

Financial statements

for the year ended 31 March 2008



HENSHAWS SOCIETY FOR BLIND PEOPLE
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For the year ended 31 March 2008

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Charity law requires the Board of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of its financial activities for that period. In preparing those financial statements the trustees are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make assessments and judgements that are reasonable and prudent;
- (c) state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Society will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Charities Act 1993, the Charities Act 2006 and the Statement of Recommended Practice Accounting and reporting by Charities, issued in 2005. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Signed on behalf of The Board of Management

Mr H M Cockeram
29 July 2008

Legal and Administrative Information

Charity Name and Head office

Henshaws Society for Blind People
John Derby House
88-92 Talbot Road
Old Trafford
Manchester, M16 0GS

Legal Status

Founded in 1837, registered by a Scheme dated 14 April 1980, sealed by the Charity Commissioners and amended 18 September 2000.

The trustees were incorporated on 13th December 1994 as a body corporate under the Charities Act 1993 and are known as The Trustees of Henshaws Society for the Blind. The Society is a registered charity.

Investment Powers

Under the Scheme of Arrangement approved by the Charity Commissioners on 18th September 2000, the Board may make any kind of investment that they could make if they were absolutely entitled to the assets of the charity, subject to the exercise of a duty of care, and having regard to the approved standard investment criteria. Within their powers of delegation, they may also authorise one or more persons to exercise all or any of their delegable functions as their agent. Delegable functions include any function relating to the investment of assets belonging to the charity.

Registered National Charity number

221888

Charitable Objective

The charitable objective of the Society, as stated in the 2000 scheme of arrangement is **the relief of blind and partially sighted people**. This is achieved by the provision of specialist housing and support, residential care, education, training, community outreach services and leisure activities.

Management and principal advisers

Chairman of the Board of Management	Mr H M Cockeram
Deputy Chairman	Mr B Bodek
Group Chief Executive	Mrs P J Williamson – to 31st March 2008 Mr Rodney Clark – interim from 28th April 2008 Mr Nick Marr – from 4th August 2008
College Principal and Chief Executive Yorkshire	Mrs C Smale
Chief Executive North West	Mr M Crank
Chief Executive North East	Mr D Mitchell
External Auditors	Beever and Struthers St George's House 215-219 Chester Road Manchester, M15 4JE
Internal Auditors	Mazars The Broadway Dudley Birmingham, DY1 4PY
Bankers	Barclays Bank plc P O Box No. 357 51 Mosley Street Manchester, M60 2AU
Investment advisers	Brewin Dolphin Securities Ltd P O Box No. 512 36 St Ann Street Manchester, M60 2EP Barclays Wealth 1 St. James's Square Manchester, M2 6DN
Solicitors	Kuit Steinart Levy 3 St Mary's Parsonage Manchester, M3 2RD

Structure, Governance and Management

Elected Trustees

The following trustees have served on the Board of Management (Trustee Board) during the course of the year and served at the date of signing this report, unless otherwise stated:

Mr T Fawcett	(Chairman) resigned 18th March 2008
Mr H M Cockeram	(Deputy Chairman to 18 March 2008) (Chairman from 18th March 2008)
Mr B Bodek	(Deputy Chairman from 18 March 2008)
Mrs F Brodie	(Chair North West Regional Board)
Mr F W McFarlane	(Chair Yorkshire Regional Board)
Mr A Ridgway	(Chair North East Regional Board)
Mrs G Pinkerton	
Mr J Sims	(resigned 18 March 2008)
Mrs A Dagg	(resigned 20 November 2007)
Mr R Dykes	(from 18 September 2007)

The Trustee Board acts for and in the name of the Society. The Trustee Board has a compliment of 11 members and comprises the Chairman, Deputy Chairman and other elected Trustees all of whom are unpaid. The Trustee Board retains ultimate control over all aspects of the Society's work and ensures that its financial and legal responsibilities are properly fulfilled. Trustees are recruited through a process of open advertisement and selection and are appointed at the Annual General Meeting for a period of three years, after which they may stand for re-election. The Trustee Board must appoint the Chairman and Deputy Chairman from within their number on an annual basis. New trustees undergo an induction day to brief them on their legal obligations under charity law, the contents of the Memorandum and Articles of Association and the Society's Charitable Objectives, the Board and Senior Management structure, the Corporate Governance Regulations including the Scheme of Delegation, the Society's business plan and the recent financial performance of the charity. During the induction day they meet key employees and other trustees. Trustees undertake an Annual Skills Audit and are asked to identify any training needs, which are addressed either by in-house training sessions or by encouraging them to attend appropriate external training events.

Day to day responsibility for the management of the Society rests with the Group Chief Executive, who is directly accountable to the Trustee Board, acts as Secretary to the Trustee Board, and whose performance objectives they set annually. During 2006/07 the Board approved a new regional Board and management structure. This established the College Principal as the Chief Executive for the Yorkshire Region, the Area Manager in the North East as the Chief Executive for that region with a new Chief Executive for the North West region appointed during 2007/08. The regional Boards act as agents of the Trustee Board and have a compliment of at least two Trustees, an agreed number of regional non-executive members and executive managers. The Chair of each regional Board is a Trustee of the Charity. The Regional Boards are responsible for the overview of local operational issues, preparing regional plans and budgets for approval by the Trustee Board, budget monitoring, local strategy, policy and procedures and approving local pay rates. The Chief Executives in each region are accountable to their Regional Boards who set their annual performance objectives. The Chief Executives are supported by members of the Senior Management Teams, which meet both collectively and regionally, to look at society-wide and regional issues respectively. Accountability and Authority levels are clearly defined in the Society's Corporate Governance Documents, which are reviewed on an annual basis.

Risk Management

The Trustee Board has overall responsibility for establishing and maintaining the Society's whole system of internal control and for reviewing its effectiveness. The Trustee Board recognises that no system of internal control can provide absolute assurance against material misstatement or loss or eliminate all risk of failure to achieve business objectives. The system of internal control is designed to manage key risks and to provide reasonable assurance that planned business objectives and outcomes are achieved. It also exists to give reasonable assurance about the preparation and reliability of financial and operational information and the safeguarding of the Society's assets and interests.

In meeting its responsibilities, the Trustee Board is adopting a risk-based approach to internal controls which are embedded within the normal management and governance process. This approach includes the regular evaluation of the nature and extent of risks to which the Society is exposed. The process adopted by the Trustee Board in reviewing the effectiveness of the systems of internal control, together with some of the key elements of the control framework includes;

Identification and Evaluation of key risks

The Trustee Board has delegated authority to the Audit Committee for the monitoring of risk. Responsibility for managing risk rests with the Group Chief Executive, who has delegated day-to-day responsibility for management of specific risks identified in the risk register to an appropriate member or members of the Senior Management Teams. During 2007-08 a complete review of the risk registers was undertaken by Senior Management and Board members to reflect the change in risks associated with the revised organisational structure and regular reports are made to the Audit Committee on how risks are being managed, including details of new and emerging risks.

Monitoring and corrective action

A process of control, self-assessment and regular management reporting on control issues will provide assurance to levels of management, the Audit Committee and ultimately to the Board. This will include procedures for ensuring that corrective action is taken in relation to any significant control issues, particularly those that may have a material impact on the financial statements and delivery of our services.

Environment and Control Procedures

The Trustee Board retains responsibility for a defined range of issues covering strategic, operational, financial and compliance matters, including treasury strategy and new investment projects. The Trustee Board has adopted and disseminated to all employees a Staff Code of Conduct. This sets out the Society's policies with regard to the quality, integrity and ethics of its employees. It is supported by a framework of policies and procedures with which employees must comply. These cover issues such as delegated authority, segregation of duties, accounting, treasury management, health and safety, data and asset protection and fraud prevention and detection.

Risk Management (continued)

Information and Financial Reporting Systems

Financial reporting procedures include detailed budgets for the year ahead, detailed management accounts produced monthly and forecasts for the remainder of the financial year and subsequent years. These are reviewed in detail by the Senior Management teams and the Regional Boards and are considered and approved by the Trustee Board. The Trustee Board also regularly reviews key performance indicators to assess progress towards the achievement of key business objectives, targets and outcomes.

Internal Audit Assurance

A risk based approach to Internal Audit needs assessment has been adopted by the Society. Following completion of a three year programme in March 2007, it was agreed by Audit Committee that the priority for 2007-08 was to develop new Risk Registers for the Regions, which would then be used as a basis for planning future Internal Audit programmes. One year programmes have been identified and approved by the Audit Committee in 2007-08 and, going forward, for 2008-09 to enable the Society to review the major risks in each of the three regions as well as across the Society.

During 2007-08 Internal Audit work has been undertaken in the following areas:

- Core Financial Systems
- Governance & Management
- HR

The Audit Committee conducts an annual review of the effectiveness of the system of Internal Control and takes account of any changes that may be needed to maintain the effectiveness of the risk management and control process. The Audit Committee makes an annual report to the Trustee Board. The Trustee Board has received this report.

The Trustee Board confirms that there is an ongoing process for identifying and managing significant risks faced by the Society. This process has been in place throughout the year under review, up to the date of the annual report and accounts. The Trustee Board confirms that the major risks to which the Society is exposed have been identified, and that systems are in place to mitigate those risks.

Henshaws Vision

Henshaws wants a society where anyone affected by sight loss can have choice and control over their future and can live, learn and work as part of their community.

We will deliver practical, caring and imaginative services to visually impaired people and to their friends, family and colleagues, and work to raise awareness of visual impairment issues amongst the wider community.

Objectives and Activities

The Society sets out to achieve its charitable objectives by the provision of specialist education, supported housing and residential care, independence and skills for life training, community outreach services, practical support, information and leisure activities. We work with people of all ages and their families, and also strive to raise awareness of visual impairment issues amongst our local communities. Our services are delivered in a number of locations across the North of England, with our main centres being situated in Greater Manchester and Merseyside (the North West Region), North Yorkshire and in and around the Newcastle area (North East). Each of the three regions has locally identified and determined priorities and their own Mission Statement.

Review of Progress against our Objectives and Priorities for 2007-08

2007-08 saw the first full year of our new organisational structure. Though we remain one organisation, focused on the needs of blind and visually impaired people across the North of England, we now operate as three linked regions: North West, Yorkshire and North East. This structure makes us able to respond to the specific needs of individuals at a genuinely local level. However, we are also able to maintain the benefits of being a larger, broader-based organisation.

Strategic Objectives 2007-08

- Embed the delegated Regional Board structures and recruit new Trustees and regional Board members, specifically targeting Yorkshire and the North East.

Regional Boards have been established as agents of the Trustee Board in all three of the Society's areas, and terms of reference and delegation for them have been agreed and approved by the Trustees. The new Boards have met on a regular basis throughout the year between Trustee meetings. A number of new members have been recruited and further recruitment will take place in all regions in the coming year.

- Progress the review of the Society's pension arrangements and assess existing and future liabilities in respect of the final salary pension scheme.

The two old Scottish Life schemes were successfully wound up during the year, and all members were either paid up or able to transfer their funds as appropriate. An actuarial review was undertaken during the year of the Society's liabilities under the SHPS scheme and the Trustees concluded that, for the time being, continuing our membership of this scheme is in the Society's best interests.

- Complete Phase 2 of the College redevelopment ensuring that sufficient funds are raised through a combination of loan financing and fundraising to meet the payments as they fall due, and that the repayment of any long term borrowing required can be met from the college revenue budget.

Phase 2 of the College redevelopment was completed in early 2008 and 22 students are now in residence. The formal opening of the new student residence in March saw the end of the Living Life Campaign that raised a significant proportion of the funds needed for the programme of redevelopment. A loan has been secured on extremely favourable terms from Alliance and Leicester Bank to meet the funding shortfall, and the costs of servicing the loan have been incorporated into the college budget for 2008-09.

- Continue to build on the progress of the past year in identifying new sources of income to create sustainable funding streams which secure the future of our services

Strategic Objectives 2007-08 (continued)

The Fundraising Team have been working closely with Senior Management Teams and service delivery staff in all regions to identify opportunities to source and access alternative income streams and secure greater stability for our services. Though this is very much an ongoing process it has resulted in several large funding applications being submitted and a number of contracts tendered, the results of which were pending at the end of the financial year.

- Promote the Henshaws name and brand, raising the profile of Henshaws amongst a wide audience through effective use of PR, communications and networking.

New PR agencies were appointed in both Yorkshire and the North West regions to give support in raising the profile of Henshaws amongst our target audiences. Locally based marketing staff have also continued to deliver a range of communications activities and to develop materials and resources to support the promotion of our services and our fundraising efforts. There has also been a new focus on the need for staff at all levels of the organisation to be networking and building relationships and this has already resulted in a number of positive partnerships with other organisations.

- Redesign and re-launch Henshaws website to reflect the new corporate and regional structures.

Our new look website was re-launched in early 2008 and now consists of a main Henshaws site carrying generic information about the charity, its services and achievements as well as information resources. In addition there are three regional subsites which will be developed at a local level to reflect the particular messages, services, activities and target audiences of that region. The site as a whole has been made much easier to navigate, in particular in relation to finding information about services, volunteering and job opportunities with the Society and has continued to be developed with maximum accessibility in mind.

North West Priorities 2007-08

- Seek to extend the highly successful Merseyside IT service into the Greater Manchester area.

Our lottery funded IT project in Merseyside has trained more than 640 people over the past three years. In 2007-08 we copied this model with a Manchester based pilot project – Move On – that trained more than 30 people in six months.

- Develop new and innovative services for older people and their families, within our North West Resource Centres and in the community.

After feedback from service users, Merseyside staff launched a personal shopping service and were inundated with bookings. In Manchester, 63.5% of the people supported last year were aged 65 or over, mainly through our rehabilitation service, social and information groups.

- Seek to expand our Children and Family Service, and further develop the pioneering work we are doing with families from BME communities affected by sight loss.

In 2007-08 we upgraded our facilities in Liverpool and Manchester to include a parents' meeting facility, children's soft play area, toy and tape library and a multi sensory room. We now have a dedicated Asian Link Worker, supporting families whose first language or culture is not English.

- Refurbish the Greater Manchester Resource Centre and ensure that it is put to optimum use and for the benefit of an increased number of service users and groups.

Following the sale and leaseback of the offices and resource centre at John Derby House a full refurbishment programme was undertaken to improve our facilities. The North West services supported 3,644 users in 2007-08, a 14 per cent increase on the previous year, and at the resource centre there are now over 800 adult service users, an 8% increase over the last year.

North West Priorities 2007-08 (continued)

- Seek to develop further partnerships with health, social and voluntary sector agencies to raise awareness of Henshaws and secure new income streams.

We have worked extensively with other agencies and, for example, after 5 successful years in partnership, in the face of fierce competition for funds, Liverpool City Council pledged to support the activities run from our Merseyside Resource Centre for a further 3 years, a testament to the quality of our services.

Yorkshire Priorities 2007-08

- Increase student numbers at College whilst continuing to deliver a first class education service.

Student numbers have increased with day student numbers now at 7 and targeted for 12 in September 2008. The new school link programme attracted 37 enrolments. The college received a successful OFSTED inspection and an excellent outcome from the CSCI inspection.

- Develop vocational pathways and training opportunities for local students in real vocational/community venues.

A vocational pathway in Hospitality was successfully established at the Arts & Crafts Centre café and has been accessed by 6 college students.

- Encourage and develop Social Enterprise, Community involvement, client voice in decision making at the Arts & Crafts Centre and centralised commercial activities.

The Arts & Crafts centre has established new social enterprise workshops and a joint enterprise with College. Client/student voice and involvement is being progressed by the recent recruitment of a student liaison officer.

- Continue to raise the profile and awareness of College and the Arts & Crafts Centre throughout the region, through networking and partnerships.

We continue to actively network and partnerships have been successfully established, including with the Harrogate Area Learning Partnership, regional educational peer reference projects, two LSC Pathfinder projects, the LLDD regional network, CSCI, NATSPEC and North Yorkshire County Council.

- Continue to develop fundraising initiatives and utilise volunteer support.

At the end of the year a new volunteer service was established to co-ordinate volunteering across Henshaws Yorkshire. Following the success of the Living Life Campaign for the College redevelopment the focus now is to develop a revenue fundraising operation in Yorkshire.

North East Priorities 2007-08

- Continue developing individual services, strengthening our existing provision and seeking out opportunities to deliver new services.

The total number of people using Henshaws' services in the North East was recorded as 148 – a 64.4% increase over the previous year.

- Build on the success of this year's Skillstep project and further enhance the opportunities that are available to our students, for example by providing a broader range of guest speakers.

A number of Skillstep students went on to gain volunteer placements in 2007-08. Plans are in place for 2008-09 to increase the programme standard to level two and increase the number of weeks that participants are on programme to fifteen to allow students to practice, develop and become more proficient in the skills they have learned.

North East Priorities 2007-08 (continued)

- Seek to enhance the Children & Family Service Pilot Scheme, which is already running in North Tyneside, and launch a children's holiday club.

87 children were registered with the Children and Family Service, an increase of 74% from the previous year. The service also supports 46 siblings and 131 parents. A six week holiday club was successfully run during the summer holiday.

- Continue to explore and maximise networking opportunities and links with Newcastle United, Newcastle College, local VI organisations and other partners.
- Raise greater awareness within our local community of the vital role Henshaws can play in providing support to people experiencing sight loss in the North East.

Our networking has helped us develop partnerships with the Newcastle and Sunderland Sensory Impairment Teams, Sight Service, Skills for Care, RNIB, Newcastle Society for Blind People, Heaton Adult Education Centre and Newcastle Disability Forum.

Future Developments

Corporate Objectives 2008-09

- Subsequent to the year end we have appointed a new Group Chief Executive who will start with the Society in August. The new Group Chief Executive will lead a review of our strategic priorities and report back to Trustees.
- For 2008/09 we will continue to work on our current corporate objectives, specifically to:
 - o Embed the regional Board structure and recruit new Trustees and regional Board members
 - o Continue to identify new sources of income to create sustainable funding streams. In particular, to seek to develop a more business like approach amongst operational managers, senior management and Trustees in promoting our services to potential funders and/or purchasers.
 - o Continue to raise the profile of Henshaws and develop the regional subsites within the Henshaws website.

Yorkshire Priorities 2008-09

- Plan and develop the college and Arts & Crafts Centre accommodation to deliver the pathways for vocational training for an increasing college population of day students.
- Develop a new strategy for Children's Services in Yorkshire. A priority will be to establish closer working relationships with local and regional charities and other organisations.
- Develop the volunteer strategy by establishing the new service at the Arts and Crafts Centre.

North West Priorities 2008-09

- To fully establish the Greater Manchester and Merseyside centres as one North West region, developing a strong regional structure and identifying ways to further enhance and develop our already high quality services.
- To seek greater financial stability for our services through establishing additional, new, diverse and sustainable sources of revenue funding.

North East Priorities 2008-09

- To develop the Skillstep programme to offer more relevant training to the participants and to look for new or additional premises to expand the service.
- Premises permitting, to create a sensory room for the Children and Family Service and work towards establishing a "Buddy Scheme" with sighted young people acting as mentors.

Financial Review of the year ended 31 March 2008

We are pleased to report that, in 2007-08, all regions performed ahead of their budgets and, despite a reduction in general fundraising income, the Society's resources increased by £2,523,000 in the year to 31st March 2008. This includes the profit on disposal of our Manchester building, John Derby House, and the Trustees have designated the proceeds (£2,025,000) for the future purchase of land and buildings. We have also designated a further £450,000 for our long term maintenance, capital and major IT requirements. These results also take account of a fall of £216,000 in our portfolio of investments, however the 7.6% decrease represents slightly better performance than global stock markets generally.

In March 2008 the Trustee Board approved the appointment of new investment advisors replacing the existing advisors. These are Adam & Company and W H Ireland Ltd. This decision was implemented after the year-end.

It is especially pleasing to see that we received over £563,000 in legacy income this year – a further increase on last year. Total voluntary income, including income for the college capital development, was £1,513,000, which represents a fantastic result and a fitting tribute to the hard work of the fundraising teams.

Looking ahead, the main financial challenge continues to be the need to source sustainable funding for our community projects. Whilst we have a remarkable track record in securing funding for new projects from the large grant making bodies, the need to be able to continue to fund these projects when the initial funding runs out creates additional pressures. It is vital that we continue to work to identify new and longer term sources of funding which will allow us to plan ahead with confidence, secure in the knowledge that our services can be delivered into the future.

During 2007-08 we completed the final phase of the college redevelopment programme, spending £2.1 million on building and equipping a new residential block to meet the changing and increasingly complex needs of our students. 35% of this was funded through a grant from the Learning and Skills Council with the remainder funded through a highly successful capital fundraising campaign, Society reserves and a loan. The costs of servicing this loan have been included in the College budgets for future years.

During 2007-08 we also completed the sale of the office building housing the Society's headquarters on Talbot Road, John Derby House, leasing back two floors to meet our needs. This sale released some much needed liquidity and the funds have been set aside in a separate designated land and buildings fund for expenditure on land and buildings.

A number of projects in the long-term major repair and maintenance programme were delayed due to the need to concentrate on the college new build and the sale of John Derby House. Expenditure in 2007-08 amounted to £50,000 leaving only £46,000 in the designated maintenance fund before the year end designation of funds mentioned above.

The Society now owns 17 properties including 11 community houses. The Director of Property Services indicates that we should be looking to set aside up to £250,000 per year to meet long term future repairs and renewals on all of our properties and Trustees are reviewing their budgeting and long term planning process to see how this could be achieved.

In summary therefore, it is a pleasure to be able to report, that in 2007-08, Henshaws spent over £9,000,000 improving the quality of life of visually impaired people across the north of England. As always, this would not have been possible without the overwhelming generosity of our donors, funders and supporters and through the strong financial management and stewardship of our funds exercised by Henshaws Trustees and Management Team, who will continue to do their utmost in the coming year to ensure that the Society's financial position continues to be strengthened so that our invaluable services continue to thrive and grow and meet the needs of an increasing number of service users.

Reserves Policy Statement

The Charity Commission use the term “reserves” to describe that part of a charity’s income funds that is freely available for its general (unrestricted) purposes. “Reserves” are therefore the resources the charity has or can make available to spend, for any or all of the charity’s purposes, once it has met its commitments and covered its other planned expenditure. More specifically they define “reserves” as income which becomes available to the charity and is to be expended at the trustees’ discretion in furtherance of any of the charity’s objects (sometimes referred to as “general purpose” income); but which is not yet spent, committed or designated. This definition of reserves might more commonly be referred to as free, general or unrestricted reserves.

When the Trustees last reviewed the Society’s reserves policy and level of reserves, they concluded that it was not appropriate to set their free reserves level purely by reference to a period of time of ongoing trading, as some 80% of our income came from fees and charges from a wide spread of statutory funders, which to some extent mitigated our exposure. The trustees acknowledged, however that there was a more significant degree of uncertainty about the remaining income, which comes mainly from fundraising and time limited funding, and that some sources of income are especially vulnerable to changes in government legislation, policies and priorities.

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

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

In applying the risk factors shown above to the Society’s anticipated income, the Trustees had previously concluded that a level of Free Reserves of no less than £1,225,000 would provide them with the safeguards they need to be able to guarantee continuity of services during periods of instability, uncertainty or change. As at 31st March 2007, the value of Henshaws’ Free Reserves had increased to £1,159,000, which brought it closer to the desired level. Trustees have again reviewed the level of free reserves felt to be appropriate at 31st March 2008 to take account of the changing risk profiles and revised the target to £1,300,000.

As at 31st March 2008 our free reserves stood at £1,512,000 which provides the safeguards we require. This is after allocating £450,000 for long term maintenance, capital and major IT requirements as set out in the note below on designated funds.

Reserves Policy Statement (continued)

Other Funds

The Charity Commission's definition of free reserves excludes the following funds:

- Permanent Endowment Funds
- Restricted Income Funds
- Designated Funds

Permanent Endowment Funds

Permanent endowment is property of the charity (including land, buildings, cash or investments), which the trustees may not spend as if it were income. It must be held permanently, sometimes to be used in furthering the charity's purposes, sometimes to produce an income for the charity. The trustees cannot normally spend permanent endowment without authority from the Charity Commission.

The Society's Permanent Endowment fund is held entirely in the form of investments, and their value as at 31st March 2008 was £944,000 (2007: £1,002,000).

Restricted funds

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

The Society holds a number of restricted funds comprising of fixed assets and cash and their total combined value as at 31st March 2008 was:

	£	
• Fixed Assets	1,554,000	
• Cash/Short term deposits	240,000	
• Creditors	(133,000)	
• Total Restricted Funds	<u>1,661,000</u>	(2007: £1,258,000)

A detailed analysis of the specific restricted funds can be found in Note 13b to the accounts.

Reserves Policy Statement (continued)

Designated Funds

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

The Society has been setting aside funds for future repairs, maintenance and renewal of its fixed assets, and these have been held as a designated fund. For the year ended 31st March 2008, a total of £50,000 has been spent from the funds on cyclical maintenance work, and the replacement of major items of furniture and equipment, and therefore a balance of only £46,000 remained at the year end. Essential expenditure of at least £324,000 has been identified as necessary during 2008-09 on these categories of cost and a further £100,000 of expenditure has been identified as necessary to meet our IT requirements. The Trustees have therefore resolved to designate £450,000 of reserves for these purposes.

It has always been our policy that proceeds from land and property are set aside for future land and property and not spent on ongoing operational costs. The purchase of John Derby House was originally funded by the disposal proceeds from other previously owned properties and, while no specific restrictions have been placed on the property, we have designated the proceeds of the sale of John Derby House, £2,025,000, to a fund for future land and buildings. After the end of the financial year these funds were invested.

Political and Charitable Donations

The Society has not made any political or charitable donations during the course of the year.

Employee Involvement and equal opportunities

We continue to recognise that our staff are our greatest asset, and employees have been kept fully informed of the changes that have been taking place and of the Society's policies through the society wide Joint Staff Consultation Committee, local team meetings and regular supervision.

The Society remains committed to the continuous development of initiatives that provide equality of opportunity and freedom from unfair discrimination for all current and prospective employees. All staff undertake Equality training as part of their induction. We are committed to the development of a workforce that is broadly representative of the local population in the geographical areas in which we operate, and actively encourage application from people with disabilities. As part of our commitment to equality and diversity, we are impact assessing all our employment policies and procedures to ensure they represent best practice and do not adversely affect any employees or groups of employees. As testimony to our strong commitment we are proud to continue as an accredited "Disability Symbol User" employer. During 2007 the Society was reaccredited with the Investors in People standard.

Contribution of Volunteers

The Society benefits in all operational and support service areas from the significant contribution made by volunteers. Volunteers are an integral part of Henshaws work and provide an invaluable service to our visually impaired clients of all ages and to our fundraising team. Volunteers do not receive payment for the work they do, so the direct impact of their contribution is not reflected in the financial statements, but they are reimbursed for the cost of their travel expenses, and these costs are included within the accounts under Charitable Expenditure. Total expenses reimbursed to volunteers in the year was £21,157 (2007 £17,593).

Policy on payment to Creditors

The Society is committed to ensuring that it maintains a good relationship with its approved suppliers, and undertakes to ensure payment is made within 30 days of the end of the month in which the invoice is raised.

Actual average creditor payment days during 2007/08 was well within this range at 21days (2007: 26)

Appointment of Auditors

A resolution is to be proposed at the Society's Annual General Meeting on 23rd September 2008 to appoint Beever and Struthers, St Georges House, 215-219 Chester Road, Manchester, M15 4JE as Auditors to the Society for the coming year.

Mr H M Cockeram
Chairman
29 July 2008

Financial Statements For the Year Ended 31 March 2008

Independent Auditors' Report to the Trustees

We have audited the Financial Statements of Henshaws Society for Blind People for the year ended 31 March 2008 set out on pages 18 to 44. These Financial Statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Regulations made under the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As described in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

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

Basis of Opinion

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

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

Financial Statements For the Year Ended 31 March 2008 (continued)

Opinion

In our opinion, the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the charity's affairs as at 31 March 2008 and of its incoming resources and application of resources in the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

**Beever and Struthers
Chartered Accountants & Registered Auditors
St George's House
215-219 Chester Road
Manchester
M15 4JE**

29 July 2008

		Unrestricted Funds £'000	Restricted Funds £'000	Permanent Endowment Funds £'000	Designated Funds £'000	Total 2008 £'000	Total 2007 £'000
Incoming Resources	Note						
Voluntary Income		1,088	425	–	–	1,513	1,847
Activities for generating funds		139	–	–	–	139	97
Investment Income		181	–	1	–	182	150
Incoming Resources from charitable activities – Continuing Operations	2						
Education & Training Services		4,646	763	–	–	5,409	4,053
Community Housing Services		2,583	–	–	–	2,583	2,432
Supported Housing Services		62	–	–	–	62	72
Community Care Services		95	357	–	–	452	67
Incoming Resources from charitable activities – Discontinued Operations							
Residential Care Services	5	0	–	–	–	0	629
Other incoming resources – Profit on Disposal	3	1,572	–	–	–	1,572	435
Total incoming resources		10,366	1,545	1	0	11,912	9,782
Resources expended – Continuing Operations							
Costs of generating voluntary income		640	–	–	–	640	751
Investment Management Charges		4	–	5	–	9	9
Charitable activities:							
Education & Training Services		4,198	121	–	32	4,351	4,622
Community Housing Services		2,615	7	–	–	2,622	2,536
Supported Housing Services		70	–	–	1	71	56
Community Care Services		1,097	352	–	–	1,449	1,135
Governance costs		31	–	–	–	31	34
Resources expended – Discontinued Operations							
Residential Care Services	5	0	–	–	–	0	778
Total Resources Expended	4	8,655	480	5	33	9,173	9,921
Net (outgoing)/incoming resources before transfers	6	1,711	1,065	(4)	(33)	2,739	(139)
Transfers							
Gross transfers between funds		(1,796)	(662)	–	2,458	–	–
Net (outcoming)/incoming resources before other recognised gains and losses		(85)	403	(4)	2,425	2,739	(139)
Other recognised gains/(losses)							
Gains/(losses) on investment assets		(162)	–	(54)	–	(216)	33
Net movement in funds		(247)	403	(58)	2,425	2,523	(106)
Balances brought forward at 01 April 2007		4,180	1,258	1,002	96	6,536	6,642
Balances carried forward at 31 March 2008		3,933	1,661	944	2,521	9,059	6,536

All gains and losses recognised in the year are included in the Statement of Financial Activities. The notes on pages 22-44 form an integral part of the financial statements.

	Note	2008 £'000	2008 £'000	2007 £'000	2007 £'000
Fixed Assets					
Tangible Fixed Assets	8		7,320		5,992
Long term investments	9		2,682		2,906
			<u>10,002</u>		<u>8,898</u>
Current assets					
Consumable Stock		14		15	
Debtors	10	472		330	
Short term investments		3,394		626	
Cash at bank and in hand		20		4	
		<u>3,900</u>		<u>975</u>	
Creditors: amounts falling due within one year	11				
		<u>(1,221)</u>		<u>(902)</u>	
Net current assets/(liabilities)			<u>2,679</u>		<u>73</u>
Total assets less current liabilities			<u>12,681</u>		<u>8,971</u>
Creditors: amounts falling due after one year more than one year	12				
			<u>(3,622)</u>		<u>(2,435)</u>
Total Net Assets			<u><u>9,059</u></u>		<u><u>6,536</u></u>
Funded by:					
Permanent endowment funds	13a	944		1,002	
Other restricted funds	13b	1,661		1,258	
Designated funds	13c	2,521		96	
Unrestricted Funds		<u>3,933</u>		<u>4,180</u>	
Total Funds			<u><u>9,059</u></u>		<u><u>6,536</u></u>

The financial statements on pages 18 to 44 were approved by the Board of Management on 29th July 2008 and were signed on its behalf by:

Mr H M Cockeram – Chairman of the Board of Management

Mr B Bodek – Vice Chairman of the Board of Management

The notes on pages 22 to 44 form an integral part of the financial statements.

	Note	2008 £'000	2008 £'000	2007 £'000	2007 £'000
Net cash inflow (outflow) from operating Activities	i)		1,729		(263)
Returns on investments and servicing of finance					
Interest received		182		150	
Interest paid		<u>(138)</u>		<u>(124)</u>	
			44		26
Investing Activities					
Purchase of tangible fixed assets		(2,150)		(423)	
Purchase of long term investments				(907)	
Sale of long term investments				881	
Sale of tangible fixed assets		<u>1,924</u>		<u>1,000</u>	
			(226)		551
Net cash inflow/(outflow) before financing			1,547		314
Management of liquid resources:-					
Cash (placed on)/drawn from short term investments			(2,768)		(626)
Financing – movement in loans and long term creditors	(ii)		1,195		459
Increase/(decrease) in cash	(iii)		<u>(26)</u>		<u>147</u>

I) Reconciliation of operating deficit to net cash inflow (outflow) from operating activities

	2008	2007
	£'000	£'000
Operating Surplus/(Deficit)	2,695	(165)
Depreciation	470	379
Realised gain on disposal	(1,572)	(435)
Change in Stocks	1	(1)
Change in Debtors	(142)	(58)
Change in Creditors	277	17
	<hr/> 1,729 <hr/>	<hr/> (263) <hr/>

ii) Financing

Loans received	1,386	9
Loans repaid	(72)	(65)
Other long term creditors	(119)	515
	<hr/> 1,195 <hr/>	<hr/> 459 <hr/>

iii) Reconciliation to net cash flow to movement in debt

Change in cash/(overdraft)	(26)	(147)
Change in loans	(1,195)	(459)
Change in liquid resources	2,768	626
	<hr/> 1,547 <hr/>	<hr/> 314 <hr/>
Change in net debt	(2,015)	(2,329)
Net debt at 1 April	<hr/> (468) <hr/>	<hr/> (2,015) <hr/>
Net debt at 31 March	<hr/> (468) <hr/>	<hr/> (2,015) <hr/>

iv) Analysis of changes in net debt

	At 1st April 2007 £'000	Cash Flows £'000	As at 31 March 2008 £'000
Cash and Bank	4	16	20
Bank Overdraft	(9)	(42)	(51)
Debt due within one year	(201)	(8)	(209)
Debt due after one year	(2,435)	(1,187)	(3,622)
Current Asset Investment	626	2,768	3,394
	<hr/> (2,015) <hr/>	<hr/> 1,547 <hr/>	<hr/> (468) <hr/>

1 Accounting policies

General information

Following the Society's deregistration as a Registered Social Landlord in March 2007, for accounting purposes it is now regarded solely as a Registered Charity. Therefore these financial statements are prepared on the historical basis of accounting in accordance with applicable Accounting Standards in the United Kingdom, and the Statement of Recommended Practice Accounting and Reporting by Charities, issued in 2005.

The principal policies are as follows:-

a) Basis of accounting

The financial statements are prepared under the historical cost convention except where otherwise stated in these policies.

b) Turnover

Turnover represents:

- i) fees from education and training services
- ii) fees from residential homes and for Supported Housing
- iii) income from appeals and fundraising
- iv) fees and income from community care services
- v) rental income receivable

c) Tangible fixed assets and depreciation

- i) Tangible fixed assets, except long term investments and assets in the course of construction (which are not depreciated until complete), are stated at cost less accumulated depreciation.
- ii) Properties are recorded at original purchase cost. Subsequent additions are recorded at cost. Depreciation on properties and any premiums on leases are charged to income and expenditure account over the expected economic useful lives of the assets. The rate currently applied is 4% per annum on a straight line basis, on the net cost after the deduction of any capital grant that has specific restrictions that mean it may become repayable. All properties are reviewed for impairment annually, and where properties have suffered a permanent diminution in value, the fall in value is recognised after taking account of any related capital grants.
- iii) Assets in the course of construction are stated at cost and are transferred into land and buildings when completed. They are not depreciated until complete.
- iii) Depreciation on tangible fixed assets is provided on a straight line basis using one of the following rates:-

Buildings	4% per annum
Motor Vehicles	25% per annum
Computer Equipment	33.33% per annum
Furniture, Fixtures & Fittings	10% – 20% per annum

- v) Long term investments are stated at their market value at the balance sheet date.
- vi) Fixed assets gifted to the Society are recorded at a reasonable estimate of their value, which is regarded as cost.

1 Accounting policies (continued)

d) Leases

Finance Leases

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

Operating Leases

Rentals payable under operating leases are charged on a straight-line basis.

e) Stock

Stock is stated at the lower of cost and net realisable value.

f) Other grants

These include grants from local authorities and other organisations.

The capital costs of properties, and of the Arts and Craft Centre at Knaresborough, where the original grant may become repayable are stated net of grants receivable.

Grants in respect of revenue expenditure are credited to the Income and Expenditure account in the same period as the expenditure to which they relate.

g) Funds

Unrestricted funds

These are stated after:-

- i) being credited with grants (which in certain circumstances can become repayable).
- ii) transfer of the overall net surplus or deficit for the year.
- iii) transfers to or from other funds.

Restricted Funds

The restricted funds comprise of assets that have been given to the Society subject to certain conditions. They include cash donations and legacies given for a specific purpose, investments and buildings that have been funded from specific bequests.

Designated Funds

The Society is setting aside funds for future repairs and maintenance of its fixed assets and for future capital needs, and does not consider these funds to be part of its available free reserves.

1 Accounting policies (continued)

h) Support Service Costs

The Society classifies Central and Regional Management Costs, Society-wide I.T. costs and Human Resources, Finance and Training as Support Services. Support Service Costs include the cost of the Finance and Payroll function, IT, Chief Executives and Corporate Services, Research and Information and Property Services. These costs are allocated out to service areas, on an agreed basis of apportionment relating to total income and expenditure and staff numbers and are included in the charitable activities costs reported in the Statement of Financial Activities. The total cost, before allocation, of these Support Services, included within the accounts was £1,236,518, which represents 13.5% of total resources expended by the Society in the year.

i) Pensions

The Society contributes to four pension schemes the assets of which are held separately from those of the Society in independently administered funds.

Defined benefit schemes

There are two schemes which provide benefits based on final pensionable pay. Contributions to the schemes are charged to the income and expenditure account so as to spread the cost of pensions over the employees' working lives with the Society.

Defined contribution schemes

Contributions to this scheme are charged to the income and expenditure account as they are paid by the Society.

j) Income

Income has been accounted for in these financial statements on the accruals basis other than:

- i) donations and legacies which are recorded on a cash received basis;
- ii) dividends and interest (excluding bank and building society interest) which are credited when received.

k) Expenditure

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

**2 Incoming Resources from Charitable Activities
(Continuing Operations)**

	Fees	Grants	Total	Total
	2008	2008	2008	2007
	£'000	£'000	£'000	£'000
Education & Training Services	4,507	902	5,409	4,053
Community Housing Services	2,544	39	2,583	2,432
Supported Housing Services	30	32	62	72
Community Care Services	0	452	452	67
	<u>7,081</u>	<u>1,425</u>	<u>8,506</u>	<u>6,624</u>

3 Other Incoming Resources

This represents the surplus on the disposal of John Derby House
(2007: surplus on disposal of the two residential homes at Southport & Pendleton)

<u>1,572</u>	<u>435</u>
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4 Resources Expended

Continuing Operations

4 (a) Analysis of total resources expended

	Staff Costs 2008 £'000	Support Costs 2008 £'000	Depreciation Costs 2008 £'000	Other Direct Costs 2008 £'000	Total Costs 2008 £'000	Total Costs 2007 £'000
Unrestricted funds						
Cost of generating funds	295	143	7	195	640	751
Investment Management Charges	–	4	–	–	4	5
Charitable activities:						
Education & Training Services	2,591	379	226	1,002	4,198	3,811
Community Housing Services	1,271	293	108	943	2,615	2,497
Supported Housing Services	11	14	5	40	70	56
Community Care Services	472	367	21	237	1,097	1,121
Governance	–	31	–	–	31	34
Total Unrestricted Resources expended	4,640	1,231	367	2,417	8,655	8,275
Restricted funds						
Charitable activities:						
Education & Training Services	–	–	99	22	121	806
Community Housing Services	–	–	–	7	7	7
Supported Housing Services	–	–	–	–	0	–
Community Care Services	243	–	4	105	352	13
Total Restricted Resources expended	243	0	103	134	480	827
Endowment Funds						
Investment Management Charges	–	5	–	–	5	4
Total Endowment Resources expended	0	5	0	0	5	4
Designated Funds						
Charitable activities:						
Education & Training Services	–	–	–	32	32	5
Community Housing Services	–	–	–	0	0	32
Supported Housing Services	–	–	–	1	1	–
Community Care Services	0	–	–	–	–	–
Total Designated Resources expended	0	0	0	33	33	37
Total Resources expended Continuing Operations	4,883	1,236	470	2,584	9,173	9,143

4 Resources Expended

4 (b) Analysis of support costs

The Society classifies Central and Regional Management Costs, Society-wide I.T. Costs, and Human Resources and Training as Support Services.

Support Services includes the cost of the Finance and Payroll function, Chief Executives and Corporate Services, Research and Information and Property Services.

These costs are allocated out to service areas on an agreed basis of apportionment relating to total income, expenditure, staff numbers, use of IT and floor space occupied dependent on the activity.

4 (c) Analysis of Governance costs

	2008 £'000	2007 £'000
Legal & Professional	9	9
Audit Fees	22	25
Total Governance costs	31	34

5 Discontinued Operations

	2008 £'000	2007 £'000
Incoming Resources from generated funds – Discontinued Operations		
Pendleton Centre	–	348
Southport Centre	–	281
	–	629
Resources expended – Discontinued Operations		
Pendleton Centre	–	(483)
Southport Centre	–	(295)
	–	(778)
Net (Outgoing) Resources – Discontinued Operations	–	(149)

6 Net (outgoing)/incoming resources

	2008 £'000	2006 £'000
These are stated after charging:		
Auditors' remuneration – Internal	8	13
Auditors' remuneration – External	14	12
Depreciation	470	379
Operating Leases	243	109

7 Employment costs

	2008	2007
Wages and Salaries	5,180	5,287
Social security costs	400	398
Other pension costs	167	173
	<u>5,747</u>	<u>5,858</u>

	2008	2007
	number	number
The average weekly number of persons employed during the year (full time equivalent i.e. 35 hours p.w.) was:	<u>298</u>	<u>319</u>

Neither the Trustees nor persons connected with them received any remuneration or other benefits.
The sum of £2,908 (2007: £1,343) was reimbursed for travel expenses incurred by three Trustees, during the year.

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

	2008	2007
	number	number
£60,001 – £70,000	2	1
£70,001 – £80,000	0	1

The amount of pension contributions paid into the Teachers Pension Scheme in respect of one of these employees who is a member of the scheme amounted to £8,460 (2007: £7,508).

The amount of pension contributions paid into the SHPS in respect of one of these employees who is a member of the scheme amounted to £6,667 (2007: £7,380).

8 Tangible Fixed Assets

	Land and Buildings	Assets under construction	Fixtures, Fittings, Equipment & Vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2007	10,673	385	1,767	12,825
Additions	–	1,907	243	2,150
Transferred on Completion	2,228	(2,228)	–	–
Disposals in Year	(734)	–	–	(734)
At 31 March 2008	12,167	64	2,010	14,241
Depreciation				
At 1 April 2007	2,253	–	1,556	3,809
Charge for year	343	–	127	470
On Disposals	(382)	–	–	(382)
At 31 March 2008	2,214	–	1,683	3,897
Capital Grant				
At 1 April 2007	3,024	–	–	3,024
On Disposals	–	–	–	–
At 31 March 2008	3,024	–	–	3,024
Net Book Value				
At 31 March 2008	6,929	64	327	7,320
Net Book Value At 31 March 2007	5,396	385	211	5,992

Total accumulated Social Housing Grant received to date is £399,357 (2007: £399,357)

9 Tangible Fixed Assets – long term investments

Investments are stated at market value at 31 March 2008 and are held by nominee companies on behalf of the Society. They are held in the following ranges in accordance with the requirements of the Charity Commissioners for England and Wales, sealed 14 April 1980 and the restrictions imposed by the Trustees Investments Act 1961.

	Permanent Endowment £'000	Unrestricted £'000	Secured Mortgage Loans Unrestricted £'000	Total £'000
Market Value 1 April 2007	1,002	1,889	15	2,906
Additions	39	504	–	543
Disposals at market value	(15)	(614)	–	(629)
Revaluation gain/(loss) – realised	(2)	1	–	(1)
– unrealised	(52)	(163)	–	(215)
Movement within investment portfolio	(28)	106	–	78
	<u>944</u>	<u>1,723</u>	<u>15</u>	<u>2,682</u>
Market Value 31 March 2008	<u>944</u>	<u>1,723</u>	<u>15</u>	<u>2,682</u>
Historic Cost	<u>1,011</u>	<u>1,638</u>	<u>15</u>	<u>2,664</u>

The following investments have a market value at 31 March 2008 exceeding 5% of the value of the total portfolio.

	Units	Market Value £
Gen Electric Cap CORP 5.25% MTN 10/12/13 (fixed)	160,000	159,688
HSBC Infrastructure	130,000	152,750
		<u>312,438</u>

10 Debtors

	2008 £'000	2007 £'000
Fees and charges invoiced	281	163
Other debtors	6	6
Prepayments and accrued Income	185	161
	<u>472</u>	<u>330</u>

11 Creditors: amounts falling due within one year

	2008	2007
	£'000	£'000
Bank Overdraft	51	9
Trade Creditors	153	289
Loans	90	81
Fees and charges received in advance	228	66
Special purpose funds held	47	42
Other creditors	143	135
PAYE and social security costs	122	110
Accruals	387	170
	<u>1,221</u>	<u>902</u>

12 Creditors: amounts falling due after more than one year

	2008	2007
	£'000	£'000
Loans	3,345	2,040
Other creditors	277	395
	<u>3,622</u>	<u>2,435</u>

Loans

The loans are from banks and building societies, secured by charges on the Society's properties and are repayable in installments at varying rates of interest due as follows:

	2008	2007
	£'000	£'000
Due in less than one year	90	81
Due between one and two years	90	84
Due between two and five years	269	274
Due in five years or more	2,986	1,681
	<u>3,435</u>	<u>2,120</u>

13 Net Assets of the Funds of the Charity

The Charity's net assets belong to various funds as follows:

	Unrestricted £'000	Restricted £'000	Permanent Endowment £'000	Designated £'000	Total £'000
Fixed Assets	5,766	1,554		–	7,320
Investments	1,738		944	–	2,682
Current Assets:					
Stock	14		–	–	14
Cash/Short Term Deposits	653	240	–	2,521	3,414
Debtors	472		–	–	472
Creditors < 1 year	(1,088)	(133)	–	–	(1,221)
Loan > 1 year	(3,345)	–	–	–	(3,345)
Other Creditors > 1 year	(277)	–	–	–	(277)
Fund Balances	<u>3,933</u>	<u>1,661</u>	<u>944</u>	<u>2,521</u>	<u>9,059</u>

13a Permanent Endowment Funds: Movement In The Year

	Balance as at 1 April 2007 £'000	Investment gains/ (losses) £'000	Balance as at 31 March 2008 £'000
James Howard Memorial Fund	136	(15)	121
Henshaws Permanent Endowment Fund	866	(43)	823
Total	1,002	(58)	944

13b Restricted Funds: Movement In The Year

	Balance as at 1 April 2007 £'000	Incoming Funds £'000	Amounts Expended £'000	Transfers £'000	Balance as at 31 March 2008 £'000
College General Restricted Funds	32	93	42		83
Arts and Craft Centre Funds	15	0	(2)		13
Yorkshire Community Housing	10	0	(8)		2
Greater Manchester Community Services	8	2	-		10
Merseyside Community Services	12	0	(5)		7
Newcastle General Restricted Funds	0	1	(2)		(1)
Skillstep Project	37	0	(37)		-
Skillstep Lottery Strategic Grant	0	85	(93)		(8)
C & F Big Lottery Fund	0	103	(85)		18
Parenting Fund	0	80	(75)		5
Big Lottery Fund Merseyside IT	0	90	(54)		36
College Capital Development Fund	214	1092	(637)	(727)	(58)
Restricted Fixed Assets	930	0	(103)	727	1,554
Total	1,258	1,546	(1,143)	-	1,661

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

13c Designated Funds: Movement In The Year

	Balance as at 1 April 2007 £'000	Transfers in £'000	Amounts Expended £'000	Balance as at 31 March 2008 £'000
Major repairs and renewals sinking fund	96	450	(50)	496
Land & Buildings fund	0	2,025	0	2,025
Total	96	2,475	(50)	2,521

The Society has been setting aside funds for future repairs and maintenance and renewal of its fixed assets, capital and major IT requirements. These are being held as designated funds. In accordance with our policy we have set aside the proceeds of the sale of John Derby House for future land and buildings.

14 Capital commitments

	2008	2007
	£'000	£'000
Capital expenditure that has been contracted for but has not been provided for in the financial statements	24	1,888

15 Contingent Liabilities

- a) The Society is liable under the terms of grants received to repay £486,965 (2007: £486,965) if the purposes for which they were made no longer apply.
- b) The Society is liable, under the terms of grants received from the Arts Council of England, to repay a proportion of the proceeds received in the event of the sale or disposal of Henshaws Arts and Crafts Centre, Knaresborough. The total grant awarded amounts to £1.86m and the Arts Council's share of the proceeds would be in direct proportion to the share of the relevant costs originally met from lottery funds.

16 Subsidiary Company

Henshaws Society for Blind People has one wholly-owned subsidiary company, Henshaws Limited, which is not a charity. This company was formed on 28 February 1996 with a paid up ordinary share capital of £2. This company did not undertake any trading activity during the year ended 31 March 2008, neither did it incur any liability nor enter into any commitment

17 Fidelity insurance

The Society has provided fidelity insurance for its trustees and officers.

18 Pension Obligations

The Society operates two defined benefit schemes for salaried staff, the Social Housing Pension Scheme (SHPS) and the Teachers Pension Scheme. The Society also offers the Pensions Trust Growth Plan as an AVC investment option for members of the SHPS. The assets of these schemes are held in separate trustee administered funds and the respective pension providers have provided the following disclosure statements:

Social Housing Pension Scheme

The Society participates in the Social Housing Pension Scheme (SHPS). SHPS is a multi-employer defined benefit scheme. The scheme is funded and is contracted out of the state scheme.

SHPS is a multi-employer defined benefit scheme. Employer participation in the Scheme is subject to adherence with the employer responsibilities and obligations as set out in the "SHPS House Policies and Rules Employer Guide".

The Scheme operated a single benefit structure, final salary with a 1/60th accrual rate, to March 2007. From April 2007 there are three benefit structures available, namely:

- Final salary with a 1/60th accrual rate.
- Final salary with a 1/70th accrual rate.
- Career average revalued earnings with a 1/60th accrual rate.

An employer can elect to operate different benefit structures for their active members (as at the first day of April in any given year) and their new entrants. An employer can only operate one open benefit structure at any one time. An open benefit structure is one which new entrants are able to join.

The Society has elected to operate the career average revalued earnings with a 1/60th accrual rate benefit structure for active members as at 1 April 2007 and for all new entrants after that date.

The Trustee commissions an actuarial valuation of the Scheme every 3 years. The main purpose of the valuation is to determine the financial position of the Scheme in order to determine the level of future contributions required so that the Scheme can meet its pension obligations as they fall due. From April 2007 the split of the total contribution rate between member and employer is set at individual employer level, subject to the employer paying no less than 50% of the total contribution rate

The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by member as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The Society paid contributions at the rate of 12.5% during the accounting period. Member contributions vary between 4.5% and 6.5% depending on their age. As at the Balance Sheet date there were 33 active members of the Scheme employed by the Society. The Society continues to offer membership of the scheme to its employees who meet their eligibility criterion.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contributions payable.

The last formal valuation of the Scheme was performed as at 30 September 2005 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £1,278 million. The valuation revealed a shortfall of assets compared with the value of liabilities of £283 million, equivalent to a past service funding level of 82%.

18 Pension Obligations (continued)

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Scheme as at 30 September 2007. Such a report is required by legislation for years in which a full actuarial valuation is not carried out.

The funding update revealed an increase in the assets of the Scheme to £1,760 million and indicated a decrease in the shortfall of assets compared to liabilities to approximately £209 million, equivalent to a past service funding level of 89%. Annual funding updates of the SHPS Scheme are carried out using approximate actuarial techniques rather than member by member calculations, and will therefore not produce the same results as a full actuarial valuation. However they will provide a good indication of the financial progress of the scheme since the last full valuation.

Since the contribution rates payable to the Scheme have been determined by reference to the last full actuarial valuation the following notes relate to the formal actuarial valuation as at 30 September 2005.

The financial assumptions underlying the valuation as at 30 September 2005 were as follows:

	% pa
Investment return pre retirement	7.2
Investment return post retirement	4.8
Rate of salary increases to September 2010	5.0
Rate of salary increases from October 2010	4.0
Rate of pension increases	2.5
Rate of price inflation	2.5

The valuation was carried out using the PA92C2025 mortality table for non-pensioners and PA92C2013 mortality table for pensioners. The table below illustrates the assumed life expectancy in years for pension scheme members at age 65 using these mortality assumptions:

Social Housing Pension Scheme

	Males	Females
	Assumed life expectancy in years at age 65	Assumed life expectancy in years at age 65
Non- pensioners	20.4	23.3
Pensioners	19.4	22.4

The long-term joint contribution rates required from employers and members to meet the cost of future benefit accrual were assessed at:

Benefit structure	Long-term joint contribution rate (% of pensionable salaries)
Final salary with a 1/60th accrual rate	17.6
Final salary with a 1/70th accrual rate	15.3
Career average revalued earnings with a 1/60th accrual rate	14.1

18 Pension Obligations (continued)

Social Housing Pension Scheme

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

Following consideration of the results of the actuarial valuation it was agreed that the shortfall would be dealt with by the payment of deficit contributions of 4.4% of pensionable salaries with effect from 1 April 2007. These deficit contributions are in addition to the long-term joint contribution rates set out in the table above.

Employers that participate in the Scheme on a non-contributory basis pay a joint contribution rate (i.e. a combined employer and employee rate).

Employers that have closed the Scheme to new entrants are required to pay an additional employer contribution loading of 3.0% to reflect the higher costs of a closed arrangement.

A small number of employers are required to contribute at a different rate to reflect the amortisation of a surplus or deficit on the transfer of assets and past service liabilities from another pension scheme into the SHPS Scheme.

Employers joining the Scheme after 1 October 2002 that do not transfer any past service liabilities to the Scheme pay contributions at the ongoing future service contribution rate. This rate is reviewed at each valuation and applies until the second valuation after the date of joining the Scheme, at which point the standard employer contribution rate is payable. Contribution rates are changed on the 1 April that falls 18 months after the valuation date.

If the valuation assumptions are borne out in practice this pattern of contributions should be sufficient to eliminate the past service deficit by 30 September 2020.

A copy of the recovery plan, setting out the level of deficit contributions payable and the period for which they will be payable, must be sent to the Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan). The Regulator has reviewed the recovery plan for the SHPS Scheme and confirmed that, in respect of the September 2005 actuarial valuation, it does not propose to issue any scheme funding directions under Part 3 of the Pensions Act 2004.

The next full actuarial valuation will be carried out as at 30 September 2008.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Scheme. The debt is due in the event of the employer ceasing to participate in the Scheme or in the Scheme winding up.

The debt for the Scheme as a whole is calculated by comparing the liabilities for the Scheme (calculated on a buy out basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the scheme. If the liabilities exceed assets there is a buy-out debt.

18 Pension Obligations (continued)

Social Housing Pension Scheme

The leaving employer's share of the buy-out debt is the proportion of the Scheme's liability attributable to employment with the leaving employer compared to the total amount of the Scheme's liabilities (relating to employment with all the currently participating employers). The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Scheme liabilities, Scheme investment performance, the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

The charge to the Society for the year was £94,488 (2007: £114,153) and the average number of Society staff who were members of the scheme during the year was 38 (2007: 54).

Pensions Trust Growth Plan

The Society participates in the Pensions Trust's Growth Plan. The Plan is funded and is not contracted out of the state scheme. The Growth Plan is a multi-employer pension Plan.

Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The rules of the Growth Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

The rules of the Growth Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The actuarial valuation assesses whether the Plan's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future returns.

The rules of the Growth Plan state that the proportion of obligatory contributions to be borne by the Member and the Member's Employer shall be determined by agreement between them. Such agreement shall require the Employer to pay part of such contributions and may provide that the Employer shall pay the whole of them.

18 Pension Obligations (continued)

Pensions Trust Growth Plan

The Society offers the Growth Plan as an AVC investment option for members of the Social Housing Pension Scheme. The members pay contributions at a rate of their choice. The Society does not pay any contributions to the Growth Plan. As at the balance sheet date there was 1 active members of the Plan employed by the Society.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2005 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £675 million and the Plan's Technical Provisions (i.e. past service liabilities) were £704 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £29 million, equivalent to a funding level of 96%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Plan as at 30 September 2007. Such a report is required by legislation for years in which a full actuarial valuation is not carried out. The funding update revealed an increase in the assets of the Scheme to £807 million and indicated a surplus of assets compared to liabilities of approximately £40 million, equivalent to a funding level of 105.2%. Annual funding updates of the Growth Plan are carried out using approximate actuarial techniques rather than member by member calculations, and will therefore not produce the same results as a full actuarial valuation. However they will provide a good indication of the financial progress of the Plan since the last full valuation.

Since the contribution rates payable to the Plan have been determined by reference to the last full actuarial valuation the following notes relate to the formal actuarial valuation as at 30 September 2005.

The financial assumptions underlying the valuation as at 30 September 2005 were as follows:

	% pa
Investment return pre retirement	6.6
Investment return post retirement	4.5
Bonuses on accrued benefits	0.0
Rate of price inflation	2.5

The valuation was carried out using the PA92C2025 mortality table for non-pensioners and PA92C2015 mortality table for pensioners. The table below illustrates the assumed life expectancy in years for pension scheme members at age 65 using these mortality assumptions:

	Males	Females
	Assumed life expectancy in years at age 65	Assumed life expectancy in years at age 65
Non-pensioners	20.4	23.3
Pensioners	19.5	22.5

18 Pension Obligations (continued)

Pensions Trust Growth Plan

In determining the investment return assumptions the Trustee considered advice from the Scheme Actuary relating to the probability of achieving particular levels of investment return. The Trustee has incorporated an element of prudence into the pre and post retirement investment return assumptions; such that there is a 60% expectation that the return will be in excess of that assumed and a 40% chance that the return will be lower than that assumed over the next 10 years.

If an actuarial valuation reveals a shortfall of assets compared to liabilities the Trustee must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

In view of the small funding deficit and the level of prudence implicit in the assumptions used to calculate the Plan liabilities the Trustee has prepared a recovery plan on the basis that no additional contributions from participating employers are required at this point in time.

In reaching this decision the Trustee has taken actuarial advice and has been advised that the shortfall of £29 million will be cleared within 5 years if the investment returns from assets are in line with the "best estimate" assumptions. "Best estimate" means that there is a 50% expectation that the return will be in excess of that assumed and a 50% expectation that the return will be lower than that assumed over the next 10 years. These "best estimate" assumptions are 7.6% per annum pre retirement and 4.8% per annum post retirement.

A copy of the recovery plan must be sent to the Pensions Regulator. The Regulator has the power under Part 3 of the Pensions Act 2004 to issue scheme funding directions where it believes that the actuarial valuation assumptions and/or recovery plan are inappropriate. For example the Regulator could require that the Trustee strengthens the actuarial assumptions (which would increase the scheme liabilities and hence impact on the recovery plan) or impose a schedule of contributions on the Scheme (which would effectively amend the terms of the recovery plan). The Regulator has reviewed the recovery plan for the Growth Plan and confirmed that, in respect of the September 2005 actuarial valuation, it does not propose to issue any scheme funding directions under Part 3 of the Pensions Act 2004.

The next full actuarial valuation will be carried out as at 30 September 2008.

Following a change in legislation in September 2005 there is a potential debt on the employer that could be levied by the Trustee of the Plan. The Trustee's current policy is that it only applies to employers with pre October 2001 liabilities in the Plan. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

The debt for the Plan as a whole is calculated by comparing the liabilities for the Plan (calculated on a buyout basis i.e. the cost of securing benefits by purchasing annuity policies from an insurer, plus an allowance for expenses) with the assets of the Plan. If the liabilities exceed assets there is a buy-out debt.

The leaving employer's share of the buy-out debt is the proportion of the Plan's pre October 2001 liability attributable to employment with the leaving employer compared to the total amount of the Plan's pre October 2001 liabilities (relating to employment with all the currently participating employers).

The leaving employer's debt therefore includes a share of any 'orphan' liabilities in respect of previously participating employers. The amount of the debt therefore depends on many factors including total Plan liabilities, Plan investment performance the liabilities in respect of current and former employees of the employer, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of debt can therefore be volatile over time.

18 Pension Obligations (continued)

Teachers Pension Scheme

The other defined benefit scheme that the Society operates is the Teachers Pension Scheme. The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 1997, as amended. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by Local Authorities (LAs) and also to teachers in many independent and voluntary-aided schools and establishments of further and higher education. Membership is automatic for full-time teachers and lecturers, and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers Pension Account

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts, are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions, on a 'pay-as-you-go' basis, and employers' contributions are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Account, to be kept of receipts and expenditure (including the cost of pensions increases). With effect from 1 April 2001, the Account will be credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teacher's Pension Scheme

Not less than every four years, with a supporting interim valuation in between, the Government Actuary (GA), using normal actuarial principles, conducts an actuarial review of the TPS. The aim of the review is to specify the level of future contributions. The standard contribution rate (SCR) of pension contributions is assessed in two parts. First, a standard contribution is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation it is found that the accumulated liabilities of the Account for benefits to past and present teachers are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions.

The last valuation report of the TPS related to the period 1 April 2001 – 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution has been assessed at 19.75% plus a supplementary contribution rate of 0.75% (to balance assets and liabilities as required by the regulations within 15 years); a SCR of 20.5%. This translates into an employee contribution of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement has also introduced – effective for the first time with effect from the 2008 valuation – a 14% cap on employer contributions payable. The 2006 interim actuarial review, published in June 2007 did not recommend any changes to the SCR and concluded, as at 31 March 2006, and using the above assumptions, that the Scheme's total liabilities amounted to £176,600 millions.

18 Pension Obligations (continued)

Teachers Pension Scheme

A copy of the GA's 2004 valuation report and 2006 interim valuation report can be found on the TeacherNet website at; www.teachernet.gov.uk/pensions.

The charge to the Society for the year was £43,075 (2007: £27,540) and the average number of Society staff who were members of the scheme during the year was 10 (2007: 7).

Defined Contribution/Stakeholder Schemes

The Society also contributes to a defined contribution scheme up to a maximum of 3% of gross salary. Total contributions of £10,917 (2007: £11,617) were made to the scheme during the year and the average number of Society staff who were members of these schemes during the year was 20 (2007: 26).

19 James Howard Memorial Home for the Blind and Liverpool Workshops & Birkenhead Society for the Blind

With effect from 19 April 1993 the Society's activities were expanded by the former Liverpool Workshops & Birkenhead Society for the Blind and its associated charity, the James Howard Memorial Home for the Blind, whose funds, The E.R. Howard and Ranslett House Funds, were also transferred. Amounts shown on the Balance Sheet include £438,602 (2007: £477,096) in Unrestricted Funds which relates to the ER Howard Fund and £120,442 (2007: £135,726) in Permanent Endowment Funds in respect of the Ranslett House Fund, which for clarity is now known as "The James Howard Memorial Home for the Blind Charity."

20 Voluntary Income and Income from Trusts and Grants

Details of voluntary income generated by the Appeals Team, appears on Page 18. This income has been received from individuals, groups, companies and Charitable Trusts, who all receive written acknowledgements. There are some donors who wish to remain anonymous and others who require the Society to publish details of their support in the Financial Statements for the year in which their donation was made.

Big Lottery Fund

During the year, the Society received £85,133 from the Big Lottery Fund Strategic Grants Programme (URN: MK/1/010101094) which concludes a three year grant programme towards the development of our Skillstep Programme in Greater Manchester, North & West Yorkshire and the North East.

During the year, the Society received £89,663 from the Big Lottery Fund (URN: MK/1/010124479) as third and final payment of a three year grant towards the development of our Information Technology Project across Merseyside.

During the year, the Society received £51,396 from the Big Lottery Fund (URN: MK/1/010168800) as part of our second year grant programme towards the development of our North & West Yorkshire Children & Families Service.

During the year, the Society received £51,396 from the Big Lottery Fund (URN: MK/1/010169857) as part of our second year grant programme towards the development of our North East Children & Families Service.

20 Voluntary Income and Income from Trusts and Grants (continued)

Children & Young People NRF

During the year, the Society received £2,600 as final payment from Manchester City Council's Children & Young People NRF as payment of a grant towards the Children & Family Service in Greater Manchester.

James Tudor Charitable Trust

During the year the Society received £27,304 towards the costs of running our Manchester based Patient Support Service over a 12 month period, starting October 2007.

Learning and Skills Council Greater Manchester and European Social Fund Co-financing

During the year, the Society received £25,300 from the Learning and Skills Council Greater Manchester, which concluded payment of a grant in support of the Society's Skillstep to Success training programme. This programme is co-financed by the European Union through the European Social Fund.

Learning and Skills Council and European Social Fund Co-financing

During the year, the Society received £19,400 from the Learning and Skills Council and the European Social Fund Co-Financing as part payment of a grant to run the pilot Move On project focusing on developing IT training courses for visually impaired unemployed people in Greater Manchester.

Liverpool City Council

During the year, the Society received £30,000 from Liverpool City Council's Community Services as final payment of their Funding Programme 2005 - 2008 to provide a range of services for visually impaired residents of the City of Liverpool from our Merseyside Resource Centre.

Parenting Fund 2 Programme

During the year, the Society received £37,620 from the Parenting Fund as part payment towards the cost of our Children and Family Services in Liverpool. We also received £42,027 as part payment towards the cost of our Children and Family Services in Manchester.

Peter Harrison Foundation

During the year the Trustees of the Peter Harrison Foundation awarded the Society a grant of £30,817 towards adapting the college swimming pool for hydrotherapy purposes.

Radio City's Give a Child a Chance

During the year, the Society received £1,000 from Radio City's Give a Child a Chance towards the cost of our Children & Family Service in Merseyside.

Sherburn House Charity

During the year, the Society received £3,500 from The Sherburn House Charity towards the costs of our Skillstep to Success programme in the North East.

20 Voluntary Income and Income from Trusts and Grants (continued)

TyneWear Partnership Included Communities Fund

During the year, the Society received £17,820 from the TyneWear Partnership Included Communities Fund as part payment of a grant in support of the Society's Skillstep to Success training programme. The Society is pleased to acknowledge the support of the TyneWear Partnership, One North East and the Community Foundation serving Tyne & Wear and Northumberland in respect of this award.

West Yorkshire Economic Partnership

During the year, the Society received £33,765 as final payment of a grant funded by the West Yorkshire Economic Partnership Investment Plan towards the running of our Skillstep programme in Yorkshire.



For more information about Henshaws
please telephone: 0161 872 1234
or visit our website: www.henshaws.org.uk