

The Torch Trust for the Blind

Directors' report and unaudited financial statements

for the year ended 30th September 2016

Registered company number 04616526

Registered charity number 1095904

Cheyettes Ltd

Chartered Certified Accountants

Leicester

The Torch Trust for the Blind
Financial statements
for the year ended 30th September 2016

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The Torch Trust for the Blind

Reference and administrative details

Trustees / Directors	Marilyn Baker Jeff Bonser Carol Eddon Rona Gibb Roger Morriss Dr Michael Townsend Anthony Brown Philippa Simkiss	from January 2017
Secretary	Michael Heaney	
Executive Leadership		
Chief Executive	Dr Gordon Temple	
Operating Officer	Michael Heaney	
Chief Development Officer	Julia Hyde	from February 2017
Chief Technical Officer	Paul Wood	
General Manager - Holidays & Retreat Centre	Gail Millar	until August 2016
Leader - Resources	David Shephard	
Leader - Regional Outreach	David Palmer	until February 2016
Leader - International Outreach	Janet Stafford	
Leader - Client Services	Sheila Armstrong	
Leader - Production	Graham Moody	
Leader - Human Resources	Sarah Hamilton	until May 2016
Company number	04616526	
Charity number	1095904	
Registered office	Torch House, Torch Way Northampton Road Market Harborough Leicestershire LE16 9HL	

The Torch Trust for the Blind

Reference and administrative details

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The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

The directors, who are also trustees of the charity for the purposes of the Charities Act and hereafter referred to collectively as the trustees, present their report and the financial statements for the year ended 30th September 2016. The financial statements have been prepared in accordance with the Charity Commission's Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE) (effective 1st January 2015) published July 2014.

Reference and administrative details

All reference and administrative details are either disclosed in the information on pages 1 and 2 or set out hereunder.

Structure, governance and management

Constitution

The Torch Trust for the Blind was incorporated on 13th December 2002 as a company limited by guarantee to carry on the activities of the unincorporated charity of the same name (registered charity no. 208678). The company was registered as a charity with aims equivalent to those of the unincorporated trust and was constituted under a trust deed dated 17th January 1952.

The Torch Trust for the Blind is commonly identified as the Torch Trust and frequently referred to as Torch.

Board

At the year end the Board of trustees comprised seven members, four of whom are blind people.

There is a recognition of a need to continue to increase the range of skills on the Board and candidates are actively considered and approached as appropriate. A new trustee, Dr Philippa Simkiss, was appointed to the Trust Board in January 2017. In taking up their responsibilities the new trustees will be required to attend an induction day during which they are advised of their responsibilities under charity law and the Torch Trust's governing documents and introduced to the work and leadership of the Trust. Ongoing training is also provided.

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The Board make significant policy decisions including the direction of the Strategic Plan, have the final say on the appointment of senior staff and agree the annual budget. They take an active interest in the work, staff, volunteers, Clients and Supporters of the Trust, but leave the day to day management in the hands of the Chief Executive and the Executive team.

Leadership

The supervision of the Trust's operations and activities has been delegated by the Board to the Chief Executive who, in consultation with the Executive team, makes day to day decisions to ensure the Trust runs in a manner consistent with its charitable purpose, its aims, values and strategic objectives and with the strategies and policies agreed by the trustees.

The Executive Team reduced to three members during the year, The Chief Executive, the Operating Officer and the Chief Technical Officer, but has been strengthened by the appointment of a Chief Development Officer in February 2017.

The Chief Executive with the Operating Officer/Company Secretary attend all Board Meetings and from time to time other Leaders also attend Board meetings as appropriate to agenda topics. The names are listed in the Reference and Administrative Details section at the beginning of this Report.

Staff

Torch's diverse programme of activities and services depends on the expertise and commitment of a loyal team of staff. Torch Trust seeks always to apply the Christian attitudes and values that underpin its work to the employment and management of staff.

Volunteers

In making a difference to the lives of blind and partially sighted people, Torch relies on a large number of willing volunteers to support the delivery of its services.

In the context of local Torch Fellowship Groups around the UK, usually meeting monthly, over 1,000 volunteers are involved. Work at the Torch headquarters, Torch Holiday & Retreat Centre and those working from home involves up to 50 people. As Torch's Journeying With programme expands, the number of volunteers involved in delivering the service will need to grow significantly, with training and support from Torch Trust.

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The Trustees are grateful for the diligence and enthusiasm of the large number of people, both staff and volunteers, involved in delivering Torch's vision for people with sight loss.

Council of Reference

The Council of Reference comprises well-known and respected Christian leaders who not only lend credibility to the Trust through the inclusion of their names on Torch's literature and website, but provide the trustees and leadership with expert advice and counsel. They have no decision-making remit.

The Council currently comprises Revd Dr Steve Brady, Principal of Moorlands College, Revd Dr David Coffey OBE, former President of the World Baptist Alliance, Revd Malcolm Duncan, Senior Minister at Goldhill Baptist Church, Jonathan Lamb, Chief Executive of Keswick Ministries, Revd Roy Searle, Leader of the Northumbria Community, Dr Elaine Storkey, President of TEARfund (until September 2013) and Revd Dr Derek Tidball, author, former Principal, London School of Theology.

Affiliations

Torch is part of a wider Christian disability network called Churches for All. This helps to ensure that Torch is consistent in its approach to Clients who may also have other disabilities, as well as sight loss.

Torch is also a member of a wide range of:

- Sight loss organisations and networks, helping it to keep in touch with sector developments and providing opportunities to work with other organisations on specific projects where that is in the interests of Torch
- Christian organisations and networks, helping it to keep in touch with developments in churches which can be a key component in enabling blind and partially sighted people to have a fulfilling Christian life and, with appropriate volunteer training, support people locally who are going through the trauma of sight loss
- Torch has an international reach and so maintains regular contact with Christian organisations working with visually impaired people around the world.

Risk review

The trustees recognise their responsibility to identify the major risks to which the Trust is exposed, to review these risks and establish systems to mitigate them. Accordingly the Trustees have instituted a formal review of risks and controls. These are reviewed on an ongoing basis by the Executive Team and at least annually by the Board.

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The principal risks identified are:

- Inadequate Reserves and loss of income. Donations and Legacies are the most significant variables. Torch Trust has been operating below the reserves level during the past year but by careful monitoring has continued to meet all commitments in a timely manner. Investigations are in hand to address this by potentially releasing cash based on the property assets of the charity.
- Torch Holiday & Retreat Centre - Requires adequate staffing over extended hours and raises additional health and safety issues related to elderly guests. Additional new staff are being recruited and interim arrangements are in hand.

The Trustees continue to use Peninsular as health and safety advisors. In addition to providing regular advice they conduct an annual inspection at both premises. The advisors have expressed themselves satisfied with our attention to health and safety and observe matters requiring our attention are dealt with promptly. The trustees receive a health and safety report at each Board meeting.

During the year policies are reviewed and agreed annually at the AGM; these include policies for Safeguarding, Equal Opportunities, Hospitality, Conflicts of Interest and Accepting or Rejecting Donations.

Objectives and Aims

Objectives and Overview

The objects of Torch Trust are the relief and support of blind and partially sighted people in accordance with the Christian Basis of Faith contained in the charity's governing document.

In seeking to fulfil these objectives, the Trust aims to enable people with sight loss to discover Christian faith and lead fulfilling Christian lives.

Our programmes are delivered primarily in the UK although we reach many other countries with our accessible literature, with a particular overseas emphasis in Malawi. Here Torch Trust founded, supports and funds an autonomous non-governmental organisation called Torch Trust for the Blind International (Malawi) which has its own board of trustees on which Torch is represented by Janet Stafford, Torch's International Leader.

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The origins of the Torch Trust of today go back to 1959 when the Trust and its eponymous magazine The Torch were taken on by Ron and Stella Heath. It now operates from two premises - Torch House, the headquarters and production building in Leicestershire and the Torch Holiday & Retreat Centre in West Sussex. Torch employs around 38 staff and benefits from the skills of many committed volunteers. It has an annual budget of around £1 million and reaches around 10,500 people with sight loss.

The Need

The work of Torch Trust in the UK is set against the backdrop of an increasing number of people experiencing appreciable sight loss. The number is estimated at around 2 million and is predicted to grow to 2.25 million by 2020 [Source: RNIB].

There is data that each day across Britain, 100 people begin to lose their sight, that only 20% have someone with them to support them when they receive this devastating news and only one in 12 is ever offered any form of counselling [Source: RNIB]. Too many struggle for years before discovering all that is available to help them lead lives that are emotionally and spiritually rich, productive and fulfilling.

Worldwide the needs are even greater and in many countries there is a wide prevalence of sight loss from an earlier age, often through disease.

There are specific issues and challenges faced by many blind and partially sighted people. The activities of the Trust in the UK are shaped to enable people to overcome some of those challenges and to promote wider inclusion within a Christian faith context. These needs include:

Emotional Support

Though the trauma sight loss can be likened to that of a close family bereavement, people experiencing its onset seldom receive much emotional or spiritual support. Time invested with people during these early stages builds confidence and reduces dependency and related costs in subsequent years.

People losing their sight often have a need to relate this traumatic experience to their faith.

Church Inclusion

Blind and partially sighted people frequently find that there are barriers to full inclusion within the life and work of a Christian church, and are too seldom encouraged to contribute their God-given gifting for the benefit of the faith community and wider society. Attitudes to disabled people are a general issue in society and the same general issues can affect church life too.

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Social Exclusion

On average, people with sight loss are not as socially active, take fewer holidays and are more likely to experience loneliness than their sighted counterparts. This often leads to a downward spiral into isolation with many expressing great regret at the loss of human contact. Loneliness has been shown to have an enormous impact on health and well-being.

Information Gap

People with sight loss do not have the same access to information as sighted people. Only a small proportion of printed material is ever made available in accessible media. For those who are tech-savvy there are now electronic ways of accessing mainstream publications but the majority of blind and partially sighted people are starved of reading materials, including Christian reading. This is more acute in many of the less-developed countries. Accessible literature is also a great 'companion' for many who live alone.

Our Reach

When visually impaired people become registered users of Torch Trust services we describe them as 'Clients'. During the year - we registered 897 new Clients - the overall number served directly by Torch Trust rose strongly from 6,447 to 6,835.

Torch routinely experiences a high 'turnover' of elderly Clients and has long anticipated a decline in new readership registrations as through mainstream technological developments the number of reading options for those who lose their sight is greater than it was. For the many who do not have the skills to utilise the new technologies Torch's Christian reading services remain a vital lifeline.

Of the total Clients on record, 4,190 (61%) are based overseas and 2,654 (39%) in the UK, a rising proportion of the total. However, there are many unrecognised Clients for which we do not hold personal details. For example, many who attend local Torch Fellowship Groups in the UK and blind people at schools in Africa where we make bulk deliveries of Braille magazines. It is estimated that Torch continues to serve over 10,000 beneficiaries.

Making a Difference

Torch Trust seeks to make a difference in various ways, including:

Working with Christian churches so they can be more welcoming and inclusive to people with sight loss, so that their talents and gifts can be fully developed.

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Enabling inclusion and personal development through activities and resources in local Christian fellowship groups, holidays and retreats and closing the information gap through accessible Christian publications.

Starting to provide befriending services to people losing their sight at the times of their greatest need, so helping to garner increased confidence and provide greater independence, leading for those who want it to fuller participation in the Christian faith, both at a personal and church community level.

Values

Torch Trust has a distinctive culture that reflects its Christian ethos and has been shaped by its fifty five year history of seeking to be faithful to God's guidance and follow His ways. The values inform the choices made by Torch Trust and the way it operates. They affect both what it does and the way it is done. The values are:

- Christian
- People-focussed
- Open
- Creative

In addition to these values, Torch Trust upholds the principle that visually impaired people should not be financially disadvantaged, compared to sighted people, because of their disability. To this end, the resources and activities provided by Torch are made available at no more than a sighted person would pay for the equivalent publication or service. Sales income accounts for only a small percentage of the charity's income, with Supporters providing over 88% of the funding through donations, grants and legacies.

Torch is very specifically a faith-based charity. This describes more than its Christian foundation and roots. It also encompasses the belief that in following God's will and doing His work, He will provide the funding and other resources needed for the services and programme He wants us to undertake. For this reason, Torch Trust does not make appeals or run fundraising activities.

Torch Trust uses the term 'Supporters' in a wide sense including those who pray for the Trust's work and those who volunteer alongside those who provide financial support. Many blind and partially sighted people who are Clients are also Supporters, though the majority of Supporters are sighted people. Prayer information is regularly made available in a variety of methods, including with the main Supporter magazine, Torch News.

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During the year, the total number of Supporters on record grew to 6,672 (up 2.7%) partially reversing the decline of the previous year. With 146 new sighted supporters registered the Trust is continuing to secure fresh support.

Torch Charter

In achieving its aims and working out its values Torch Trust will further its objectives by supporting visually impaired people in a Christian context. The Torch Charter is an aspiration to this end, that every blind and partially sighted person should have the opportunity to:

- Explore Christian faith and discover Jesus
- Grow as a Christian
- Enjoy a fulfilling devotional life
- Access the Christian resources and activities they need
- Join a church of their choice
- Develop their invaluable God-given gifting
- Contribute to the life of the church

The Torch Trust regularly runs or participates in many disability or sight loss awareness and training activities for church leaders and members.

Strategy

In order to be effective in meeting its aims and objectives, Torch Trust has recognised and addressed emerging needs, embraced new technologies, fostered stronger links with organisations in the sight loss and Christian sectors and is progressively rebalancing its priorities to better serve the changing needs of blind and partially sighted people and those losing their sight.

These have been encompassed within a five year Strategic Plan covering the period ending in December 2015 which is summarised under three heads ...

- **Presence:** the work done by Torch that involves personal contact with people with sight loss
- **Resources:** the provision of accessible Christian literature of all types to people with sight loss
- **International:** the activities undertaken by the Trust that relate to blind and partially sighted people living outside the UK

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The Plan rebalances the resources and activities of Torch Trust and commits us to be more involved in 'early reach' work in meeting the needs of people losing their sight with a reducing proportion of resources directed to the production of accessible Christian literature.

Torch Trust strategies are specifically designed to mesh with the sector-wide UK Vision Strategy which was relaunched during the year to extend to the five year period 2013 - 2018. Torch strategies go further in recognising that a holistic response to sight loss should enable blind and partially sighted people - as well as sighted people - to find their place as part of 'community'. Torch seeks to apply this in the context of Christian spirituality, the local church and its role in the local community.

A new Strategic Plan covering the period 2016-2020 was adopted by Trustees at their January 2016 meeting. It continues with many of the strategies embarked upon in the previous Plan and continues to be aligned with UK Vision Strategy in the relevant areas.

Activities and Major Programmes

The activities and programmes of Torch Trust fall into three broad categories. In support of these charitable activities, Torch Trust is represented at many Christian and sight loss exhibitions, events and conferences - with a view to both raising its profile both among churches and across the sight loss sector and to meet existing and potential Clients and Supporters.

Presence

Journeying With

This is our 'early reach' programme aiming to meet the needs of people who have just been diagnosed with sight loss. This is run in partnership with local churches and/or local Christian volunteers who work alongside Torch to respond to local needs, linking with local sight loss agencies and eye clinics. Volunteer befrienders who in turn receive a Torch training package.

In 2014 Torch began to recruit to regionally based staff to support the roll-out of Journeying With schemes across the UK. There are now Torch staff based in Northern Ireland and South West England.

Within the year a new Journeying With scheme started in Exmouth, Devon and has proved effective in providing practical, emotional and spiritual support to local people struggling with their loss of sight. Now there are the beginnings of additional schemes in a number of other locations.

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After three successful pilots partnership Journeying With befriending is now also offered by phone on a UK-wide basis.

To date Journeying With (including "by Phone") has served or is serving 50 clients. Around 35 volunteers have completed training.

Church Engagement

Torch Trust seeks to encourage and help churches to become more welcoming and inclusive to people with sight loss, so that their talents and gifts can be fully developed. As a leading partner in the Churches for All network, Torch also works shoulder to shoulder with other Christian disability-focussed Christian charities in campaigning for a UK church that is truly inclusive of disabled people.

Torch Worship for All application that automatically converts the song words and other text being presented on a screen in braille and a variety of large print sizes is freely available to churches via the Torch website.

Torch Groups

Torch Fellowship Groups have traditionally been the 'local face' of Torch around the UK. They are run by volunteers drawn from local churches and operate autonomously, under the terms of a Partnership Agreement with Torch Trust. From the first Torch Fellowship Group started in 1970, the regular monthly meetings provide support, Christian fellowship and social interaction.

At the year-end there were a total of 82 (2015: 107) local Torch Groups including seven Torch Book Groups. The closure of Groups has often been related to the aging the leadership of the Group many of whom have served for several decades. New types of local Torch Group are being planned. TorchTalk telephone friendship groups now complement the work of the local Torch Groups. With around 35 sessions per month these reach those who live remotely, those who cannot get to a local Torch Group or those share a common interest.

From the annual returns for the year, we estimate that the Groups routinely bring Christian support and encouragement to many hundreds of blind and partially sighted people, supported by a similar number of sighted volunteers.

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Holidays

Torch Trust has been running and developing specialist holidays for people with sight loss for many years. The ambience of the Torch Holiday & Retreat Centre in the village of Hurstpierpoint, West Sussex, is at the same time peaceful and fun-filled.

Torch holidays and retreats are all-inclusive events for people with sight loss, their families and friends. Though varied in style and theme they all run with a Christian ethos and an emphasis on community. The majority of Torch Holidays are run at the Torch Holiday & Retreat Centre, with just an occasional holiday run at other venues.

These Holidays have an enormous impact on many of the guests, frequently people who live alone and often feel isolated and lonely through sight loss.

Resources

Accessible Christian Literature

This is provided through a free lending library of Braille, large print and audio books, Christian courses and books for purchase and a range of periodicals (Bible reading notes and Christian magazines).

Media

Audio accounts for the largest share of the accessible media options with 50% of registered accessible media readers and 80% of library borrowers. DAISY audio is a specific MP3-based media with structuring that enables readers to navigate their way easily around an audio book. Memory stick audio has proved very popular. Memory stick players - which Torch can supply through an arrangement with the RNIB - are an affordable digital alternative to obsolescent audio cassettes. A concerted effort has moved many cassette users to this technology with some urgency, with a complete phase out to be completed in the early months of 2017.

Braille represents the nearest equivalent reading (and writing) alternative to print for those who are blind. Though the readership is smaller than audio Braille readers are hungry for all they can get. The current move to a Unified English Braille code (UEB) has the potential to greatly increase the amount of English Language reading material in this medium and to increase the international audience for Torch's Braille products.

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Braille is especially important in many less developed countries. The Torch magazine has a Braille circulation of 4,700 copies (2015 - 4,706), making it the largest known circulation Braille periodical in the world. In addition some 2,976 copies are produced in a combination of audio and large print of various sizes. Over 85% of all The Torch are mailed overseas.

Some people with sight loss can use residual vision to read large print. In recent years Torch has developed transcription and print on demand technology to offer the option of variable-sized large print for magazines, with a choice of large print text size best suited to their current level of sight. The take up of this facility continues to be encouraging with notable growth in 17 point large print, though the majority continue with Torch's historic standard 24 or 25 point.

Library

Year-end Library membership was slightly down overall at 978 (2015 - 1,030).

A total of 196 books in Braille, giant print and audio formats were added to the Torch library collection. Torch continues its move away from speculative transcription of books and towards a more demand-led service employing automatic transcription facilities.

The accessible Library collection includes over 4,000 Christian print book titles in a mix of Braille, audio and large print formats.

Book loans during the year totalled 12,358 (2015: 13,405), a decline of 8%. This downwards trend is expected in view of the growth of mainstream options accessible to at least some people living with sight loss and also the growth of the purchase of accessible edition seen since Torch books started to become available the Eden, the online Christian bookstore.

Magazines

At the year-end subscriptions for our accessible periodicals (mostly provided free) for Clients totalled 16,422 (2015: 18,328) inclusive of growing email distribution. Other sight loss organisations have also experienced a general shift downwards in circulations reflecting a specific change in the way a number of visually impaired people now choose to access literature (electronically through new technology, rather than physically through hard copy media).

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The range of magazines is being extended as Torch looks to move to offering accessible editions of mainstream print titles, ultimately planning to move away from only editing and compiling its own range of magazines. The new titles will be offered on an 'opt-in' basis so the demand will be set by Client appetite, something that will be monitored as Torch tunes its offering to better serve its Clients.

Daily Bible Reading Notes

At the year end the Trust had subscriptions for 1,124 (2015: 1,227) copies of daily Bible Reading Notes in a mix of three titles and three media: audio, braille and large print of various sizes. This modest decline is again unsurprising as there are alternatives by way of increasingly accessible mainstream technology. The subscriptions are free but Daily Reading Notes Clients are encouraged to make donations comparable to the print subscription price.

Book Sales

Sales of books and other accessible materials increased by 3% compared to the previous year. The new edition of the MegaVoice handheld audio Bible which uses the Hodder Faith recording of David Suchet reading the entire Bible is proving particularly popular.

Services to other Christian Organisations

Torch also provides accessible literature for other Christian organisations and events on a contract basis. Although not a large part of our daily work, the model is a good one in promoting inclusion with mainstream publishers and organisers.

Radio

Torch produces a weekly 15 minute programme called Reflections broadcast on RNIB's Connect Radio and Premier Christian Radio stations. It provides a focus on faith and disability and often informs listeners of resources and services delivered from Torch Trust and other providers.

Once more a total of more than 25 hours of airtime was broadcast during the year, including some extended Easter and Christmas programmes for RNIB Connect Radio.

Torch also produces an audio Thought for the Week which is available from the Torch website to follow and for insertion into, for example, Talking Newspapers.

Information and advice

Under the leadership of Sheila Armstrong (a blind person) the Client Services team provides information and advice on a wide range of services available from Torch and other providers. Their work is complemented by the information available on the Torch web site, with such resources as our listing of accessible Bibles.

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International

Torch has an international vision that is based on a long history of partnerships and relationships.

Much of what is done arises in response to needs that emerge from those relationships.

Malawi

The Trust has a long involvement in Malawi through the Torch Trust for the Blind International (Malawi) which operates from a compound in Blantyre. Here an African team are engaged in the production and distribution of Bibles and other literature in Braille and large print, in African languages. From here a network of Torch Fellowship Groups are supported.

Accessible Literature

Our international connections in around 100 countries act as a conduit for accessible Christian literature through magazine subscriptions and local Braille sub-libraries in over thirty locations around the world. Torch also has a number of strategic relationships with organisations overseas working with blind and partially sighted people.

African-language Bibles and other Christian literature is also provided free through the Braille production facility at Torch Trust for the Blind International in Malawi.

Humanitarian Aid

This is provided for blind and partially sighted people and their families in Malawi in kind and through financial gifts.

A shipping container is sent once a year with basic commodities, clothing and items for personal hygiene, all more difficult for blind people to obtain, especially in remote regions of Malawi. Blankets and knitted garments are often provided by Torch Fellowship Groups in the UK.

Fellowship

In a number of countries in Africa Torch has facilitated the setting up of autonomous Fellowship Groups, providing much needed local support and encouragement.

When Janet Stafford, Torch's International Leader, makes her twice annual visits to Malawi she is able to work alongside Africans making visits to blind people in their homes, in Fellowship Groups, in churches and at special overnight worship and prayer meetings.

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Achievements and Performance

Progress on 2015/16 Objectives

This was the final year covered by the five year Strategic Plan (2011-15) which mandated a rebalancing of its activities, reducing resources devoted to accessible literature work to release more resources to support growth in its presence with people losing their sight where they live, and to streamline its literature activities so that they are more responsive to Client reading needs and preferences.

Torch designated 2016 its Year of Reaching Out.

The following objectives were set for the 2015-16 period under review, all with a view to initiating the implementation of Torch Trust's new five year Strategic Plan. Progress made is indicated in bulleted text.

General

Finalise and launch internally and externally the new Strategic Plan 2016-2020 and set plans for advancing its implementation throughout the organisation.

- The Strategic Plan 2016-2020 was finalised and adopted by trustees in January 2016. Under the heading 'Committed to Community' it was immediately communicated to staff and volunteers and subsequently reflected in the content of the new corporate brochure launched in 2016.

Recruit the right people to the key vacancies that need to be filled to advance the implementation of the Strategic Plan.

- The pace of recruitment was inhibited by financial constraints. Nevertheless strategically important positions were filled in Client Services and at the Torch Holiday & Retreat Centre. The key executive appointment of a Chief Development Officer to lead the Presence aspects of the Trust's programme was completed in February 2017.

Commence an upgrading of our communications activities.

- Joining Torch in 2014 Communications Coordinator Grace Davis has taken a lead in the development of the Trust's communications activities. Torch has become more active and visible in social media.

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Continue to stimulate and foster the engagement of supporters with the Torch Trust and its activities.

- We have sought to improve Torch's communications with supporters through informed, creative and compelling content in the quarterly Torch News mailing, through email news bulletins, website news and increased use of social media.

Presence

Continue the roll-out of local Journeying With schemes and the national Journeying With By Phone service to reach and provide practical, emotional and spiritual support more people through the traumatic experience of sight loss.

- Progress in establishing new local Journeying With schemes has been more challenging than expected. Nevertheless there were encouraging developments as far apart as Aberdeen, Lisburn (NI) and Devon. Journeying With by Phone was launched in January 2016 and has quickly grown with a second round of volunteer training following in 2017.

Develop the Torch Holidays programme to meet the recognised needs of blind and partially sighted people and people losing their sight, taking advantage of the improved and enlarged premises at the Torch Holiday and Retreat Centre.

- During the year we expressed our appreciation to the long-serving leader of Torch Holidays, Gail Millar, as she moved on to serve in other charitable work. A capable new team was recruited and trained but inevitably there was disruption to our development plans. These are back on track with a full programme of holidays for 2017, including new holidays tuned to the interests and needs of people with sight loss identified through recent research.

Explore options and opportunities of the development of new local Torch Groups and strengthen support to the existing network of local Groups, giving fresh emphasis to hospitality as a key outworking of Torch's values.

- Here again the departure of a longstanding leader, David Palmer, delayed development but with the appointment of Julia Hyde as Chief Development Officer in February 2017 the envisaged development of local Torch Groups will benefit from fresh attention.

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Develop the links with local sight loss services and professionals and with local churches and church networks that support the vision to reach more people with sight loss at their times of greatest need.

- Engagement with sight loss services through membership of sector networks, Visionary and Vision2020 together with Torch's active participation in the UK Vision Strategy and England Vision Strategy continues to grow awareness of Torch and its activities. Links with local churches have been supported and developed by Torch's regionally based staff members.

Set up a bursary scheme to ensure that those who would benefit from a Torch Holiday but cannot afford it are able to.

- With a changeover of leadership and staffing at the Torch Holiday & Retreat Centre this project has been deferred to 2017.

Start to build the links that ensure that there is always an onwards pathway for those Torch serves.

- There has been a growing awareness among Torch's staff of the significance of the longitudinal (or 'living-stories') theme in the Strategic Plan is providing a progression of support to people on a sight loss journey. Recent research has shown that three-quarters of people already registered as blind or partially sighted experience a further deterioration in their residual vision over a 12 month period. Our clients' needs change and we are working to support migration from one service to another.

Take the first steps in the development of Torch Hubs that draw together, coordinate and support the local services that Torch offers, region by region, starting in the regions where Torch already has local staff presence.

- With the focus on recruiting a leader for the Presence aspects of Torch's programme to lead this initiative little progress has been made in this direction. This recruitment was completed in February 2017 with the appointment of Julia Hyde and she will lead the implementation of this aspect of our Strategic Plan.

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Resources

Advance the methods and means by which Torch offers greater choice of reading materials in accessible formats to clients.

- With automated transcription now routinely used to process books in hours and days rather than months or years Torch is now in a position to support more client choice in accessible reading materials.

Pursue opportunities to bring accessible Christian books to those who can benefit from them through other channels, including the mainstream Christian book trade.

- Through a relationship with Eden, the UK's online Christian bookstore, Torch's accessible editions are now routinely offered alongside standard print editions for online purchase. Torch is now regularly servicing orders that have come through the Eden Christian bookstore. In the traditional Christian booktrade Torch has developed a relationship with the CLC chain of Christian bookshops.

Seek to complete the transition to "all digital" audio with encouragement for those who find the move from cassette difficult.

- We have continued to encourage Torch's library clients to migrate to DAISY CD or USB Memory Stick for their audio reading and sound progress has been achieved with the final deadline for closing the cassette service set as March 2017.

Continue to develop Torch's periodicals offering with an emphasis on giving access to mainstream Christian publications.

- At the beginning of 2016 Torch introduced a monthly audio edition of Premier Christianity, the UK's leading pan-denominational magazine, which included the entire editorial content. This was further developed in January 2017 with the addition of braille and large print editions similarly complete, save for perhaps one article to avoid expanding beyond two volumes and that chosen by the magazine's editor.

Continue to develop Torch's automated transcription and on-demand production to support an ever more responsive service to clients.

- The year saw the consolidation of work undertaken over several years towards the automation of transcription for braille and large print in multiple sizes, leading to the restructuring of the transcription operation and a reduction in its operating cost.

The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

International

Continue to foster and maintain international partnership relationships with Christian agencies that engage with people with sight loss.

- Torch has maintained relationships with Christian agencies in other countries that work with blind and partially sighted people through correspondence, advice and practical help.

Continue to distribute and promote the distribution of Bibles in accessible formats, especially in Africa.

- The MegaVoice audio Bibles;
- The Torch Trust International operation in Malawi has continued to produce African language braille Bible volumes that are distributed to blind people in Malawi and other African countries. By way of an example, during 2016 a production of 50 copies of the New Testament Hausa for Nigeria commenced. A further project to provide 50 New Testaments (10 volumes) in Hausa for Nigeria was commenced. Additional Braille Bibles volumes were produced on demand in the languages spoken in Malawi.

Continue to support and encourage the trustees, staff and volunteers working with Torch Trust Malawi to produce and distribute accessible Bibles and provide a distinctively Christian response to the acute needs of people with sight loss in this and other African countries.

- Twice annual visits by Torch's International Leader, Janet Stafford, who also serves as a trustee of Torch Trust for the Blind International (Malawi) have provided much needed support and encouragement. During the year the Torch compound was raided by a local criminal gang and technology stolen, disrupting the work until replacement equipment was procured. Working with African partners blind and partially sighted people have been supported through the Fellowship Groups many in remote and extremely poor locations.

Review the international readership of Torch's magazines in a thoughtful process towards ensuring that appropriate media and quantities are sent to blind and partially sighted people the world over.

- With some regret and doubtless some disappointment to clients in less developed countries we have concluded that we cannot practically continue to produce our cassette audio periodicals and have replaced them with audio CD editions.

The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

Infrastructure

Review the overall organisation structure to adapt it to support the vision set out in the Strategic Plan.

- After careful planning organisational changes were made at the end of 2016, further reducing staffing within the Resources aspects and recruitment of a leader for the Presence aspects.

Initiate the strengthening of Torch's operational infrastructure in readiness to support a more distributed and localised structure to Torch's UK activities.

- Reorganisation during 2016 improved the clarity and definition of roles in the operational areas.

Upgrade the financial systems to better support the changes envisaged.

- With the help of external professional advice Xero was selected as the accounts system best suited to Torch's present and future needs and implementation commenced late in 2016.

Improve Torch's personnel (HR) processes towards a better recruited, trained, supported and motivated staff and volunteer team.

- The adoption of Peninsula as an external provider of Human Resources management tools and services has greatly strengthened personnel management while releasing staff time for other operational support services.

Develop the client support offered by the Client Services team to better serve the range of needs that come to Torch from blind and partially sighted people and people losing their sight.

- Reorganisation and recruitment have strengthened the Client Services team. Together with regular staff training this is yielding an improved response to client enquiries.

Continue to review the best use of the excellent quality premises that Torch Trust has in its ownership.

- With the streamlining of the Resources aspect of Torch's activities space in the Torch House premises has been released. An upstairs office was identified as suitable for let and Voluntary Action South Leicestershire (VASL), a local charity, took a tenancy from October 2016 providing Torch with income from its surplus space.

The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

Financial Review

Total income dropped back to £892,045 (2015 - £1,027,264). Donation income, together with the tax recovered on donations by Gift Aid, fell by 22%. Torch Trust's donation comes mainly (over 80%) from personal donations and this drop reflects the financial pressure experienced by many. Grant income in the prior year included funding for the major extension and upgrading of the Torch Holiday & Retreat Centre which came to an end with the completion of the works.

Economies were made and total expenditure was reduced by 4% to £952,959 (2015 - £988,454) despite a small increase in staff costs of 2% attributable to a one off additional non-recurring cost for the year.

The Torch Trust registered for VAT effect from 1st January 2014 as a consequence of the projected growth in the activity and income at the enlarged Torch Holiday & Retreat Centre. This has had implications for the other aspects of the Trust's activities and has had a modest net adverse effect.

The Statement of Financial Activities shows a deficit of £60,914 (2015: surplus of £38,810). Action was taken following the year end to further constrain costs and the new year has seen an increase in donation income. With an unusually strong legacy pipeline The Trust, which has operated for 58 years reliant in faith upon God to meet its financial needs, is operating to a budget that is expected to yield a small surplus for the current year.

Apart from a final payment in connection with the completion of the works at the Torch Holiday & Retreat Centre of £10,320, capital expenditure was modest totalling £9,045.

An interest-free loan of £30,000 generously provided in support the redevelopment of the Torch Holiday & Retreat Centre was repaid in full in December 2015.

The Trust has the benefit of a further generous interest free loan of £4,000 of which £1,000 was converted to a donation during the year. With freehold ownership of two high quality buildings and being debt free the Trust has a strong balance sheet with the funds at year end of £2,818,898 (2015 - £2,879,812).

The Board with the CEO and Operating Officer monitors the cash position of the Trust on a regular basis and keep under review options that would allow it to release cash from the ample fixed assets.

The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

The Trustees acknowledge with gratitude all grants received during the year. The Trustees also wish to express their appreciation to the many who support the work of the Torch Trust by making donations, large and small, and honour those who have supported Torch by leaving a legacy gift.

The financial administration of the Trust is overseen by the Operating Officer, Michael Heaney, who reports regularly to the Board on the financial performance of the Trust.

Reserves Policy

As stated above, the Board has a minimum cash reserves policy of two months average expenditure. For the year under review that equated to £150,000.

At the year end the cash reserves were severely depleted at just £11,729. Included within year end debtors is £229,000 of assured legacy income. Since June 2015 Torch Trust has had an overdraft facility of £100,000 in place with its banker, CAF Bank, and in the months following the year the Trust has drawn on this facility pending the arrival of much of this anticipated income.

Restricted Funds

The Restricted Funds balances of £8,123 are detailed in note 8 to the Accounts. The main constituent Funds are held for:

- Strategic Plan implementation in the area of a Web Shop Project - £7,043
- Africa (supporting blind and partially sighted people with literature and humanitarian aid) - £5,361

The fund for the Torch Holiday & Retreat Centre shows a negative balance of £6,313 being expenditure made in the year to complete on the major redevelopment of previous years which is still expected to be covered by future restricted funds income.

All of the funds are likely to be spent during the course of the next financial year.

Designated Funds

There are also designated fund balances of £4,229 (2015: £280) being the profit from sales of the MegaVoice handheld audio Bible. The fund is designated by the Board to fund the purchase of further Megavoiced solarpowered audio Bibles to support the continuation of free distribution to visually impaired people overseas.

The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

Budget

A budget has been agreed with the Board for the 2016/17 financial year which supports the programme of work to both continue Torch Trust's activities and services and to meet the objectives set out below.

Objectives for 2016-17

The current five year Strategic Plan came into effect in January 2016 covering the period to December 2020. Accordingly the following objectives have been set for the 2016-17 period, with a view to progressing the implementation of the charity's five year Strategic Plan.

Resources

- Transition magazine readers to new line-up: To manage the transition so that clients get choice and no-one is left with nothing;
- Greatly increase accessible book choice for client selection: To set up relationships with publishers to assure availability of suitable quality files for on-demand transcription;
- Revise Reading for All magazine: To simplify its style and content to achieve its purpose in promoting reading choices and other Torch services to UK VI audience;
- Revise the style and content of The Torch magazine: To set the style and content of our core magazine to be suitable and inspirational for international VI readership and set a new editorial process;
- Introduce synthetic audio option for audio on-demand: Adding synthetic audio to the on-demand transcription options to support more client choice - using best available voice(s);
- Set new quarterly periodicals production plan: Define and implement a 13 week regular cycle for all periodicals covering text availability, transcription and production;
- Introduce streamlined braille labels solution: Research and set up a simple and routine way of making braille labels for use on book covers and many other situations (greetings cards?);
- Establish maintained literature selection at Torch HRC: Set up a mini accessible edition library and 'rack' of latest magazines and Torch info in various media;

The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

- Pursue collaborative Bible projects: Support the completion and launch of the Biblica "Accessible Edition" and nurture the partnership with the Bible Society for other languages. (in part this is both an International and Technical project.

Presence

- Define a National Presence renewal and growth programme: Develop the policies and plans that will progress the implementation of the Presence structure across the UK as Strategic Plan envisages;
- Refresh Journeying With initiative: Review strengths and weakness and revise the JW initiative with its promotion and training materials and start new schemes;
- Initiate new Church engagement programme: Research and establish a fresh Church engagement approach and begin its implementation;
- Recruit 2 more Regional staff: Recruit staff to support Torch Presence in more areas of the UK - both nations and regions;
- Develop transitions between Torch services: The Longitudinal aspect of the Strategic Plan envisages that there is always a 'next thing' for clients of Torch services;
- Redefine Torch Groups: To review the way Groups operate and to reconsider the way they operate - with clarity about what makes them Torch Groups;
- Achieve growth in Holidays bookings: Through promotion and follow up, make fuller use of the capacity of the Centre to benefit B & PS people;
- Professionals Open Days: Use Torch House and Torch HRC as venues for Open Days to build awareness with sight loss professionals.

International

- Alternative arrangement for Aid Africa containers: A sustainable voluntary arrangement to replace the container loading operation done at Torch House after this year;
- New arrangements with Torch Malawi: A sustainable basis for the leadership and management of Torch Malawi and relationship with Torch Trust in the UK;
- Make decisions over Dezna Torch in Romania: Resolution of options for the future use of Casa Torch working with Romania partners.

The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

Infrastructure

- Review and enhance IT security: Check out and improve as necessary access controls to Torch's networks and databases;
- Achieve growth in number of active donors: To develop supporter engagement methods that are effective in recruiting new donors and stimulating income growth;
- Renew main Torch website: A comprehensive make-over with new look, refreshed content, e-commerce for book selection with sales order processing;
- Torch literature family rationalisation: Simplify Torch informational literature (print & accessible) - detailed information available through website with hard copy options;
- Achieve growth in Centre bookings and no. of clients: By promotion to churches and by partnership working to grow the number of bookings - especially those involving overnight stays;
- Implement new finance system: To complete implementation of the Xero accounting system and integrate it with Torch systems;
- Put Torch HRC accommodation to good use: To develop options for Little Torch premises and implement the changes necessary to make effective use of the space;
- Improve the booking system for Holidays and Centre bookings: Improve internal systems and/or implement a suitable external solution.

Governance

- Recruit two new trustees: To bring the Torch Trustee board up to its normal complement of eight - as one is stepping down;
- Rejuvenate Torch Council of Reference: To review and renew membership of the CoR and recruit appropriate new members;
- Develop a three-year Business Plan: Prepare a 3-year Business Plan to relate to the changes called for by the Strategic Plan and demonstrate sustainability once implemented.

The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

Public Benefit

The trustees of the charity have complied with their duty under Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

The objects of Torch Trust are the relief and support of blind and partially sighted people in accordance with the Christian Basis of Faith contained within the charity's governing document.

The activities, programmes and services provided in furtherance of these objects have been described in this report. They are available to people of all faiths or none who wish to avail themselves of what Torch has to offer.

The Charity is also keen to ensure that cost is not a barrier to participation. Many of its services are free. Publications are provided at no more than a print-equivalent price. Torch also assists Clients whose financial situation prevents them from participating and, where appropriate, will discount the cost.

Trustees' responsibilities statement

The trustees (who are also directors of The Torch Trust for the Blind for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2015 (FRSSE);
- 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 operation.

The Torch Trust for the Blind

Directors' report for the year ended 30th September 2016

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.

This Report has been prepared having taken advantage of the small companies exemption in the Companies Act 2006.

Approved by the Board on 26 April 2017.

Marilyn Baker, Trustee Director

Michael Heaney, Company Secretary

The Torch Trust for the Blind

Independent examiner's report to the directors of The Torch Trust for the Blind

I report on the financial statements of the charitable company for the year ended 30th September 2016 which are set out on pages 32 to 48.

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

Having satisfied myself that the charitable company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to examine the accounts under section 145 of the 2011 Act, follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act, and state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention :

1. which gives me reasonable cause to believe that, in any material respect, the requirements :

- to keep accounting records in accordance with section 386 of the Companies Act 2006;
and

The Torch Trust for the Blind

- to prepare financial statements which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Philip John Dymond FCCA
Independent examiner
Cheyettes Ltd
Chartered Certified Accountants
4th May 2017

167 London Road
Leicester
LE2 1EG

The Torch Trust for the Blind

Statement of financial activities
(incorporating the income and expenditure account)
for the year ended 30th September 2016

	Notes	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
INCOME AND ENDOWMENTS FROM:					
<i>Donations and legacies:</i>					
Donations		282,416	64,159	346,575	437,226
Tax recovered		13,713	5,812	19,525	34,965
Legacies		388,392	1,000	389,392	333,477
Grants		12,000	20,000	32,000	112,000
<i>Investments:</i>					
Interest receivable		96	-	96	139
<i>Charitable activities:</i>					
Sales of Braille, giant print and audio		24,067	-	24,067	23,377
Holidays and retreats		67,058	-	67,058	75,746
Others		13,332	-	13,332	9,009
<i>Other income:</i>					
Gain on disposal of fixed assets			-	-	1,325
Total income and endowments	2	801,074	90,971	892,045	1,027,264
EXPENDITURE ON:					
<i>Raising funds:</i>					
UK outreach	3a)	21,410	500	21,910	18,336
<i>Charitable activities:</i>					
UK outreach	3b)	14,728	155	14,883	17,139
Production/distribution of accessible literature	3c)	34,211	330	34,541	43,354
Overseas outreach	3d)	17,094	46,807	63,901	75,283
Holidays and retreats	3e)	34,618	80	34,698	49,276
Staff remuneration and costs	3f)	544,688	22,703	567,391	554,171
Establishment costs	3g)	125,076	606	125,682	130,811
Support costs	3h)	78,160	6,044	84,204	90,206
Other expenditure	3i)	5,749	-	5,749	9,878
Total expenditure		875,734	77,225	952,959	988,454

The Torch Trust for the Blind

**Statement of financial activities
(incorporating the income and expenditure account)
for the year ended 30th September 2016**

Net income/(expenditure)		(74,660)	13,746	(60,914)	38,810
Transfers between funds	8	51,190	(51,190)	-	-
Net movement in funds		<u>(23,470)</u>	<u>(37,444)</u>	<u>(60,914)</u>	<u>38,810</u>
Total funds brought forward		2,834,245	45,567	2,879,812	2,841,002
Total funds carried forward		<u>2,810,775</u>	<u>8,123</u>	<u>2,818,898</u>	<u>2,879,812</u>

The Torch Trust for the Blind

Balance sheet
as at 30th September 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	5		2,612,733		2,642,947
Current assets					
Stocks		5,318		10,842	
Debtors	6	239,046		170,660	
Cash at bank and in hand		11,729		155,065	
			256,093		336,567
Creditors: amounts falling due within one year	7	(49,928)		(99,702)	
Net current assets			206,165		236,865
Net assets			2,818,898		2,879,812
Funds					
Restricted	8		8,123		45,567
Unrestricted	8		2,810,775		2,834,245
Total charity funds			2,818,898		2,879,812

The directors' statements required by Sections 475(2) and (3) are shown on the following page which forms part of this Balance Sheet.

The Torch Trust for the Blind

Balance sheet (continued)

Directors' statements required by Sections 475(2) and (3) for the year ended 30th September 2016

For the year ended 30th September 2016 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

These accounts were approved by the directors on 26th April 2017 and are signed on their behalf by:

Marilyn Baker
Director

Registration number 04616526

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

1. Accounting policies

1.1. Accounting convention

The charity is a private limited company registered in England and Wales. In the event of winding up, the liability in respect of the guarantee is limited to £1 per member. The address of the registered office is given in the reference and administrative information on page 1.

In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

The financial statements are prepared under the historical cost convention and are presented in Sterling, which is the functional currency of the charitable company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years unless otherwise stated.

1.2. Fund accounting

Unrestricted funds comprise the accumulated surplus or deficit on the statement of financial activities. They are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. An amount of 6% of each donation made towards restricted purposes is deducted to contribute to the cost of administering the gift.

Designated funds are funds set aside by the Trustees for specific purposes.

Restricted funds are funds subject to specific restricted conditions imposed by donors. The areas of use of the restricted funds are set out in note 8 to the financial statements.

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

1.3. Income

General donations and gifts (at cash value) are brought into account when received. Volunteer time is not included in the financial statements. Legacies are accounted for once it is known with reasonable certainty how much and when funds will be received.

Donations and grants given for specific purposes are treated as income in the year of receipt. Unspent restricted income is included under restricted funds as it is fully committed.

Income received in respect of holidays and retreats to be fulfilled in a future accounting period is deferred.

1.4. Expenditure

Expenditure is included on an accruals basis.

Costs are classified under the charity's functional categories of expenditure and type of expense in order to provide more useful information.

The functional costs comprise direct costs attributable to the activity, including irrecoverable VAT. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with budgeted use of resources.

1.5. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold buildings	-	Straight line over one hundred years
Machinery and equipment	-	25% per annum on a straight line basis
Fixtures and fittings	-	25% per annum on a straight line basis
Motor vehicles	-	25% per annum on a straight line basis

No depreciation is provided on freehold land and assets costing less than £500 are not capitalised.

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

1.6. Stock

Stock is valued at the lower of cost and net realisable value including provisions for items donated rather than sold.

1.7. Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.8. Cash

Short term highly liquid investments held at fair value include cash on deposit and cash equivalents with a maturity of less than one year.

1.9. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.10. Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease duration.

The Torch Trust for the Blind

Notes to the financial statements
for the year ended 30th September 2016

2. Income and endowments from:

	Total 2016 £	Total 2015 £
<i>Donations and legacies:</i>		
Donations	346,575	437,226
Refund of tax (gift aid)	19,525	34,965
Legacies	389,392	333,477
Grants	32,000	112,000
	<u>787,492</u>	<u>917,668</u>

£90,971 of the above income was attributable to restricted (2015 - £188,889) and £696,521 (2015 - £728,779) to unrestricted funds.

Investments:

Interest receivable	96	139
	<u>96</u>	<u>139</u>

All of the above income was attributable to unrestricted funds.

Charitable activities:

Sales of Braille, giant print and audio	24,067	23,377
Holidays and retreats	67,058	75,746
Other	13,332	9,009
	<u>104,457</u>	<u>108,132</u>

All of the above income was attributable to unrestricted funds.

Others:

Gain on disposal of fixed assets	-	1,325
	<u>-</u>	<u>1,325</u>

All of the above income was attributable to unrestricted funds.

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

3. Expenditure on:

	Total 2016 £	Total 2015 £
Raising funds		
a) UK Outreach		
Literature	16,289	16,068
Exhibitions & events	173	120
Professional & consultancy fees	3,225	-
Advertising & promotion	1,077	1,337
Other supporter activity & donations	1,146	811
	<u>21,910</u>	<u>18,336</u>

£500 of the above costs were attributable to restricted (2015 - £nil) and £21,410 to unrestricted funds (2015 - £18,336).

Charitable activities

b) UK Outreach

Radio	5,252	5,881
Fellowship groups	716	1,149
Literature	4,648	4,470
Exhibitions & events	4,261	4,341
Advertising & promotion	6	1,298
	<u>14,883</u>	<u>17,139</u>

£155 of the above costs were attributable to restricted (2015 - £483) and £14,728 to unrestricted funds (2015 - £16,656).

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

c) Production and distribution costs

Braille	5,836	11,351
Giant print	17,073	21,404
Audio	11,142	7,285
Packaging & miscellaneous	490	3,314
	<u>34,541</u>	<u>43,354</u>

£330 of the above costs were attributable to restricted (2015 - £nil) and £34,211 to unrestricted funds (2015 - £43,354).

d) Overseas outreach	<u>63,901</u>	<u>75,283</u>
----------------------	---------------	---------------

£46,807 of the above costs were attributable to restricted (2015 - £51,732) and £17,094 to unrestricted funds (2015 - £23,551).

e) Holidays and retreats	<u>34,698</u>	<u>49,276</u>
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£80 of the above costs were attributable to restricted (2015 - £nil) and £34,618 to unrestricted funds (2015 - £49,276).

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

f) Staff remuneration and costs

Wages and salaries	522,206	508,563
Social security costs	31,301	30,526
Staff money purchase pension costs	3,874	2,159
Staff training	686	2,084
Other staff costs	9,324	10,839
	<u>567,391</u>	<u>554,171</u>

£22,703 of the above costs were attributable to restricted (2015 - £23,171) and £544,688 to unrestricted funds (2015 - £531,000).

No employee received emoluments amounting to more than £60,000 in either year.

Trustees received no remuneration (2015 - £nil) and two Trustees were reimbursed travel expenses amounting to £891 (2015: one trustee £730).

During the year the charitable company had an average monthly number of 37 employees (2015 - 38).

g) Establishment costs

Rates & insurance	10,013	11,043
Power & water	31,372	35,887
Internet & website	1,082	1,098
Health & safety & security	7,529	5,715
Equipment maintenance	5,656	6,225
Premises & grounds maintenance	15,990	17,896
Hospitality & sundry	4,460	4,339
Depreciation (TH & HRC)	49,580	48,608
	<u>125,682</u>	<u>130,811</u>

£606 of the above costs were attributable to restricted (2015 - £7,111) and £125,076 to unrestricted funds (2015 - £123,700).

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

h) Support costs

Travel & motor expenses	31,092	30,862
Professional & consultancy fees	5,378	3,819
Postage & stationery	22,028	25,826
Telephone	12,677	12,071
Bank charges & interest	4,584	4,167
Subscriptions	2,931	3,079
Software & sundry expenses	3,624	6,844
Miscellaneous purchases HRC	1,890	3,538
	<u>84,204</u>	<u>90,206</u>

£6,044 of the above costs were attributable to restricted (2015 - £4,753) and £78,160 to unrestricted funds (2015 - £85,453).

i) Other expenditure

Accountancy	3,800	3,000
Audit	-	5,880
Legal and professional	1,078	-
Trustees meeting expenses	261	396
Trustees indemnity insurance	610	602
	<u>5,749</u>	<u>9,878</u>

All of the above costs were attributable to unrestricted funds.

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

4. Pension costs

The charity operates a defined contribution pension scheme in respect of the staff. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the charity and amounted to £3,874 (2015 - £2,159).

The pension cost has been allocated between activities and funds in accordance with the assignment of employment activities and the accounting policy detailed at note 1.

5. Tangible fixed assets held for use by the charity

	Land and buildings freehold £	Machinery and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1st October 2015	2,889,324	287,016	81,368	41,000	3,298,708
Additions	10,320	-	9,045	-	19,365
At 30th September 2016	<u>2,899,644</u>	<u>287,016</u>	<u>90,413</u>	<u>41,000</u>	<u>3,318,073</u>
Depreciation					
At 1st October 2015	275,245	276,573	73,193	30,750	655,761
Charge for the year	27,894	6,098	5,337	10,250	49,579
At 30th September 2016	<u>303,139</u>	<u>282,671</u>	<u>78,530</u>	<u>41,000</u>	<u>705,340</u>
Net book values					
At 30th September 2016	<u>2,596,505</u>	<u>4,345</u>	<u>11,883</u>	<u>-</u>	<u>2,612,733</u>
At 30th September 2015	<u>2,614,079</u>	<u>10,443</u>	<u>8,175</u>	<u>10,250</u>	<u>2,642,947</u>

Freehold land and buildings includes non-depreciable land in the sum of £110,309.

The Torch Trust for the Blind

Notes to the financial statements
for the year ended 30th September 2016

6. Debtors	2016	2015
	£	£
Trade debtors	3,454	647
Other debtors	232,663	166,186
Prepayments and accrued income	2,929	3,827
	<u>239,046</u>	<u>170,660</u>
	<u><u>239,046</u></u>	<u><u>170,660</u></u>
7. Creditors: amounts falling due within one year	2016	2015
	£	£
Loan creditor	3,000	34,000
Trade creditors	26,396	38,933
Other taxes and social security costs	998	-
Accruals and deferred income	18,718	26,136
Pension contributions	816	633
	<u>49,928</u>	<u>99,702</u>
	<u><u>49,928</u></u>	<u><u>99,702</u></u>
Deferred income		
Balance at start of year	13,085	12,729
Amounts released to incoming resources	(13,085)	(12,729)
Amounts deferred in year	13,544	13,085
	<u>13,544</u>	<u>13,085</u>
	<u><u>13,544</u></u>	<u><u>13,085</u></u>

Deferred income relates to payments for Torch holidays that are recognised in the year the holiday takes place.

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

8. Funds Movement

RESTRICTED FUNDS	At 1st October 2015	Incoming resources	Outgoing resources	Transfers	At 30th September 2016
	£	£	£	£	£
Africa	3,978	52,850	(48,295)	(3,172)	5,361
Torch Holiday & Retreat Centre	31,812	33,858	(24,192)	(47,791)	(6,313)
Web Shop Project	7,043	-	-	-	7,043
Torch Radio	2,696	-	(2,696)	-	-
Staff Salaries (Personal Support)	88	1,975	(507)	(138)	1,418
Other	(50)	2,288	(1,535)	(89)	614
TOTAL RESTRICTED FUNDS	45,567	90,971	(77,225)	(51,190)	8,123
UNRESTRICTED FUNDS					
Accumulated surplus	2,833,965	793,581	(872,190)	51,190	2,806,546
DESIGNATED FUNDS					
Megavoice Africa	280	7,493	(3,544)	-	4,229
TOTAL UNRESTRICTED FUNDS	2,834,245	801,074	(875,734)	51,190	2,810,775
TOTAL FUNDS	2,879,812	892,045	(952,959)	-	2,818,898

The areas of operation in respect of these funds are as set out in the Directors' Report.

The transfers represent charges payable towards the administration of gifts together with any capital costs incurred by restricted projects.

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

9. Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Total £
Restricted funds	-	8,123	8,123
Designated funds	-	4,229	4,229
Unrestricted funds	2,612,733	193,813	2,806,546
	<u>2,612,733</u>	<u>206,165</u>	<u>2,818,898</u>

10. Related party transactions

Marilyn Baker, a trustee of The Torch Trust for the Blind, is an employee of the charity MBM. The Torch Trust for the Blind has a contract in place with MBM for the provision of speakers, music and programme for retreats and away days, speakers and music for Torch events, advice in connection with and presenter of the Torch Reflections Radio programme and other specific duties appropriate to the work of MBM on request. Expenditure amounted to £1,486 in the year (2015 - £1,450). At 30th September 2016 the amount owed to MBM by The Torch Trust for the Blind was in the sum of £986 (2015 - £1,450).

Dr. Michael Townsend, a trustee of The Torch Trust for the Blind, is also a trustee director of Through the Roof Charitable Trust. During the year the charitable company recharged various expenses of £458 (2015 - £553) in connection with Churches for All network. In addition, during 2015 the charitable company made a Churches for All partnership contribution to Through the Roof Charitable Trust of £750. At 30th September 2016 the amount owed to Torch Trust for the Blind was £303 (2015 - £122).

11. Company limited by guarantee

The entity is a charitable company limited by guarantee and is governed by its Memorandum and Articles of Association.

The Torch Trust for the Blind

Notes to the financial statements for the year ended 30th September 2016

12. Financial commitments

At 30th September 2016 the company had annual commitments under non-cancellable operating leases as follows:

	Equipment	
	2016	2015
	£	£
Expiry date:		
Between one and five years	9,000	9,000
	<u>9,000</u>	<u>9,000</u>