

**Blind Children UK**  
**Report and Financial Statements**  
**for the year ended 31 December 2020**

**Company limited by guarantee**  
**registered in England and Wales number 03133018**  
**registered charity in England and Wales number 1051607**  
**registered charity in Scotland number SC042089**

# Blind Children UK

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## Blind Children UK - Letter from the Chairman

Blind Children UK became a subsidiary of The Guide Dogs for the Blind Association (Guide Dogs) in 2013. Since January 2017, all the services previously offered by Blind Children UK have been provided by Guide Dogs and the income raised by Blind Children UK is given to Guide Dogs as a restricted grant for services for children and young people.

The need for these services has never been greater. There are 28,000 children (under 18) with sight loss in the UK and every day, around four more are registered blind or partially sighted. Guide Dogs is the UK's number one provider of services and the largest sole employer of specialists dedicated to helping children and young people with vision impairments. But our work only reaches approximately four per cent of the young visually impaired community today. We know we must reach more. We want every child and young person with sight loss to realise their full potential in life.

One highlight of how we have achieved this in 2020 is the development of our free My Time to Play service, for children from birth to their fourth birthday. Giving babies and toddlers the opportunity, independence and skills from an early age to live the life they choose is at the heart of My Time to Play. Led by our habilitation specialists, these fun and supportive group sessions are designed to help children to develop a broad range of skills and encourage them to use their non-visual senses.

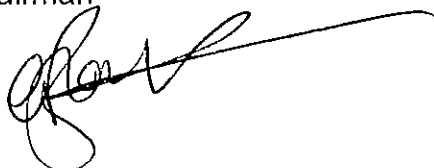
Sadly due to Covid-19, My Time to Play has had to be delivered virtually. But we are expecting to move to 'in-person' sessions – Covid-19 permitting – in a phased way from September 2021. We're also planning to expand the service across the UK by September 2022. During this period of expansion, we'll continue to run a virtual programme for families who cannot attend in-person sessions.

We know from our research that technology can completely transform the ability of children with sight loss to live independently and well. This is why we are piloting a new service, called Tech for All, to provide free accessibility technology to those aged 3-18 to use outside of school. Applications open in July 2021 and will close the following December.

We are confident that Tech for All will help us reach far more children and young people who are blind or partially sighted. This service expands our existing technology grant offer and gives us the chance to let families know about the other life-changing services we can provide for their children beyond a guide dog.

I remain immensely proud to be Chairman of Blind Children UK, especially in what has been an incredibly challenging year due to the Covid-19 pandemic. I would like to extend my sincere thanks to everyone who has overcome obstacle after obstacle to continue supporting us in 2020.

Clare Black  
Chairman



# **Blind Children UK**

## **Report of the Board of Trustees for the year ended 31 December 2020 (incorporating the Directors' Report)**

The Board of Trustees of Blind Children UK presents its Report and audited Financial Statements for the year ended 31 December 2020. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). This Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies's exemption, including the exemption from preparing a strategic report.

### **A range of services to help children and their families every step of the way**

Every day, four children in the UK are registered blind or partially sighted. In 2020 Blind Children UK provided a range of services to give them the skills, confidence and support to enable them to enjoy their childhood and reach their potential; this service is provided on behalf of Blind Children UK by Guide Dogs for the Blind (Guide Dogs).

Blind Children UK collects donations for the assistance of blind and partially sighted children. This income is granted to Guide Dogs with a restriction to children's services. In 2020, this amounted to £361,000 (2019: £670,000).

For more information on how the income gifted to Guide Dogs was spent, please refer to Guide Dogs Report and Financial Statements 2020.

### **Financial review**

#### **Overview**

In 2020, funds raised by Blind Children UK were granted to Guide Dogs to use in a restricted manner on children's services.

#### **Income**

Income in 2020 totalled £372,000 (2019: £685,000), a decrease of £313,000 on 2019. The primary reason for this decrease was a reduction in legacy income. A summary of Blind Children UK's income streams is below:

<b>Income</b>	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Individual Giving	363	425
Legacies	9	260
<b>Total</b>	<b>372</b>	<b>685</b>

# Blind Children UK

## Report of the Board of Trustees for the year ended 31 December 2020 (incorporating the Directors' Report)

### Expenditure

	2020 £000	2019 £000
Grant to Guide Dogs	361	670
Governance costs	11	15
Total	<u>372</u>	<u>685</u>

### Net income

Overall, net income is a surplus of £nil (2019: £nil).

### Funds

The level of reserves has been maintained in 2020 as Blind Children UK decided to grant 2020 net income to Guide Dogs. It is likely that the organisation will continue to receive income for a number of years and, if so, this will be granted to Guide Dogs on a restricted basis to support children's services.

Restricted funds at the end of 2020 are £nil (2019: £nil).

### Financial reserves policy

Blind Children UK hold a cash reserve to meet any known future liabilities as they fall due. As any net income collected by the Charitable Company is passed over the Guide Dogs to facilitate the provision of services, and the Charitable Company has no employees or outstanding liabilities, the reserve has continued to be held at £298,000 (2019: £298,000).

### Going concern

The Trustees conclude that the Charitable Company has adequate resources to continue in operational existence for at least twelve months from the date of signing of the financial statements as the Charitable Company has no employees, negligible liabilities and future expenditure, has received a letter of support from its parent undertaking Guide Dogs, and has adequate cash balances and reserves to continue to prepare the financial statements on a going concern basis.

### Risk management and internal control

The Trustees consider the principle risk to be the proper use of the charitable funds donated to Guide Dogs. These risks are incorporated into the risk framework of Guide Dogs which is reviewed by the Board of Trustees of Guide Dogs at least four times a year to ensure effective and efficient systems have been established to manage these risks. The Trustees are satisfied that the arrangements for managing these risks, combined with the continual review of internal controls and the reserves policy, will ensure that sufficient resources are available to maintain services for the foreseeable future.

# **Blind Children UK**

## **Report of the Board of Trustees for the year ended 31 December 2020 (incorporating the Directors' Report)**

### **Structure, governance and management**

#### **Corporate information**

Blind Children UK is a registered charity (number 1051607 in England and Wales and number SC042089 in Scotland) and was incorporated as a company limited by guarantee (registered in England and Wales number 03133018 on 1 December 1995). Its Central Office which is also its Registered Office, is Hillfields, Reading Road, Burghfield Common, Reading, Berkshire, RG7 3YG.

Blind Children UK is governed by its Articles of Association, which were last amended on 23 May 2014.

Blind Children UK is a charitable company limited by guarantee and does not have a share capital. In the event of the charitable company being wound up each member of the charitable company undertakes to contribute such amount as may be required (not exceeding £1) towards the costs of dissolution and liabilities of the Association.

#### **Public benefit**

The Board has paid due regard to the public benefit guidance published by the Charity Commission.

The objects and aims of Blind Children UK fall within the subsection of the Charities Act 2011 related to the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage. No person who is blind or partially sighted is prohibited from applying for assistance from the services provided by Blind Children UK or Guide Dogs on the grounds of financial circumstances.

#### **Relationship with Guide Dogs**

During 2020, Blind Children UK continued to receive donations for supporting services to blind and partially sighted children. These funds were passed to The Guide Dogs for the Blind Association to support their children's services, in the form of a restricted grant.

#### **Members of the Board**

The members of the Board throughout the year and as at 7 July 2021, who are both Directors of the company and Trustees of the charity (the 'Trustees'), were as follows:

Clare Black BSc (Hons) - Chairman

Dr Michael Nussbaum BSc, PhD, Honorary Doctor of the Open University

## **Blind Children UK**

### **Report of the Board of Trustees for the year ended 31 December 2020 (incorporating the Directors' Report)**

The Trustees are elected by the members of Blind Children UK or appointed by the Board to fill any vacancies arising during the year. Recruitment takes place through the Guide Dogs Group's nomination committee, and candidates are sought to provide the Board with a full range of relevant skills relating to the business of the charitable company. Diverse applications are actively sought, particularly from people with a visual impairment.

The Guide Dogs for the Blind Association (Guide Dogs) as sole member appoints Trustees to serve a three-year term of office before retiring and are eligible to stand for re-election for a maximum of two further three-year terms of office. Exceptionally, a fourth and final term may be served if there is a specific need, agreed by the Board. Both Clare Black and Michael Nussbaum were Trustees for the National Children's Society for the Blind before the charity was acquired by Guide Dogs; their period of tenure commenced in May 2013 when the charity became a subsidiary of Guide Dogs.

On appointment, all new Trustees have personalised induction programmes. These are designed to cover the main operational framework of the charitable company, including its finances, future plans and objectives. New Trustees are also encouraged to spend time with our front-line service delivery staff and are required to attend a staff and volunteer induction workshop, covering areas such as safeguarding. A review of trustee training requirements is undertaken annually, and appropriate training is undertaken to ensure the Trustees have the necessary skills and capabilities to guide and govern the Charity effectively.

The Trustees have overall responsibility for the activities of Blind Children UK, advised by the Chief Executive of Guide Dogs and the Executive Board.

The policy framework sets out the clear terms of reference for the committees and the Board receives regular reports on their activities. The Board has established a clear policy and procedures for dealing with conflicts and the authorisation thereof in accordance with Charity Commission guidelines.

Trustees of the Board and independent committee members do not receive any remuneration for their services to the Charitable Company.

#### **Trustees' responsibilities statement**

The Trustees (who are also Directors of Blind Children UK for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

## **Blind Children UK**

### **Report of the Board of Trustees for the year ended 31 December 2020 (incorporating the Directors' Report)**

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

## **Management**

The Executive Directors of The Guide Dogs for the Blind Association (Guide Dogs) are responsible for the day-to-day management of Blind Children UK, acting under delegated authority given to them by the Board of Trustees of Blind Children UK. The Executive Directors as at 7 July 2021 were:

Tom Wright, Chief Executive Officer  
Peter Osborne, Director of Operations  
Deirdre Evans, Chief Financial Officer  
Kathryn Ward, Director of People and Performance  
Maria Novell, Director of Fundraising  
Emma Foulds, Marketing, Influencing and Digital Director

The arrangements for setting the pay and remuneration for these personnel and their total remuneration are detailed in the Report and Financial Statements of Guide Dogs. No recharge is made for their services to Blind Children UK.

**Blind Children UK**  
**Report of the Board of Trustees for the year ended 31 December**  
**2020 (incorporating the Directors' Report)**

**Related parties**

Blind Children UK owns the entire issued share capital of Blind Children UK (Trading) Limited which has been dormant since 2013. Consolidated financial statements are not prepared because Blind Children UK's parent undertaking, Guide Dogs, prepares consolidated financial statements.

**Re-appointment of Auditor**

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Deloitte LLP as auditor of the Charitable Company.

**This report was approved by the Board of Trustees on 7 July 2021 and signed on its behalf by:**

A handwritten signature in black ink, appearing to be 'Clare Black', with a long horizontal line extending to the right.

**Clare Black**  
**Chairman**

## **Blind Children UK Principal Advisors**

### **Auditor**

Deloitte LLP  
3 Victoria Square  
Victoria Street  
St Albans AL1 3TF  
United Kingdom

### **Bankers**

Barclays Bank Plc  
Thames Valley Corporate  
Wytham Court  
11 West Way  
Oxford  
OX2 0JB

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

# **Independent Auditor's report to the Members and Trustees of Blind Children UK**

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **OPINION**

In our opinion the financial statements of Blind Children UK (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

We have audited the financial statements which comprise:

- Statement of financial activities incorporating consolidated an income and expenditure account
- the balance sheet;
- the statement of accounting policies; and
- the related notes 1 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### **BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **CONCLUSIONS RELATING TO GOING CONCERN**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

## **Independent Auditor's report to the Members and Trustees of Blind Children UK**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **OTHER INFORMATION**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

# **Independent Auditor's report to the Members and Trustees of Blind Children UK**

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and report in accordance with those Acts and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the industry and its control environment, and reviewed the documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act and UK Companies Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

## **Independent Auditor's report to the Members and Trustees of Blind Children UK**

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- Risk of fraud in revenue recognition is a presumed risk under International Auditing Standards. We focussed on the risk more specifically on accrued legacy income as the income is recognised on a receivable basis when the charity is entitled to the legacy, receipt is probable and the value can be estimated with sufficient accuracy. This is subject to judgement around whether the recognition criteria are met.
- We tested a sample of accrued legacy income recognised and the treatment to the supporting legacy notifications and have assessed the judgements and estimates made by management in the recognition of this balance.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

#### **OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

## Independent Auditor's report to the Members and Trustees of Blind Children UK

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

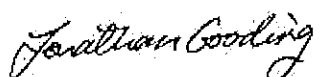
Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

### USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Gooding FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
St. Albans, United Kingdom  
13 July 2021

Deloitte LLP is eligible for appointment as auditor for the charity by virtue of its eligibility for appointment as audit of a company under section 1212 of the Companies Act 2006.

**Blind Children UK**  
**Statement of financial activities**  
**Incorporating income and expenditure account**  
**For the year ended 31 December 2020**

	Notes	Unrestricted Funds £000	Restricted Funds £000	Total 2020 £000	Total 2019 £000
<b>Income from:</b>					
Donations and legacies		372	-	372	685
<b>Total income</b>	1	372	-	372	685
<b>Expenditure on:</b>					
Raising funds		(11)	-	(11)	(15)
<b>Charitable activities</b>					
Grant to The Guide Dogs for the Blind Association		(361)	-	(361)	(670)
<b>Total charitable expenditure</b>		(361)	-	(361)	(670)
<b>Total expenditure</b>	2	(372)	-	(372)	(685)
<b>Net income for the year</b>					-
Fund balances at 1 January		298	-	298	298
<b>Fund balances at 31 December</b>		298	-	298	298

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

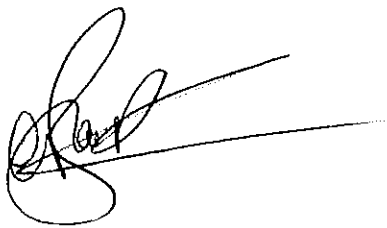
See note 9 for comparative Statement of Financial Activities analysed by funds.

The accounting policies and notes on pages 16 to 22 form part of these financial statements.

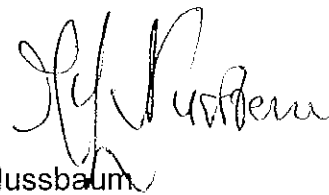
**Blind Children UK**  
**Balance Sheet as at 31 December 2020**

	Notes	2020 £000	2019 £000
<b>Current Assets</b>			
Debtors	4	199	97
Cash at bank and in hand		106	219
		305	316
<b>Creditors</b>			
Amounts falling due within one year	5	(7)	(18)
<b>Total assets less current liabilities</b>		298	298
<b>Net assets</b>		298	298
<b>Funds</b>			
Unrestricted funds		298	298
<b>Total funds</b>	6	298	298

The Financial Statements of Blind Children UK (registered company number 03133018) were approved and authorised for issue by the Board of Trustees on 7 July 2021 and signed on its behalf by



Trustee  
 Clare Black



Trustee  
 Michael Nussbaum

The accounting policies and notes on pages 16 to 22 form part of these financial statements.

## Accounting Policies

### Company and charitable status

Blind Children UK, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital. There are currently 2 Trustees who are also the members of the charitable company. Each member has undertaken to contribute the assets in the event of winding up a sum not exceeding £1. Blind Children UK is a registered charity. The registered office and charity registration numbers are given on page 4.

The principal accounting policies adopted in the preparation of these Financial Statements are as follows:

#### a. Basis of preparation

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), effective 1 January 2019; and the Companies Act 2006. Blind Children UK is a public benefit entity.

Blind Children UK meets the definition of a qualifying entity under FRS 102 and as income is below the threshold of £500,000 the charity has not prepared a cash flow statement. Blind Children UK owns the entire issued share capital of Blind Children UK (Trading) Limited which has been dormant since 2013. Consolidated financial statements are not prepared because Blind Children UK's parent undertaking, The Guide Dogs for the Blind Association (Guide Dogs), prepares consolidated financial statements.

#### b. Preparation of the accounts on a going concern basis

Blind Children UK will continue to receive income from donations and legacies, and will grant this income to fund services to support blind and partially sighted children. Despite the uncertainty created by Covid-19, the Trustees conclude that the Charitable Company has adequate resources to continue in operational existence for at least twelve months from the date of signing of the financial statements as the Company has no employees, negligible liabilities and future expenditure, has received a letter of support from its parent undertaking Guide Dogs, and has adequate cash balances and reserves to continue to prepare the financial statements on a going concern basis.

#### c. Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

- i) Donation income is accounted for on a receivable basis.
- ii) Legacy income is accounted for when notification of the legacy is received, generally after grant of probate, providing the amount can be reliably ascertained and that ultimate receipt is probable.

## Accounting Policies

### **d. Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

### **e. Financial instruments**

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### **f. Fund accounting**

Restricted funds are those which must be applied in accordance with the purpose specified by the donor. Expenditure relating to these purposes is therefore charged directly to the relevant fund.

The unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Such funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose. Transfers of funds from general unrestricted funds to designated funds are approved by the Trustees. Further details of each fund are disclosed in Note 6 Blind Children UK has no specific designated funds.

### **g. Taxation**

Blind Children UK, as a registered charity, is exempt from corporation tax under Chapter 3 of Part 11 to the Corporation Tax Act 2010 or Section 256 of the Taxation of the Chargeable Gains Act 1992, to the extent that surpluses are applied to its charitable purposes. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

### **h. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

## Accounting Policies

There is one key accounting estimate as follows:

Accrued legacy income (see note 4): The accrued legacy income amounts to £54k at 31 December 2020 (£82k at 31 December 2019). The legacy income is recognised on a receivable basis when the charity is entitled to the legacy, receipt is probable and the value can be estimated with sufficient accuracy. The critical judgement involved in the recognition of legacy income is around whether the recognition criteria are met. The key sources of estimation uncertainty are in relation to the value of the legacy, and the legal fees and other liabilities, which are estimated based on the best information available at the balance sheet date. Due to the uncertainty associated with such items, there is a possibility that, on conclusion of open matters at a future date, the final outcome may differ significantly.

**Blind Children UK****Notes to the financial statements for the year ended 31 December 2020****1. Income**

	<b>2020</b>	2019
	<b>£000</b>	£000
<b>Income from:</b>		
<b>Donations and legacies</b>		
Donor based fundraising	363	425
Legacies	9	260
	<hr/>	<hr/>
	372	685
	<hr/>	<hr/>
<b>Total income</b>	372	685
	<hr/>	<hr/>

**2. Expenditure**

	<b>Direct Costs £000</b>	<b>Support Costs £000</b>	<b>Total 2020 £000</b>	<b>Total 2019 £000</b>
<b>Cost of generating voluntary income</b>				
Donor based fundraising	-	11	11	15
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Cost of raising funds</b>	-	11	11	15
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Charitable expenditure</b>				
Grant to The Guide Dogs for the Blind Association	361	-	361	670
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Expenditure</b>	361	11	372	685
	<hr/>	<hr/>	<hr/>	<hr/>

Support costs in Blind Children UK are governance costs and allocated directly to 'raising funds' in 2019 and 2020 as this is the key activity.

**Prior year comparatives:**

	<b>Direct Costs £000</b>	<b>Support Costs £000</b>	<b>Total 2019 £000</b>
<b>Cost of generating voluntary income</b>			
Donor based fundraising	-	15	15
	<hr/>	<hr/>	<hr/>
<b>Cost of raising funds</b>	-	15	15
	<hr/>	<hr/>	<hr/>
<b>Charitable expenditure</b>			
Grant to The Guide Dogs for the Blind Association	670	-	670
	<hr/>	<hr/>	<hr/>
<b>Total Expenditure</b>	670	15	685
	<hr/>	<hr/>	<hr/>

## Blind Children UK

### Notes to the financial statements for the year ended 31 December 2020

#### 2. Expenditure (continued)

Expenditure includes:

	<b>2020</b>	2019
	<b>£000</b>	£000
Fees payable to the charitable company's auditor for:		
Statutory Audit	5	6

#### 3. Trustee and employees

The Trustees and persons connected with them have not received, obtained or waived any remuneration or other financial benefits for the year directly or indirectly from Blind Children UK (2019: £nil). There were no travelling and subsistence expenses reimbursed in respect of 2 trustees who were in post during 2020 (2019: nil).

In 2020 and 2019 all charitable services, previously delivered for Blind Children UK, are delivered by Guide Dogs and no management recharge is applicable.

Key management personnel are all employees of Guide Dogs and their remuneration is disclosed in that charity's Annual Report and Financial Statements. No amounts are recharged to Blind Children UK for services on the grounds of materiality.

#### 4. Debtors

	<b>2020</b>	2019
	<b>£000</b>	£000
Other Debtors	4	2
Intercompany balance due from Guide Dogs	132	-
Legacies	54	82
Gift Aid debtors	9	13
	<hr/> 199	<hr/> 97

#### 5. Creditors: amounts falling due within one year

	<b>2020</b>	2019
	<b>£000</b>	£000
Intercompany balance	<hr/> 7	<hr/> 18
	<hr/> 7	<hr/> 18

## Blind Children UK

### Notes to the financial statements for the year ended 31 December 2020

#### 6. Fund balances

	At 1 January 2020 £000	Incoming Resources £000	Resources Expended £000	At 31 December 2020 £000
Unrestricted funds	298	372	(372)	298
<b>Total funds</b>	<b>298</b>	<b>372</b>	<b>(372)</b>	<b>298</b>

	At 1 January 2019 £000	Incoming Resources £000	Resources Expended £000	At 31 December 2019 £000
Unrestricted funds	298	685	(685)	298
<b>Total funds</b>	<b>298</b>	<b>685</b>	<b>(685)</b>	<b>298</b>

#### Analysis of Net Assets between funds

	2020 General Funds £000	2020 Total £000	2019 General Funds £000	2019 Total £000
Bank balances	106	106	219	219
Other Assets and Liabilities	192	192	79	79
<b>Total Net Assets</b>	<b>298</b>	<b>298</b>	<b>298</b>	<b>298</b>

#### 7. Subsidiary company

Blind Children UK owns the whole of the issued share capital of Blind Children UK (Trading) Ltd which has been dormant since 2013. Consolidated financial statements are not prepared because Blind Children UK's parent undertaking, Guide Dogs, prepares consolidated financial statements.

Its registered office is Hillfields, Reading Road, Burghfield Common, Reading, Berkshire RG7 3YG.

The Charitable Company has taken advantage of the exemptions allowed by FRS 102 not to disclose transactions with related party undertakings which are wholly owned by the group.

## Blind Children UK

### Notes to the financial statements for the year ended 31 December 2020

#### 8. Ultimate Parent Undertaking

The Charitable Company's ultimate parent undertaking and controlling party is The Guide Dogs for the Blind Association (Guide Dogs), which is a charitable company registered in England and Wales. Guide Dogs has the ability to appoint or remove Blind Children UK trustees as it is a member of the Charitable Company.

The Guide Dogs is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of these financial statements can be obtained from Hillfields, Burghfield Common, Berkshire, RG7 3YG or [www.guidedogs.org.uk](http://www.guidedogs.org.uk). (Company Registered in England and Wales number 291646. Registered charity in England and Wales number 209617, and Scotland number SCO38979. Registered Office, is Hillfields, Reading Road, Burghfield Common, Reading, Berkshire RG7 3YG).

The Guide Dogs provides mobility and related services to people with a visual impairment.

#### 9. Comparative statement of financial activities 2019

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000
<b>Income from:</b>			
Donations and legacies	685	-	685
<b>Total income</b>	<b>685</b>	<b>-</b>	<b>685</b>
<b>Expenditure on:</b>			
Raising funds	(15)	-	(15)
<b>Charitable activities</b>			
Grant to The Guide Dogs for the Blind Association	(670)	-	(670)
<b>Total charitable expenditure</b>	<b>(670)</b>	<b>-</b>	<b>(670)</b>
<b>Total expenditure</b>	<b>(685)</b>	<b>-</b>	<b>(685)</b>
<b>Net income/(expenditure) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances at 1 January	298	-	298
<b>Fund balances at 31 December</b>	<b>298</b>	<b>-</b>	<b>298</b>