

Company Number: 3133015
Charity Number: 1051674

**The Barrow & Districts Society
for the Blind Limited**

(A company limited by guarantee)

Financial Statements

for the year ended

31 December 2002



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The Barrow & Districts Society for the Blind Limited
(A company limited by guarantee)

Honorary President

Mrs H Tyson, MBE

Chairman

Mr W D Noall DFM, FRICS (Ret)

Vice Chairman

Mrs D Rowley

Company Secretary

Mr W Proctor

Finance Director

Mr A S Todd FCIB

Council of Management

Mrs M Bargh

Mrs B M Crellin

Mrs N Geere

Mr G M James

Mr W D Noall DFM, FRICS (Ret)

Mrs M Noall

Mrs A C Parkinson

Mr J A Quinn

Mr J M Rennie

Mrs D Rowley

Mrs P J M Smith

Mrs H Tyson MBE

Mr A S Todd FCIB

Mr G Postlethwaite

Registered Office

67-69 Cavendish Street

Barrow in Furness

Cumbria LA14 1QD

Tel: (01229) 820698

Fax: (01229) 826064

Auditors

R F Miller & Co

Bellevue, Princes Street

Ulverston, Cumbria LA12 7NB

Bankers

HSBC plc

104 Duke Street

Barrow in Furness

Cumbria LA14 1LR

Solicitors

Forresters

117 Duke Street

Barrow in Furness

Cumbria LA14 1XA

The Barrow & Districts Society for the Blind Limited
(A company limited by guarantee)

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The Barrow & Districts Society for the Blind Limited
(A company limited by guarantee)

Report of the Council of Management

The Council of Management, who are trustees for the purpose of charity law, and directors for the purpose of Company law, present their report and the accounts for the year ended 31 December 2002.

The Barrow & Districts Society for the Blind Limited is a charitable Company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association. Charity number 1051674 and Company number 3133015.

Council of Management's Responsibility for the Financial Statements

Company law requires the Council of Management, as directors, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements, the Council of Management are required to:

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

The Council of Management, as directors, are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985 and the Statement of Recommended Practice, Accounting by Charities. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Council of Management

The Company's board of directors is known as the Council of Management. As set out in the Articles of Association, the Council shall have power at any time to appoint any person to be a member of the Council up to the maximum number fixed in the Articles. Any member of the Council so appointed shall hold office only until the next following AGM and shall then be eligible for re-election but shall not be taken into account in determining the members of the Council who are to retire by rotation at such meeting. The Council's members are as follows:

Mrs M Bargh
Mrs B M Crellin
Mrs N Geere
Mr G M James
Mrs M Noall
Mr W D Noall DFM, FRICS (Ret)
Mrs A C Parkinson

Mr J A Quinn
Mr J M Rennie
Mrs D Rowley
Mrs P J M Smith
Mr A S Todd FCIB
Mrs H Tyson MBE
Mr G E Hartshorn (appointed 25 October 2002, died January 2003)
Mr G Postlethwaite (appointed 28 February 2003)

Company objectives

The object of the Company is the provision of high quality services and support to the Registered Blind and Partially Sighted in Barrow in Furness and the surrounding districts. To achieve this the Company has four well defined areas of operation, fundraising, the retail shop, residential care and social work support.

The Barrow & Districts Society for the Blind Limited
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Report of the Council of Management

The Society has been tending to the needs of the Blind and Partially Sighted throughout Furness and South Lakeland since its inception in 1923.

A five year expansion and programme of improvements at Ostley House was completed in early 2002 with the formal opening of The Nan Tait Suite, together with the new reception and reconfiguration of the drive. The benefits are apparent for all to see. No further large scale programme of capital expenditure has been approved.

Our residential home is registered to accommodate 38 and has facilities for day and respite care. The Society would wish to maintain high quality accommodation and keep the staff to residents' ratio at an above average level, thus ensuring the continuation of a first class service.

All five bungalows in Ostley Gardens, our sheltered accommodation, are occupied providing a safe environment for the tenants within the grounds of Ostley House.

In Barrow and Millom we operate Social Clubs and in Barrow and Ulverston the Society runs Craft Classes. Social outings are a popular feature of the Society's activities.

Our retail shop in Barrow is the hub of our activities. It is from here that we produce our fortnightly talking newspaper, producing 220 compact cassette recordings per issue in our studio. The shop is an important part of our fundraising and is the point of contact for the Society.

Our fundraising activities are legendary and besides flag days and envelope collections we promote shows starring such acts as Andy Prior, BBC Big Band, Black Dyke Band and Brighthouse & Rastrick Band.

We are agents for the Talking Book Service and the Wireless for the Blind Fund which provides, on free loan, a radio set for those who have lost their sight.

Finally and most importantly our Social Work Team are there to help and support any of the 650 Blind and Partially Sighted people who require help with daily living skills such as form filling, supply of aids and apparatus and teaching Braille for those who request it. This is an area of activity that will be expanded as and when surplus funds become available.

Developments, Activities and Achievements During the Year

All aspects of the Company (organisation) have been inspected by the Charity Commission and the National Care Standards Commission on separate visits made in September. We were complimented on the level of service provided, however their comments have resulted in a full appraisal and documentation of policies and procedures. This work will be completed by June 2003. Documents prepared include:

- An updated Business Plan
- Policy on Financial Management and Internal Controls
- A comprehensive Employee Guide
- Terms of Reference for all management committees.

A major review was undertaken of staff sick pay and pension schemes. New provisions were implemented in the Autumn of 2002.

The Barrow & Districts Society for the Blind Limited
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Report of the Council of Management

In November 2002 Mrs M A Taylor retired as Manager of Ostley House. The retirement enabled us to restructure and strengthen the management team.

The level of service provided by our Social Work Team has been improved with the introduction of a monthly meeting in Grange over Sands. All other activities have been maintained.

We have continued to raise funds through the promotion of shows at the Coronation Hall and Forum 28. All our traditional sources of income have continued showing a welcome increase following the Foot and mouth epidemic in 2001.

Financial Activities and Affairs

The Company generated a surplus of £105,826 during the year before a diminution in value of freehold buildings of £278,272 which produced an overall deficit of £172,446. The Company's assets are adequate and available to fulfil the obligations of the Company.

Fixed Assets

Significant changes in fixed assets are set out in note 17 to the accounts.

The Council of Management have conducted an impairment review in respect of its freehold property on the basis of professional advice received from an independent valuer Howard Whitaker FRICS. The property has been written down in the accounts by £278,272.

Movements in investments are disclosed in note 18 to the accounts.

Investment Policy

The Council of Management has considered the most appropriate policy for investing funds and has found that the continued use of short term deposits and income from investments donated to the Company now requires a degree of modification.

Following the addition of a formal investment policy, the Company appointed Benson McGarvey Limited as Independent Financial Advisers and Gerrard Limited as Fund Managers as at 1 January 2001.

A proportion of the Company's short term funds has been placed under management in order to maximise the return that can be achieved whilst remaining within the boundaries as stipulated for the investment of funds on behalf of a charitable Company.

Reserves Policy

As at 1 September 2000 the Society had free reserves of approximately £450,000 invested in bank accounts and short term deposits.

Taking into account cash flow trends and known capital expenditure projects, the trustees and directors estimated £250,000 cash plus stocks and shares held by the Society could be transferred to a Discretionary Investment Managed Fund with Gerrard Limited as the Fund Manager. This resulted in a fund value in excess of £350,000, leaving instant or short term access to cash of £150,000.

The Society's business plan for 2001/2004 attached a cash projection to all projects identified at that time and the trustees and directors were of the opinion that cash deposits of between £100,000 and £150,000 would sustain day to day Society operations, leaving a realistic contingency margin.

The Barrow & Districts Society for the Blind Limited
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Report of the Council of Management

The Society's investment policy to generate minimum income and maximum growth during the first five years with funds under management demands a minimum of £100,000 cash to be available. This will cover seasonal cash flow variations, the financing of small capital expenditure projects and repairs/renewals policy.

The Society's 2003 Cash and Reserves Position

During the year 2003 trustees and directors forecast a net income in excess of £50,000. Net current assets as at 31 December 2002 were £160,839 that included cash of £132,701.

Expenditure outlined in our 2003/2005 business plan is at a level that can be sustained out of cash reserves and ongoing income generation.

The trustees and directors are of the opinion that there are sufficient free reserves available for the year and do not anticipate disturbing funds under management.

Grants Payable Policy

Grants payable by the Company are paid on a non-selective basis to all clients registered with the Company as funds of the Company allow. In addition requests are considered on the basis of special needs.

Risk Management

The Council of Management has conducted its own review of the major risks to which the Company is exposed and systems have been established to mitigate those risks. The Company has a register with all identified risks which is regularly monitored and assessed to evaluate identified risks and identify new risks. An overall policy document is in the process of being prepared.

Future Strategy

Following the final phase of building work at Ostley House there will be a period of relative consolidation.

Surplus funds will continue to be used to help improve standards of care and service provided to Registered Blind and Partially Sighted people throughout Furness and South Lakeland.

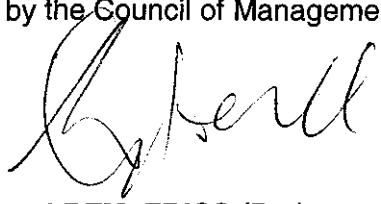
Connected Charities and Branches

There were no connected charities or branches during the year ended 31 December 2002.

Auditors

A resolution to re-appoint the Company's auditors, R F Miller & Co, will be proposed at the Annual General Meeting.

Approved by the Council of Management on 29 August 2003 and signed on their behalf by:



Mr W D Noall DFM, FRICS (Ret)
Chairman

Independent Auditors Report to the trustees of

The Barrow & Districts Society for the Blind Limited
(A company limited by guarantee)

We have audited the financial statements of the Barrow & Districts Society for the Blind Limited for the year ended 31 December 2002 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 company and the company's members 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 Council of Management's Responsibility for the financial statements the Council, who are also the directors of the Barrow & Districts Society for the Blind Limited for the purposes of company law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Companies Act 1985. We also report to you if, in our opinion, the Report of the Council of Management is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We have read the Report of the Council of Management and considered its implications for our report. We are not aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

Independent Auditors Report to the trustees of

The Barrow & Districts Society for the Blind Limited
(A company limited by guarantee)

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether 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.

Opinion

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 December 2002, and of its outgoing resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

RF Miller

R F Miller & Co
Chartered Accountants
And Registered Auditors

Bellevue
Princes Street
Ulverston
Cumbria LA12 7NB

Date:

5 September 2003

The Barrow & Districts Society for the Blind Limited
(A company limited by guarantee)
Statement of Financial Activities (Including Income and Expenditure Account)

for the year ended 31 December 2002

				2002	2001
	Notes	General Funds £	Restricted Funds £	Total Funds £	Total Funds £
Incoming Resources					
Donations and legacies	4	126,090	-	126,090	37,179
Activities in furtherance of the charity's objects:					
Grants received	5	8,226	-	8,226	9,393
Income from Ostley House	9	534,039	-	534,039	473,217
Activities for generating funds:					
Charity Shop	7	73,875	-	73,875	66,551
Fund raising	6	17,301	-	17,301	17,613
Income from shows	8	26,625	-	26,625	26,220
Investment income	10	16,060	-	16,060	23,255
Total incoming resources		802,216	-	802,216	653,428
Resources expended					
Cost of generating funds:					
Costs of charity shop	7	85,027	-	85,027	76,720
Fund raising	13	12,819	-	12,819	11,332
Cost of shows	8	22,174	-	22,174	19,141
		120,020	-	120,020	107,193
Charitable expenditure					
Costs of activities in furtherance of the charity's objects:					
Expenses of Ostley House	9	432,454	-	432,454	387,033
Support costs	11	80,885	-	80,885	65,769
Grants payable	12	17,250	-	17,250	16,635
Management and administration	14	45,781	-	45,781	38,200
Diminution in value of Freehold Buildings	15	278,272	-	278,272	-
Total charitable expenditure		854,642	-	854,642	507,637
Total resources expended		974,662	-	974,662	614,830
Net (Outgoing)/Incoming resources for the year:					
Net (Expenditure)/Income for the year		(172,446)	-	(172,446)	38,598
Other Recognised Gains and Losses					
Gains and losses on investment assets					
Realised		(2,967)	-	(2,967)	1,340
Unrealised	18	(59,436)	-	(59,436)	18,603
		(234,849)	-	(234,849)	58,541
Fund balances brought forward at 1 January 2002		1,717,019	427,710	2,144,729	2,086,188
Transfers		427,710	(427,710)	-	-
Fund balances carried forward at 31 December 2002		1,909,880	-	1,909,880	2,144,729

All of the activities undertaken by the company are continuing activities.

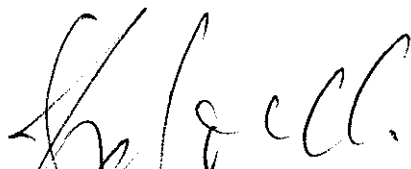
The notes on pages 9 to 16 form part of these financial statements

The Barrow & Districts Society for the Blind Limited
(A company limited by guarantee)
Balance Sheet

as at 31 December 2002

	Notes	General Funds £	Restricted Funds £	2002 £	2001 £
Fixed Assets					
Tangible assets	17	1,426,894	-	1,426,894	1,670,266
Investments	18	322,147	-	322,147	357,346
		<u>1,749,041</u>	<u>-</u>	<u>1,749,041</u>	<u>2,027,612</u>
Current Assets					
Stocks	19	34,111	-	34,111	33,261
Debtors	20	29,096	-	29,096	39,686
Cash at bank and in hand		132,701	-	132,701	95,357
		<u>195,908</u>	<u>-</u>	<u>195,908</u>	<u>168,304</u>
Creditors: amounts falling due within one year	21	35,069	-	35,069	51,187
Net Current Assets		<u>160,839</u>	<u>-</u>	<u>160,839</u>	<u>117,117</u>
Total Assets Less Current Liabilities		<u>1,909,880</u>	<u>-</u>	<u>1,909,880</u>	<u>2,144,729</u>
 Funds	 22	 <u>1,909,880</u>	 <u>-</u>	 <u>1,909,880</u>	 <u>2,144,729</u>

Approved by the Council of Management on 29 August 2003 and signed on their behalf by:



Mr W D Noall CFM, FRICS (Ret)



Mr A S Todd FCIB, AIBA

The notes on pages 9 to 16 form part of these financial statements.

The Barrow & Districts Society for the Blind Limited

(A company limited by guarantee)

Notes to the Accounts

for the year ended 31 December 2002

1. Accounting Policies

Status

The company was incorporated on 1 December 1995 and received charitable status in December 1995. The company is limited by the guarantee of its members. At 31 December 2002 there were 14 members. The liability of each member in the event of the company being wound up is restricted to £1.

Basis of Accounting

The statement of accounts have been prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value and in accordance with the provisions of the Companies Act 1985. In preparing the financial statements the company follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) issued in October 2000.

Income

Donations and legacies are accounted for when received by the company. Other income is accounted for on an accruals basis as far as it is prudent to do so. Income includes income tax recoverable.

Expenditure

Expenditure is accounted for on an accruals basis and allocated to the various expense headings. Part of the Management and Administration costs are apportioned to the Shop and the House using the percentages of 20% to the Shop and 40% to the House.

Gifts in Kind

The company receives the benefit of work carried out by volunteers, and receives the use of facilities and equipment without charge.

Grants

Revenue grants are credited to the income and expenditure account as received, unless related to a specific period, when it is placed in a restricted fund until used. Grants for capital expenditure are recognised in full in the SOFA when receivable in accordance with the SORP. The grant is placed in a reserve with a transfer made on an annual basis equal to that of the depreciation on the capital item acquired.

Grants payable are made on an annual basis and are allocated to the income and expenditure account in the period to which the expenditure relates.

Taxation

As a registered charity the company benefits from rates relief and is generally exempt from corporation tax and capital gains tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Notes to the Accounts

for the year ended 31 December 2002

1. Accounting Policies (Continued)

Investments

Investments are stated at market value. Market value is the mid market price on the balance sheet date. Realised and unrealised gains and losses are taken to the income and expenditure account. Investment income has been taken into account on the basis of the due date of payment.

Depreciation

Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures, fittings and equipment 15-25% reducing balance

Where donations are received for specific equipment, the donation is included in income and depreciation is charged on the full amount.

No depreciation is provided on freehold land & buildings as in the opinion of the Council of Management the property is maintained in such a manner that its estimated residual value exceeds cost. An impairment review in accordance with FRS11 is carried out to ensure that the net realisable of the property is not lower than its carrying value.

Stocks

Stocks consist of provisions at Ostley House and gifts and crafts sold at the shop held for resale and are shown at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

Capital Commitments

Commitments are disclosed where they are authorised by the year end date. The amount stated is to be financed through the use of general funds already held.

Pension Schemes

Retirement benefits to the employees of Barrow & Districts Society for the Blind Limited are provided by the Local Government Pension Scheme (LGPS). This is a defined benefit scheme and is externally funded. Contributions to the schemes are charged to the income and expenditure account in accordance with contributions due. The contributions are determined by qualified actuaries. This scheme ceased for new employees as of 1 November 2002. A group defined contribution pension scheme is now available to both new employees and existing employees not in the defined benefit scheme.

2. Connected Charities and Branches

There were no connected charities or branches during the year ended 31 December 2002.

3. Transactions with Trustees and Other Connected Persons

There were no transactions with trustees or other connected persons during the year ended 31 December 2002, other than those disclosed in Note 19.

The Barrow & Districts Society for the Blind Limited
(A company limited by guarantee)
Notes to the Accounts

for the year ended 31 December 2002

			2002		2001
4. Donations	General Funds	Restricted Funds	Total Funds	General Funds	Total Funds
	£	£	£	£	£
Donations	19,139	-	19,139	16,491	16,491
Legacies	106,951	-	106,951	20,688	20,688
	<u>126,090</u>	<u>-</u>	<u>126,090</u>	<u>37,179</u>	<u>37,179</u>
5. Grants Received					
Cumbria County Council grants	8,226	-	8,226	9,393	9,393
	<u>8,226</u>	<u>-</u>	<u>8,226</u>	<u>9,393</u>	<u>9,393</u>
6. Fund raising Appeals				2002	2001
				£	£
Boxes				1,720	1,780
Races, shows, sales etc.				7,119	6,983
Appeals donations				526	20
Flag days, envelope collections				7,936	8,830
				<u>17,301</u>	<u>17,613</u>
7. Charity shop income and costs				2002	2001
				£	£
Sales				73,875	66,551
Cost of sales					
Opening stock				32,425	35,502
Purchases & carriage				42,819	34,565
				<u>75,244</u>	<u>70,067</u>
Closing stock				32,402	32,425
				<u>42,842</u>	<u>37,642</u>
Gross Profit				31,033	28,909
Selling costs					
Wages				17,080	17,884
Advertising				60	216
Sundries				1,038	287
Trailer depreciation				464	545
				<u>18,642</u>	<u>18,932</u>
Administrative costs					
Management expenses				22,891	19,099
Repairs & renewals				527	745
Cleaning				125	302
				<u>23,543</u>	<u>20,146</u>
Total costs				<u>85,027</u>	<u>76,720</u>
Net Loss				<u>(11,152)</u>	<u>(10,169)</u>

The Barrow & Districts Society for the Blind Limited

(A company limited by guarantee)

Notes to the Accounts

for the year ended 31 December 2002

			2002		2001	
			£		£	
8. Shows income and costs						
Income			26,625		26,220	
Direct costs of shows			22,174		19,141	
Surplus			4,451		7,079	
9. Ostley House income and costs						
Residents' charges			506,943		450,211	
Bungalow rentals			27,096		23,006	
Total income			534,039		473,217	
Operating costs						
Wages & national insurance			270,092		238,252	
Staff pension			11,704		6,137	
Purchase of provisions			19,403		18,646	
Occupancy costs			56,211		58,777	
Depreciation			18,319		16,111	
Assets written off			2,790		-	
Sundry expenses			7,584		6,001	
Training allowance			570		4,909	
			386,673		348,833	
Administrative expenses			45,781		38,200	
Total expenditure			432,454		387,033	
Surplus of Ostley House			101,585		86,184	
10. Investment Income						
Income from UK listed investments			11,757		10,919	
Interest on short term deposits			-		700	
Bank interest receivable			3,646		10,987	
Loan interest			657		649	
			16,060		23,255	
11. Support costs	General Funds	Restricted Funds	2002 Total Funds	General Funds	Restricted Funds	2001 Total Funds
	£	£	£	£	£	£
Necessitous Blind wages and NI	48,260	-	48,260	42,742	-	42,742
Necessitous Blind consumables	14,775	-	14,775	10,418	-	10,418
Wireless equipment						-
- Talking books	9,058	-	9,058	6,569	-	6,569
Embossed literature	24	-	24	32	-	32
Socials and outings	7,463	-	7,463	5,626	-	5,626
Newstape depreciation	288	-	288	382	-	382
Newstape expenses	1,017	-	1,017	-	-	-
	80,885	-	80,885	65,769	-	65,769
12. Grants Payable						
Blind and partially sighted	17,250	-	17,250	16,635	-	16,635
	17,250	-	17,250	18,900	-	16,635

The Barrow & Districts Society for the Blind Limited

(A company limited by guarantee)

Notes to the Accounts

for the year ended 31 December 2002

	General Funds	Restricted Funds	2002 Total Funds	General Funds	Restricted Funds	2001 Total Funds
	£	£	£	£	£	£
13. Fund Raising						
Wages & national insurance	9,270	-	9,270	8,990	-	8,990
Travelling expenses	1,935	-	1,935	2,089	-	2,089
Materials	1,324	-	1,324	-	-	-
Printing, stationery, advertising & postage	290	-	290	253	-	253
	<u>12,819</u>	<u>-</u>	<u>12,819</u>	<u>11,332</u>	<u>-</u>	<u>11,332</u>
14. Management and Administration						
Salaries and national insurance	64,481	-	64,481	57,954	-	57,954
Staff pension	6,536	-	6,536	4,621	-	4,621
Printing, stationery & postage	5,081	-	5,081	2,058	-	2,058
Computer maintenance	2,123	-	2,123	3,131	-	3,131
Water rates	1,504	-	1,504	440	-	440
Light, heat and power	1,842	-	1,842	2,083	-	2,083
Repairs & renewals	3,110	-	3,110	1,121	-	1,121
Telephone	1,378	-	1,378	1,926	-	1,926
Insurance	8,564	-	8,564	7,263	-	7,263
Advertising	149	-	149	160	-	160
Travelling expenses	977	-	977	730	-	730
Audit & accountancy charges	5,000	-	5,000	2,871	-	2,871
Bank charges	1,597	-	1,597	1,396	-	1,396
Investment fees	3,948	-	3,948	1,942	-	1,942
Direct mail campaign	3,392	-	3,392	-	-	-
Sundries	428	-	428	635	-	635
Operating lease	-	-	-	1,808	-	1,808
Depreciation of equipment	4,343	-	4,343	5,360	-	5,360
	<u>114,453</u>	<u>-</u>	<u>114,453</u>	<u>95,499</u>	<u>-</u>	<u>95,499</u>
Allocated: shop	22,891	-	22,891	19,099	-	19,099
home	45,781	-	45,781	38,200	-	38,200
management	45,781	-	45,781	38,200	-	38,200

15. Diminution of Ostley House, Ostley Gardens and Cavendish Street

As stated in the accounting policy an impairment review was carried out in accordance with FRS11. A valuation was carried out in July 2003 by an independent valuer Howard M Whitaker, FRICS, and was based on the present open market value of the various properties.

Because of inherent uncertainties in valuing properties such as a residential home, Mr Whitaker has provided a range of values for Ostley House. The diminution in value reflects the mid point of his valuation. The charge in the accounts is £278,272 (2001 £Nil).

16. Staff Costs

	2002 £	2001 £
Wages & salaries	387,305	346,829
Employers national insurance	21,878	18,993
Other pension costs	18,240	9,757
	<u>427,423</u>	<u>375,579</u>

No employee received remuneration above £50,000.

The Barrow & Districts Society for the Blind Limited

(A company limited by guarantee)

Notes to the Accounts

for the year ended 31 December 2002

16. Staff Costs Cont'd	2002	2001
The average number of employees during the year were as follows:	No.	No.
Ostley House staff	28	27
Shop staff	4	4
Administration staff	3	3
Fund raising staff	2	2
Social workers	4	4
Other	1	1
	<u>42</u>	<u>41</u>

No member of the Council of Management received any remuneration.
The majority of staff employed by the company work on a part time basis.

17. Tangible Fixed Assets	Freehold Land & Buildings	Fixtures, Fittings & Equipment	Total
Cost	£	£	£
At 1 January 2002	1,601,695	195,523	1,797,218
Additions	32,077	29,026	61,103
Disposals	-	(10,356)	(10,356)
At 31 December 2002	<u>1,633,772</u>	<u>214,193</u>	<u>1,847,965</u>
Depreciation			
At 1 January 2002	-	126,952	126,952
Charge for year	-	23,414	23,414
Disposals	-	(7,567)	(7,567)
At 31 December 2002	<u>-</u>	<u>142,799</u>	<u>142,799</u>
Diminution in value			
At 1 January 2002	-	-	-
Charge for year	278,272	-	278,272
At 31 December 2002	<u>278,272</u>	<u>-</u>	<u>278,272</u>
Net Book Value			
As at 31 December 2002	<u>1,355,500</u>	<u>71,394</u>	<u>1,426,894</u>
As at 31 December 2001	<u>1,601,695</u>	<u>68,571</u>	<u>1,670,266</u>

Tangible fixed assets are held for use by the company.

18. Fixed Asset Investments	Listed Investments	Unlisted Investments	Total
Net Book value of investments	£	£	£
Market value at 31 December 2001	357,246	100	357,346
Additions	76,730	2,782	79,512
Disposals	(52,308)	(349)	(52,657)
Market value movement	(62,054)	-	(62,054)
Market value at 31 December 2002	<u>319,614</u>	<u>2,533</u>	<u>322,147</u>
Market value at 31 December 2001	<u>357,246</u>	<u>100</u>	<u>357,346</u>
Historical cost at 31 December 2002	<u>318,513</u>	<u>100</u>	<u>318,613</u>

The above investments are all held in the U K.

Three investments represent more than 5% of the total, these are held in Glaxo Wellcome, M&G Charifund and 2012 Treasury Stock. The holdings are 9%, 9% and 7% of the total respectively.

The Barrow & Districts Society for the Blind Limited
(A company limited by guarantee)
Notes to the Accounts

for the year ended 31 December 2002

19. Stocks	2002	2001
	£	£
Goods for resale	32,402	32,425
Food stocks	1,709	836
	<u>34,111</u>	<u>33,261</u>

20. Debtors	2002	2001
	£	£
Staff loan	13,662	12,654
Trade debtors	8,358	8,743
Other debtors	443	6,971
Prepayments and accrued income	5,484	9,864
Taxation recoverable	1,149	1,454
	<u>29,096</u>	<u>39,686</u>

The staff loan is repaid in variable amounts and it is expected that approximately £4,000 will be settled within one year. This loan is to the Company Secretary to finance the purchase of vehicles for business use. The applicable rate of interest is 4.55%

21. Creditors: amounts falling due within one year	2002	2001
	£	£
Trade creditors	2,249	21,500
Other creditors	11,055	311
Other taxes and social security	1,947	6,021
Accruals	19,818	23,355
	<u>35,069</u>	<u>51,187</u>

22. Funds	General Funds	Restricted Funds	2002 Total Funds
	£	£	£
At 1 January 2002	1,717,019	427,710	2,144,729
Outgoing resources for the year	(172,446)	-	(172,446)
Other recognised gains and losses	(62,403)	-	(62,403)
Transfers	427,710	(427,710)	-
At 31 December 2002	<u>1,909,880</u>	<u>-</u>	<u>1,909,880</u>

Restricted funds consisted of legacies and/or donations given for specific purposes and were transferred to general funds when the terms were satisfied.

Notes to the Accounts

for the year ended 31 December 2002

23. Pension Costs

Periodically, an actuary, using normal actuarial principles, conducts an actuarial review of the fund. The aim of the review is to specify the level of future contributions. Contributions are assessed in two parts. Firstly, a normal contribution is determined. This is the contribution, expressed as a percentage of the salary of a new staff member entering service, which would defray the cost of benefits payable in respect of that service. Currently, all staff pay six percent, whilst their employers pay the balance of the normal contribution. Secondly, a supplementary contribution is payable by employers if, as a result of the actuarial investigation, it is found that the accumulated liabilities of the account for benefits to past and present staff are not fully covered by normal contributions to be paid in and by the fund built up from past contributions. The current rate of the employer's contributions for Barrow & Districts Society for the Blind Limited is 13.4% of salary

The latest valuation of the Cumbria County Council Pension Fund was for the period 1 April 1998 to 31 March 2001 and disclosed that the fund's assets stood at £761 million and covered 94% of the total liabilities in line with Government requirements. Funding levels have been adjusted to aim towards 100% funding.

With effect from 1 November 2002 the scheme has been closed to new employees.

A new group defined contribution scheme is now available. There are currently no members.

24. Capital Commitments

	2002	2001
	£	£
Capital commitments authorised but not contracted for at the year end	-	40,000
	<hr/>	<hr/>

25. Ultimate Controlling Party

The company is controlled by the Council of Management.

The Barrow & Districts Society for the Blind Limited

(A company limited by guarantee)

Detailed Income and Expenditure Account

for the year ended 31 December 2002

Income	Schedule	General Funds £	Restricted Funds £	2002 Total Funds £	2001 Total Funds
Donations					
General		15,990	-	15,990	13,194
Ostley House		894	-	894	193
Newstape		70	-	70	1,152
Payroll giving		2,185	-	2,185	1,952
		<u>19,139</u>	<u>-</u>	<u>19,139</u>	<u>16,491</u>
Legacies					
General		106,951	-	106,951	20,688
Ostley House		-	-	-	-
		<u>106,951</u>	<u>-</u>	<u>106,951</u>	<u>20,688</u>
Grants		8,226	-	8,226	9,393
Fund raising		17,301	-	17,301	17,613
Trading activities					
Shop		73,875	-	73,875	66,551
Shows & events		26,625	-	26,625	26,220
Direct Charitable Activities					
Ostley House Home for the Blind	1	534,039	-	534,039	473,217
Investment Income		16,060	-	16,060	23,255
Total Income		<u>802,216</u>	<u>-</u>	<u>802,216</u>	<u>653,428</u>
Resources Expended					
Trading activities:					
Shop		85,027	-	85,027	76,720
Shows & events		22,174	-	22,174	19,141
Direct charitable		80,885	-	80,885	65,769
Ostley House:					
Operating expenses	1	386,673	-	386,673	348,833
Administration expenses	1	45,781	-	45,781	38,200
Grants payable		17,250	-	17,250	16,635
Fund raising		12,819	-	12,819	11,332
Management & administration		45,781	-	45,781	38,200
Total Expenditure		<u>696,390</u>	<u>-</u>	<u>696,390</u>	<u>614,830</u>
Net Incoming Resources for the Year		<u>105,826</u>	<u>-</u>	<u>105,826</u>	<u>38,598</u>
Diminution in value of Freehold Buildings		278,272	-	278,272	-
Net (Outgoing)/Incoming Resources for the Year		<u>(172,446)</u>	<u>-</u>	<u>(172,446)</u>	<u>38,598</u>

The Barrow & Districts Society for the Blind Limited
 (A company limited by guarantee)
Ostley House Home for the Blind

Schedule 1

for the year ended 31 December 2002

	2002		2001	
Income	£	£	£	£
Residents' charges		506,943		450,211
Bungalow rentals		27,096		23,006
		<u>534,039</u>		<u>473,217</u>
Operating Expenses				
Wages and national insurance	270,092		238,252	
Staff pension	11,704		6,137	
Purchases of provisions	19,403		18,646	
Water, rates & council tax	4,413		4,349	
Light, heat, power & cleaning	18,032		14,122	
Repairs & renewals	32,825		39,510	
Telephone	574		461	
Motor expenses	367		335	
Depreciation - plant & equipment	18,319		16,111	
Assets written off	2,790		-	
Sundry expenses	7,584		6,001	
Training allowance	570		4,909	
		<u>386,673</u>		<u>348,833</u>
Administrative Expenses				
Home management expenses	45,781		38,200	
		<u>45,781</u>		<u>38,200</u>
		<u>101,585</u>		<u>86,184</u>