the member contribution and in return the employer makes an equivalent contribution to the Scheme.

An actuarial valuation was carried out at 31 March 2017 by the pension scheme's actuary Aon Hewitt, using the projected unit method. The valuation disclosed that the market value of the scheme's assets (excluding defined contribution and additional voluntary contribution assets) at that date was £251.4 million, and that there

was a deficit of £14.1 million relative to the technical provisions (the level of assets agreed by the Trustees and RNIB as being appropriate to meet member benefits, assuming the scheme continues as a going concern).

The contributions required to meet the cost of the final salary benefits that members earn in the Scheme in the future have increased, with the cost of accrual to the Employer increasing from 12.5 per cent of pensionable salaries to 26.6 per cent of pensionable salaries with effect from 1 April 2017. The Scheme Trustees and the Employer have agreed that the actual net Employer contribution rate payable in respect of future defined benefit accrual following the valuation should continue at 12.5 per cent of pensionable salaries. This is lower than the cost of defined benefit accrual calculated on the technical provisions basis.

However, RNIB is consulting with employees on proposed benefit

changes in relation to the Scheme (see below). In view of the current consultation with employees, the Scheme Trustees and Employer have agreed that the difference between these two amounts for the period starting with the valuation date and ending at 31 March 2019 will instead be added to the deficit and repaired as part of the recovery plan. As of 1 July 2018 and in agreement with the pension scheme Trustees, RNIB will make additional deficit recovery contributions of £2.5m a year until 31 March 2027 (subject to additional amounts noted above).

As mentioned in the paragraph above, a proposal has been made to staff to close the RNIB Retirement Benefits Scheme to future accruals and provide benefits in a new "Defined Contribution" section of the Scheme going forwards. The consultation has closed and the decision has been confirmed and agreed with the Pension Scheme Trustees. In addition, we are proposing

to cease contributions to the NEST auto-enrolment scheme and provide all pension benefits through the defined contribution scheme noted above. We are currently in the process of setting up the new scheme and the RNIB Retirement Benefits Scheme closure date is in the process of being agreed. It is likely to be in early 2019.

RNIB also participates in the Teachers' Pension Scheme, a defined benefit scheme for employees who were formerly employed by local education authorities. The Teachers' Pension Scheme is an unfunded scheme. Contributions on a "pay as you go" basis are credited to The Exchequer under arrangements governed by The Superannuation Act 1972.

RNIB has an auto-enrolment pension scheme which is administered by the National Employment Savings Trust (NEST). This is a defined contribution scheme. In the year RNIB contributed £81,000 (2017: £101,000) on behalf of 680 (2017: 732) employees.

The RNIB Pension Trust Scheme is the Pension Trust Defined Benefit Scheme transferred from Action as a result of the merger with RNIB at 1 April 2018. The scheme has been closed to new members since 1 October 1997. Three employees remain active.

RNIB Charity

RNIB Charity participates in the RNIB Retirement Benefits Scheme. This is a hybrid scheme for members joining after 1 April 2005 and a defined benefit scheme for prior entrants. The assets and liabilities of the scheme are accounted for within the Group financial statements. The charity is unable to identify, on a reasonable and consistent basis, its share of the underlying assets/liabilities as such information is unavailable on a disaggregated basis. Therefore, RNIB Charity has accounted for contributions as if the scheme were a defined contribution scheme.

During the year contributions of £554,000 (2017: £1,171,000) were

paid into the scheme on behalf of the charity.

RNIB Charity has an auto-enrolment pension scheme which is administered by the National Employment Savings Trust (NEST). This is a defined contribution scheme. In the year RNIB Charity contributed £35,000 (2017: £41,000) on behalf of 452 (2017: 351) employees.

Action

Following the merger of Action with RNIB as of 1 April 2018 all employees were transferred to RNIB, therefore there are no longer any active pension schemes in Action.

CIB

CIB is a participant within the defined benefit scheme "Cardiff and Vale of Glamorgan Pension Fund" which is part of the Local Government Pension Scheme. The last employees left the scheme on 31 March 2016 so in the year CIB contributed £nil (2017: nil). The cessation liability has been

confirmed at £315,800 (2017: £681,000 was provided for).

CIB has a defined contribution pension scheme with Scottish Widows. In the year CIB contributed £6,300 (2017: £6,100) on behalf of three (2017: three) employees.

CIB also has an auto-enrolment pension scheme which is administered by the National Employment Savings Trust (NEST). This is a defined contribution scheme. In the year CIB contributed £480 (2017: £nil) on behalf of 5 (2017: nil) employees.

RNIB Specialist Learning Trust

RNIB Specialist Learning Trust is a participant within the defined benefit scheme "West Midlands Pension Fund" which is part of the Local Government Pension Scheme.

RNIB Specialist Learning Trust also participates in the Teachers' Pension Scheme, a defined benefit scheme for employees who were formerly

employed by local education authorities. The Teachers' Pension Scheme is an unfunded scheme. Contributions on a "Pay as you go" basis are credited to The Exchequer under arrangements governed by The Superannuation Act 1972. This scheme is treated as a defined contribution scheme because no liability sits with RNIB.

NLB

Following the merger with NLB, RNIB also offers the Pensions Trust's Growth Plan. This is a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for RNIB to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme and reflects the present value of agreed deficit reduction payments as a liability in the balance sheet. Full details are shown below.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation

showed assets of £793m, liabilities of £970m and a deficit of £177m. The following tables have been provided by the Pensions Trust.

RNIB has agreed to the following recovery plan payments:

Year ending	31 March 2018 £'000	31 March 2017 £'000	31 March 2016 £'000
Year 1	69	67	65
Year 2	71	69	67
Year 3	73	71	69
Year 4	75	73	71
Year 5	77	75	73
Year 6	80	77	75
Year 7	82	80	77
Year 8	42	82	80
Year 9	-	42	82
Year 10	-	-	42

The present value of the recovery plan contributions as recognised in RNIB Group balance sheet.

	31 March 2018 £'000	31 March 2017 £'000	31 March 2016 £'000
Present value of provision	533	600	633

Reconciliation of opening and closing provision.

	2018 £'000	2017 £'000
Provision at start of year	600	633
Unwinding of the discount factor (interest expense)	8	13
Deficit contribution paid	(67)	(65)
Remeasurements – impact of any change in assumptions	(8)	19
Provision at end of year	533	600

Income and expenditure impact.

	2018 £'000	2017 £'000
Interest expense	8	13
Remeasurements – impact of any change in assumptions	(8)	19

Assumptions.

Assumptions	31 March 2018 per cent per annum	31 March 2017 per cent per annum	31 March 2016 per cent per annum
Rate of discount	1.71	1.32	2.07

Detailed disclosures relating to pension schemes

The following tables, and narrative, provide the detailed disclosures that relate to the RNIB Retirement Benefit Scheme and schemes related to subsidiary entities. The column headed "Subsidiary charities" refers to Action scheme one and RNIB Specialist Learning Trust (in 2016 it also included Action scheme three and CIB). Together these explain the Group's pension costs.

A. Scheme assets and liabilities	RNIB Retirement Benefit Scheme £'000	RNIB Pension Trust Scheme £000	Subsidiary charities £'000	Total £'000
2018				
Scheme assets at fair value				
Equities	56,900	5,457	274	62,631
Fixed income	70,000	-	-	70,000
Alternatives	19,800	-	-	19,800
Corporate and other bonds	-	7,786	17	7,803
Index-linked gilts	61,500	-	32	61,532
Property (including unit trusts)	-	1,028	32	1,060
Legal and General Real and Inflation linked funds	30,600	-	-	30,600
Real assets	7,900	-	-	7,900
Cash and other (including net current assets)	2,305	9	80	2,394
Total market value of scheme assets	249,005	14,280	435	263,720
Present value of scheme liabilities	(250,424)	(14,151)	(1,864)	(266,439)
Net pension scheme liability	(1,419)	129	(1,429)	(2,719)
NLB liability	(533)	-	-	(533)
Total pension scheme liability	(1,952)	129	(1,429)	(3,252)

B. Scheme assets and liabilities	RNIB £'000	Subsidiary charities £'000	Total £'000
2017			
Scheme assets at fair value			
Equities	93,000	7,622	100,622
Corporate and other bonds	-	7,485	7,485
Index-linked gilts	65,700	125	65,825
Property (including unit trusts)	18,100	1,070	19,170
Infrastructure	20,900	-	20,900
Standard Life GARS	16,800	-	16,800
Legal and General Real and Inflation linked funds	33,200	-	33,200
Cash and other (including net current assets)	2,600	91	2,691
Total market value of scheme assets	250,300	16,393	266,693
Present value of scheme liabilities	(258,862)	(19,727)	(278,589)
Net pension scheme liability	(8,562)	(3,334)	(11,896)
NLB liability	(600)	-	(600)
Total pension scheme liability	(9,162)	(3,334)	(12,496)

C. Analysis of charge to the SoFA	RNIB Retirement Benefit Scheme £'000	RNIB Pension Trust Scheme £000	Subsidiary charities £'000	Total £'000
Year to 31 March 2018				
Current service cost	5,062	-	126	5,188
Interest on net defined benefit liability	176	34	27	237
Administration expenses	904	75	-	979
Expense recognised in SoFA	6,142	109	153	6,404
Year to 31 March 2017				
Current service cost	3,663	-	106	3,769
Interest on net defined benefit (asset)/liability	(326)	-	111	(215)
Administration expenses	529	-	63	592
Expense recognised in SoFA	3,866	-	280	4,146

The above service cost excludes any RNIB contributions paid to the defined contributions section of the Scheme.

RNIB contributed to the Scheme at the rate of 12.5 per cent of pensionable salaries. These rates include the cost of death in service

insurance cover. During the year RNIB contributed £3,690,000 (2017: £3,525,000) to the Scheme, and in the next year RNIB expects to contribute significantly more due to the impact of the actuarial valuation at 31 March 2017. In addition, RNIB, RNIB Charity and Action share the administrative costs of the Scheme. From 1 July

2010 under the RNIB salary sacrifice arrangement employer contributions and service cost include the member salary sacrifice contributions while member contributions are shown as £nil. RNIB also makes contributions to a number of other pension schemes including the Teachers' Pension Scheme.

The Teachers' Pension Scheme is a defined benefit scheme for employees who were formerly employed by local education authorities. The Teachers' Pension Scheme is an unfunded scheme

Contributions on a "pay-as-you-go" basis are credited to the Exchequer under arrangements governed by

the Superannuation Act 1972. RNIB Group, including RNIB Charity, made contributions to the Teachers' Pension Scheme for 26 employees (2017: 24) totalling £125,000 (2017: £130,000). In addition, Action made contributions for nil employees totalling £nil (2017: two employees totalling £9,282) to the Teacher's Pension Scheme.

D. Analysis of actuarial gains and losses	RNIB Retirement Benefit Scheme £'000	RNIB Pension Trust Scheme £000	Subsidiary charities £'000	Total £'000
Year to 31 March 2018				
Asset (losses) gains arising during the year	(3,314)	330	48	(2,936)
Liability gains (losses) arising during the year	12,909	1,032	(116)	13,825
Total actuarial gain (loss)	9,595	1,362	(68)	10,889
Year to 31 March 2017				
Asset losses arising during the year	36,433	-	1,858	38,291
Liability gains arising during the year	(52,692)	-	(2,349)	(55,041)
Total actuarial gain (loss)	(16,259)	-	(491)	(16,750)

Assumptions used for the FRS102 valuation are summarised in the following table.

E. Actuarial assumptions	2018 RNIB Retirement Benefit Scheme per cent	2017 RNIB Retirement Benefit Scheme per cent	2018 RNIB Pension Trust per cent	2017 RNIB Pension Trust per cent	2018 Subsidiary charities per cent	2017 Subsidiary charities per cent
Discount rate	2.60	2.45	2.55	-	2.60	2.20 – 2.60
Inflation assumption (RPI)	3.05	3.15	3.20	-	3.60	3.20 – 3.30
Inflation assumption (CPI)	1.95	2.15	2.20	-	2.70	2.00 – 2.30
Rate of increase in salaries	3.05	3.15	4.2	-	4.2	3.75 – 4.30
Rate of increase in pensions payments						
Pre 1 July 2010 – 5 per cent p.a. cap	2.90	2.95	2.25	-	-	-
Post 30 June 2010 – 3 per cent p.a. cap	2.40	2.20	1.9	-	2.7	1.75 – 2.35
Rate of increase in deferred pensions						
Pre 1 July 2010 – 5 per cent p.a. cap	3.05	3.15	-	-	-	-
Post 30 June 2010 – 3 per cent p.a. cap	3.00	3.00	3.2	-	-	3.30

The pension assumptions in the table above differ in respect of the two main RNIB schemes as the assumptions relating to the RNIB Retirement Benefit Scheme are specific to RNIB, whereas for the RNIB Pension Trust scheme the method determined by Pensions Trust for setting the assumptions has been adopted.

For the RNIB scheme the mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member currently aged 60 will live on average for a further 27.7 years (2017: 27.6 years) if they are male and for a further 29.7 years (2017: 29.6 years) if they are female. For a member who retires in 2038 at age 60 the assumptions are that they will live on average for a further 28.7 years (2017: 28.6 years) after retirement if they are male and for a further 31.4 years (2017: 31.3 years) after retirement if they are female.

For RNIB Pension Trust scheme for current pensioners, their life expectancy beyond the pensionable age of 65 is 22.1 years (2017: 24.9 years) if they are male, and 23.8 years (2017: 26.4 years) if they are female. For future pensioners, their life expectancy beyond the pensionable age of 65 is 23.5 years (2017: 23.2 years) if they are male and 25.0 years (2017:24.9 years) if they are female. For schemes offered by the subsidiary charities, for current pensioners, their life expectancy beyond the pensionable age of 65 is 21.8 years (2017: 23.1 years) if they are male, and 24.3 years (2017:25.8 years) if they are female. For future pensioners, their life expectancy beyond the pensionable age of 65 is 24.0 years (2017: 25.3 years) if they are male and 26.6 years (2017: 28.1 years) if they are female.

F. Changes to the present value of the defined benefit obligation	RNIB Retirement Benefit Scheme £'000	RNIB Pension Trust Scheme £000	Subsidiary charities £'000	Total £'000
As at 1 April 2016	201,005	-	17,288	218,293
Current service cost	3,663	-	167	3,830
Interest expense on defined benefit obligation	6,753	-	532	7,285
Contributions by scheme participants	113	-	27	140
Actuarial gain on scheme liabilities	52,692	-	2,349	55,041
Net benefits paid out	(5,364)	-	(636)	(6,000)
As at 31 March 2017	258,862	-	19,727	278,589
Transfers	-	16,199	(16,199)	-
Current service cost	5,062	-	126	5,188
Interest expense on defined benefit obligation	6,268	478	35	6,781
Contributions by scheme participants	98	-	21	119
Actuarial gain on scheme liabilities	(12,909)	(1,032)	116	(13,825)
Net benefits paid out	(6,957)	(1,494)	-	(8,451)
As at 31 March 2018	250,424	14,151	3,826	268,401

G. Changes to the fair value of scheme assets during the year	RNIB Retirement Benefit Scheme £'000	RNIB Pension Trust Scheme £000	Subsidiary charities £'000	Total £'000
As at 1 April 2016	209,200	-	14,330	223,530
Expected return on scheme assets	7,079	-	485	7,564
Contributions by the employer	3,368	-	329	3,697
Contributions by scheme participants	113	-	27	140
Actuarial loss on scheme assets	36,433	-	1,858	38,291
Net benefits paid out	(5,364)	-	(636)	(6,000)
Administration costs incurred	(529)	-	-	(529)
As at 31 March 2017	250,300	-	16,393	266,693
Transfers	-	14,807	(14,807)	-
Expected return on scheme assets	6,092	369	8	6,469
Contributions by the employer	3,690	268	53	4,011
Contributions by scheme participants	98	-	21	119
Actuarial (loss)/gain on scheme assets	(3,314)	330	49	(2,935)
Other actuarial losses	-	-	(1)	(1)
Net benefits paid out	(6,957)	(1,494)	-	(8,451)
Administration costs incurred	(904)	-	-	(904)
As at 31 March 2018	249,005	14,280	1,716	265,001

G. Changes to the fair value of scheme assets during the year	RNIB Retirement Benefit Scheme £'000	RNIB Pension Trust Scheme £000	Subsidiary charities £'000	Total £'000
Actual return on scheme assets				
2017	43,512	-	2,343	45,855
2018	2,673	699	57	3,429

24. Group commitments

A. Capital

At the year-end, RNIB had no outstanding commitments (2017: £nil).
At the year-end, no other subsidiary entities have any outstanding commitments (2017: £nil).

B. Operating leases

At the year-end, the Group had the following annual commitments amounting to £7,795,000 (2017: £8,286,000 restated) under non-cancellable operating leases.

	2018 £'000	2017 Restated £'000
Land and buildings		
Expiring within one year	871	761
Expiring between two and five years	2,383	2,218
Expiring after five years	4,165	4,874
Equipment		
Expiring within one year	213	269
Expiring between two and five years	163	164
Expiring after five years	-	-
Total	7,795	8,286

The 2017 figures have been restated to include leases not previously included.

25. Contingent assets

RNIB has entered into a sale and development agreement with Countryside Properties (UK) Limited relating to land and buildings at Redhill College, Redhill, Surrey owned by RNIB. Over the period from 2020 to May 2021, RNIB will receive profit share cash payments of at least £5.5million, 25 residential dwellings, a community hub, and the refurbished Tudor House.

The construction value of the buildings is estimated at £9.5million. In return, the developer will be given land for the construction and sale of 77 private dwellings. The net book value of the Redhill land and buildings at 31 March 2018 is £3.4million. The accounting recognition of this transaction will take place over the year as individual properties are handed over and profit share cash is received.

Source	Purpose	2018 £'000	2017 £'000
Big Lottery Fund	Basic Online Skills – Online Today	1,547	2,159
	Bright New Futures – Future In-sight	217	204
	Connecting Older People – Looking Forward	47	91
	Empowering Young People – Realise	149	99
	Investing In Communities – Looking To The Future	90	174
	Investing in Communities – IRISS	138	128
	Investing in Communities – Advice Plus : See me right	155	78
	People and Places – All Wales Welfare Rights Service for People with Sensory Loss	146	321

26. Grants receivable

During the year, RNIB received a number of grants and other funding resources, which are required by the donors to be shown in our annual financial statements.

Source	Purpose	2018 £'000	2017 £'000
	Reaching Communities – Talk and Support: Supporting our Volunteers through Mentoring	50	44
	Reaching Communities – Big Skills Pilot	188	159
	Reaching Communities – Being There When it Matters Most (CVICS)	131	114
	Reaching Communities – Living With Sight Loss	-	47
	Reaching Communities – Optimeyes	-	192
	Reaching Communities – Trainee Grade Scheme: Extending Reach	-	48
	Reaching Communities – BME Volunteering and Self Help Phase 2	-	40
	Supporting Families – Family Insight	137	134
Big Lottery Fund – Our Bright Future	Our Bright Future – Vision England	129	136
Allergan*	Eye Health Projects	-	45

Source	Purpose	2018 £'000	2017 £'000
Alliance Scotland	Transforming Self Management in Scotland Fund – Scottish Government Fund administered by the Health and Social Care Alliance Scotland (the ALLIANCE) – You Care Eye Care	33	33
Bayer*	Eye Health Projects	-	79
Children & Young People's Strategic Partnership, Health and Social Care Board	Family Support Service	64	64
	Parenting, Education and Support	11	11
Department of Health and Social Care	HSCVF – Community Eye Health Champions	46	136
	IESD – EIRECS Early Intervention and Rehabilitation in Eye Care Services	31	100
	IESD – Electronic Certificate of Visual Impairment (eCVI)	(2)	64
	IESD – Talking Therapies	-	44
	IESD – Living With Sight Loss	-	3
	Sight Loss Booklet – what I needed to know	16	-
European Social Fund – this project is part funded through the Northern Ireland European Social Fund Programme 2014-2020 and the Department for the Economy	Eye Work Too	123	136
	Immersive Accessibility – ImAc	111	-

Source	Purpose	2018 £'000	2017 £'000
Glasgow City Council	Focus on Employability	16	-
	Blindcraft Trust (The expenditure for Blindcraft Charitable Trust will be made during 2018/19 financial year)	18	-
Fife Health & Social Care	Fife Health & Social Care (Carers Strategy) – RNIB Carers Cafe	4	-
	Fife Health & Social Care NHS (Carers Strategy) – RNIB Bridge to Vision 2015	14	-
HMRC	HMRC Grant funding 2016-2019 Get Your Tax Right	125	150
Heritage Lottery Fund	Heritage Grants – Culture Link SE	187	106
	Our Heritage – Museums in Focus	-	1
NHS Fife Carers Fund	Carers Information Strategy Funding – RNIB Bridge to Vision 2015	-	14
NHS Fife Carers Fund	Carers Information Strategy Funding – RNIB Carers Café 2015	-	4
Northern Ireland Executive – United Youth Programme	Youth Works	-	1
Scottish Government	Section 10 Funding 2017/18 – Say Quality See Quality	39	-
	CYPEIF Funding – Best Start	31	-
Scottish Government	See Hear Strategy Funding	-	50
Shared Care Scotland	Better Breaks Funding – RNIB Activate	26	22

Source	Purpose	2018 £'000	2017 £'000
Southern Health and Social Care Trust	Parenting, Education and Support	57	57
Special EU Programme Body (A project supported by the European Union's INTERREG VA Programme, managed by the Special EU Programmes Body (SEUPB))	INTERREG VA Funding – Need to talk	203	-
The Royal Borough of Kensington and Chelsea	Kensington & Chelsea Outreach Svc	5	-
Welsh Government	Welsh Government Cymraeg 2050 Grant 2017-18	20	-

*Policy on relationships with pharmaceutical companies

RNIB provides services to those with sight problems, works to prevent avoidable blindness, and campaigns for positive change. These functions will not be influenced in any way by our relationship with pharmaceutical companies or by acceptance of grants or sponsorships from them. We will withdraw from any initiative that jeopardises our independence. RNIB will not embark on, or continue with, any sponsorship arrangement or collaborative venture which might

damage its independence. Bayer is a pharmaceutical company.

27. Events after the reporting period

Consultation on RNIB Retirement Benefits Scheme

A proposal has been made to staff to close the RNIB Retirement Benefits Scheme to future accruals and provide benefits in a new "Defined Contribution" section of the Scheme going forwards. The consultation has closed and the decision has been confirmed and agreed with

the Pension Scheme Trustees. In addition, we are proposing to cease contributions to the NEST auto-enrolment scheme and provide all pension benefits through the defined contribution scheme noted above. We are currently in the process of setting up the new scheme and the RNIB Retirement Benefits Scheme closure date is in the process of being agreed but will be within 2019.

The RNIB Pears Centre

In March 2018 Ofsted raised significant concerns about the way we were managing The RNIB Pears Centre for Specialist Learning in Coventry. We worked really hard to try to turn the service around but unfortunately, we were unable to demonstrate adequate progress.

We therefore made the difficult decision to close The RNIB Pears Centre for Specialist Learning and the care home and school at the centre closed on 7 November 2018.

We worked hard to put things right there but we accepted that we were not the right organisation to be running this highly specialised service for children with complex health needs.

Our staff worked incredibly hard to make improvements at The RNIB Pears Centre, we're grateful for everything they've done and thank them for their dedication and commitment.

Sale of Bakewell Road, Peterborough

Included in fixed assets at 31 March 2018 was the property at Bakewell Road, Peterborough, which was included as an asset held for sale. The asset was sold at its balance sheet carrying value on 5 April 2018.

"Our 75 Change Champions support, promote and embed the changes we're making as we modernise RNIB and improve customer services"

Trustees' Report (continued)

Thank you to our supporters, partners and volunteers

This year, our supporters and volunteers helped us raise £74.2 million. Without them, we wouldn't have been able to deliver life-changing services to our customers and raise awareness of sight loss.

Our partnerships help us achieve more for blind and partially sighted people. They support our work by providing time and expertise. They enable us to achieve much greater impact by working in new and innovative ways, building capacity, and driving forward work to make sure customers can access the support they need.

We received £41.9 million in gifts from our generous supporters who remembered us in their Will. Much

of our work is supported by gifts in Wills, so we are hugely grateful for all those who have chosen to support us in this way, allowing us to continue with our vital work. Their generosity will enable us to reach the increasing number of people with sight loss now and in years to come.

We're grateful to our army of over 4,700 volunteers who help us to deliver vital services and who are involved with us in many different ways across the UK. Volunteers have never been more important in helping us to make every day better for blind and partially sighted people.

To all our supporters, partners and volunteers – thank you so much for making every day better for people with sight loss.

We're honoured to have the support of our Patron Her Majesty The Queen. We're indebted to our President Dame Gail Ronson DBE, and to our Vice Presidents, listed on page 160.

Thank you to the many individuals, companies, trusts and public bodies that have supported us this year and made our work possible. In particular, we would like to thank:

A
A Sinclair Henderson Charitable Trust
Ada Hillard Charitable Trust
Agnes Hunter Charitable Trust
AIG Europe Limited
Alliance Scotland
Austin Ray Solicitors

B

B & P Glasser Charitable Trust
 BBC Children in Need
 Big Lottery Fund
 Big Lottery Fund – Our Bright Future
 Blindcraft Charitable Trust
 Brian Mercer Charitable Trust
 Brownlie Charitable Trust
 BT Sport

C

Carmen Butler-Charteris
 Charitable Trust
 Childcare Vouchers
 Children & Young People's Strategic
 Partnership, Health and Social
 Care Board
 Christina Goodall Charitable Trust
 CHSA

D

Department of Health
 and Social Care

E

Edith Lilian Harrison
 2000 Foundation
 European Social Fund

F

Fidelity
 Fife Health and Social Care

G

Glasgow City Council

H

Her Majesty's Revenue and Customs
 Heritage Lottery Fund
 Hugh Fraser Foundation

I

Ian Karten Charitable Trust

J

Jack Simmons Will Trust
 James and Patricia Hamilton
 Charitable Trust
 John Scott Trust

K

Kathleen Beryl Sleigh
 Charitable Trust

L

Late Philip Welford Clappison
 Charitable Trust
 Leslie Mary Carter Charitable Trust

M

Melbreak Trust
 Mrs Maxwell Stuart Charitable Trust
 Mrs N E M Warren's Trust
 Myristica Trust

N

Nanette Hyde Bryce Charitable Trust
 Navchenta BV Trust

P

P F Charitable Trust
 Premier League Association

R

R U B White Trust

RBS

The Robertson Trust

The Royal Borough of Kensington
and Chelsea

S

Scottish Government

Shanly Foundation

Shared Care Scotland

Sky

Smith Charitable Trust

Southern Health and Social
Care Trust

SpaMedica

Special EU Programme Body

T

Tony and Audrey Watson
Charitable Trust

W

WT Mattock Charitable Trust

Welsh Government

White Top Foundation

Who's who at RNIB

Patron, President and Vice-Presidents

Patron

HM The Queen

President

Dame Gail Ronson DBE

Vice Presidents

Sir John Beckwith CBE

The Rt Hon. the Lord Blunkett

Richard Brewster

Professor Ian Bruce CBE

Jeremy Bull

Haruhisa Handa

Euclid Herie

Lady (Joan) Jarvis CBE

Penny Lancaster-Stewart,
Lady Stewart

Lord Low of Dalston CBE*

Sir Trevor Pears CMG

Sir Mike Rake (resigned
25 September 2017)

Dr Dermot Smurfit

Sir Rod Stewart CBE

The Rt Hon Earl of Stockton

Lord (Julian) Fellowes of West Stafford

Honorary officers

Eleanor Southwood MA (Oxon) – RNIB
Chair (from 10 November 2017) and
RNIB Vice-Chair (to 9 November 2017)

Margaret Bennett – RNIB Vice
Chair (from 10 November 2017
to 9 October 2018)

Alan Tinger FCA CCMi –
RNIB Honorary Treasurer

Kevin Carey MA (Cantab) MA
(Kings College, London) –
RNIB Chair (to 9 November 2017)

Chief Executive Officer and members of Executive Board
(From 1 April 2017 to 31 March 2018)

Chief Executive Officer
Sally Harvey BA (Hons) (from 17 November 2017; Acting Chief Executive Officer from 1 October 2016 to 16 November 2017)

Deputy Chief Executive Officer and Director of Advocacy
Fazilet Hadi BA (Hons) (to 31 May 2018)

Director of Corporate Services
Corinne Mills Chartered FCIPD

Director of Relationships
Dr Sophie Castell (from 3 July 2017)

Director of Services
Miriam Martin (to 31 December 2017)

Jamie Dormandy (Interim from 1 March 2018 to 1 July 2018)

Managing Director, Solutions
Scott Lynch (to 28 February 2018)

Chief Executive Officer and members of Executive Board
(From 1 April 2018)

Interim Chief Executive Officer
Eliot Lyne (from 6 April 2018)

Director of Care, Education and Safeguarding
Nick Apetroaie (from 23 May 2018)

Director of Corporate Services
Corinne Mills Chartered FCIPD (to 25 September 2018)

Director of Development
Keith Valentine (from 1 June 2018)

Director of Finance
Gemma Wadsley (from 26 March 2018 to 31 July 2018)

Deirdre Robertson (from 3 September 2018 to 16 November 2018 – Interim Director of Finance and Corporate Services)

Stuart Fox (Acting from 19 November 2018).

Director of Relationships
Dr Sophie Castell

Director of Services
Jamie Dormandy (Interim to 1 July 2018)

David Clarke (from 2 July 2018)

Strategic HR Advisor
Ali Peck (from 5 September 2018)

Professional advisers

Independent auditors
PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Investment advisers
AON Hewitt Ltd
3 The Embankment
Sovereign Street
Leeds
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Property advisers

Knight Frank
55 Baker Street
London
W1U 8AN

Solicitors

Farrer & Co
66 Lincolns Inn Fields
London
WC2A 3LH

Actuary advisers

Towers Watson
21 Tothill Street
London
SW1H 9LL

Bankers

Royal Bank of Scotland plc
Marylebone Road and
Harley Street Branch
10 Marylebone High Street
London
W1A 1FH

Board of Trustees

Members of the Board of Trustees during the financial year, together with a brief biography of each individual, are listed below. The Board comprised of 10 Trustees. Full membership details of RNIB's committees are available from the Governance and Business Support team at RNIB's Judd Street address. 80 per cent of the Board are blind or partially sighted.

2017 saw the retirement of two long-serving members of the RNIB Board; Chair Kevin Carey and trustee Vidar Hjordeng. We are very grateful for the service Kevin and Vidar provided to RNIB over many years and thank them for their continued participation in our work. Trustee Keith Valentine resigned on 18 October 2017 and was appointed Director of Development on 1 June 2018. We were very pleased to welcome Ozzie Clarke-Binns as a new trustee in September 2017.

Eleanor Southwood – RNIB Chair

Eleanor was appointed Chair on 10 November 2017, having served as Vice Chair from 2012 and as a Trustee since 2010. Eleanor's career spans the public, private and non-profit sectors. She is a local Councillor in Brent, north west London and has borough-wide responsibility for waste, parking, transportation, roads, pavements and open spaces. Eleanor's commitment to the RNIB comes from personal experience, having been born with no useful sight. She is passionate about improving opportunities for blind and partially sighted people, particularly in overcoming barriers to employment and involvement in civic life. Eleanor has a Masters in Organisational Behaviour and a first degree in Philosophy, Politics and Economics from Oxford University. She lives in Wembley, north west London, with her partner.

Margaret Bennett – RNIB Vice Chair

Margaret was appointed Vice Chair on 10 November 2017 and resigned as

a trustee 9 October 2018. She was in her third term of office as a Trustee, having first been appointed to the Board in 2010. A Chartered Accountant by profession, her portfolio of work includes Group Finance Director of Good Things Foundation and acting as a mentor and coach for voluntary sector leaders. Previous roles included Deputy Chief Executive of the Learning and Skills Improvement Services, a senior Civil Servant and Chief Executive of the National Library for the Blind. She lives in Sheffield and is partially sighted.

**Stuart Alan Tinger –
RNIB Honorary Treasurer**

Stuart, who is known as Alan, is a Chartered Accountant (FCA) and Companion of the Chartered Management Institute (CCMI). He is currently Chair of LOC Central Support Unit, Non-Executive Director /Consultant of the Federation of (Ophthalmic and Dispensing) Opticians, a Member of the Optical Confederation Leaders Group and

a Trustee of Eyecare Trust. His interests outside the optical sector include being Chair of a Housing Association. Alan's previous appointments include directorships of listed companies, including a major opticians group and financial consultant to the General Optical Council, the regulator of registered opticians. As Honorary Treasurer, Alan is also Chair of RNIB's Audit and Risk Committee and Investment Committee.

Kevin Carey – Former RNIB Chair

Kevin Carey retired on 9 November 2017, having served three terms as RNIB Chair and having held the position of RNIB Vice Chair from 2000 to 2009. Kevin also chaired the Remuneration Committee. He is the Chair of the World Braille Council and a member of the ICEVI Executive Committee. Kevin, who served as Director of digital inclusion charity humanITY from 1997 to 2015, is now a freelance IT accessibility consultant with Atos and works for the marketing team of Orbit Research. Kevin is a

Reader in the Church of England and has published 13 books on Christian subjects. He is a committee member of the Gustav Mahler Society of the UK; and sings in two choirs.

Derek Child

Derek is serving his final term as Trustee. Derek has been blind for 40 years, having lost his sight in his late 20s resulting from prolonged childhood illness. Derek entered higher education as a mature student, where he eventually gained a postgraduate degree in Advanced Social Policy plus a social work qualification. His career was principally in higher education at the Open University and he retired as a senior manager in 2010. Derek recognised the importance of further and higher education in making disabled people more equal and employable, and he campaigned for over 35 years for improved support students in post 16 education and training. Derek served as Co-Chair of RNIB's Services Steering Group in 2017/18.

Ozzie Clarke-Binns

Ozzie is in his first term of office as a Trustee, having been appointed to the Board on 1 September 2017, and has been a member of RNIB's Audit and Risk Committee since February 2018. Ozzie has spent the last 14 years as an independent consultant for organisations including the London 2012 Organising Committee and Business in the Community. At 13 he became the youngest ever independent advisor on youth and policing policy for London, working with the Metropolitan Police. Ozzie works as a consultant and account manager, helping organisations to reimagine employee experience, align culture and successfully implement global people strategies. Ozzie has a focus on youth empowerment, participation and employment, in addition to issues relating to 'race' and inclusion within the workplace. Ozzie lives in London.

Simon Finnie

Simon is in his second term of office as a Trustee, having been appointed to the Board in 2014. Simon chaired RNIB's Solutions Delivery Board throughout 2017/18, which focussed on the delivery of our technology, retail and reading services. He has held a number of senior executive roles across the commercial sector and is currently the Group Strategic Projects Director for Laing O'Rourke, the largest privately owned construction company in the UK. As part of Laing O'Rourke's senior team, he is responsible for driving strategic improvements across the whole organisation. Simon has over 20 years' experience across a wide range of sectors. He is married with children and lives in Hertfordshire.

Dr Heather Giles

Heather is in her third term of office as a Trustee and has been a member of RNIB's Audit and Risk Committee since February 2018. Professionally, she has held senior scientific positions

in the pharmaceutical industry and has a PhD in Pharmacology. She is currently Chief Scientific Officer for a small pharmaceutical company. Heather has a personal understanding of the challenges facing people with sight loss because she is partially sighted herself and, before becoming a Trustee, she was supporting RNIB's work as a local campaigns volunteer. She lives in London.

Vidar Hjordeng MBE

Vidar retired from the RNIB Board on 31 August 2017 after many years of service. A broadcast journalist by profession, he is now a consultant with ITV News and has spent much of his career working for the broadcaster nationally and regionally. With personal experience of visual impairment, Vidar is proud of his association with charities who work with and for fellow blind and partially sighted people, including the National Audio Description Association and Vocal Eyes, which he chaired for four years until 2012. Vidar lives in the Midlands.

Terry Moody

Terry served his final term on the RNIB Board in 2017/18 and retired on 30 June 2018 after many years of service to RNIB. Terry was a member of Audit and Risk Committee throughout 2017/18.

With an academic background in economics and finance, he has recently retired from Glasgow University where he was a senior lecturer in economics. He is blind, married with a son and lives in Glasgow.

Dr Mike Nussbaum

Mike is serving his third term on the RNIB Board. He was forced to cut short his career as a research chemist after his eyesight suddenly failed, but soon forged a second career in local government and public policy development. He was Chair of Volunteering England from 2002 to 2009. Mike holds a number of other appointments, including as a Trustee of Guide Dogs for the Blind Association, a Trustee of Vision 2020 UK, a Trustee of Shaw Trust and a member of the Equality and Diversity Forum. The

Board agreed that Mike take a formal leave of absence for three months from 10 November 2017 and Mike continued to receive all Board communications during that time.

Keith Valentine

Keith Valentine joined the RNIB Board in early 2015 and served one term until his resignation on 18 October 2017. His employment history includes senior leadership roles at Thomas Pocklington Trust and CEO of Vision UK. Keith was appointed as RNIB's Director of Development on 1 June 2018. Keith is visually impaired and has spoken widely of his personal experiences in national media channels and at key conferences in the medical and social care sectors. Many generations of Keith's family have had visual impairment and he joined the RNIB Board with a personal and professional commitment to seeking the best deal in both services and opportunities for all people with a visual impairment. Keith is also a Trustee of research charity RP

Fighting Blindness and a Trustee of his local advocacy charity, Kingston Centre for Independent Living. Keith is a published poet and a lifetime Tottenham Hotspur Fan.

Sandi Wassmer

Sandi is serving her second term on the RNIB Board and was registered blind in 2008. Sandi is currently leading the development of digital services at Jewish Care, which includes Jewish Care Interact, a digital hub for older and disabled people, the KC Shasha Centre for Talking News and Books and an ambitious digital engagement strategy around Jewish Care's Karten Centres. Sandi is a passionate thought leader in inclusive design and accessible ICT, as well as a businesswoman, human rights advocate, marketer, writer and public speaker. She has worked in a range of commercial organisations throughout her career, as CFO and COO of Universal Studios' SyFy UK TV Channel, COO of Unilever's first dotcom investment and MD of digital agency, Copious.

Independent members of the Audit and Risk Committee

Michael Barber, Jonathan Blackhurst, Deborah Harris (from 1 April to 2 November 2017), Judith Spencer-Gregson (from 1 April 2017 to 2 November 2017).

Contact details

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RNIB Scotland

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EH7 5EA
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This report is available in print, braille and audio CD.
To order contact the RNIB Helpline.

The latest Annual Report and Financial Statements are available to download from our website in both PDF and Word at rnib.org.uk. The Word version is available to enable effective use by people who need to use screen reader technology and are unable to use the PDF. If you are sent a Word version of our Annual Report and Financial Statements from a source you are unsure of, please refer to our website.

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