THE ROYAL NATIONAL COLLEGE FOR THE BLIND

England & Wales · Charity number 1000388

Details

Other names	R N C
Status	Registered
Legal form	Charitable company
Company number	02367626
Registered	1990-09-20
Register	View on the Charity Commission register

Contact

Address	C/o The Clerk Royal National College For The Blind Venns Lane Hereford HR1 1DT
Phone	01432265725
Email	info@rnc.ac.uk
Website	rnc.ac.uk

Activities

Objects: TO PROVIDE AND PROMOTE EDUCATION AND TRAINING FOR PEOPLE WHO ARE BLIND OR VISUALLY IMPAIRED AND FOR SUCH OTHER PEOPLE AS THE GOVERNORS MAY DETERMINE FROM TIME TO TIME ("BENEFICIARIES").

Activities: Residential Specialist College ,promoting the independence and potential of people who are blind or partially sighted ages 16 and over.

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Classification

- **How:** Provides Services
- **What:** Education/training, Disability
- **Who:** People With Disabilities

Geography

- Herefordshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£8,892,000	£8,113,000	£11,029,000	157
2024-07-31	£7,588,000	£7,262,000	£10,280,000	153
2023-07-31	£7,578,000	£6,965,000	£10,771,000	150
2022-07-31	£7,761,000	£6,242,000	£11,463,000	153
2021-07-31	£5,620,000	£5,519,000	£9,053,000	138

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Trustees

Name	Role	Appointed
Andrew David Powell		2022-02-11
Christopher James Finch		2025-05-16
Dr Ruth Sharon Turnbull		2026-01-30
Dr Tirion Claire Hughes		2025-06-18
Helen Miles		2022-02-01
James Laurence Williams		2025-07-11
Joshua Jack Feehan		2026-03-13
KERRY ANN DIAMOND		2017-10-13
LUCY PROCTOR		2017-12-31
Peter Flynn		2015-04-01
Peter Thomas Gebbie		2022-02-01
Simon Hairsnape		2017-10-13
Sonya Louise Bryson		2022-02-01
Suzanne Penny		2018-07-13

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THE ROYAL NATIONAL COLLEGE FOR THE BLIND

England & Wales - Charity number 1000388

Accounts



THE ROYAL NATIONAL COLLEGE FOR THE BLIND
(a Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 July 2025

Charity Registered Number 1000388
Company Registered Number 02367626

The Royal National College for the Blind
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 July 2025

CONTENTS Pages

Chair's Statement	1 - 2
Governors' Report (including Strategic Report)	3 - 11
Independent Auditor's Report	12 - 15
Consolidated Statement of Financial Activities	16
Consolidated and College Balance Sheets	17
Consolidated Statement of Cash Flows	18
Notes to the Consolidated Financial Statements	19 - 40



The Royal National College for the Blind
CHAIR'S STATEMENT
for the year ended 31 July 2025

I am pleased to deliver my second statement as Chair of the Royal National College for the Blind, as there is much to be positive about . Our accounts show that the College continues to move from strength to strength in terms of financial stability. In the current climate, it is never appropriate to be complacent, and the Board is deeply conscious of the ongoing debate around the costs of the Special Educational Needs system in England.



RNC is a national provider for students with a low incidence, high-need condition. Our approach is in line with the Curriculum Framework for Children and Young People with Vision Impairment (CFVI). We take a holistic approach where students learn essential skills for lifelong independence alongside their vocational and academic studies. It is not economically viable for local authorities to replicate the provision required by our students on a local or even regional basis.

We have long urged the Government to recognise that national provision should be funded on a national basis and continue to do so. This would make the system less adversarial, enable local authorities to focus their own limited budgets on provision within their local area, and reduce the uncertainty around commissioning of places for both students and RNC. With another Education Select Committee review of the system underway, we hope to see this amongst the recommendations.

We received our Ofsted residential care inspection under the Social Care Common Inspection Framework in March 2025 and were delighted to be recognised as Good in all areas. Inspectors recognised the effectiveness of leaders and managers, saying *'Leaders have a clear vision for the residential provision. They maintain high expectations about student achievements, with a focus on independence and life skills to build resilience and confidence. They acknowledge that students' actions will have a lifelong influence on what is achievable and possible.'* The residential element of our provision adds enormous value to the student experience and their preparation for adulthood, and will continue to form a key part of our strategy going forward.

2025 marks the final year of our current five-year strategic plan. Significant progress has been made in all areas identified as priorities. I am particularly proud that both the Ofsted report and the various monitoring visits undertaken by local authorities reinforce a key aim that students feel 'safe, highly valued, respected and empowered.' The entire RNC team works hard to ensure that our values, including inclusion and accessibility for all, are embedded in all areas of the College. Our values will continue to define our priorities as we develop our strategy for the years ahead, including ensuring that RNC remains the College of choice for visually impaired students.

The College's financial position remains robust, thanks to prudent decision-making and effective management. Despite ongoing challenges in securing placements and funding from local authorities, student numbers were once again above target, resulting in a 16.7% increase in income from student services. The College ended the year with total group funds of £11.03 million, including unrestricted funds of £10.07 million. While free reserves remain below the desired level, the College maintains sufficient working capital and continues to focus on maintaining student numbers, closely monitoring and controlling costs, and improving reserves over the longer term. Whilst our financial position appears healthy, we still need to grow our available cash to enable us to invest in our campus and our staff to ensure the College continues to deliver an outstanding provision for current and future students.



In the year under review, RNC welcomed 101 students aged 16 to 25, maintaining healthy enrolment figures that maximise our impact and the opportunities we provide to young people with a vision impairment. High student numbers, while placing demands on staff and infrastructure, are a testament to the College's reputation and the value placed on our provision.

Academic achievement has been maintained at a high level, with much to celebrate. RNC is particularly thrilled to announce exceptional 2025 Level 2 results, including a 100% pass rate in key vocational subjects such as Braille, Business, Creative Music Industries and Support Work in Schools. These vocational qualifications are particularly important as they lead directly into employment. The overall pass rate across all subjects and at all levels evidenced the dedication of both students and staff.



Beyond academic success, the College enables young people to get involved in a wide range of activities. This year, a number of RNC staff, students, and alumni have been called up to represent their country in a range of sports and we have been proud to cheer them on. Opportunities for students have included visits to Madrid, the Hay Literary festival, and Monmouth Carnival. Biology students had a behind-the-scenes visit to West Midlands Safari Park, Sports Academy students visited the state of the art RESET Contrast Therapy Centre and Massage students had visits from Rocktape and a professional facial massage therapist. The RNC Choir performed at the Sing the Celebration concert at Hereford Cathedral, and Duke of Edinburgh students undertook a range of activities, climaxing in a three day expedition which included a lengthy walk along a section of Offa's Dyke.

As we look to the future, RNC remains committed to providing a holistic experience that embeds essential skills for life alongside academic and vocational qualifications. We will continue to invest in our estate, curriculum, and staff development to ensure that our facilities and teaching meet the needs of our students and their future employers. Our advocacy for visually impaired learners will continue, keeping the interests and voices of young people at the centre of all that we do.

I would like to thank all staff, students, Governors, and supporters for their dedication and commitment to RNC's mission. Together, we will continue to build on our achievements and ensure that RNC remains a beacon of excellence and opportunity for young people with vision impairment.



Peter Flynn
Chair

Date: 13th March 2026



The Governors (who are also the Company directors and charity trustees as listed on page 9) present their annual report and audited financial statements for the year ended 31 July 2025, which comply with the Charities Act 2011, the Companies Act 2006, RNC's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Aims, objectives and activities

Aims

The aim of The Royal National College for the Blind ("RNC") is to provide and promote education and training for people who are blind or visually impaired and for such other people as the Governors may determine from time to time.

Charitable objectives

The objectives of RNC are covered by its Vision and Mission statement.

Vision:	A world where every person with a visual impairment has true equality.
Mission statement:	Education, employment and empowerment for all people with a visual impairment.

Activities

The principal activity of RNC is that of a residential specialist college of Further Education, promoting the independence and potential of people who are blind or partially sighted aged 16 and over.

RNC's major funders are the Department for Education, the Welsh Government and Local Authorities In addition, some students are also funded through private funding.

Other areas of activity include the operation of a Sports and Complementary Therapy Centre (thePoint4). These facilities are widely used by our students and the general public. RNC also has a range of support services to offer to organisations which require assistance in addressing the needs of the visually impaired.

Public benefit

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and relief of those in need by reason of disability. The activities described above enable us to meet the definition of public benefit.

During the academic year 2024/25, there were 101 students aged 16 to 25 enrolled at RNC (2023/24: 95 students).

Strategic report

Achievements and performance

In 2024/25 RNC continued to build on its work as the UK's leading specialist provider for young adults with vision impairments. The College approach embodies the Curriculum Framework for Vision Impairment (CFVI), a framework for provision developed by RNIB, VIEW and the University of Birmingham following extensive research and consultation.



RNC delivers a fully inclusive curriculum, supporting students to develop the skills to become independent adults in a sighted world, while gaining the qualifications and experience they need to achieve their full potential, including future employment.

Students develop their skills not only in the classroom, but also through the immersive residential experience. Here they embed their mobility and independent living skills while also learning how to be good citizens and good friends.

We were delighted with the outcome of our residential Ofsted inspection in March 2025, where Inspectors found that *'Students flourish and thrive in the residential accommodation. They value their growing independence and the opportunities it gives them. The college provides a community for students who have previously been more likely to experience isolation… Students make progress in multiple areas of their lives. Most notably, this progress is associated with their independence… Students leave the college with various new skills and with increased independence and confidence. Academically, they are prepared for further education, apprenticeships, employment or work in the voluntary sector. Leaders understand the challenges faced by students with visual impairments and help prepare them for employability.'*



Our strive for continual improvement was reflected in investment in the staff structure, including the creation of new 'Lead' roles within the teaching team, providing alternative pathways for personal development and leadership beyond traditional management roles. The College also invested in a new Management Information System to further improve the data available to Governors and Senior Managers and improve the accessibility and usability for staff.

We once again celebrated strong exam results, with a 94% pass rate in A Levels and a 97% pass rate for Level 3 equivalent qualifications, with all students progressing to higher education securing a place at their first-choice university. We were particularly proud to see a 100% pass rate in Braille during its 200th anniversary year.

It is appropriate that the final words should go to an RNC student who wrote a heartfelt message to students and staff on completing his placement, saying:

'My three years at the Royal National College for the Blind (RNC) has changed me so completely and utterly, and words will never do justice to the level of gratitude, appreciation, and love that I feel and experienced whilst there… I would like to thank RNC itself, for providing me with so many opportunities to not only pursue my passions in sport, but also to make lifelong memories.'



Risk management

The major risks and uncertainties facing RNC, and the mitigation measures in place are:

Risk	Mitigation measures
Failure of fundraising activities to achieve financial target.	Detailed work being undertaken on the overall strategy for fundraising in the current climate. Overall the impact of a failure to achieve target is considered to be comparatively low but it is recognised that this in turn limits the projects that can be completed and the opportunities for investment in the campus and the student experience.
Significant safeguarding issue which draws public/Ofsted/charity commission attention.	Robust safeguarding systems and mandatory training in place throughout the organisation. High levels of support available to students. All serious cases are subject to internal case review and all cases are used for internal CPD within core team.
Impact of Court finding against The Pensions Trust on key issues.	Mitigation is through expertise on the Governing Board and use of external experts, but there is no ability to influence the court ruling, only to react when the judgement is known.
Major IT phishing attack	Tech team well versed in the risks and run regular exercises to check understanding across staff and students. Email filtering and multi-factor authentification in place. Strong firewall in place, all systems backed up regularly, Cyber Essentials status.
Major IT ransomware attack	Backup of data, anti-malware software, access controls.
Major data breach	Regular audits, encryption, access controls.

The Board has examined the principal areas of RNC's operations and considered what major risks may arise in each of these areas. RNC keeps a detailed risk register which is reviewed and updated by Governors and the Senior Management Team every three months. In the opinion of the Governors, RNC has therefore established policies, resources and review systems, which under normal conditions should allow the risks identified by them to be mitigated to an acceptable level in its day to day operations.



Financial review

One of the principal risks of RNC is maintaining financial viability in light of continual changes to funding arrangements for high needs students. Monthly accounts and cash flows are monitored by the Senior Management Team and Governors to identify potential issues at the earliest opportunity.

A summary of key figures over the last three year have been:

	2025 £000	2024 £000	2023 £000
Total income of the Charitable Group	8,892	7,588	7,578
Income from donations and legacies	269	256	474
Net income before pension scheme	779	326	613
Net movement in funds after pension scheme	749	(491)	(692)
Net assets at year end	11,029	10,280	10,771
Unrestricted funds at year end	10,070	9,235	9,608

Despite the continual challenges of obtaining placements and funding from Local Authorities, student numbers were once again above the target of 90 during the year resulting in income from student services showing a 16.7% increase in 2025 (1.0% increase in 2024).

Included within the above figures are those of the trading subsidiary, R N C Enterprises Limited, and the controlled charity, Blindcare. Detailed results of these entities are shown in note 5 to these financial statements.

Turnover of R N C Enterprises Limited for the year was £615,146 (2024: £513,295), and the operating profit was £89,926 (2024: £72,494). The amount gift-aided to RNC during the year was £nil (2024: £nil) due to losses brought forward within R N C Enterprises Limited.

Turnover of Blindcare for the year was £63,106 (2024: £64,873) and the amount paid to RNC during the year was £51,000, being a donation of £48,000 and an administration fee of £3,000 (2024: £100,000 and £3,000 respectively).

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2030, and a significant deficit on its defined benefit pension scheme, but has worked through a detailed recovery plan to address this and has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Pension liability

RNC operates a defined benefit funded pension plan in the UK. The scheme is closed to new entrants and benefits ceased to accrue with effect from 31 March 2012. A full actuarial valuation was carried out at 30 September 2022 and showed a deficit in the scheme of £3,572,000. Following the valuation, the pension trustee and the employer agreed that additional contributions would continue to be paid to the scheme by the employer at the rate of £332,688 per annum over a period of 9 years 8 months as from 1 April 2024.

Reserves policy

The Governors have examined the requirement for free reserves which are those unrestricted funds not invested in tangible fixed assets, restricted funds or otherwise committed. The Governors consider that, given the nature of RNC's operations, this should be equivalent to two months' expenditure, approximately £1,200,000, which gives flexibility to cover temporary timing differences for fees and grants, adequate working capital for core costs, and will allow a quick response to emergencies.

The free reserves as at 31 July 2025 consist of unrestricted net current assets/liabilities less long term liabilities (excluding pension reserve), which total £471,000 (2024: £71,000). However, despite having low free reserves, as at 31 July 2025 the group had net current assets of £1,911,000 (2024: £1,400,000) giving it sufficient working capital in the short term.

Governors acknowledge that the level of free reserves is below the desired level, however they continue with the ethos of the recent business recovery plan by aiming to stabilise student numbers and closely monitor and control the cost base of the college thus maintaining working capital and improving the level of free reserves within the longer term.

At year end, the Group had funds of £11,029,000 (2024: £10,280,000) which consisted of £10,070,000 unrestricted funds (2024: £9,235,000) and £959,000 restricted funds (2024: £1,045,000). Included within the unrestricted funds was the pension reserve, which is currently a deficit of £2,865,000 (2024: £2,969,000).

Land and buildings

The freehold land and buildings were bought by the Royal National College and Academy of Music for the Blind Trust in 1978, and transferred to RNC on incorporation in 1989.

Under the transition to FRS 102, the net book value of the freehold land and buildings as at the transition date has been used as the historical cost.

Investment policy

The memorandum of association authorises the Governors to invest in such stocks, shares, investments and property in the UK as they see fit. The Governors' policy is to adopt a medium risk investment strategy based upon maintaining the real value of investments and achieving a reasonable income.

During the year, the property that had previously been treated as an investment asset was used for RNC business and is no longer considered to be surplus to requirements. The property has therefore been transferred from Investment Properties to Fixed Assets (Land and Buildings) at its carrying value as at 31 July 2024.

Structure, Governance and Management

Governing document

RNC is a registered charity (No. 1000388) and a Company limited by guarantee (No. 02367626). RNC is governed by memorandum and articles of association adopted by special resolution of the Board of Governors dated 8 December 2009.

Trustee recruitment, induction and training

The Board has a sub-Group, the Nominations and Governance Committee, who manage the recruitment of Governors. They identify skills/ethnicity gaps and target recruitment to fill those gaps. There is an extensive induction process for new Governors and regular training events are organised aligned to priorities identified within the self assessment process.

Organisation

The Governors ratify the general direction and policy of RNC and monitor its performance, whilst the day to day leadership and management of the College and its subsidiaries is delegated to the Executive Principal.

Pay policy for key management personnel

The pay of key management personnel is set by the Governors having regard for levels of responsibility, corresponding positions in similar organisations and pay scales issued by the Association of Colleges.

Related parties

R N C Enterprises Limited (RNCE) is RNC's wholly-owned trading subsidiary and carries out non-charitable trading activities for RNC. The results of RNCE are consolidated within the overall RNC results. Further details of RNCE's activities are shown above in the Financial Review, and in Note 5 to these financial statements.

RNC is the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). The results of Blindcare are consolidated within the overall RNC results as RNC controls the Board of Blindcare. Further details of the results of Blindcare are given in Note 5 to these financial statements.

Equal opportunities

It is the policy of RNC to provide equal employment opportunities to ensure that no employee receives less favourable treatment than others on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. Staff development programmes have been run with the aim of promoting equal opportunities amongst staff, Governors and students.

Employees

RNC is an equal opportunities employer, committed to the promotion of equality, diversity and a supportive environment for all members of our community. We are committed to safeguarding and all staff are subject to necessary Disclosure and Barring Service checks, which are reviewed on a three year cycle. RNC has safeguarding and equality and diversity groups with staff representation which meet on a regular basis and ensure that policies and practices are up to date.

There is mandatory training on safeguarding, equality and diversity and data protection for all staff. Managers involved in staff recruitment all have to complete a "Safer Recruitment in Education" programme. There is also an extensive programme of other developmental training for staff.

RNC has a staff consultation group made up of representatives from across RNC who meet on a regular basis and there is an open policy in the provision of information to employees.

Fundraising

RNC employs a small fundraising team (1.2 FTE staff) who concentrate mainly on grant applications to Trusts and Foundations. No professional fundraisers or commercial participators are used by RNC, however Blindcare, the controlled independent charity, uses professional fundraising organisations for payroll giving income, with no fundraising direct from the general public. As a result, the fundraising team were not required to implement any policies regarding the safeguarding of vulnerable members of the general public, nor did they receive any complaints during the year. A detailed fundraising report is presented to Governors at all board meetings, which sets out the current strategy, fundraising income received year to date against budget, income pledged but not yet received, and any other issues of which Governors should be aware. RNC therefore has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Future development and plans

There is a clear ongoing need for RNC as a national centre of expertise. We are secure in our mission and our specialism, and remain committed to providing our students with a holistic experience which includes the embedding of essential skills for life alongside academic and vocational qualifications. We will continue to review our curriculum to ensure that it meets the needs of both our students and their future employers, while recognising the value of study for its own sake. We will deliver our multi-year Estates strategy investing in student accommodation, teaching areas and recreation spaces to ensure

that our facilities support and enhance the student experience throughout their time at RNC. And we will continue to advocate for all visually impaired learners, wherever they are studying, to ensure they have access to an education that meets their needs, prepares them for adulthood and is in line with the Curriculum Framework for Vision Impairment. We will achieve this by working in genuine partnership with all interested stakeholders, keeping the interests and voices of young people at the centre of all that we do.

Reference and administrative details

Charity name:	The Royal National College for the Blind (also known as "RNC")
Charity number:	1000388
Company number:	02367626
Principal and registered office:	thePoint4, Venns Lane, Hereford, HR1 1DT

Our advisers

Independent auditor	Crowe U.K. LLP, 4th Floor, St James House, St James Square, Cheltenham, GL50 3PR
Bankers	Barclays Bank plc, 1 - 3 Broad Street, Hereford, HR4 9BH
Solicitors	Eversheds Sutherland, 115 Colmore Row, Birmingham, B3 3AL

Key management personnel

Executive Principal	L Proctor (ex-officio trustee)
Vice Principal - Learning and Curriculum	M Fisher
Vice Principal - Business and Enterprise	L Lawrence

Governors, Directors and Trustees

The Governors of The Royal National College for the Blind are also the trustees and Company directors. The Governors and elected directors who served during the year and since the year end were as follows:

Ms J Barnes	(resigned 3 July 2025)	
Mr E Bastable	(resigned 13 December 2024)	
Mr J Brew	(resigned 16 May 2025)	Also a director of Blindcare and RNC Enterprises Limited
Mrs S Bryson		
Mr J Clarke-Morris		Also a director of R N C Enterprises Limited
Miss K Diamond		
Mr C Finch	(appointed 16 May 2025)	Also a director of R N C Enterprises Limited
Mr P Flynn	(Chair)	
Mr P Gebbie		
Mr S Hairsnape		Also a director of Blindcare
Miss T Hughes	(appointed 18 June 2025)	
Ms H Miles		
Mrs S Penny		
Mr A Powell		Staff governor
Mrs L Proctor		Also a director of Blindcare
Mrs V Pugh	(resigned 4 October 2024)	
Mr J Williams	(appointed 11 July 2025)	

Governors are elected by the Board for a renewable term of three years by rotation. New Governors are given a full induction to the College and its activities.

There are four sub-committees of the Board of Governors that meet at various times during the year; the Audit and Assurance Committee, the Finance, Business and Enterprise Committee, the Education and Training Committee, and the People and Rewards Committee.

Charity Governance Code

As RNC is a not for profit organisation which aims to follow charity sector best practice, the Governors reviewed the Charity Governance Code (the "Code") published in July 2017. Following an in-depth review of the Code carried out at the Governors' meeting held on 20th December 2018, the Governors agreed to adopt the Code in full at their meeting on 17th May 2019. Governors have reviewed the updated Code issued in December 2020, which is used to measure the Board of Governors' effectiveness and is built into the annual Governor Self-Assessment Report (SAR).

Statement of Governors' responsibilities

The Governors (who are also directors of The Royal National College for the Blind for the purposes of Company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under Company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Group will continue in business.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the Charitable Company's transactions, 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 and the provisions of the Charitable Company's constitution. They are also responsible for safeguarding the assets of the Charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditor

In so far as each of the directors of RNC at the date of approval of this report is aware, there is no relevant audit information (information needed by RNC's auditor in connection with preparing the audit report) of which RNC's auditor is unaware. Each director has taken all of the steps that he/she should have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that RNC's auditor is aware of that information.

The Governor's Report, including the Strategic Report, was approved by the Board of Governors of The Royal National College for the Blind on 13th March 2026 and is signed on its behalf by:

Peter Flynn
Chair
Date: 13th March 2026



Opinion

We have audited the financial statements of The Royal National College for the Blind ('the Charitable Company') and its subsidiaries ('the Group') for the year ended 31 July 2025 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, College balance sheet, Consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Charitable Company's affairs as at 31 July 2025 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the

financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Charitable Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report included within the Governors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 10, the Governors (who are also the directors of the Charitable Company for the purposes of Company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charitable Company and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charitable Company's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were Ofsted.

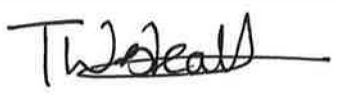
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors' and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, the going concern assessment, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit and Assurance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over grant income, reviewing accounting estimates for biases, reviewing management and those charged with governance's assessments relating to the going concern assumption, reviewing regulatory correspondence with the Charity Commission and Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of this report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James Square
Gloucestershire
GL50 3PR

Date: 16 March 2026

The Royal National College for the Blind
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES ***(incorporating an income and expenditure account)***
for the year ended 31 July 2025

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2025 £'000	Total 2024 £'000
Income from:					
Donations and legacies	2	91	178	**269**	256
Charitable activities	2	7,828	80	**7,908**	6,729
Other trading activities	5	635	-	**635**	533
Investments	2	80	-	**80**	70
TOTAL INCOME		8,634	258	**8,892**	7,588
Expenditure on:					
Raising funds	4	583	-	**583**	512
Charitable activities	4	7,336	194	**7,530**	6,750
TOTAL EXPENDITURE	4	7,919	194	**8,113**	7,262
NET INCOME		715	64	**779**	326
Transfers between funds	16	150	(150)	**-**	-
Other recognised losses					
Actuarial loss on defined benefit pension scheme	21	(30)	-	**(30)**	(817)
NET MOVEMENT IN FUNDS		835	(86)	**749**	(491)
Reconciliation of funds:					
Total funds brought forward	15	9,235	1,045	**10,280**	10,771
Total funds carried forward	15	10,070	959	**11,029**	10,280

The notes on pages 19 to 40 form part of these financial statements.

The Royal National College for the Blind (a Company limited by guarantee no. 02367626)
CONSOLIDATED AND COLLEGE BALANCE SHEETS
as at 31 July 2025

	Notes	Consolidated 2025 £'000	Consolidated 2024 £'000	College 2025 £'000	College 2024 £'000
FIXED ASSETS					
Tangible assets	9	13,227	13,001	13,227	13,000
Investments	10	-	350	-	350
Total fixed assets		13,227	13,351	13,227	13,350
CURRENT ASSETS					
Stock	11	5	6	1	1
Debtors	12	172	177	180	223
Cash at bank and in hand		2,586	2,080	2,527	2,045
Total current assets		2,763	2,263	2,708	2,269
LIABILITIES					
Creditors: amounts falling due within one year	13	(852)	(863)	(832)	(817)
Net current assets		1,911	1,400	1,876	1,452
Total assets less current liabilities		15,138	14,751	15,103	14,802
Creditors: amounts falling due after more than one year	14	(1,244)	(1,502)	(1,244)	(1,502)
Net assets excluding pension scheme liability		13,894	13,249	13,859	13,300
Defined benefit pension scheme liability	21	(2,865)	(2,969)	(2,865)	(2,969)
TOTAL NET ASSETS		**11,029**	**10,280**	**10,994**	**10,331**
THE FUNDS OF THE GROUP					
Restricted income funds	16	959	1,045	959	1,045
Unrestricted funds					
General	15	12,935	12,204	12,900	12,255
Defined benefit pension scheme liability	21	(2,865)	(2,969)	(2,865)	(2,969)
Total unrestricted funds	17	10,070	9,235	10,035	9,286
TOTAL GROUP FUNDS	15	**11,029**	**10,280**	**10,994**	**10,331**

The notes on pages 19 to 40 form part of these financial statements.

The College only net income for the year totalled £693,000 (2024: net income of £308,000).

The financial statements were approved and authorised for issue by the Governors on 13th March 2026 and were signed on their behalf by:

Peter Flynn
Chair



Date: 13th March 2026

The Royal National College for the Blind
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2025

	Notes	2025 £'000	2025 £'000	2024 £'000	2024 £'000
Cash flows from operating activities:					
Net cash generated by operating activities	23(a)		1,064		672
Cash flows from investing activities:					
Bank interest received		80		70	
Purchase of tangible fixed assets		(276)		(210)	
Net cash used in investing activities			(196)		(140)
Cash flows from financing activities					
Repayment of borrowing	23(c)	(221)		(156)	
Repayment of finance lease	23(c)	(26)		(26)	
Interest paid		(115)		(138)	
Net cash used in financing activities			(362)		(320)
Change in cash and cash equivalents in the year			**506**		**212**
Cash and cash equivalents at the beginning of the year			2,080		1,868
Cash and cash equivalents at the end of the year	23(b)		**2,586**		**2,080**

The notes on pages 19 to 40 form part of these financial statements.

1 STATEMENT OF ACCOUNTING POLICIES

The Royal National College for the Blind ("RNC") is a Charitable Company limited by guarantee and was incorporated on 3 April 1989 (Company no: 02367626). The Royal National College for the Blind is registered as a charity with the Charity Commission England and Wales (charity no. 1000388). Its registered and principal office is thePoint4, Venns Lane, Hereford, HR1 1DT. This is also the registered office of the 100% wholly-owned subsidiary, R N C Enterprises Limited, and the controlled charity, Blindcare.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and Charities Act 2011.

The Royal National College for the Blind meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2030, and a significant deficit on its defined benefit pension scheme, but has worked through a detailed recovery plan to address this and has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Income

Income is included in the Statement of Financial Activities when the Group has entitlement to the funds, any performance conditions have been met, it is probable the income will be received and the amount can be measured reliably.

Student services and grants

Student services and grants are accounted for in the period in which the service is provided. Student services consist of income from student fees and any sundry receipts.

Government grants

Grants from government bodies and other sources are received for specific projects/costs and are recognised in accordance with their individual terms and conditions. Income is recognised when the Group has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Donations

Donations received for the general purposes of the Group are credited to unrestricted funds but shown separately from direct Group income. Donations subject to specific wishes of the donors are carried to the relevant restricted fund. Donations are accounted for when received.

Legacies

Legacies received for the general purposes of RNC are credited to unrestricted funds and shown within donations and legacies. Legacies subject to specific wishes of the donor are included within restricted funds. Legacy income is accounted for based upon settlement of the Estate Accounts, or receipt of payment, whichever is earlier.

Income from trading

Income from trading activities is included in the financial statements in the period in which the relevant goods and services have been provided, and is stated net of Value Added Tax.

Investment and similar income

Investment and similar income is accounted for when receivable.

Taxation

As a charity, RNC is generally exempt from corporation tax on income it receives which is properly applied for its Charitable purpose.

Expenditure

Group expenditure is accounted for on an accruals basis. Where expenditure is apportioned across cost categories, it is apportioned at the best estimate of the Governors based on the level of activity during the year. Costs are allocated to the appropriate cost categories in the Statement of Financial Activities.

Support costs are those costs directly incurred in administering and supporting RNC operations as an educational establishment. Governance costs comprise the costs of running the charity, including external audit and all the costs of complying with constitutional and statutory requirements, such as the cost of the Board and Committee meetings and of preparing statutory accounts.

Expenditure of trading and the costs of raising funds are accounted for in the period in which the expenditure is incurred.

Investments

Investment properties are stated in the Balance Sheet at potential freehold market value. A formal professional valuation is carried out at least every five years, and prepared on an informal basis in the intervening period. Gains or losses are taken to the Statement of Financial Activities. No depreciation is provided on investment properties.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the Statement of Financial Activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Tangible fixed assets and depreciation

The Group took advantage of the transition to FRS 102 and all freehold land and buildings are recognised at their deemed cost which was their net book value at the date of transition. The historic cost basis will apply going forward. Other fixed assets are stated at historical cost.

Depreciation is calculated so as to write off the cost of assets over their estimated useful lives as follows:

Freehold land	No depreciation
Freehold buildings	2% straight line
Building improvements	5% - 10% straight line
Fixtures, fittings and equipment	20% straight line
Leased assets	20% straight line

Equipment costing more than £1,000 is capitalised and carried in the Balance Sheet at historical cost.

Cash

Cash is represented by cash in hand and deposits with financial institutions.

Stocks

Stocks comprise goods for resale by the Group. They are included in the financial statements at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Short term debtors are initially measured at their settlement amount.

Creditors

Short term creditors are initially measured at their settlement amount.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of the bank loan and the finance lease obligations which are subsequently measured at amortised cost using the effective interest method.

Unrestricted funds

Unrestricted funds can be used at the discretion of the Governors in accordance with RNC's and the Group's objects.

Restricted funds

Restricted funds are those funds whose income is for a specific purpose as stipulated by the donor, the details of which are set out in the notes to the financial statements.

Pension schemes

The Group contributes to the Teachers' Pension Defined Benefits Scheme at rates based either on instructions from the Department for Education or actuarial advice. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Group. The scheme is therefore accounted for as a Defined Contribution scheme. The amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and other post retirement benefits is the contributions payable in the year.

The Group also contributed to a Defined Benefit pension scheme for non-teaching staff up until its closure to future accruals on 31st March 2012. The assets of the scheme are held separately from those of The Group, and are administered by TPT Retirement Solutions ("TPTRS"). Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each Balance Sheet date. The resulting defined asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The amounts charged to expenditure are the notional interest charges and the other costs charged by the trustee for running the scheme. Actuarial gains and losses are recognised within "Other recognised losses".

Since 1st April 2012 the Group has contributed to a Defined Contribution Scheme for non- teaching staff, administered by TPTRS. The amount charged to the Consolidated Statement of Financial Activities is the contributions payable by the Group in the year.

All pension fund costs are charged against unrestricted funds in line with the associated staff costs.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Consolidation

RNC has a 100% wholly owned trading subsidiary, R N C Enterprises Limited, a Company registered in England and Wales. The results of the subsidiary are included in the consolidated accounts on a line by line basis, with all intra-Group transactions fully eliminated on consolidation. A summary of the results of R N C Enterprises Limited is shown in note 5 to the consolidated financial statements.

RNC is also the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). RNC controls the Board of Blindcare, so its results have been included in the consolidated accounts on a line by line basis, with all intra-Group transactions fully eliminated on consolidation. A summary of the results of Blindcare is shown in note 5 to the consolidated financial statements.

The Group has taken advantage of Section 408 of the Companies Act 2006 by not providing a separate Statement of Financial Activities for the Charity.

The Group has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Statement of Cash Flows and certain disclosures about the Charity's financial instruments.

Critical judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to consider making any significant judgements and estimates where necessary. Significant judgements and estimations have been made on the following items:

Useful economic lives of tangible fixed assets
The annual depreciation charges for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible fixed assets and note 1 for the useful lives for each class of assets.

Defined benefit pension fund
The present value of the TPTRS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 30 September 2022 has been used by the actuary in valuing the pensions liability at 31 July 2025. Any difference between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Impairment of fixed assets
Governors considered there to be no impairment of fixed assets during the year.

2 INCOME

	2025	2024
Donations and legacies	**£'000**	**£'000**
Donations	70	78
Trusts and Foundations	197	117
Legacies	2	61
Income from donations and legacies	269	256

		2025	2024
Charitable activities		**£'000**	**£'000**
Student fees from:	Department for Education	1,022	1,027
	Welsh Government	115	218
	Local Authorities	6,358	5,278
	Private sources	136	15
Other income		7	8
Income from student services		7,638	6,546
Grants			
Department for Education		270	183
Income from charitable activities		7,908	6,729

	2025	2024
Investment and other income	**£'000**	**£'000**
Bank interest	80	70
Income from investments	80	70

3 NET INCOME

		2025	2024
Net income for the year is stated after charging:		**£'000**	**£'000**
Auditor's remuneration	- audit fees	26	28
	- accountancy and tax services	6	3
	- grant assurance	1	2
Operating lease rentals		45	52
Depreciation	- owned assets	374	360
	- leased assets	26	26
Interest payable	- finance lease interest	3	3
	- loan interest	112	135

4 ANALYSIS OF TOTAL EXPENDITURE

Expenditure on Charitable activities:	Staff costs £'000	Expenses £'000	Deprec'n £'000	Total 2025 £'000	Total 2024 £'000
Education and training	3,480	271	-	3,751	3,231
Welfare	190	502	-	692	640
Premises	267	610	252	1,129	1,063
Marketing	140	21	-	161	170
Support costs	1,015	586	147	1,748	1,597
Governance costs (see below)	22	27	-	49	49
	5,114	2,017	399	7,530	6,750
Expenditure on raising funds:					
Fundraising	40	12	-	52	68
Trading activities	282	236	-	518	431
Blindcare activities	-	13	-	13	13
	322	261	-	583	512
	5,436	2,278	399	8,113	7,262

Governance costs comprise:	2025 £'000	2024 £'000
Staff costs	22	21
Audit & accountancy costs	26	28
Legal & professional fees	1	-
	49	49

5 OTHER GROUP ENTITIES

The wholly owned trading subsidiary, R N C Enterprises Limited, is incorporated in the United Kingdom (company number 01747998) and pays available profits to the parent charity under the gift aid scheme. R N C Enterprises Limited operates all commercial trading activities of RNC, including the sports and conferencing facilities. The summary financial performance of the subsidiary alone is:

	2025 £'000	2024 £'000
Turnover	615	513
Cost of sales	(112)	(89)
Gross profit	503	424
Administrative expenses	(413)	(352)
Operating profit	90	72
Retained deficit at start of period	(59)	(131)
Retained deficit at end of period	31	(59)

	2025 £'000	2024 £'000
Total assets at balance sheet date	71	45
Total liabilities at balance sheet date	(40)	(104)

In addition to income of £615,000 (2024: £513,000) shown above, miscellaneous trading income of £20,000 (2024: £20,000) is included within the results of the College.

RNC is the sole beneficiary and controlling party of an independent charity, Blindcare (charity registration number 1020073, company number 02806606). Blindcare receives donations from various payroll giving schemes and makes donations to the parent charity at the discretion of the Blindcare directors. The summary financial performance of Blindcare alone is:

	2025 £'000	2024 £'000
Income	63	65
Costs of raising funds	(13)	(13)
Charitable activities	(54)	(106)
Net deficit	(4)	(54)
Reserves at start of period	8	62
Reserves at end of period	4	8

	2025 £'000	2024 £'000
Total assets at balance sheet date	6	10
Total liabilities at balance sheet date	(2)	(2)

6 CORPORATION TAXATION

RNC is exempt from corporation tax on its Charitable activities.

7 STAFF NUMBERS

The average monthly headcount of full time and part time staff was 157 (2024: 153).

	2025 Number	2024 Number
Education and training	100	99
Student welfare	9	8
Premises	7	6
Support	24	23
Marketing	5	4
Fundraising	2	3
R N C Enterprises Limited	10	10
	157	153

8 ANALYSIS OF STAFF COSTS, GOVERNOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2025 £'000	2024 £'000
Salaries and wages	4,200	3,840
Social security costs	410	322
Pension contributions - teaching	434	356
- non-teaching	89	63
Defined benefit pension scheme contributions	303	229
Total staff costs	5,436	4,810

Pension contributions were made to the Teachers' Pension Scheme for teaching staff and to a fund independently administered by TPTRS for non-teaching staff.

The Executive Principal, Mrs Lucy Proctor, is an ex-officio trustee and received emoluments of £82,583 (2024: £80,527) with employer pension contributions of £3,568 (2024: £2,689). Mr Andy Powell served as a Staff Governor during the year and received emoluments of £45,486 (2024: £44,821) whilst serving as a staff governor, with employer pension contributions of £1,944 (2024: £1,448).

No other Governors nor persons connected with them received any remuneration from the College or any connected organisation in either financial year.

During the year, 1 Governor was reimbursed expenses relating to travel for meetings of £232 (2024: 2 Governors total of £446).

The number of higher paid employees whose emoluments exceeded £60,000 were:

	2025 No.	2024 No.
£80,000 - £89,999	1	1

Pension contributions for the higher paid employee amounted to £3,568 (2024: £2,689).

The key management personnel of the Group during the year, who were remunerated, comprise the Executive Principal, the Vice Principal Quality and Student Journey and the Vice Principal Business and Enterprise. The total employee benefits of the key management personnel, including pension contributions and employer national insurance contributions, were £219,935 (2024: £209,671).

9 TANGIBLE FIXED ASSETS

Consolidated	Freehold land and buildings £'000	Fixtures, fittings & equipment £'000	Leased assets £'000	Group Total £'000
Cost				
At 1 August 2024	14,266	1,407	131	15,804
Additions	187	89	-	276
Transfer from Investment Assets	350	-	-	350
Disposals	-	(62)	-	(62)
At 31 July 2025	14,803	1,434	131	16,368
Depreciation				
At 1 August 2024	1,650	1,105	48	2,803
Charge for the year	252	122	26	400
Disposals	-	(62)	-	(62)
At 31 July 2025	1,902	1,165	74	3,141
Net book values				
At 31 July 2025	12,901	269	57	13,227
At 31 July 2024	12,616	302	83	13,001

The net book value of tangible fixed assets owned by R N C Enterprises Limited is £279 (2024: £502). The net book value of freehold land and buildings includes an amount of £4,173,000 (2024: £4,173,000) in respect of land.

10 INVESTMENT ASSETS

Consolidated Fixed Assets	Investment Properties £'000
Balance at 31 July 2024	350
Transfer to tangible fixed assets	(350)
Balance at 31 July 2025	-

During the year the property was transferred to tangible fixed assets due to being used for charitable purposes as part of the College land and buildings and no longer being held as an investment.

College	£'000
Investment in subsidiary Company (see note 5) amounts to £15	-
	-

No investments were held by R N C Enterprises Limited or Blindcare.

11 STOCKS

	Consolidated		College	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Goods for resale	5	6	1	1
	5	6	1	1

12 DEBTORS

	Consolidated		College	
Due within one year:	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Student fees	59	112	59	112
Amount due from subsidiary	-	-	22	60
Prepayments	41	41	36	35
Other debtors	72	24	63	16
	172	177	180	223

13 CREDITORS: amounts falling due within one year

	Consolidated		College	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Bank loan	200	189	200	189
Finance lease payments	26	26	26	26
Trade creditors	145	94	143	92
Taxation and social security	98	76	96	74
Pension contributions	68	60	68	60
Other creditors	117	180	117	180
Accruals and deferred income	198	238	182	196
	852	863	832	817

Barclays Bank have security over all of RNC's properties.

14 CREDITORS: amounts falling due after more than one year

	Consolidated		College	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Bank loan	1,213	1,445	1,213	1,445
Finance lease payments	31	57	31	57
	1,244	1,502	1,244	1,502

The bank loan was renewed on 13th December 2024 with repayments of £50,000 per quarter as from 31st January 2025, and the remaining balance repayable in full on 31st January 2030. Interest continues to be charged at 2.5% over the Bank of England Base Rate.

15 ALLOCATION OF THE GROUP NET ASSETS

The net assets are held for various funds as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2025 Total £'000
Restricted funds (note 16)	763	-	196	-	959
Unrestricted funds:					
- General (note 17)	12,464	-	1,680	(1,244)	12,900
- Pension reserve (note 21)	-	-	-	(2,865)	(2,865)
Total RNC	13,227	-	1,876	(4,109)	10,994
Total Subsidiary (note 17)	-	-	31	-	31
Total Blindcare (note 17)	-	-	4	-	4
Total Group	13,227	-	1,911	(4,109)	11,029

At 31 July 2024 the net assets were held as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2024 Total £'000
Restricted funds (note 16)	816	-	229	-	1,045
Unrestricted funds:					
- General (note 17)	12,184	350	1,223	(1,502)	12,255
- Pension reserve (note 21)	-	-	-	(2,969)	(2,969)
Total RNC	13,000	350	1,452	(4,471)	10,331
Total Subsidiary (note 17)	1	-	(60)	-	(59)
Total Blindcare (note 17)	-	-	8	-	8
Total Group	13,001	350	1,400	(4,471)	10,280

16 RESTRICTED FUNDS	Balance 31.7.24 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.7.25 £'000
Football Foundation Grant	415	-	(10)	-	405
Media Equipment	197	-	(10)	(8)	179
Sport England Grant	124	-	(3)	-	121
Overseas Scholarship Fund	168	-	-	(61)	107
Energy Efficiency	-	63	(21)	-	42
Sports Academy Minibus	-	30	(1)	-	29
Complimentary Therapies	4	27	(10)	3	24
IT Equipment	34	13	(1)	(34)	12
Empatheyes	6	-	(1)	-	5
Braille Technology	-	7	(2)	-	5
Braille Library	-	5	-	-	5
3D Printer	6	-	-	(2)	4
Gym Floor Sweeper	4	-	(1)	-	3
Spa Refurbishment	8	-	(6)	-	2
Student Activities	9	2	(10)	-	1
Keyless Swipe System	28	-	-	(28)	-
Braille Embosser	8	-	-	(8)	-
Students from Malvern area	6	-	-	(6)	-
Overseas Trips	1	13	(14)	-	-
Goalball Tournament	1	8	(9)	-	-
Teacher Training	-	16	(16)	-	-
Building Maintenance	-	63	(63)	-	-
Miscellaneous Small funds	26	11	(16)	(6)	15
	1,045	258	(194)	(150)	959

16 RESTRICTED FUNDS *(continued)*

	Balance 31.7.23 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.7.24 £'000
Football Foundation Grant	425	-	(10)	-	415
Media Equipment	219	-	(22)	-	197
Overseas Scholarship Fund	171	-	-	(3)	168
Sport England Grant	127	-	(3)	-	124
IT Equipment	34	24	(24)	-	34
Keyless Swipe System	54	-	(6)	(20)	28
Student Activities	8	6	(3)	(2)	9
Spa Refurbishment	8	-	-	-	8
Braille Embosser	-	14	(6)	-	8
Students from Malvern area	9	-	-	(3)	6
3D Printer	-	8	(2)	-	6
Empatheyes	-	10	(4)	-	6
Gym Floor Sweeper	5	-	(1)	-	4
Sunshades	2	-	-	-	2
Independent Living Skills	6	-	(5)	-	1
Berlin Trip	-	7	(8)	2	1
Goalball Tournament	-	6	(5)	-	1
Student Garden	32	-	-	(32)	-
LED Lighting	19	-	-	(19)	-
Astro Pitch Scoreboard	10	-	-	(10)	-
Switchboard	5	-	-	(5)	-
Building Maintenance	-	60	(60)	-	-
Miscellaneous Small funds	29	25	(23)	(4)	27
	1,163	160	(182)	(96)	1,045

Once the restriction has been fulfilled in line with SORP (FRS 102), restricted assets are transferred to unrestricted funds, as shown above. Where a grant or donation has been given and the asset is required to be held for a number of years the fund has remained restricted and the appropriate depreciation has been charged against the fund.

Football Foundation

The Football Foundation awarded a grant of £1million in 2009 towards a new Sports Centre.

Media Suite

Various grants were received towards the building of a new Media suite and the purchase of media and sound equipment, including £34,306 from the Eveson Trust and £30,000 from the Foyle Foundation.

Sport England

Sport England awarded a grant of £200,000 in total towards a new Sports Centre.

Overseas Scholarship Fund

The Overseas Scholarship Fund is represented by cash at bank, and is only to be used for issuing scholarships to learners and teachers from abroad.

Energy Efficiency

A grant of £63,000 was received during the year from nPower to be spent on energy efficiency measures throughout the campus.

16 RESTRICTED FUNDS *(continued)*

Sports Academy Minibus
Various grants were received during the year to purchase a new minibus for use by the RNC Sports Academy.

Complimentary Therapies
Various grants were received during the year to purchase new equipment for a newly refurbished area of the College dedicated to Complimentary Therapies.

IT Equipment
A number of grants and donations continue to be received for support towards the cost of specialist computer equipment and assistive technology software.

Empatheyes
Two grants were received to enable staff to undergo training on a new system to replicate the effects of a variety of visual impairments.

Braille Technology
An anonymous grant was received during the year to purchase specialist braille equipment.

Braille Library
Two grants were received during the year to set up a Braille library for students.

3D Printer
A grant was received from the G&F Squire Foundation for the purchase of a 3D printer to assist with teaching.

Gym Floor Sweeper
Several grants were received for the purchase of a floor sweeper to use on the main hall floor within the sports centre.

Spa Refurbishment
Sponsorship and donations were received in respect of a 24 hour spinathon event, with 50% of the monies pledged towards replacing the spa area with a dedicated spin room in thePoint4 sports centre.

Student Activities
A number of grants were received to enable students to undertake a wider range of extracurricular activities.

Keyless Swipe System
A number of grants were received for the purchase of a keyless swipe system to be installed on all student bedroom doors.

Braille Embosser
A number of grants were received for the purchase of a new Braille embosser for the learning directorate.

Students from Malvern area
A donation was received from the KJ Tandy Will Trust to assist with the education and training of ten students from the Malvern area.

Overseas Trips
A number of grants were received to enable a large group of students to have educational visit to Berlin and Madrid.

Goalball Tournament
A grant was received so that the RNC women's goalball team could attend a tournament in France.

Teacher Training
A grant was received from the Department for Education to go towards training for new teachers.

16 RESTRICTED FUNDS *(continued)*

Building Maintenance

A grant was received from the Department for Education towards ongoing maintenance and upkeep of RNC buildings.

Miscellaneous Small Funds

Includes a number of separate small restricted funds for a variety of activities, including acoustic shooting equipment, mental health training, alumni events, cricket and office equipment.

17 UNRESTRICTED FUNDS

GENERAL	Balance 1.8.24 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.7.25 £'000
RNC (excluding pension fund valuation)	12,255	7,956	(7,327)	16	12,900
Pension fund	(2,969)	-	(30)	134	(2,865)
Trading Company	(59)	615	(525)	-	31
Blindcare	8	63	(67)	-	4
	9,235	8,634	(7,949)	150	10,070

Prior year comparative	Balance 1.8.23 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.7.24 £'000
RNC (excluding pension fund valuation)	12,022	6,850	(6,520)	(97)	12,255
Pension fund	(2,345)	-	(817)	193	(2,969)
Trading Company	(131)	513	(441)	-	(59)
Blindcare	62	65	(119)	-	8
	9,608	7,428	(7,897)	96	9,235

18 OTHER FINANCIAL COMMITMENTS

Commitments in respect of operating lease rentals are as follows:

	Equipment 2025 £'000	Equipment 2024 £'000
Commitment payable:		
Within one year	41	46
Within two to five years	108	117
	149	163

19 CAPITAL COMMITMENT

At the year end, RNC had no capital commitments (2024: £nil)

20 RELATED PARTY DISCLOSURES

During the year RNC recharged expenses of £317,942 (2024: £251,360) to R N C Enterprises Limited and paid £2,876 (2024: £9,931) for products and services. The amount due from R N C Enterprises Limited at the year end was £22,365 (2024: £59,705) and the amount due to R N C Enterprises Limited at the year end was £nil (2024: £nil).

RNC is the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). During the year, RNC received income of £51,000 from Blindcare (2024: £103,000). There was no balance due to or from Blindcare (2024: £nil) at the year end.

During the year RNC paid £4,518 (2024: £8,319) in respect of legal services to Harrison Clark Rickerby, a firm of solicitors in which Mr C Finch, a trustee of RNC, is a partner. There was no balance outstanding at the year end.

21 PENSION OBLIGATIONS

a) Defined Benefit Scheme - TPT Retirement Solutions

RNC operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. Benefits ceased to accrue within the scheme with effect from 31 March 2012. A full actuarial valuation was carried out at 30 September 2022 and the results of this have been updated to 31 July 2025 by a qualified actuary, independent of the scheme's sponsoring employer.

The most recently completed actuarial valuation, as at 30 September 2022, showed a deficit of £3,572,000. RNC has agreed with the trustee that it will aim to eliminate the deficit by 30 November 2033 by payment of contributions of £332,688 per annum (payable monthly).

In addition, RNC will pay £77,340 per annum (payable monthly) to cover scheme expenses, including the Pension Protection Fund levy. The expenses payments will increase every 1 April by 3% per annum with the first increase on 1 April 2025.

RNC is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the scheme. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

Present values of defined benefit obligation, fair value of assets and defined benefit liability

Assets	**31 July 2025 £000**	**31 July 2024 £000**
Equity Type	175	389
Bonds	3,677	1,833
Property	547	700
Other	2,227	2,080
LDI	2,871	5,223
Cash	167	716
Fair value of plan assets	9,664	10,941
Present value of defined benefit obligations	(12,529)	(13,910)
Deficit in plan	(2,865)	(2,969)
Defined benefit liability to be recognised under FRS102	(2,865)	(2,969)

None of the market values of the assets shown above include any direct investments in RNC's own financial instruments or any property occupied by, or other assets used by, RNC.

21 PENSION OBLIGATIONS *(continued)*

Change in assets during the year

	2025 £'000	2024 £'000
Assets at the start of the year	10,941	11,061
Interest income on assets	523	567
Expenses	(151)	(102)
Experience on plan assets (excluding amounts included in interest income)	(1,201)	(248)
Employer contributions	424	410
Benefits paid	(872)	(747)
Assets at the end of the year	9,664	10,941

Change in liabilities during the year

	2025 £'000	2024 £'000
Liabilities at the start of the year	13,910	13,406
Interest expense	662	682
Actuarial (gain) / loss on changes in assumptions	(1,426)	529
Actuarial loss due to scheme experience	255	40
Benefits paid	(872)	(747)
Liabilities at the end of the year	12,529	13,910

Analysis of amount charged to income statement

	2025 £'000	2024 £'000
Expenses	151	102
Interest income on assets	(523)	(567)
Interest cost of defined benefit obligation	662	682
Total expense recognised in the statement of financial activities	290	217

Actuarial gain recognised in Statement of Financial Activities

	2025 £'000	2024 £'000
Return on assets excluding interest income	(1,201)	(248)
Experience losses on scheme liabilities	(255)	(40)
(Loss) / gain due to change in demographic assumptions	(123)	19
Gain / (loss) due to change in financial assumptions	1,549	(548)
Actuarial loss recognised in statement of financial activities	(30)	(817)

21 PENSION OBLIGATIONS *(continued)*

Movement in balance sheet liability during the year

	2025 £'000	2024 £'000
Deficit in plan at the start of the year	(2,969)	(2,345)
Net interest cost	(139)	(115)
Expenses	(151)	(102)
Re-measurements included in the statement of financial activities	(30)	(817)
Employer contributions	424	410
Deficit in plan at the end of the year	(2,865)	(2,969)

Assumptions	2025 % p.a.	2024 % p.a.	2023 % p.a.
Discount rate	5.74	4.91	5.23
Inflation (RPI)	2.93	3.11	3.14
Inflation (CPI)	2.60	2.72	2.68
Deferred revaluations	2.93	3.11	3.14
Earnings growth	3.60	3.22	3.18
Pension increases in payment: RPI max 5.5% pa	2.90	3.06	3.08
Pension increases in payment: CPI max 2.5% pa	1.89	1.94	1.92
Allowance for commutation	75% of maximum allowance	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 July 2025 imply the following life expectancies:

	Life expectancy at age 65 (years)
Male retiring in 2025	86.4
Female retiring in 2025	88.6
Male retiring in 2045	88
Female retiring in 2045	90

b) Defined Contribution Scheme - TPT Retirement Solutions (TPTRS)

During the year RNC contributed to a Defined Contribution Scheme for non-teaching staff. It is operated by TPTRS and the assets/(liabilities) in the scheme are held separately from those of RNC. During the year RNC paid contributions of £82,492 (2024: £58,707) to the scheme and at the year end £19,529 (2024 £15,705) was outstanding in respect of contributions to this scheme.

21 PENSION OBLIGATIONS *(continued)*

c) Defined Benefit Scheme - Teachers' Pension Scheme

RNC participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £434,068 (2024: £355,917) and at the year end £48,415 (2024: £44,429) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a 'pay as you go' basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the valuation report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

22 CONTINGENT LIABILITY

RNC operates a defined benefit pension scheme in the UK, through TPT Retirement Solutions, and have been made aware that some historical changes made to the scheme's benefits may not have been in accordance with the scheme rules. The trustees of the pension scheme are seeking court direction as to whether the changes were made in accordance with the rules and whether they have the power to make changes in respect of benefits built up after the date the changes were made. The court ruling could potentially give rise to an additional liability for RNC. As the pension scheme trustees are currently going through the court process any potential liability has not been recorded in the balance sheet.

23 (a) RECONCILIATION OF NET INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2025 £'000	2024 £'000
Net income for the year as per the Statement of Financial Activities	779	326
Adjustments for:		
Interest paid	115	138
Depreciation charges	400	386
Bank interest received	(80)	(70)
Payment into Defined Benefit Pension Scheme	(424)	(410)
Pension FRS102 adjustment	290	217
Decrease in debtors	5	51
Decrease in stock	1	-
(Decrease) / increase in creditors	(22)	34
Net cash generated by operating activities	1,064	672

23 (b) ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £'000	2024 £'000
Cash at bank and in hand	2,586	2,080
Total cash and cash equivalents	2,586	2,080

23 (c) CHANGE IN NET DEBT

	2025 £'000	2024 £'000
Net debt brought forward	1,717	1,899
Repayment of borrowing	(221)	(156)
Repayment of finance lease	(26)	(26)
Net debt carried forward	1,470	1,717

24 PRIOR YEAR ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000
Income from:			
Donations and legacies	156	100	256
Charitable activities	6,669	60	6,729
Other trading activities	533	-	533
Investments	70	-	70
TOTAL INCOME	7,428	160	7,588
Expenditure on:			
Raising funds	512	-	512
Charitable activities	6,568	182	6,750
TOTAL EXPENDITURE	7,080	182	7,262
NET INCOME / (EXPENDITURE)	348	(22)	326
Transfers between funds	96	(96)	-
Other recognised losses			
Actuarial loss on defined benefit pension scheme	(817)	-	(817)
NET MOVEMENT IN FUNDS	(373)	(118)	(491)
Total funds brought forward	9,608	1,163	10,771
Total funds carried forward	9,235	1,045	10,280

THE ROYAL NATIONAL COLLEGE FOR THE BLIND

England & Wales - Charity number 1000388

Accounts



THE ROYAL NATIONAL COLLEGE FOR THE BLIND
(a Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 July 2024

Charity Registered Number 1000388

Company Registered Number 02367626

The Royal National College for the Blind
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 July 2024

CONTENTS Pages

Chair's Statement	1 - 2
Governors' Report (including Strategic Report)	3 - 11
Independent Auditor's Report	12 - 15
Consolidated Statement of Financial Activities	16
Consolidated and College Balance Sheets	17
Consolidated Statement of Cash Flows	18
Notes to the Consolidated Financial Statements	19 - 40



The Royal National College for the Blind
CHAIR'S STATEMENT
for the year ended 31 July 2024

As my first year as Chair of RNC draws to a close there is much to reflect on.

Our accounts show that the College continues to move from strength to strength in terms of financial stability. In the current climate it is never appropriate to be complacent, and the Board is deeply conscious of the ongoing debate around the costs of the Special Educational Needs System in England.



RNC is a national provider for students with a low incidence, high need condition. Our approach is in line with the Curriculum Framework for Children and Young People with Vision Impairment (CFVI). We take a holistic approach where students learn essential skills for lifelong independence alongside their vocational and academic studies. It is not economically viable for local authorities to replicate the provision required by our students on a local or even regional basis.

We have long urged the Government to recognise that national provision should be funded on a national basis, and continue to do so. This would make the system less adversarial, enable local authorities to focus their own limited budgets on provision within their local area, and reduce the uncertainty around commissioning of places for both students and RNC. With another Education Select Committee review of the system underway, we hope to see this amongst the recommendations.

2024 saw our long-awaited full Ofsted inspection, and we were delighted to be recognised as Good in all areas. The Inspectors recognised both the strength of governance and the profound impact that attending the College has on students' lives:

'Students enjoy studying at the RNC. Students appreciate the positive relationships they have with staff members, which help them improve their confidence and independence. Students benefit from the teaching and support they receive in both the residential and college settings in which they thrive and develop their skills. For many, this is the first time they have felt accepted in an educational setting where they are allowed to fully express themselves.'

'Teachers plan their teaching to carefully introduce activities which previously would have been considered a risk to students' welfare due to their visual impairments. Leaders and managers understand the challenges that students face when studying and working towards employment and further training. Teachers have built curriculums not only to ensure students develop the skills they need but also the confidence to become independent in their daily lives.'





2024/25 also marks the final year of our current five year strategic plan. Significant progress has been made in all areas identified as priorities. I am particularly proud that both the Ofsted report and the various monitoring visits undertaken by local authorities reinforce a key aim that students feel 'safe, highly valued, respected and empowered.' The entire RNC team works hard to ensure that our values, including inclusion and accessibility for all, are embedded in all areas of the College. Our values will continue to define our priorities as we develop our strategy for the years ahead, including ensuring that RNC remains the College of choice for visually impaired students.



Peter Flynn
Chair

Date: 14th March 2025



The Governors (who are also the Company directors and charity trustees as listed on page 9) present their annual report and audited financial statements for the year ended 31 July 2024, which comply with the Charities Act 2011, the Companies Act 2006, RNC's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Aims, objectives and activities

Aims

The aim of The Royal National College for the Blind ("RNC") is to provide and promote education and training for people who are blind or visually impaired and for such other people as the Governors may determine from time to time.

Charitable objectives

The objectives of RNC are covered by its Vision and Mission statement.

Vision:	A world where every person with a visual impairment has true equality.
Mission statement:	Education, employment and empowerment for all people with a visual impairment.

Activities

The principal activity of RNC is that of a residential specialist college of Further Education, promoting the independence and potential of people who are blind or partially sighted aged 16 and over.

RNC's major funders are the Education and Skills Funding Agency, the Welsh Government and Local Authorities. In addition, some students are also funded through private funding.

Other areas of activity include the operation of a Sports and Complementary Therapy Centre (thePoint4). These facilities are widely used by our students and the general public. RNC also has a range of support services to offer to organisations which require assistance in addressing the needs of the visually impaired.

Public benefit

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and relief of those in need by reason of disability. The activities described above enable us to meet the definition of public benefit.

During the academic year 2023/24, there were 95 students aged 16 to 25 enrolled at RNC (2022/23: 97 students).



Strategic report

Achievements and performance



RNC enjoyed another good year, with students benefiting from an approach to education that combines traditional further education studies with a skills programme which prepares them for independent adulthood in a sighted world. When off-timetable, students have opportunities to engage in an activities programme which is refreshed with each new intake to make sure it is tailored to their interests and ambitions.

The positive student experience was noted in our 2024 Ofsted inspection report:

Students are respectful towards each other, staff and the people they work with. They frequently demonstrate respectful behaviours during their studies and support each other sensitively. Students feel safe at college and staff create a calm and nurturing culture in which there is an emphasis on students' safety and welfare. Students quickly orientate themselves to their new surroundings, start their studies with confidence and actively take part in college life.

This was also reflected in outcomes, with an overall pass rate of 100% at A Level, and all students progressing to university achieving their desired place. A 100% pass rate was also seen in vocational areas including Business OCR L3 Certificate and Massage and Complementary Therapy. Student involvement in sport included football, goalball, judo and the Talented Athlete Scholarship Scheme via the Sports Academy. The recreational sport offering also included cricket, tennis, fitness classes, inclusive boxing, running (guided), tandem cycling and acoustic shooting.



As part of our continued drive to be the employer of choice within Herefordshire and within education, we introduced a fresh Employer Assistance Programme. The programme provides a range of practical support (access to GPs etc) with a rewards scheme that actively encourages healthy minds and bodies. The annual Wellbeing Day has also become a College tradition, featuring a broad programme of information and experiences to suit all tastes, as well as a communal lunch. The sense of community and shared values remains a key characteristic of RNC.

There has also been significant investment in specialist training for teaching staff, including the further development of internal Qualified Teacher of Adults with Visual Impairment programme, braille lessons, lunch time sessions for teachers who are new to RNC, and opportunities to undertake external training such as the Qualified Teacher of Children and Young People with Vision Impairment, and a range of National Professional Qualifications.



As a member of the RNC team wrote in the local newspaper:

'The College is kind, and it shows. Everyone I have met and worked with cares deeply about the young people moving through its doors: staff work hard with each student to dismantle whatever baggage has been handed to them and to carefully assemble a College leaver who has tools, strategies and experiences to progress to the next stage of their lives – in many cases, work or higher education – better equipped.'

Risk management

The major risks and uncertainties facing RNC, and the mitigation measures in place are:

Risk	Mitigation measures
Failure to achieve the budgeted number of students based on current commissioning practices/law, disadvantageous changes to the Children & Families Act or in interpretation of the current law at tribunal, or increased emphasis on economic impact of specialist placements in rulings.	Investment in legal support and specialist staffing. Work actively and collaboratively with other visually impaired organisations, Departments of State, NATSPEC, funders and others to develop strategies. Active lobbying of political parties and local authorities. Visit key people in Local Authorities/Welsh Government. Explore overseas opportunities.
Failure of fundraising activities to achieve financial target.	Detailed work being undertaken on the overall strategy for fundraising in the current climate. Overall the impact of a failure to achieve target is considered to be comparatively low as the outturn to capital expenditure can be adjusted accordingly, but it is recognised that this in turn limits the projects that can be completed and the opportunities for investment in the campus and the student experience.
Major IT fail - hacking/phishing/ ransomware.	Tech team well versed in the risks and run regular exercises to check understanding across staff and students. Strong firewall in place, all systems backed up regularly, Cyber Essentials status.
Risk of existing qualifications being phased out and replacements being inappropriate for the needs of RNC students.	The level of risk related to existing qualifications may reduce, depending on the approach the government takes to the current review and its outcome.

The Board has examined the principal areas of RNC's operations and considered what major risks may arise in each of these areas. RNC keeps a detailed risk register which is reviewed and updated by Governors and the Senior Management Team every three months. In the opinion of the Governors, RNC has therefore established policies, resources and review systems, which under normal conditions should allow the risks identified by them to be mitigated to an acceptable level in its day to day operations.



Financial review

One of the principal risks of RNC is maintaining financial viability in light of continual changes to funding arrangements for high needs students. Monthly accounts and cash flows are monitored by the Senior Management Team and Governors to identify potential issues at the earliest opportunity.

A summary of key figures over the last three year have been:

	2024	2023	2022
	£000	£000	£000
Total income of the Charitable Group	7,588	7,578	7,761
Income from donations and legacies	256	474	451
Net income before pension scheme	326	613	1,594
Net movement in funds after pension scheme	(491)	(692)	2,410
Net assets at year end	10,280	10,771	11,463
Unrestricted funds at year end	9,235	9,608	10,436

Despite the continual challenges of obtaining placements and funding from Local Authorities, student numbers were once again above the target of 90 during the year resulting in income from student services showing a 1.0% increase in 2024 (6.3% increase in 2023).

Included within the above figures are those of the trading subsidiary, R N C Enterprises Limited, and the controlled charity, Blindcare. Detailed results of these entities are shown in note 5 to these financial statements.

Turnover of R N C Enterprises Limited for the year was £513,295 (2023: £440,018), and the operating profit was £72,494 (2023: £15,936). The amount gift-aided to RNC during the year was £nil (2023: £nil) due to losses brought forward within R N C Enterprises Limited due to the effects of the Covid-19 pandemic.

Turnover of Blindcare for the year was £64,873 (2023: £88,305) and the amount donated to RNC during the year was £103,000 (2023: £52,000).

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2030, and a significant deficit on its defined benefit pension scheme, but has worked through a detailed recovery plan to address this and has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Pension liability

RNC operates a defined benefit funded pension plan in the UK. The scheme is closed to new entrants and benefits ceased to accrue with effect from 31 March 2012. A full actuarial valuation was carried out at 30 September 2022 and showed a deficit in the scheme of £3,572,000. Following the valuation, the pension trustee and the employer agreed that additional contributions would continue to be paid to the scheme by the employer at the rate of £332,688 per annum over a period of 9 years 8 months as from 1 April 2024.

Reserves policy

The Governors have examined the requirement for free reserves which are those unrestricted funds not invested in tangible fixed assets, restricted funds or otherwise committed. The Governors consider that, given the nature of RNC's operations, this should be approximately £600,000, equivalent to one month's expenditure, which gives flexibility to cover temporary timing differences for fees and grants, adequate working capital for core costs, and will allow a quick response to emergencies.

The free reserves as at 31 July 2024 consist of unrestricted investments plus unrestricted net current assets/liabilities less long term liabilities (excluding pension reserve), which total £71,000 (2023: -£309,000). However, despite having low free reserves, as at 31 July 2024 the group had net current assets of £1,400,000 (2023: £1,306,000) giving it sufficient working capital in the short term.

Governors acknowledge that the level of free reserves is below the desired level, however they continue with the ethos of the recent business recovery plan by aiming to stabilise or grow student numbers and closely monitor and control the cost base of the college thus maintaining working capital and improving the level of free reserves within the longer term.

At year end, the Group had funds of £10,280,000 (2023: £10,771,000) which consisted of £9,235,000 unrestricted funds (2023: £9,608,000) and £1,045,000 restricted funds (2023: £1,163,000). Included within the unrestricted funds was the pension reserve, which is currently a deficit of £2,969,000 (2023: £2,345,000).

Land and buildings

The freehold land and buildings were bought by the Royal National College and Academy of Music for the Blind Trust in 1978, and transferred to RNC on incorporation in 1989.

Under the transition to FRS 102, the net book value of the freehold land and buildings as at the transition date has been used as the historical cost.

Investment policy

The memorandum of association authorises the Governors to invest in such stocks, shares, investments and property in the UK as they see fit. The Governors' policy is to adopt a medium risk investment strategy based upon maintaining the real value of investments and achieving a reasonable income.

At year end, RNC owned one property which is surplus to requirement and on the market to be sold and is therefore treated as an Investment Property. Note 10 to these accounts gives more information on the investment held at the year end.

Structure, Governance and Management

Governing document

RNC is a registered charity (No. 1000388) and a Company limited by guarantee (No. 02367626). RNC is governed by memorandum and articles of association adopted by special resolution of the Board of Governors dated 8 December 2009.

Trustee recruitment, induction and training

The Board has a sub-Group, the Nominations and Governance Committee, who manage the recruitment of Governors. They identify skills/ethnicity gaps and target recruitment to fill those gaps. There is an extensive induction process for new Governors and regular training events are organised aligned to priorities identified within the self assessment process.

Organisation

The Governors ratify the general direction and policy of RNC and monitor its performance, whilst the day to day leadership and management of the College and its subsidiaries is delegated to the Executive Principal.

Pay policy for key management personnel

The pay of key management personnel is set by the Governors having regard for levels of responsibility, corresponding positions in similar organisations and pay scales issued by the Association of Colleges.

Related parties

R N C Enterprises Limited (RNCE) is RNC's wholly-owned trading subsidiary and carries out non-charitable trading activities for RNC. The results of RNCE are consolidated within the overall RNC results. Further details of RNCE's activities are shown above in the Financial Review, and in Note 5 to these financial statements.

RNC is the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). The results of Blindcare are consolidated within the overall RNC results as RNC controls the Board of Blindcare. Further details of the results of Blindcare are given in Note 5 to these financial statements.

Equal opportunities

It is the policy of RNC to provide equal employment opportunities to ensure that no employee receives less favourable treatment than others on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. Staff development programmes have been run with the aim of promoting equal opportunities amongst staff, Governors and students.

Employees

RNC is an equal opportunities employer, committed to the promotion of equality, diversity and a supportive environment for all members of our community. We are committed to safeguarding and all staff are subject to necessary Disclosure and Barring Service checks, which are reviewed on a three year cycle. RNC has safeguarding and equality and diversity groups with staff representation which meet on a regular basis and ensure that policies and practices are up to date.

There is mandatory training on safeguarding, equality and diversity and data protection for all staff. Managers involved in staff recruitment all have to complete a "Safer Recruitment in Education" programme. There is also an extensive programme of other developmental training for staff.

RNC has a staff consultation group made up of representatives from across RNC who meet on a regular basis and there is an open policy in the provision of information to employees.

Fundraising

RNC employs a small fundraising team (2.0 FTE staff) who concentrate mainly on grant applications to Trusts and Foundations. No professional fundraisers or commercial participators are used by RNC, however Blindcare, the controlled independent charity, uses professional fundraising organisations for payroll giving income, with no fundraising direct from the general public. As a result, the fundraising team were not required to implement any policies regarding the safeguarding of vulnerable members of the general public, nor did they receive any complaints during the year. A detailed fundraising report is presented to Governors at all board meetings, which sets out the current strategy, fundraising income received year to date against budget, income pledged but not yet received, and any other issues of which Governors should be aware. RNC therefore has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Future development and plans

There is a clear ongoing need for RNC as a national centre of expertise. We are secure in our mission and our specialism, and remain committed to providing our students with a holistic experience which includes the embedding of essential skills for life alongside academic and vocational qualifications. We will continue to review our curriculum to ensure that it meets the needs of both our students and their future employers, while recognising the value of study for its own sake. We will deliver our multi-year Estates strategy investing in student accommodation, teaching areas and recreation spaces to ensure that our facilities support and enhance the student experience throughout their time at RNC. And we will continue to advocate for all visually impaired learners, wherever they are studying, to ensure they have access to an education that meets their needs, prepares them for adulthood and is in line with the Curriculum Framework for Vision Impairment. We will achieve this by working in genuine partnership with all interested stakeholders, keeping the interests and voices of young people at the centre of all that we do.

Reference and administrative details

Charity name:	The Royal National College for the Blind (also known as "RNC")
Charity number:	1000388
Company number:	02367626
Principal and registered office:	thePoint4, Venns Lane, Hereford, HR1 1DT

Our advisers

Independent auditor	Crowe U.K. LLP, 4th Floor, St James House, St James Square, Cheltenham, GL50 3PR
Bankers	Barclays Bank plc, 1 - 3 Broad Street, Hereford, HR4 9BH
Solicitors	Eversheds Sutherland, 115 Colmore Row, Birmingham, B3 3AL

Key management personnel

Executive Principal	L Proctor (ex-officio trustee)
Vice Principal - Learning and Curriculum	M Fisher
Vice Principal - Business and Enterprise	L Lawrence

Governors, Directors and Trustees

The Governors of The Royal National College for the Blind are also the trustees and Company directors. The Governors and elected directors who served during the year and since the year end were as follows:

Ms J Barnes		
Mr E Bastable	(resigned 13 December 2024)	
Mr J Brew		Also a director of Blindcare
Mrs S Bryson		
Mr J Clarke-Morris		Also a director of R N C Enterprises Limited
Miss K Diamond		
Mr P Flynn	(Chair)	
Mr P Gebbie		
Mr S Hairsnape		Also a director of Blindcare
Ms H Miles		
Mrs S Penny		
Mr A Powell		Staff governor
Mrs L Proctor		Also a director of Blindcare
Mrs V Pugh	(resigned 4 October 2024)	
Mrs L Roberts	(resigned 12 July 2024)	Staff governor
Mr J Ryan	(resigned 12 July 2024)	

Governors are elected by the Board for a renewable term of three years by rotation. New Governors are given a full induction to the College and its activities.

There are three sub-committees of the Board of Governors that meet at various times during the year; the Audit and Assurance Committee, the Finance, Development and Commercial Committee and the Education and Training Committee.

Charity Governance Code

As RNC is a not for profit organisation which aims to follow charity sector best practice, the Governors reviewed the Charity Governance Code (the "Code") published in July 2017. Following an in-depth review of the Code carried out at the Governors' meeting held on 20th December 2018, the Governors agreed to adopt the Code in full at their meeting on 17th May 2019. Governors have reviewed the updated Code issued in December 2020, which is used to measure the Board of Governors' effectiveness and is built into the annual Governor Self-Assessment Report (SAR).

Statement of Governors' responsibilities

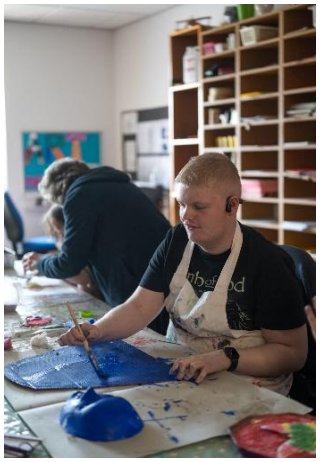
The Governors (who are also directors of The Royal National College for the Blind for the purposes of Company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year. Under Company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Group will continue in business.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the Charitable Company's transactions, 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 and the provisions of the Charitable Company's constitution. They are also responsible for safeguarding the assets of the Charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.





Disclosure of Information to Auditor

In so far as each of the directors of RNC at the date of approval of this report is aware, there is no relevant audit information (information needed by RNC's auditor in connection with preparing the audit report) of which RNC's auditor is unaware. Each director has taken all of the steps that he/she should have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that RNC's auditor is aware of that information.

The Governor's Report, including the Strategic Report, was approved by the Board of Governors of The Royal National College for the Blind on 14th March 2025 and is signed on its behalf by:



Peter Flynn
Chair
Date: 14th March 2025



Opinion

We have audited the financial statements of The Royal National College for the Blind ('the Charitable Company') and its subsidiaries ('the Group') for the year ended 31 July 2024 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, College balance sheet, Consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Charitable Company's affairs as at 31 July 2024 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the

financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Charitable Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report included within the Governors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 10, the Governors (who are also the directors of the Charitable Company for the purposes of Company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charitable Company and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charitable Company's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were Ofsted.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors' and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income, the going concern assessment, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit and Assurance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over grant income, reviewing accounting estimates for biases, reviewing management and those charged with governance's assessments relating to the going concern assumption, reviewing regulatory correspondence with the Charity Commission and Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of this report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James Square
Gloucestershire
GL50 3PR

Date: 04 April 2025

The Royal National College for the Blind
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES *(incorporating an income and expenditure account)*
for the year ended 31 July 2024

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2024 £'000	Total 2023 £'000
Income from:					
Donations and legacies	2	156	100	**256**	474
Charitable activities	2	6,669	60	**6,729**	6,626
Other trading activities	5	533	-	**533**	455
Investments	2	70	-	**70**	23
TOTAL INCOME		7,428	160	**7,588**	7,578
Expenditure on:					
Raising funds	4	512	-	**512**	530
Charitable activities	4	6,568	182	**6,750**	6,435
TOTAL EXPENDITURE	4	7,080	182	**7,262**	6,965
NET INCOME / (EXPENDITURE)		348	(22)	**326**	613
Transfers between funds	16	96	(96)	**-**	-
Other recognised losses					
Actuarial loss on defined benefit pension scheme	21	(817)	-	**(817)**	(1,305)
NET MOVEMENT IN FUNDS		(373)	(118)	**(491)**	(692)
Reconciliation of funds:					
Total funds brought forward	15	9,608	1,163	**10,771**	11,463
Total funds carried forward	15	9,235	1,045	**10,280**	10,771

The notes on pages 19 to 40 form part of these financial statements.

The Royal National College for the Blind (a Company limited by guarantee no. 02367626)
CONSOLIDATED AND COLLEGE BALANCE SHEETS
as at 31 July 2024

	Notes	Consolidated 2024 £'000	Consolidated 2023 £'000	College 2024 £'000	College 2023 £'000
FIXED ASSETS					
Tangible assets	9	13,001	13,177	13,000	13,176
Investments	10	350	350	350	350
Total fixed assets		13,351	13,527	13,350	13,526
CURRENT ASSETS					
Stock	11	6	6	1	1
Debtors	12	177	228	223	347
Cash at bank and in hand		2,080	1,868	2,045	1,773
Total current assets		2,263	2,102	2,269	2,121
LIABILITIES					
Creditors: amounts falling due within one year	13	(863)	(796)	(817)	(745)
Net current assets		1,400	1,306	1,452	1,376
Total assets less current liabilities		14,751	14,833	14,802	14,902
Creditors: amounts falling due after more than one year	14	(1,502)	(1,717)	(1,502)	(1,717)
Net assets excluding pension scheme liability		13,249	13,116	13,300	13,185
Defined benefit pension scheme liability	21	(2,969)	(2,345)	(2,969)	(2,345)
TOTAL NET ASSETS		**10,280**	**10,771**	**10,331**	**10,840**
THE FUNDS OF THE GROUP					
Restricted income funds	16	1,045	1,163	1,045	1,163
Unrestricted funds					
General	15	12,204	11,953	12,255	12,022
Defined benefit pension scheme liability	21	(2,969)	(2,345)	(2,969)	(2,345)
Total unrestricted funds	17	9,235	9,608	9,286	9,677
TOTAL GROUP FUNDS	15	**10,280**	**10,771**	**10,331**	**10,840**

The notes on pages 19 to 40 form part of these financial statements.

The College only net income for the year totalled £308,000 (2023: net income of £589,000).

The financial statements were approved and authorised for issue by the Governors on 14th March 2025 and were signed on their behalf by:



Peter Flynn **Date: 14th March 2025**
Chair

The Royal National College for the Blind
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2024

	Notes	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Cash flows from operating activities:					
Net cash generated by operating activities	23(a)		672		927
Cash flows from investing activities:					
Bank interest received		70		23	
Purchase of tangible fixed assets		(210)		(489)	
Net cash used in investing activities			(140)		(466)
Cash flows from financing activities					
Repayment of borrowing	23(c)	(156)		(155)	
Repayment of finance lease	23(c)	(26)		(31)	
New finance lease	23(c)	-		131	
Interest paid		(138)		(117)	
Net cash used in financing activities			(320)		(172)
Change in cash and cash equivalents in the year			**212**		**289**
Cash and cash equivalents at the beginning of the year			1,868		1,579
Cash and cash equivalents at the end of the year	23(b)		**2,080**		**1,868**

The notes on pages 19 to 40 form part of these financial statements.

1 STATEMENT OF ACCOUNTING POLICIES

The Royal National College for the Blind ("RNC") is a Charitable Company limited by guarantee and was incorporated on 3 April 1989 (Company no: 02367626). The Royal National College for the Blind is registered as a charity with the Charity Commission England and Wales (charity no. 1000388). Its registered and principal office is thePoint4, Venns Lane, Hereford, HR1 1DT. This is also the registered office of the 100% wholly-owned subsidiary, R N C Enterprises Limited, and the controlled charity, Blindcare.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and Charities Act 2011.

The Royal National College for the Blind meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2030, and a significant deficit on its defined benefit pension scheme, but has worked through a detailed recovery plan to address this and has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Income

Income is included in the Statement of Financial Activities when the Group has entitlement to the funds, any performance conditions have been met, it is probable the income will be received and the amount can be measured reliably.

Student services and grants

Student services and grants are accounted for in the period in which the service is provided. Student services consist of income from student fees and any sundry receipts.

Government grants

Grants from government bodies and other sources are received for specific projects/costs and are recognised in accordance with their individual terms and conditions. Income is recognised when the Group has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Donations

Donations received for the general purposes of the Group are credited to unrestricted funds but shown separately from direct Group income. Donations subject to specific wishes of the donors are carried to the relevant restricted fund. Donations are accounted for when received.

Legacies

Legacies received for the general purposes of RNC are credited to unrestricted funds and shown within donations and legacies. Legacies subject to specific wishes of the donor are included within restricted funds. Legacy income is accounted for based upon settlement of the Estate Accounts, or receipt of payment, whichever is earlier.

Income from trading

Income from trading activities is included in the financial statements in the period in which the relevant goods and services have been provided, and is stated net of Value Added Tax.

Investment and similar income

Investment and similar income is accounted for when receivable.

Taxation

As a charity, RNC is generally exempt from corporation tax on income it receives which is properly applied for its Charitable purpose.

Expenditure

Group expenditure is accounted for on an accruals basis. Where expenditure is apportioned across cost categories, it is apportioned at the best estimate of the Governors based on the level of activity during the year. Costs are allocated to the appropriate cost categories in the Statement of Financial Activities.

Support costs are those costs directly incurred in administering and supporting RNC operations as an educational establishment. Governance costs comprise the costs of running the charity, including external audit and all the costs of complying with constitutional and statutory requirements, such as the cost of the Board and Committee meetings and of preparing statutory accounts.

Expenditure of trading and the costs of raising funds are accounted for in the period in which the expenditure is incurred.

Investments

Investment properties are stated in the Balance Sheet at potential freehold market value. A formal professional valuation is carried out at least every five years, and prepared on an informal basis in the intervening period. Gains or losses are taken to the Statement of Financial Activities. No depreciation is provided on investment properties.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the Statement of Financial Activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Tangible fixed assets and depreciation

The Group took advantage of the transition to FRS 102 and all freehold land and buildings are recognised at their deemed cost which was their net book value at the date of transition. The historic cost basis will apply going forward. Other fixed assets are stated at historical cost.

Depreciation is calculated so as to write off the cost of assets over their estimated useful lives as follows:

Freehold land	No depreciation	
Freehold buildings	2%	straight line
Building improvements	5% - 10%	straight line
Fixtures, fittings and equipment	20%	straight line
Leased assets	20%	straight line

Equipment costing more than £1,000 is capitalised and carried in the Balance Sheet at historical cost.

Cash

Cash is represented by cash in hand and deposits with financial institutions.

Stocks

Stocks comprise goods for resale by the Group. They are included in the financial statements at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Short term debtors are initially measured at their settlement amount.

Creditors

Short term creditors are initially measured at their settlement amount.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of the bank loan and the finance lease obligations which are subsequently measured at amortised cost using the effective interest method.

Unrestricted funds

Unrestricted funds can be used at the discretion of the Governors in accordance with RNC's and the Group's objects.

Restricted funds

Restricted funds are those funds whose income is for a specific purpose as stipulated by the donor, the details of which are set out in the notes to the financial statements.

Pension schemes

The Group contributes to the Teachers' Pension Defined Benefits Scheme at rates based either on instructions from the Department for Education or actuarial advice. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Group. The scheme is therefore accounted for as a Defined Contribution scheme. The amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and other post retirement benefits is the contributions payable in the year.

The Group also contributed to a Defined Benefit pension scheme for non-teaching staff up until its closure to future accruals on 31st March 2012. The assets of the scheme are held separately from those of The Group, and are administered by TPT Retirement Solutions ("TPTRS"). Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each Balance Sheet date. The resulting defined asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The amounts charged to expenditure are the notional interest charges and the other costs charged by the trustee for running the scheme. Actuarial gains and losses are recognised within "Other recognised losses".

Since 1st April 2012 the Group has contributed to a Defined Contribution Scheme for non- teaching staff, administered by TPTRS. The amount charged to the Consolidated Statement of Financial Activities is the contributions payable by the Group in the year.

All pension fund costs are charged against unrestricted funds in line with the associated staff costs.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Consolidation

RNC has a 100% wholly owned trading subsidiary, R N C Enterprises Limited, a Company registered in England and Wales. The results of the subsidiary are included in the consolidated accounts on a line by line basis, with all intra-Group transactions fully eliminated on consolidation. A summary of the results of R N C Enterprises Limited is shown in note 5 to the consolidated financial statements.

RNC is also the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). RNC controls the Board of Blindcare, so its results have been included in the consolidated accounts on a line by line basis, with all intra-Group transactions fully eliminated on consolidation. A summary of the results of Blindcare is shown in note 5 to the consolidated financial statements.

The Group has taken advantage of Section 408 of the Companies Act 2006 by not providing a separate Statement of Financial Activities for the Charity.

The Group has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Statement of Cash Flows and certain disclosures about the Charity's financial instruments.

Critical judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to consider making any significant judgements and estimates where necessary. Significant judgements and estimations have been made on the following items:

Useful economic lives of tangible fixed assets
The annual depreciation charges for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible fixed assets and note 1 for the useful lives for each class of assets.

Defined benefit pension fund
The present value of the TPTRS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 30 September 2022 has been used by the actuary in valuing the pensions liability at 31 July 2024. Any difference between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Impairment of fixed assets
Governors considered there to be no impairment of fixed assets during the year.

2 INCOME

	2024	2023
Donations and legacies	**£'000**	**£'000**
Donations	78	97
Trusts and Foundations	117	310
Legacies	61	67
Income from donations and legacies	256	474

		2024	2023
Charitable activities		**£'000**	**£'000**
Student fees from:	Education & Skills Funding Agency	1,027	1,035
	Welsh Government	218	336
	Local Authorities	5,278	4,951
	Private sources	15	151
Other income		8	6
Income from student services		6,546	6,479
Grants			
Education & Skills Funding Agency		123	88
Department for Education		60	58
Other grants		-	1
Income from charitable activities		6,729	6,626

	2024	2023
Investment and other income	**£'000**	**£'000**
Bank interest	70	23
Income from investments	70	23

3 NET INCOME

		2024	2023
Net income for the year is stated after charging:		**£'000**	**£'000**
Auditor's remuneration	- audit fees	28	23
	- accountancy and tax services	3	2
	- grant assurance	2	1
Operating lease rentals		52	48
Depreciation	- owned assets	360	349
	- leased assets	26	22
Interest payable	- finance lease interest	3	5
	- loan interest	135	112

4 ANALYSIS OF TOTAL EXPENDITURE

Expenditure on Charitable activities:	**Staff costs £'000**	**Expenses £'000**	**Deprec'n £'000**	**Total 2024 £'000**	**Total 2023 £'000**
Education and training	3,051	180	-	3,231	3,049
Welfare	179	461	-	640	595
Premises	216	606	241	1,063	1,033
Marketing	134	36	-	170	155
Support costs	918	534	145	1,597	1,564
Governance costs (see below)	21	28	-	49	39
	4,519	1,845	386	6,750	6,435
Expenditure on raising funds:					
Fundraising	61	7	-	68	95
Trading activities	230	201	-	431	425
Blindcare activities	-	13	-	13	10
	291	221	-	512	530
	4,810	2,066	386	7,262	6,965

Governance costs comprise:	**2024 £'000**	**2023 £'000**
Staff costs	21	20
Audit & accountancy costs	28	18
Legal & professional fees	-	1
	49	39

5 OTHER GROUP ENTITIES

The wholly owned trading subsidiary, R N C Enterprises Limited, is incorporated in the United Kingdom (company number 01747998) and pays available profits to the parent charity under the gift aid scheme. R N C Enterprises Limited operates all commercial trading activities of RNC, including the sports and conferencing facilities. The summary financial performance of the subsidiary alone is:

	2024 £'000	2023 £'000
Turnover	513	440
Cost of sales	(89)	(83)
Gross profit	424	357
Administrative expenses	(352)	(341)
Operating profit	72	16
Retained deficit at start of period	(131)	(147)
Retained deficit at end of period	(59)	(131)

	2024 £'000	2023 £'000
Total assets at balance sheet date	45	52
Total liabilities at balance sheet date	(104)	(183)

In addition to income of £513,000 (2023: £440,000) shown above, miscellaneous trading income of £20,000 (2023: £15,000) is included within the results of the College.

RNC is the sole beneficiary and controlling party of an independent charity, Blindcare (charity registration number 1020073, company number 02806606). Blindcare receives donations from various payroll giving schemes and makes donations to the parent charity at the discretion of the Blindcare directors. The summary financial performance of Blindcare alone is:

	2024 £'000	2023 £'000
Income	65	88
Costs of raising funds	(13)	(10)
Charitable activities	(106)	(70)
Net (deficit) / income	(54)	8
Reserves at start of period	62	54
Reserves at end of period	8	62

	2024 £'000	2023 £'000
Total assets at balance sheet date	10	68
Total liabilities at balance sheet date	(2)	(6)

6 CORPORATION TAXATION

RNC is exempt from corporation tax on its Charitable activities.

7 STAFF NUMBERS

The average monthly headcount of full time and part time staff was 153 (2023: 150).

	2024 Number	2023 Number
Education and training	99	93
Student welfare	8	9
Premises	6	6
Support	23	21
Marketing	4	5
Fundraising	3	5
R N C Enterprises Limited	10	11
	153	150

8 ANALYSIS OF STAFF COSTS, GOVERNOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2024 £'000	2023 £'000
Salaries and wages	3,840	3,603
Social security costs	322	305
Pension contributions - teaching	356	301
- non-teaching	63	51
Defined benefit pension scheme contributions	229	180
Redundancy payment	-	38
Total staff costs	4,810	4,478

Pension contributions were made to the Teachers' Pension Scheme for teaching staff and to a fund independently administered by TPTRS for non-teaching staff.

The Executive Principal, Mrs Lucy Proctor, is an ex-officio trustee and received emoluments of £80,527 (2023: £79,719) with employer pension contributions of £2,689 (2023: £2,392). Mr Andy Powell and Mrs Lisa Roberts served as Staff Governors during the year and received emoluments of £44,821 and £35,469 respectively (2023: £45,820 and £31,423) whilst serving as staff governors, with employer pension contributions of £1,448 and £6,676 respectively (2023: £1,240 and £5,952).

No other Governors nor persons connected with them received any remuneration from the College or any connected organisation in either financial year.

During the year, 2 Governors were reimbursed expenses relating to travel for meetings of £446 (2023: 3 Governors total of £569).

The number of higher paid employees whose emoluments exceeded £60,000 were:

	2024 No.	2023 No.
£70,000 - £79,999	-	1
£80,000 - £89,999	1	-

Pension contributions for the higher paid employee amounted to £2,689 (2023: £2,392).

The key management personnel of the Group during the year, who were remunerated, comprise the Executive Principal, the Vice Principal Learning and Curriculum and the Vice Principal Business and Enterprise. The total employee benefits of the key management personnel, including pension contributions and employer national insurance contributions, were £209,671 (2023: £325,681 - comprising 6 members of staff).

9 TANGIBLE FIXED ASSETS

Consolidated	Freehold land and buildings £'000	Fixtures, fittings & equipment £'000	Leased assets £'000	Group Total £'000
Cost				
At 1 August 2023	14,190	1,294	131	15,615
Additions	76	134	-	210
Disposals	-	(21)	-	(21)
At 31 July 2024	14,266	1,407	131	15,804
Depreciation				
At 1 August 2023	1,409	1,007	22	2,438
Charge for the year	241	119	26	386
Disposals	-	(21)	-	(21)
At 31 July 2024	1,650	1,105	48	2,803
Net book values				
At 31 July 2024	12,616	302	83	13,001
At 31 July 2023	12,781	287	109	13,177

The net book value of tangible fixed assets owned by R N C Enterprises Limited is £502 (2023: £899). The net book value of freehold land and buildings includes an amount of £4,173,000 (2023: £4,173,000) in respect of land.

10 INVESTMENT ASSETS

Consolidated Fixed Assets	Investment Properties £'000
Balance at 31 July 2023 and 31 July 2024	350

The investment property is located within the county of Herefordshire. The investment is primarily held to provide a return where monies are not required immediately for Charitable activities.

College	£'000
Balance at 31 July 2024 as above	350
Investment in subsidiary Company (see note 5) amounts to £15	-
	350

No investments were held by R N C Enterprises Limited or Blindcare.

The residential property was valued in August 2024 at open market value by Flint & Cook. The Governors are of the opinion that there has been no diminution in value of the property since the date of the valuation.

11 STOCKS

	Consolidated		College	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Goods for resale	6	6	1	1
	6	6	1	1

12 DEBTORS

	Consolidated		College	
	2024	2023	2024	2023
Due within one year:	£'000	£'000	£'000	£'000
Student fees	112	165	112	165
Amount due from subsidiary	-	-	60	138
Prepayments	41	35	35	30
Other debtors	24	28	16	14
	177	228	223	347

13 CREDITORS: amounts falling due within one year

	Consolidated		College	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loan	189	156	189	156
Finance lease payments	26	26	26	26
Trade creditors	94	97	92	94
Taxation and social security	76	84	74	81
Pension contributions	60	48	60	48
Other creditors	180	110	180	110
Accruals and deferred income	238	275	196	230
	863	796	817	745

Barclays Bank have security over all of RNC's properties.

14 CREDITORS: amounts falling due after more than one year

	Consolidated		College	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank loan	1,445	1,634	1,445	1,634
Finance lease payments	57	83	57	83
	1,502	1,717	1,502	1,717

The bank loan was renewed on 13th December 2024 with repayments of £50,000 per quarter as from 31st January 2025, and the remaining balance repayable in full on 31st January 2030. Interest continues to be charged at 2.5% over Base.

15 ALLOCATION OF THE GROUP NET ASSETS

The net assets are held for various funds as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2024 Total £'000
Restricted funds (note 16)	816	-	229	-	1,045
Unrestricted funds:					
- General (note 17)	12,184	350	1,223	(1,502)	12,255
- Pension reserve (note 21)	-	-	-	(2,969)	(2,969)
Total RNC	13,000	350	1,452	(4,471)	10,331
Total Subsidiary (note 17)	1	-	(60)	-	(59)
Total Blindcare (note 17)	-	-	8	-	8
Total Group	13,001	350	1,400	(4,471)	10,280

At 31 July 2023 the net assets were held as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2023 Total £'000
Restricted funds (note 16)	845	-	318	-	1,163
Unrestricted funds:					
- General (note 17)	12,331	350	1,058	(1,717)	12,022
- Pension reserve (note 21)	-	-	-	(2,345)	(2,345)
Total RNC	13,176	350	1,376	(4,062)	10,840
Total Subsidiary (note 17)	1	-	(132)	-	(131)
Total Blindcare (note 17)	-	-	62	-	62
Total Group	13,177	350	1,306	(4,062)	10,771

16 RESTRICTED FUNDS	**Balance 31.7.23 £'000**	**Income £'000**	**Expenditure £'000**	**Transfers £'000**	**Balance 31.7.24 £'000**
Football Foundation Grant	425	-	(10)	-	415
Media Equipment	219	-	(22)	-	197
Overseas Scholarship Fund	171	-	-	(3)	168
Sport England Grant	127	-	(3)	-	124
IT Equipment	34	24	(24)	-	34
Keyless Swipe System	54	-	(6)	(20)	28
Student Activities	8	6	(3)	(2)	9
Spa Refurbishment	8	-	-	-	8
Braille Embosser	-	14	(6)	-	8
Students from Malvern area	9	-	-	(3)	6
3D Printer	-	8	(2)	-	6
Empatheyes	-	10	(4)	-	6
Gym Floor Sweeper	5	-	(1)	-	4
Sunshades	2	-	-	-	2
Independent Living Skills	6	-	(5)	-	1
Berlin Trip	-	7	(8)	2	1
Goalball Tournament	-	6	(5)	-	1
Student Garden	32	-	-	(32)	-
LED Lighting	19	-	-	(19)	-
Astro Pitch Scoreboard	10	-	-	(10)	-
Switchboard	5	-	-	(5)	-
Building Maintenance	-	60	(60)	-	-
Miscellaneous Small funds	29	25	(23)	(4)	27
	1,163	160	(182)	(96)	1,045

16 RESTRICTED FUNDS *(continued)*

	Balance 31.7.22 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.7.23 £'000
Football Foundation Grant	434	-	(9)	-	425
Media Equipment	90	155	(22)	(4)	219
Overseas Scholarship Fund	181	-	-	(10)	171
Sport England Grant	130	-	(3)	-	127
Keyless Swipe System	31	27	(6)	2	54
IT Equipment	-	28	-	6	34
Student Garden	41	2	(11)	-	32
LED Lighting	-	23	(4)	-	19
Astro Pitch Scoreboard	-	11	(1)	-	10
Students from Malvern area	15	-	-	(6)	9
Spa Refurbishment	8	-	-	-	8
Student Activities	-	10	(2)	-	8
Independent Living Skills	9	-	(3)	-	6
Switchboard	11	-	(4)	(2)	5
Gym Floor Sweeper	6	-	(1)	-	5
Sunshades	-	6	(4)	-	2
Refurbish Student Gym	26	-	(2)	(24)	-
Teacher Training	12	(22)	-	10	-
Braille Notes & Brailliants	10	-	(1)	(9)	-
Building Maintenance	-	80	(80)	-	-
Miscellaneous Small funds	23	16	(10)	-	29
	1,027	336	(163)	(37)	1,163

Once the restriction has been fulfilled in line with SORP (FRS 102), restricted assets are transferred to unrestricted funds, as shown above. Where a grant or donation has been given and the asset is required to be held for a number of years the fund has remained restricted and the appropriate depreciation has been charged against the fund.

Football Foundation
The Football Foundation awarded a grant of £1million in total towards a new Sports Centre.

Media Suite
Various grants were received towards the building of a new Media suite and the purchase of media and sound equipment, including £34,306 from the Eveson Trust and £30,000 from the Foyle Foundation.

Overseas Scholarship Fund
The Overseas Scholarship Fund is represented by cash at bank, and is only to be used for issuing scholarships to learners and teachers from abroad.

Sport England
Sport England awarded a grant of £200,000 in total towards a new Sports Centre.

IT Equipment
A number of grants and donations continue to be received for support towards the cost of specialist computer equipment and assistive technology software.

Keyless Swipe System
A number of grants were received for the purchase of a keyless swipe system to be installed on all student bedroom doors.

16 RESTRICTED FUNDS *(continued)*

Student Activities
A number of grants were received to enable students to undertake a wider range of extracurricular activities.

Spa Refurbishment
Sponsorship and donations were received in respect of a 24 hour spinathon event, with 50% of the monies pledged towards refurbishment of the spa areas in thePoint4 sports centre.

Braille Embosser
A number of grants were received for the purchase of a new Braille embosser for the learning directorate.

Students from Malvern area
A donation was received from the KJ Tandy Will Trust to assist with the education and training of ten students from the Malvern area.

3D Printer
A grant was received from the G&F Squire Foundation for the purchase of a 3D printer to assist with teaching.

Empatheyes
Two grants were received to enable staff to undergo training on a new system to replicate the effects of a variety of visual impairments.

Gym Floor Sweeper
Several grants were received for the purchase of a floor sweeper to use on the main hall floor within the sports centre.

Independent Living Skills
A number of grants have been received for the purchase of equipment to be used in developing students' independent living skills.

Berlin Trip
A number of grants were received to enable a large group of students to have an educational visit to Berlin.

Goalball Tournament
A grant was received so that the RNC women's goalball team could attend a tournament in France.

Student Garden
A number of grants were received for the development of a new student garden area.

LED Lighting
A number of grants were received to enable the lighting in the Sports Hall to be changed to LED.

Astro Pitch Scoreboard
Two grants were received towards a new electronic scoreboard alongside the astro pitch.

Switchboard
A number of grants were received to enable the college to replace its outdated telephone system.

Sunshades
Three grants were received towards the cost of installation of three sunshades for the student outdoor seating areas.

Building Maintenance
A grant was received from the ESFA towards ongoing maintenance and upkeep of RNC buildings.

Miscellaneous Small Funds
Includes a number of separate small restricted funds for a variety of activities, including acoustic shooting equipment, mental health training, alumni events, new defibrillators and office equipment.

17 UNRESTRICTED FUNDS

GENERAL	Balance 1.8.23 £'000	Income £'000	Expenditure & net loss on investments £'000	Transfers £'000	Balance 31.7.24 £'000
RNC (excluding pension fund valuation)	12,022	6,850	(6,520)	(97)	12,255
Pension fund	(2,345)	-	(817)	193	(2,969)
Trading Company	(131)	513	(441)	-	(59)
Blindcare	62	65	(119)	-	8
	9,608	7,428	(7,897)	96	9,235

Prior year comparative	Balance 1.8.22 £'000	Income £'000	Expenditure & net loss on investments £'000	Transfers £'000	Balance 31.7.23 £'000
RNC (excluding pension fund valuation)	11,898	6,714	(6,298)	(292)	12,022
Pension fund	(1,369)	-	(1,305)	329	(2,345)
Trading Company	(147)	440	(424)	-	(131)
Blindcare	54	88	(80)	-	62
	10,436	7,242	(8,107)	37	9,608

18 OTHER FINANCIAL COMMITMENTS

Commitments in respect of operating lease rentals are as follows:

Commitment payable:	Equipment 2024 £'000	Equipment 2023 £'000
Within one year	46	45
Within two to five years	117	46
	163	91

19 CAPITAL COMMITMENT

At the year end, RNC had no capital commitments (2023: £nil)

20 RELATED PARTY DISCLOSURES

During the year RNC recharged expenses of £251,360 (2023: £269,042) to R N C Enterprises Limited and paid £9,931 (2023: £11,061) for products and services. The amount due from R N C Enterprises Limited at the year end was £59,705 (2023: £138,194) and the amount due to R N C Enterprises Limited at the year end was £nil (2023: £nil).

RNC is the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). During the year, RNC received income of £103,000 from Blindcare (2023: £53,325). There was no balance due to or from Blindcare (2023: £nil) at the year end.

During the year RNC paid £8,319 (2023: £nil) in respect of legal services to Harrison Clark Rickerby, a firm of solicitors in which Mr J Brew, a trustee of RNC, is a former partner. There was no balance outstanding at the year end.

21 PENSION OBLIGATIONS

a) Defined Benefit Scheme - TPT Retirement Solutions

RNC operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. Benefits ceased to accrue within the scheme with effect from 31 March 2012. A full actuarial valuation was carried out at 30 September 2022 and the results of this have been updated to 31 July 2024 by a qualified actuary, independent of the scheme's sponsoring employer.

The most recently completed actuarial valuation, as at 30 September 2022, showed a deficit of £3,572,000. RNC has agreed with the trustee that it will aim to eliminate the deficit by 30 November 2033 by payment of contributions of £332,688 per annum (payable monthly).

In addition, RNC will pay £77,340 per annum (payable monthly) to cover scheme expenses, including the Pension Protection Fund levy. The expenses payments will increase every 1 April by 3% per annum with the first increase on 1 April 2025.

RNC is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the scheme. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

Present values of defined benefit obligation, fair value of assets and defined benefit liability

	31 July 2024	31 July 2023
Assets	**£000**	**£000**
Equity Type	389	366
Bonds	1,833	1,721
Property	700	935
Other	2,080	1,829
LDI	5,223	5,759
Cash	716	451
Fair value of plan assets	10,941	11,061
Present value of defined benefit obligations	(13,910)	(13,406)
Deficit in plan	(2,969)	(2,345)
Defined benefit liability to be recognised under FRS102	(2,969)	(2,345)

None of the market values of the assets shown above include any direct investments in RNC's own financial instruments or any property occupied by, or other assets used by, RNC.

21 PENSION OBLIGATIONS *(continued)*

Change in assets during the year

	2024 £'000	2023 £'000
Assets at the start of the year	11,061	16,199
Interest income on assets	567	561
Expenses	(102)	(128)
Experience on plan assets (excluding amounts included in interest income)	(248)	(5,517)
Employer contributions	410	500
Benefits paid	(747)	(554)
Assets at the end of the year	10,941	11,061

Change in liabilities during the year

	2024 £'000	2023 £'000
Liabilities at the start of the year	13,406	17,568
Interest expense	682	604
Actuarial loss / (gain) on changes in assumptions	529	(4,405)
Actuarial loss due to scheme experience	40	193
Benefits paid	(747)	(554)
Liabilities at the end of the year	13,910	13,406

Analysis of amount charged to income statement

	2024 £'000	2023 £'000
Expenses	102	128
Interest income on assets	(567)	(561)
Interest cost of defined benefit obligation	682	604
Total expense recognised in the statement of financial activities	217	171

Actuarial gain recognised in Statement of Financial Activities

	2024 £'000	2023 £'000
Return on assets excluding interest income	(248)	(5,517)
Experience losses on scheme liabilities	(40)	(193)
Gain due to change in demographic assumptions	19	519
(Loss) / gain due to change in financial assumptions	(548)	3,886
Actuarial loss recognised in statement of financial activities	(817)	(1,305)

21 PENSION OBLIGATIONS *(continued)*

Movement in balance sheet liability during the year

	2024 £'000	2023 £'000
Deficit in plan at the start of the year	(2,345)	(1,369)
Net interest cost	(115)	(43)
Expenses	(102)	(128)
Re-measurements included in the statement of financial activities	(817)	(1,305)
Employer contributions	410	500
Deficit in plan at the end of the year	(2,969)	(2,345)

Assumptions	**2024 % p.a.**	**2023 % p.a.**	**2022 % p.a.**
Discount rate	4.91	5.23	3.49
Inflation (RPI)	3.11	3.14	3.16
Inflation (CPI)	2.72	2.68	2.63
Deferred revaluations	3.11	3.14	3.16
Earnings growth	3.22	3.18	3.13
Pension increases in payment: RPI max 5.5% pa	3.06	3.08	3.10
Pension increases in payment: CPI max 2.5% pa	1.94	1.92	1.90
Allowance for commutation	75% of maximum allowance	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 July 2024 imply the following life expectancies:

	Life expectancy at age 65 (years)
Male retiring in 2024	86.1
Female retiring in 2024	88.5
Male retiring in 2044	87.7
Female retiring in 2044	89.9

b) Defined Contribution Scheme - TPT Retirement Solutions (TPTRS)

During the year RNC contributed to a Defined Contribution Scheme for non-teaching staff. It is operated by TPTRS and the assets/(liabilities) in the scheme are held separately from those of RNC. During the year RNC paid contributions of £58,707 (2023: £50,909) to the scheme and at the year end £15,705 (2023 £11,347) was outstanding in respect of contributions to this scheme.

21 PENSION OBLIGATIONS *(continued)*

c) Defined Benefit Scheme - Teachers' Pension Scheme

RNC participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £355,917 (2023: £300,845) and at the year end £44,429 (2023: £33,840) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a 'pay as you go' basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the valuation report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the ‘greater value’ benefits for groups of relevant members.

The employer contribution rate for the TPS is 28.6%, and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

22 CONTINGENT LIABILITY

RNC operates a defined benefit pension scheme in the UK, through TPT Retirement Solutions, and have been made aware that some historical changes made to the scheme's benefits may not have been in accordance with the scheme rules. The trustees of the pension scheme are seeking court direction as to whether the changes were made in accordance with the rules and whether they have the power to make changes in respect of benefits built up after the date the changes were made. The court ruling could potentially give rise to an additional liability for RNC. As the pension scheme trustees are currently going through the court process any potential liability has not been recorded in the balance sheet.

23 (a) RECONCILIATION OF NET INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2024 £'000	2023 £'000
Net income for the year as per the Statement of Financial Activities	326	613
Adjustments for:		
Interest paid	138	117
Depreciation charges	386	371
Bank interest received	(70)	(23)
Payment into Defined Benefit Pension Scheme	(410)	(500)
Pension FRS102 adjustment	217	171
Decrease in debtors	51	162
Increase in creditors	34	16
Net cash generated by operating activities	672	927

23 (b) ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 £'000	2023 £'000
Cash at bank and in hand	2,080	1,868
Total cash and cash equivalents	2,080	1,868

23 (c) CHANGE IN NET DEBT

	2024 £'000	2023 £'000
Net debt brought forward	1,899	1,954
Repayment of borrowing	(156)	(155)
New finance lease	-	131
Repayment of finance lease	(26)	(31)
Net debt carried forward	1,717	1,899

24 PRIOR YEAR ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000
Income from:			
Donations and legacies	196	278	474
Charitable activities	6,568	58	6,626
Other trading activities	455	-	455
Investments	23	-	23
TOTAL INCOME	7,242	336	7,578
Expenditure on:			
Raising funds	530	-	530
Charitable activities	6,272	163	6,435
TOTAL EXPENDITURE	6,802	163	6,965
NET INCOME	440	173	613
Transfers between funds	37	(37)	-
Other recognised losses			
Actuarial loss on defined benefit pension scheme	(1,305)	-	(1,305)
NET MOVEMENT IN FUNDS	(828)	136	(692)
Total funds brought forward	10,436	1,027	11,463
Total funds carried forward	9,608	1,163	10,771

THE ROYAL NATIONAL COLLEGE FOR THE BLIND

England & Wales - Charity number 1000388

Accounts



THE ROYAL NATIONAL COLLEGE FOR THE BLIND
(a Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 July 2023

Charity Registered Number 1000388
Company Registered Number 02367626

The Royal National College for the Blind
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 July 2023

CONTENTS Pages

Chair's Statement	1 - 2
Governors' Report (including Strategic Report)	3 - 11
Independent Auditor's Report	12 - 15
Consolidated Statement of Financial Activities	16
Consolidated and College Balance Sheets	17
Consolidated Statement of Cash Flows	18
Notes to the Consolidated Financial Statements	19 - 40



The Royal National College for the Blind
CHAIR'S STATEMENT
for the year ended 31 July 2023

In September 2022 we welcomed to College 95 new and continuing students, all of whom were able to participate in a variety of activities to celebrate RNC's 150 year anniversary. A year of celebration culminated with a visit in December by our patron, King Charles III. His Majesty witnessed many examples of the inspirational work of staff and students. The visit represented a milestone in the College's history and we are very honoured to enjoy His Majesty's continuing patronage. Students played a central part in The King's visit showing their own pride in the work of the College, and demonstrating how much they benefit from their attendance at RNC.



We were delighted that a number of students and staff were invited to attend the coronation concert at Windsor Castle in May 2023, and the photographic record of the event showed how much they enjoyed themselves. Our students also held local events to mark the coronation, including a Dine in the Dark tea on the bank holiday Monday attended by members of the public, which raised valuable funds to support student activities.

We achieved our recruitment target for 2022/23, a reflection of the role staff play in supporting applicants and their supporters, in navigating a challenging and often perplexing system in order to win the funding required to pursue their chosen path. We also achieved a very high rate of student retention, a testament to the hard work of all student-facing staff in supporting students through their learning, inside and outside the classroom. It is a fundamental philosophy of the College that students learn the life skills as well as the qualifications they require to progress to the next stage of their lives, whether to further and higher education, employment or self-employment, or voluntary work.

The 2022/23 accounts that follow show a significant surplus, building on the success of the previous financial year and the Board's determination to build a sustainable financial future for the College. This success is due in large part to the efforts of our talented and dedicated staff, all of whom, whatever their role, have played a part in transforming the College's financial position and thereby retaining the confidence of our stakeholders. I am pleased that as a result we have been able to make annual pay awards that have helped staff cope with the pressures of the cost of living crisis, although there is still work to be done to address a number of issues relating to the reward and remuneration of staff.

In March the Lord Lieutenant of Herefordshire, Edward Harley, opened formally the new state-of-the-art Media Centre for the teaching of media and related subjects, a project supported by a generous grant from the Eveson Foundation. The occasion was attended by many friends and supporters of RNC who were able to witness student learning activities across a broad range of subjects. Later in the year there was a formal opening of the sensory garden, made possible by the generous gifts of numerous companies and individuals. The garden is now well-used by staff and students and is an attractive addition to the campus. Both projects exemplify the work of our fundraising team. Our next significant project to enhance the estate and the student experience will be the refurbishment of two of our halls of residence, which will be the focus of a major fundraising campaign.



I have referred already in this and in previous reports, to the challenging and sometimes hostile environment that young people with Special Education Needs and Disabilities (SEND) face in securing the support they need to facilitate their education. This is not getting any easier and this is reflected in recruitment for the 2023/24 academic year. In October 2023 the student roll numbered 88 students, with a much higher than usual number of offers that were still being progressed. Every effort continues to be made to secure in-year starts. There were 10 students who were offered a place for a September 2023 start who were either the subject of discussions with the local authority concerned (2), or who were the subject of appeals tribunals (8). Inevitably this places a strain of students and their families and means for them a period when their education is interrupted.

Unfortunately there appears to be little prospect of improvement. The Department for Education has introduced a Delivering Better Value (DBV) in SEND financial intervention programme in which 55 local authorities in England are involved. It has also been reported that the government has engaged a consultancy firm on a contract which includes a target of reducing the number of EHCPs by 20%. These measures are already having an impact. Given that there are no proposals to change legislation to alter the circumstances in which a young person is entitled to an EHCP, it is not clear how authorities will be able to reduce spending on SEND legally.

The situation is best illustrated by reference to the statistics relating to SEND tribunals in 2022/23:

- 13,658 appeals were registered in 2022/23 – 24% up on the previous year and four times the number registered in 2014/15 when the SEND reforms were introduced
- Of these 7,968 proceeded to a full hearing at a tribunal with ever-increasing delays in listing appeals
- In 2022/23 Councils won only 1.7% of appeals that went to a hearing
- Local authorities spent £99.2m taking families to the SEND tribunal in 2022/23
- Total spent by local authorities since Send reforms began following the Children and Young Persons Act in 2014 amounts to £425.6m

The figures speak for themselves in painting an alarming portrait of a broken system though which our most vulnerable young people must travel in order to secure the educational package that is their right.

Looking forward, the College's financial position remains healthy but as ever will depend on student recruitment. Applications and offers for 2024/25 are well ahead of previous years and we shall continue to support applicants in their applications for funding. We shall also continue to work with colleagues through the National Association of Special Education Colleges for overdue improvements in the system to support young people with SEND.

This is my last report as Chair of RNC – my tenure will come to an end at the Annual General Meeting on 1st March 2024. It has been an enormous privilege to chair the Board, which I joined in February 2016. When I assumed the position of Chair in February 2020, we were in the second year of our Business Recovery Plan and within one month found ourselves in the throes of the Covid-19 pandemic. I am delighted to say that with the support of my colleagues on the Board, the RNC Executive, and with the outstanding contribution of all RNC staff and the inspirational resilience of our students, we have come through all the challenges we have faced and emerged stronger and fitter – thank you all.



John Ryan MBE
Chair

Date: 1st March 2024



The Governors (who are also the Company directors and charity trustees as listed on page 9) present their annual report and audited financial statements for the year ended 31 July 2023, which comply with the Charities Act 2011, the Companies Act 2006, RNC's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Aims, objectives and activities

Aims

The aim of The Royal National College for the Blind ("RNC") is to provide and promote education and training for people who are blind or visually impaired and for such other people as the Governors may determine from time to time.

Charitable objectives

The objectives of RNC are covered by its Vision and Mission statement.

Vision:	A world where every person with a visual impairment has true equality.
Mission statement:	Education, employment and empowerment for all people with a visual impairment.

Activities

The principal activity of RNC is that of a residential specialist college of Further Education, promoting the independence and potential of people who are blind or partially sighted aged 16 and over.

RNC's major funders are the Education and Skills Funding Agency, the Welsh Government and Local Authorities. In addition, some students are also funded through private funding.

Other areas of activity include providing disabled student assessments and the operation of a Sports and Complementary Therapy Centre (thePoint4). These facilities are widely used by our students and the general public. RNC also has a range of support services to offer to organisations which require assistance in addressing the needs of the visually impaired.

Public benefit

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and relief of those in need by reason of disability. The activities described above enable us to meet the definition of public benefit.

During the academic year 2022/23, there were 97 students aged 16 to 25 enrolled at RNC (2021/22: 101 students).



Strategic report

Achievements and performance

This year represented a return to something close to normality, with the effects of the pandemic still being felt, but no longer dominating day to day College life. Strong student numbers and a number of improvements to the campus brought with them a palpable sense of excitement and positivity. Among the improvements was the opening of the new Eveson Audio Music Studio, a long-awaited project which provides outstanding teaching and recording facilities for our Audio Music Production students.

We welcomed the introduction of 'The Curriculum Framework for Children and Young People with Vision Impairment (CFVI)', which was developed by University of Birmingham, RNIB, VICTA and Thomas Pocklington Trust. Until the launch of this framework in March 2022 there had been no universally recognised specialist framework for children and young people with vision impairment in the UK context.

The CVFI is strongly aligned to the RNC curriculum framework, which sees students develop essential skills for independent adulthood which are transformative for their future prospects. As an example, 2022/23 saw our Assistive and Digital Technologies (ADT) students make excellent progress in developing their working medium. Of the 30 new students that completed ADT during the year, 16 were screen readers and the remaining 14 used large print. On arrival at RNC 81% of screen readers had no PC working medium and the remaining 19% had only very basic skills. Of the large print users, 36% arrived at RNC with no PC working medium and the remaining 64% had only very basic skills. Within one year of study at RNC all screen readers and large print users had a secure PC working medium and skills in Microsoft.



A third of the students who left RNC in 2023 transitioned to higher education. Others progressed to apprenticeships, employment or internships, further education in their home area, and voluntary work. This breadth of outcomes reflects the profile of our students, who have a shared need in their visual impairment, but a very wide range of personal ambitions.

There were many achievements in sport, including the launch of the first ever RNC female football team, who won a competitive match in the National Blind Championship division. Massage and Complementary Therapies students engaged with employers and organisations, developing internal and external links which further expand the opportunities for students including with NHS Trust, Hereford Carers, The Armed Forces Support Service, Mencap Special Games, and Holmer Court Care Home. Other community engagement included work experience placements across Herefordshire and in students' home areas, providing gym sessions for young people with a range of needs from National Star College, and a range of activities delivered under the Duke of Edinburgh umbrella.



Finally, we were deeply honoured to welcome King Charles III to our campus in December 2022 for his first official engagement in the West Midlands. We are very proud of our status as a Royal College, and students and staff alike were delighted to share their experiences of RNC with His Majesty.

Risk management

The major risks and uncertainties facing RNC, and the mitigation measures in place are:

Risk	Mitigation measures
Failure to achieve the budgeted number of students based on current commissioning practices/law, disadvantageous changes to the Children & Families Act or in interpretation of the current law at tribunal, or increased emphasis on economic impact of specialist placements in rulings.	Investment in legal support and specialist staffing. Work actively and collaboratively with other visually impaired organisations, Departments of State, NATSPEC, funders and others to develop strategies. Active lobbying of political parties and local authorities. Visit key people in Local Authorities/Welsh Government. Explore overseas opportunities.
Gaps in structure, sickness absence and workload have a negative impact on staff wellbeing and their ability to effectively perform their roles.	Investment in an improved employee assistance plan; professional development, workflow review and staff wellbeing integrated within the quality improvement plan; investment in additional posts within structure and further pay award from Board; wellbeing committee established as part of mental health strategy. Further wellbeing monitoring and proactive initiatives to be implemented incorporating staff feedback. Wellbeing group to continue to lead on this.
As a consequence of being a lean organisation, the impact of recruitment and retention issues, sickness absence and the legacy of covid may have a negative impact upon the effective implementation of the curriculum.	Professional development, workflow review and staff wellbeing integrated within the quality improvement plan; ESQAC meet regularly to review quality standards; recruitment of a Director for Quality; curriculum review continues; regular scrutiny by the Education and Training Committee; further development of departmental Self Assessment Reviews. Revised recruitment strategy for teaching staff including focus on positives of working at RNC with testimonies from current staff. 'Grow our own' teachers. Look at potential of staff in other areas to transition in to teaching roles.
Major IT fail - hacking/phishing/ ransomware	Tech team well versed in the risks and run regular exercises to check understanding across staff and students. Strong firewall in place, all systems backed up regularly, Cyber Essentials Plus status. Continue with internal phishing exercises for staff and follow up training where needed; continue to network with external bodies to ensure we are up to date with risks and mitigation.

The Board has examined the principal areas of RNC's operations and considered what major risks may arise in each of these areas. RNC keeps a detailed risk register which is reviewed and updated by Governors and the Senior Management Team every three months. In the opinion of the Governors, RNC has therefore established policies, resources and review systems, which under normal conditions should allow the risks identified by them to be mitigated to an acceptable level in its day to day operations.

Financial review

One of the principal risks of RNC is maintaining financial viability in light of continual changes to funding arrangements for high needs students. Monthly accounts and cash flows are monitored by the Senior Management Team and Governors to identify potential issues at the earliest opportunity.

A summary of key figures over the last three year have been:

	2023 £000	2022 £000	2021 £000
Total income of the Charitable Group	7,578	7,761	5,620
Income from donations and legacies	474	451	507
Net income before pension scheme	613	1,594	107
Net movement in funds after pension scheme	(692)	2,410	613
Net assets at year end	10,771	11,463	9,053
Unrestricted funds at year end	9,608	10,436	7,904

Despite the continual challenges of obtaining placements and funding from Local Authorities, student numbers were well above the target of 90 during the year resulting in income from student services showing a 6.3% increase in 2023 (33.9% increase in 2022).

Included within the above figures are those of the trading subsidiary, R N C Enterprises Limited, and the controlled charity, Blindcare. Detailed results of these entities are shown in note 5 to these financial statements.

Turnover of R N C Enterprises Limited for the year was £440,000 (2022: £400,000), and the amount gift-aided to RNC during the year was £nil (2022: £nil). R N C Enterprises returned an operating profit in 2022/23, the first profit since the Covid-19 pandemic in 2020. There is a business plan in place that will enable the subsidiary to grow its profits over the next three years as business returns to pre-pandemic levels.

Turnover of Blindcare for the year was £88,000 (2022: £85,000) and the amount donated to RNC during the year was £52,000 (2022: £85,000).

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2025, and a significant deficit on its defined benefit pension scheme, but has worked through a detailed recovery plan to address this and has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Pension liability

RNC operates a defined benefit funded pension plan in the UK. The scheme is closed to new entrants and benefits ceased to accrue with effect from 31 March 2012. A full actuarial valuation was carried out at 30 September 2022 and showed a deficit in the scheme of £3,572,000. Following the valuation, the pension trustee and the employer agreed that additional contributions would continue to be paid to the scheme by the employer at the rate of £332,688 per annum over a period of 9 years 8 months as from 1 April 2024.

Reserves policy

The Governors have examined the requirement for free reserves which are those unrestricted funds not invested in tangible fixed assets, restricted funds or otherwise committed. The Governors consider that, given the nature of RNC's operations, this should be approximately £600,000, equivalent to one month's expenditure, which gives flexibility to cover temporary timing differences for fees and grants, adequate working capital for core costs, and will allow a quick response to emergencies.

The free reserves as at 31 July 2023 consist of unrestricted investments plus unrestricted net current assets/liabilities less long term liabilities (excluding pension reserve), which total -£309,000 (2022: -£475,000). However, despite having negative free reserves, as at 31 July 2023 the group had net current assets of £1,306,000 (2022: £1,212,000) giving it sufficient working capital in the short term.

Governors acknowledge that having negative free reserves is below the desired level, however they continue with the ethos of the recent business recovery plan by aiming to stabilise or grow student numbers, sell the one remaining property that is surplus to requirement and closely monitor and control the cost base of the college thus maintaining working capital and improving the level of free reserves within the longer term.

At year end, the Group had funds of £10,771,000 (2022: £11,463,000) which consisted of £9,608,000 unrestricted funds (2022: £10,436,000) and £1,163,000 restricted funds (2022: £1,027,000). Included within the unrestricted funds was the pension reserve, which currently sits at a deficit of £2,345,000 (2022: £1,369,000).

Land and buildings

The freehold land and buildings were bought by the Royal National College and Academy of Music for the Blind Trust in 1978, and transferred to RNC on incorporation in 1989.

Under the transition to FRS 102, the net book value of the freehold land and buildings as at the transition date has been used as the historical cost.

Investment policy

The memorandum of association authorises the Governors to invest in such stocks, shares, investments and property in the UK as they see fit. The Governors' policy is to adopt a medium risk investment strategy based upon maintaining the real value of investments and achieving a reasonable income.

At year end, RNC owned one property which is surplus to requirement and on the market to be sold and is therefore treated as an Investment Property. Note 10 to these accounts gives more information on the investment held at the year end.

Structure, Governance and Management

Governing document

RNC is a registered charity (No. 1000388) and a Company limited by guarantee (No. 02367626). RNC is governed by memorandum and articles of association adopted by special resolution of the Board of Governors dated 8 December 2009.

Trustee recruitment, induction and training

The Board has a sub-Group, the Nominations and Governance Committee, who manage the recruitment of Governors. They identify skills/ethnicity gaps and target recruitment to fill those gaps. There is an extensive induction process for new Governors and regular training events are organised aligned to priorities identified within the self assessment process.

Organisation

The Governors ratify the general direction and policy of RNC and monitor its performance, whilst the day to day leadership and management of the College and its subsidiaries is delegated to the Executive Principal.

Pay policy for key management personnel

The pay of key management personnel is set by the Governors having regard for levels of responsibility, corresponding positions in similar organisations and pay scales issued by the Association of Colleges.

Related parties

R N C Enterprises Limited (RNCE) is RNC's wholly-owned trading subsidiary and carries out non-charitable trading activities for RNC. The results of RNCE are consolidated within the overall RNC results. Further details of RNCE's activities are shown above in the Financial Review, and in Note 5 to these financial statements.

RNC is the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). The results of Blindcare are consolidated within the overall RNC results as RNC controls the Board of Blindcare. Further details of the results of Blindcare are given in Note 5 to these financial statements.

Equal opportunities

It is the policy of RNC to provide equal employment opportunities to ensure that no employee receives less favourable treatment than others on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. Staff development programmes have been run with the aim of promoting equal opportunities amongst staff, Governors and students.

Employees

RNC is an equal opportunities employer, committed to the promotion of equality, diversity and a supportive environment for all members of our community. We are committed to safeguarding and all staff are subject to necessary Disclosure and Barring Service checks, which are reviewed on a three year cycle. RNC has safeguarding and equality and diversity groups with staff representation which meet on a regular basis and ensure that policies and practices are up to date.

There is mandatory training on safeguarding, equality and diversity and data protection for all staff. Managers involved in staff recruitment all have to complete a "Safer Recruitment in Education" programme. There is also an extensive programme of other developmental training for staff.

RNC has a staff consultation group made up of representatives from across RNC who meet on a regular basis and there is an open policy in the provision of information to employees.

Fundraising

RNC employs a small fundraising team (2.8 FTE staff) who concentrate mainly on grant applications to Trusts and Foundations. No professional fundraisers or commercial participators are used by RNC, however Blindcare, the controlled independent charity, uses professional fundraising organisations for payroll giving income, with no fundraising direct from the general public. As a result, the fundraising team were not required to implement any policies regarding the safeguarding of vulnerable members of the general public, nor did they receive any complaints during the year. A detailed fundraising report is presented to Governors at all board meetings, which sets out the current strategy, fundraising income received year to date against budget, income pledged but not yet received, and any other issues of which Governors should be aware. RNC therefore has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Future development and plans

There is a clear ongoing need for RNC as a national centre of expertise. We are secure in our mission and our specialism, and remain committed to providing our students with a holistic experience which includes the embedding of essential skills for life alongside academic and vocational qualifications. We will continue to review our curriculum to ensure that it meets the needs of both our students and their future employers, while recognising the value of study for its own sake. We will develop strategies to support new students whose education has been interrupted by the pandemic. Having consolidated our provision on to a single site, we will implement a multi-year Estates strategy, investing in student accommodation, teaching areas and recreation spaces to ensure that our facilities support and enhance the student experience throughout their time at RNC.

Reference and administrative details

Charity name:	The Royal National College for the Blind (also known as "RNC")
Charity number:	1000388
Company number:	02367626
Principal and registered office:	thePoint4, Venns Lane, Hereford, HR1 1DT

Our advisers

Independent auditor	Crowe U.K. LLP, 4th Floor, St James House, St James Square, Cheltenham, GL50 3PR
Bankers	Barclays Bank plc, 1 - 3 Broad Street, Hereford, HR4 9BH
Solicitors	Eversheds Sutherland, 115 Colmore Row, Birmingham, B3 3AL

Key management personnel

Executive Principal	L Proctor (ex-officio trustee)
Director of Quality and Student Journey	M Fisher
Director of Business and Enterprise	L Lawrence
Director of Learning	J Lynch
Director of Learning	N Smith
Director of Student Support	J Price

Governors, Directors and Trustees

The Governors of The Royal National College for the Blind are also the trustees and Company directors. The Governors and elected directors who served during the year and since the year end were as follows:

Ms J Barnes	
Mr E Bastable	
Mr J Brew	Also a director of Blindcare
Mrs S Bryson	
Mr J Clarke-Morris	Also a director of R N C Enterprises Limited
Miss K Diamond	
Mr P Flynn	Also a director of R N C Enterprises Limited
Mr P Gebbie	
Mr S Hairsnape	Also a director of Blindcare
Ms H Miles	
Mrs S Penny	
Mr A Powell	Staff governor
Mrs L Proctor	Also a director of Blindcare
Mrs V Pugh	
Mrs L Roberts	Staff governor
Mr J Ryan (Chair)	
Mr P Walker (resigned 1 May 2023)	

Governors are elected by the Board for a renewable term of three years by rotation. New Governors are given a full induction to the College and its activities.

There are three sub-committees of the Board of Governors that meet at various times during the year; the Audit and Assurance Committee, the Finance, Development and Commercial Committee and the Education and Training Committee.

Charity Governance Code

As RNC is a not for profit organisation which aims to follow charity sector best practice, the Governors reviewed the Charity Governance Code (the "Code") published in July 2017. Following an in-depth review of the Code carried out at the Governors' meeting held on 20th December 2018, the Governors agreed to adopt the Code in full at their meeting on 17th May 2019. Governors have reviewed the updated Code issued in December 2020, which is used to measure the Board of Governors' effectiveness and is built into the annual Governor Self-Assessment Report (SAR).

Statement of Governors' responsibilities

The Governors (who are also directors of The Royal National College for the Blind for the purposes of Company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under Company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Group will continue in business.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the Charitable Company's transactions, 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 and the provisions of the Charitable Company's constitution. They are also responsible for safeguarding the assets of the Charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.





Disclosure of Information to Auditor

In so far as each of the directors of RNC at the date of approval of this report is aware, there is no relevant audit information (information needed by RNC's auditor in connection with preparing the audit report) of which RNC's auditor is unaware. Each director has taken all of the steps that he/she should have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that RNC's auditor is aware of that information.

The Governor's Report, including the Strategic Report, was approved by the Board of Governors of The Royal National College for the Blind on 1st March 2024 and is signed on its behalf by:

John Ryan
Chair
Date: 1st March 2024



Opinion

We have audited the financial statements of The Royal National College for the Blind ('the Charitable Company') and its subsidiaries ('the Group') for the year ended 31 July 2023 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, College balance sheet, Consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Charitable Company's affairs as at 31 July 2023 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the

financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Charitable Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report included within the Governors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 10, the Governors (who are also the directors of the Charitable Company for the purposes of Company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charitable Company and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charitable Company's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were Ofsted.

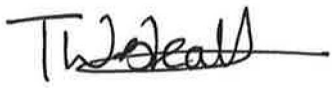
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors' and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Assurance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over grant income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of this report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James Square
Gloucestershire
GL50 3PR

Date: 08 March 2024

The Royal National College for the Blind
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES *(incorporating an income and expenditure account)*
for the year ended 31 July 2023

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000	Total 2022 £'000
Income from:					
Donations and legacies	2	196	278	**474**	451
Charitable activities	2	6,568	58	**6,626**	6,316
Other trading activities	5	455	-	**455**	414
Investments	2	23	-	**23**	1
Other income	2	-	-	**-**	579
TOTAL INCOME		7,242	336	**7,578**	7,761
Expenditure on:					
Raising funds	4	530	-	**530**	508
Charitable activities	4	6,272	163	**6,435**	5,734
TOTAL EXPENDITURE	4	6,802	163	**6,965**	6,242
Net gain on investments	10	-	-	**-**	75
NET INCOME		440	173	**613**	1,594
Transfers between funds	16	37	(37)	**-**	-
Other recognised gains					
Actuarial gain on defined benefit pension scheme	21	(1,305)	-	**(1,305)**	816
NET MOVEMENT IN FUNDS		(828)	136	**(692)**	2,410
Reconciliation of funds:					
Total funds brought forward	15	10,436	1,027	**11,463**	9,053
Total funds carried forward	15	9,608	1,163	**10,771**	11,463

The notes on pages 19 to 40 form part of these financial statements.

The Royal National College for the Blind (a Company limited by guarantee no. 02367626)
CONSOLIDATED AND COLLEGE BALANCE SHEETS
as at 31 July 2023

	Notes	Consolidated 2023 £'000	Consolidated 2022 £'000	College 2023 £'000	College 2022 £'000
FIXED ASSETS					
Tangible assets	9	13,177	13,059	13,176	13,058
Investments	10	350	350	350	350
Total fixed assets		13,527	13,409	13,526	13,408
CURRENT ASSETS					
Stock	11	6	6	1	1
Debtors	12	228	390	347	543
Cash at bank and in hand		1,868	1,579	1,773	1,499
Total current assets		2,102	1,975	2,121	2,043
LIABILITIES					
Creditors: amounts falling due within one year	13	(796)	(763)	(745)	(737)
Net current assets		1,306	1,212	1,376	1,306
Total assets less current liabilities		14,833	14,621	14,902	14,714
Creditors: amounts falling due after more than one year	14	(1,717)	(1,789)	(1,717)	(1,789)
Net assets excluding pension scheme liability		13,116	12,832	13,185	12,925
Defined benefit pension scheme liability	21	(2,345)	(1,369)	(2,345)	(1,369)
TOTAL NET ASSETS		**10,771**	**11,463**	**10,840**	**11,556**
THE FUNDS OF THE GROUP					
Restricted income funds	16	1,163	1,027	1,163	1,027
Unrestricted funds					
General	15	11,953	11,805	12,022	11,898
Defined benefit pension scheme liability	21	(2,345)	(1,369)	(2,345)	(1,369)
Total unrestricted funds	17	9,608	10,436	9,677	10,529
TOTAL GROUP FUNDS	15	**10,771**	**11,463**	**10,840**	**11,556**

The notes on pages 19 to 40 form part of these financial statements.

The College only net income for the year totalled £589,000 (2022: net income of £1,551,000).

The financial statements were approved and authorised for issue by the Governors on 1st March 2024 and were signed on their behalf by:



John Ryan **Date: 1st March 2024**
Chair

The Royal National College for the Blind
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2023

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Cash flows from operating activities:					
Net cash generated by operating activities	23(a)		927		1,287
Cash flows from investing activities:					
Bank interest received		23		1	
Proceeds from sale of tangible fixed assets		-		4	
Proceeds from sale of investments		-		366	
Purchase of tangible fixed assets		(489)		(281)	
Net cash (used in) / provided by investing activities			(466)		90
Cash flows from financing activities					
Repayment of borrowing	23(c)	(155)		(402)	
Repayment of finance lease	23(c)	(31)		(28)	
New finance lease	23(c)	131		-	
Interest paid		(117)		(80)	
Net cash used in financing activities			(172)		(510)
Change in cash and cash equivalents in the year			**289**		**867**
Cash and cash equivalents at the beginning of the year			1,579		712
Cash and cash equivalents at the end of the year	23(b)		**1,868**		**1,579**

The notes on pages 19 to 40 form part of these financial statements.

1 STATEMENT OF ACCOUNTING POLICIES

The Royal National College for the Blind ("RNC") is a Charitable Company limited by guarantee and was incorporated on 3 April 1989 (Company no: 02367626). The Royal National College for the Blind is registered as a charity with the Charity Commission England and Wales (charity no. 1000388). Its registered and principal office is thePoint4, Venns Lane, Hereford, HR1 1DT. This is also the registered office of the 100% wholly-owned subsidiary, R N C Enterprises Limited, and the controlled charity, Blindcare.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and Charities Act 2011.

The Royal National College for the Blind meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2025, and a significant deficit on its defined benefit pension scheme, but has worked through a detailed recovery plan to address this and has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Income

Income is included in the Statement of Financial Activities when the Group has entitlement to the funds, any performance conditions have been met, it is probable the income will be received and the amount can be measured reliably.

Student services and grants

Student services and grants are accounted for in the period in which the service is provided. Student services consist of income from student fees and any sundry receipts.

Government grants

Grants from government bodies and other sources are received for specific projects/costs and are recognised in accordance with their individual terms and conditions. Income is recognised when the Group has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Donations

Donations received for the general purposes of the Group are credited to unrestricted funds but shown separately from direct Group income. Donations subject to specific wishes of the donors are carried to the relevant restricted fund. Donations are accounted for when received.

Legacies

Legacies received for the general purposes of RNC are credited to unrestricted funds and shown within donations and legacies. Legacies subject to specific wishes of the donor are included within restricted funds. Legacy income is accounted for based upon settlement of the Estate Accounts, or receipt of payment, whichever is earlier.

Income from trading

Income from trading activities is included in the financial statements in the period in which the relevant goods and services have been provided, and is stated net of Value Added Tax.

Investment and similar income

Investment and similar income is accounted for when receivable.

Taxation

As a charity, RNC is generally exempt from corporation tax on income it receives which is properly applied for its Charitable purpose.

Expenditure

Group expenditure is accounted for on an accruals basis. Where expenditure is apportioned across cost categories, it is apportioned at the best estimate of the Governors based on the level of activity during the year. Costs are allocated to the appropriate cost categories in the Statement of Financial Activities.

Support costs are those costs directly incurred in administering and supporting RNC operations as an educational establishment. Governance costs comprise the costs of running the charity, including external audit and all the costs of complying with constitutional and statutory requirements, such as the cost of the Board and Committee meetings and of preparing statutory accounts.

Expenditure of trading and the costs of raising funds are accounted for in the period in which the expenditure is incurred.

Investments

Investment properties are stated in the Balance Sheet at potential freehold market value. A formal professional valuation is carried out at least every five years, and prepared on an informal basis in the intervening period. Gains or losses are taken to the Statement of Financial Activities. No depreciation is provided on investment properties.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the Statement of Financial Activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Tangible fixed assets and depreciation

The Group took advantage of the transition to FRS 102 and all freehold land and buildings are recognised at their deemed cost which was their net book value at the date of transition. The historic cost basis will apply going forward. Other fixed assets are stated at historical cost.

Depreciation is calculated so as to write off the cost of assets over their estimated useful lives as follows:

Freehold land	No depreciation	
Freehold buildings	2%	straight line
Building improvements	5% - 10%	straight line
Fixtures, fittings and equipment	20% - 25%	straight line
Leased assets	20%	straight line

Equipment costing more than £1,000 is capitalised and carried in the Balance Sheet at historical cost.

Cash

Cash is represented by cash in hand and deposits with financial institutions.

Stocks

Stocks comprise goods for resale by the Group. They are included in the financial statements at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Short term debtors are initially measured at their settlement amount.

Creditors

Short term creditors are initially measured at their settlement amount.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of the bank loan and the finance lease obligations which are subsequently measured at amortised cost using the effective interest method.

Unrestricted funds

Unrestricted funds can be used at the discretion of the Governors in accordance with RNC's and the Group's objects.

Restricted funds

Restricted funds are those funds whose income is for a specific purpose as stipulated by the donor, the details of which are set out in the notes to the financial statements.

Pension schemes

The Group contributes to the Teachers' Pension Defined Benefits Scheme at rates based either on instructions from the Department for Education or actuarial advice. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Group. The scheme is therefore accounted for as a Defined Contribution scheme. The amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and other post retirement benefits is the contributions payable in the year.

The Group also contributed to a Defined Benefit pension scheme for non-teaching staff up until its closure to future accruals on 31st March 2012. The assets of the scheme are held separately from those of The Group, and are administered by TPT Retirement Solutions ("TPTRS"). Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each Balance Sheet date. The resulting defined asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The amounts charged to expenditure are the notional interest charges and the other costs charged by the trustee for running the scheme. Actuarial gains and losses are recognised within "Other recognised losses".

Since 1st April 2012 the Group has contributed to a Defined Contribution Scheme for non- teaching staff, administered by TPTRS. The amount charged to the Consolidated Statement of Financial Activities is the contributions payable by the Group in the year.

All pension fund costs are charged against unrestricted funds in line with the associated staff costs.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Consolidation

RNC has a 100% wholly owned trading subsidiary, R N C Enterprises Limited, a Company registered in England and Wales. The results of the subsidiary are included in the consolidated accounts on a line by line basis, with all intra-Group transactions fully eliminated on consolidation. A summary of the results of R N C Enterprises Limited is shown in note 5 to the consolidated financial statements.

RNC is also the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). RNC controls the Board of Blindcare, so its results have been included in the consolidated accounts on a line by line basis, with all intra-Group transactions fully eliminated on consolidation. A summary of the results of Blindcare is shown in note 5 to the consolidated financial statements.

The Group has taken advantage of Section 408 of the Companies Act 2006 by not providing a separate Statement of Financial Activities for the Charity.

The Group has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Statement of Cash Flows and certain disclosures about the Charity's financial instruments.

Critical judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to consider making any significant judgements and estimates where necessary. Significant judgements and estimations have been made on the following items:

Useful economic lives of tangible fixed assets
The annual depreciation charges for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible fixed assets and note 1 for the useful lives for each class of assets.

Defined benefit pension fund
The present value of the TPTRS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 30 September 2022 has been used by the actuary in valuing the pensions liability at 31 July 2023. Any difference between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Impairment of fixed assets
Governors considered there to be no impairment of fixed assets during the year.

2 INCOME

Donations and legacies	**2023 £'000**	**2022 £'000**
Donations	97	105
Blindcare reserves brought into the Group	-	74
Trusts and Foundations	310	226
Legacies	67	46
Income from donations and legacies	474	451

Charitable activities		**2023 £'000**	**2022 £'000**
Student fees from:	Education & Skills Funding Agency	1,035	905
	Welsh Government	336	464
	Local Authorities	4,951	4,664
	Private sources	151	57
Other income		6	3
Income from student services		6,479	6,093
Grants			
Education & Skills Funding Agency		88	125
Department for Education		58	51
Government Job Retention Scheme		-	4
Other grants		1	43
Income from charitable activities		6,626	6,316

Investment and other income	**2023 £'000**	**2022 £'000**
Bank interest	23	1
Income from investments	23	1

Other income	**2023 £'000**	**2022 £'000**
Profit on sale of fixed assets	-	4
Compensation payment received from construction company	-	575
Other income	-	579

3 NET INCOME

Net income for the year is stated after charging:		2023 £'000	2022 £'000
Auditor's remuneration	- audit fees	23	21
	- accountancy and tax services	2	2
	- grant assurance	1	1
Operating lease rentals		48	42
Depreciation	- owned assets	349	319
	- leased assets	22	28
Interest payable	- finance lease interest	5	5
	- loan interest	112	75

4 ANALYSIS OF TOTAL EXPENDITURE

Expenditure on Charitable activities:	Staff costs £'000	Expenses £'000	Deprec'n £'000	Total 2023 £'000	Total 2022 £'000
Education and training	2,824	225	-	3,049	2,709
Welfare	157	438	-	595	532
Premises	212	584	237	1,033	872
Marketing	131	24	-	155	146
Support costs	830	601	133	1,564	1,429
Governance costs (see below)	20	19	-	39	46
	4,174	1,891	370	6,435	5,734
Expenditure on raising funds:					
Fundraising	87	8	-	95	90
Trading activities	217	207	1	425	412
Blindcare activities	-	10	-	10	6
	304	225	1	530	508
	4,478	2,116	371	6,965	6,242

Governance costs comprise:	2023 £'000	2022 £'000
Staff costs	20	19
Audit & accountancy costs	18	22
Legal & professional fees	1	5
	39	46

5 OTHER GROUP ENTITIES

The wholly owned trading subsidiary, R N C Enterprises Limited, is incorporated in the United Kingdom (company number 01747998) and pays all of its profits to the parent charity under the gift aid scheme. R N C Enterprises Limited operates all commercial trading activities of RNC, including the sports and conferencing facilities. The summary financial performance of the subsidiary alone is:

	2023 £'000	2022 £'000
Turnover	440	400
Cost of sales	(83)	(72)
Gross profit	357	328
Administrative expenses	(341)	(339)
Operating profit / (loss)	16	(11)
Retained deficit at start of period	(147)	(136)
Retained deficit at end of period	(131)	(147)

	2023 £'000	2022 £'000
Total assets at balance sheet date	52	50
Total liabilities at balance sheet date	(183)	(197)

In addition to income of £440,000 (2022: £400,000) shown above, miscellaneous trading income of £15,000 (2022: £14,000) is included within the results of the College.

RNC is the sole beneficiary and controlling party of an independent charity, Blindcare (charity registration number 1020073, company number 02806606). Blindcare receives donations from various payroll giving schemes and makes donations to the parent charity at the discretion of the Blindcare directors. The summary financial performance of Blindcare alone is:

	2023 £'000	2022 £'000
Income	88	85
Costs of raising funds	(10)	(6)
Charitable activities	(70)	(99)
Net income / (deficit)	8	(20)
Retained income at start of period	54	74
Retained income at end of period	62	54

	2023 £'000	2022 £'000
Total assets at balance sheet date	68	59
Total liabilities at balance sheet date	(6)	(5)

6 CORPORATION TAXATION

RNC is exempt from corporation tax on its Charitable activities.

7 STAFF NUMBERS

The average monthly headcount of full time and part time staff was 150 (2022: 153).

	2023 Number	2022 Number
Education and training	93	95
Student welfare	9	10
Premises	6	6
Support	21	21
Marketing	5	5
Fundraising	5	5
R N C Enterprises Limited	11	11
	150	153

8 ANALYSIS OF STAFF COSTS, GOVERNOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2023 £'000	2022 £'000
Salaries and wages	3,603	3,343
Social security costs	305	283
Pension contributions - teaching	301	268
- non-teaching	51	50
Defined benefit pension scheme contributions	180	129
Redundancy payment	38	-
Total staff costs	4,478	4,073

Pension contributions were made to the Teachers' Pension Scheme for teaching staff and to a fund independently administered by TPTRS for non-teaching staff.

The Executive Principal, Mrs Lucy Proctor, is an ex-officio trustee and received emoluments of £79,719 (2022: £70,296) with employer pension contributions of £2,392 (2022: £2,100). Mr Andy Powell and Mrs Lisa Roberts were appointed as Staff Governors during the year and received emoluments of £45,820 and £31,423 respectively (2022: £19,332 and £14,959) whilst serving as staff governors, with employer pension contributions of £1,240 and £5,952 respectively (2022: £557 and £2,668).

No other Governors nor persons connected with them received any remuneration from the College or any connected organisation in either financial year.

During the year, 3 Governors were reimbursed expenses relating to travel for meetings of £569 (2022: 0 Governor total of £nil).

The number of higher paid employees whose emoluments exceeded £60,000 were:

	2023 No.	2022 No.
£60,000 - £69,999	-	1
£70,000 - £79,999	1	1

Pension contributions for the higher paid employee(s) amounted to £2,392 (2022: £14,066).

The key management personnel of the Group during the year, who were remunerated, comprise the Executive Principal, the Director of Quality and Learner Journey, the Director of Business and Enterprise, the Director of Student Support and the Directors of Learning. The total employee benefits of the key management personnel, including pension contributions and employer national insurance contributions, were £325,681 (2022: £326,815).

9 TANGIBLE FIXED ASSETS

Consolidated	Freehold land and buildings £'000	Fixtures, fittings & equipment £'000	Leased assets £'000	Group Total £'000
Cost				
At 1 August 2022	13,914	1,476	152	15,542
Additions	276	82	131	489
Transfer	-	140	(140)	-
Disposals	-	(404)	(12)	(416)
At 31 July 2023	14,190	1,294	131	15,615
Depreciation				
At 1 August 2022	1,172	1,159	152	2,483
Charge for the year	237	112	22	371
Transfer	-	140	(140)	-
Disposals	-	(404)	(12)	(416)
At 31 July 2023	1,409	1,007	22	2,438
Net book values				
At 31 July 2023	12,781	287	109	13,177
At 31 July 2022	12,742	317	-	13,059

The net book value of tangible fixed assets owned by R N C Enterprises Limited is £899 (2022: £519). The net book value of freehold land and buildings includes an amount of £4,173,000 (2022: £4,173,000) in respect of land.

10 INVESTMENT ASSETS

Consolidated Fixed Assets	Investment Properties £'000
Balance at 31 July 2022 and 31 July 2023	350

The investment property is located within the county of Herefordshire. The investment is primarily held to provide a return where monies are not required immediately for Charitable activities.

College	£'000
Balance at 31 July 2023 as above	350
Investment in subsidiary Company (see note 5) amounts to £15	-
	350

No investments were held by R N C Enterprises Limited or Blindcare.

The residential property was valued in August 2023 at open market value by Flint & Cook. The Governors are of the opinion that there has been no diminution in value of the property since the date of the valuation.

11 STOCKS

	Consolidated		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Goods for resale	6	6	1	1
	6	6	1	1

12 DEBTORS

	Consolidated		College	
	2023	2022	2023	2022
Due within one year:	£'000	£'000	£'000	£'000
Student fees	165	296	165	296
Amount due from subsidiary	-	-	138	177
Prepayments	35	30	30	25
Other debtors	28	64	14	45
	228	390	347	543

13 CREDITORS: amounts falling due within one year

	Consolidated		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loan	156	156	156	156
Finance lease payments	26	9	26	9
Trade creditors	97	136	94	131
Taxation and social security	84	79	81	76
Pension contributions	48	43	48	43
Other creditors	110	50	110	50
Accruals and deferred income	275	290	230	272
	796	763	745	737

Barclays Bank have security over all of RNC's properties.

14 CREDITORS: amounts falling due after more than one year

	Consolidated		College	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank loan	1,634	1,789	1,634	1,789
Finance lease payments	83	-	83	-
	1,717	1,789	1,717	1,789

The bank loan is repayable at £38,899 per quarter, with the remaining balance repayable in full on 31st January 2025. Interest is charged at 2.5% over Base.

15 ALLOCATION OF THE GROUP NET ASSETS

The net assets are held for various funds as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2023 Total £'000
Restricted funds (note 16)	845	-	318	-	1,163
Unrestricted funds:					
- General (note 17)	12,331	350	1,058	(1,717)	12,022
- Pension reserve (note 21)	-	-	-	(2,345)	(2,345)
Total RNC	13,176	350	1,376	(4,062)	10,840
Total Subsidiary (note 17)	1	-	(132)	-	(131)
Total Blindcare (note 17)	-	-	62	-	62
Total Group	13,177	350	1,306	(4,062)	10,771

At 31 July 2022 the net assets were held as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2022 Total £'000
Restricted funds (note 16)	685	-	342	-	1,027
Unrestricted funds:					
- General (note 17)	12,373	350	964	(1,789)	11,898
- Pension reserve (note 21)	-	-	-	(1,369)	(1,369)
Total RNC	13,058	350	1,306	(3,158)	11,556
Total Subsidiary (note 17)	1	-	(148)	-	(147)
Total Blindcare (note 17)	-	-	54	-	54
Total Group	13,059	350	1,212	(3,158)	11,463

16 RESTRICTED FUNDS	**Balance 31.7.22 £'000**	**Income £'000**	**Expenditure £'000**	**Transfers £'000**	**Balance 31.7.23 £'000**
Football Foundation Grant	434	-	(9)	-	425
Media Equipment	90	155	(22)	(4)	219
Overseas Scholarship Fund	181	-	-	(10)	171
Sport England Grant	130	-	(3)	-	127
Keyless Swipe System	31	27	(6)	2	54
IT Equipment	-	28	-	6	34
Student Garden	41	2	(11)	-	32
LED Lighting	-	23	(4)	-	19
Astro Pitch Scoreboard	-	11	(1)	-	10
Students from Malvern area	15	-	-	(6)	9
Spa Refurbishment	8	-	-	-	8
Student Activities	-	10	(2)	-	8
Independent Living Skills	9	-	(3)	-	6
Switchboard	11	-	(4)	(2)	5
Gym Floor Sweeper	6	-	(1)	-	5
Sunshades	-	6	(4)	-	2
Refurbish Student Gym	26	-	(2)	(24)	-
Teacher Training	12	(22)	-	10	-
Braille Notes & Brailliants	10	-	(1)	(9)	-
Building Maintenance	-	80	(80)	-	-
Miscellaneous Small funds	23	16	(10)	-	29
	1,027	336	(163)	(37)	1,163

16 RESTRICTED FUNDS *(continued)*

	Balance 31.7.21 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.7.22 £'000
Football Foundation Grant	444	-	(10)	-	434
Overseas Scholarship Fund	181	-	-	-	181
Sport England Grant	133	-	(3)	-	130
Media Equipment	38	78	(19)	(7)	90
Student Garden	10	39	(5)	(3)	41
Keyless Swipe System	-	26	(1)	6	31
Refurbish Student Gym	29	5	(8)	-	26
Students from Malvern area	18	-	-	(3)	15
Teacher Training	-	55	(43)	-	12
Braille Notes & Brailliants	14	10	-	(14)	10
Independent Living Skills	24	7	(8)	(14)	9
Spa Refurbishment	8	-	-	-	8
Gym Floor Sweeper	19	-	(1)	(12)	6
Student Equipment	9	-	-	(5)	4
Running and Cycling Club	6	-	(4)	-	2
College Move	105	-	-	(105)	-
IT Equipment	31	-	(2)	(29)	-
European Exchange Project	24	-	(24)	-	-
Covid Costs	18	-	(4)	(14)	-
ETF Training / Filming	10	-	(10)	-	-
Building Maintenance	-	51	(51)	-	-
Miscellaneous Small funds	28	27	(19)	(8)	28
	1,149	298	(212)	(208)	1,027

Once the restriction has been fulfilled in line with SORP (FRS 102), restricted assets are transferred to unrestricted funds, as shown above. Where a grant or donation has been given and the asset is required to be held for a number of years the fund has remained restricted and the appropriate depreciation has been charged against the fund.

Football Foundation
The Football Foundation awarded a grant of £1million in total towards a new Sports Centre.

Media Suite
Various grants were received towards the building of a new Media suite and the purchase of media and sound equipment, including £34,306 from the Eveson Trust and £30,000 from the Foyle Foundation.

Overseas Scholarship Fund
The Overseas Scholarship Fund is represented by cash at bank, and is only to be used for issuing scholarships to learners and teachers from abroad.

Sport England
Sport England awarded a grant of £200,000 in total towards a new Sports Centre.

Keyless Swipe System
A number of grants have been received for the purchase of a keyless swipe system to be installed on all student bedroom doors.

16 RESTRICTED FUNDS *(continued)*

IT Equipment
A number of grants and donations continue to be received for support towards the cost of specialist computer equipment and assistive technology software.

Student Garden
A number of grants were received for the development of a new student garden area.

LED Lighting
A number of grants were received to enable the lighting in the Sports Hall to be changed to LED.

Astro Pitch Scoreboard
Two grants were received towards a new electronic scoreboard alongside the astro pitch.

Students from Malvern area
A donation was received from the KJ Tandy Will Trust to assist with the education and training of ten students from the Malvern area.

Spa Refurbishment
Sponsorship and donations were received in respect of a 24 hour spinathon event, with 50% of the monies pledged towards refurbishment of the spa areas in thePoint4 sports centre.

Student Activities
A number of grants were received to enable students to undertake a wider range of extracurricular activities.

Independent Living Skills
A number of grants have been received for the purchase of equipment to be used in developing students' independent living skills.

Switchboard
A number of grants were received to enable the college to replace its outdated telephone system.

Gym Floor Sweeper
Several grants were received for the purchase of a floor sweeper to use on the main hall floor within the sports centre.

Sunshades
Three grants were received towards the cost of installation of three sunshades for the student outdoor seating areas.

Refurbish Student Gym
A number of grants and donations were received in order that the student gym could be refurbished.

Teacher Training
A grant was received from the Department for Education to enable three members of staff to undergo a two year programme of teacher training.

Braille Notes and Brailliants
A number of grants have been received for the purchase of Braille Notes and Brailliants, specialist equipment for the visually impaired.

Building Maintenance
A grant was received from the ESFA towards ongoing maintenance and upkeep of RNC buildings.

Miscellaneous Small Funds
Includes a number of separate small restricted funds for a variety of activities, including acoustic shooting equipment, mental health training, alumni events, new defibrillators and office equipment.

17 UNRESTRICTED FUNDS

GENERAL	Balance 1.8.22 £'000	Income £'000	Expenditure & net loss on investments £'000	Transfers £'000	Balance 31.7.23 £'000
RNC (excluding pension fund valuation)	11,898	6,714	(6,298)	(292)	12,022
Pension fund	(1,369)	-	(1,305)	329	(2,345)
Trading Company	(147)	440	(424)	-	(131)
Blindcare	54	88	(80)	-	62
	10,436	7,242	(8,107)	37	9,608

Prior year comparative	Balance 1.8.21 £'000	Income £'000	Expenditure & net loss on investments £'000	Transfers £'000	Balance 31.7.22 £'000
RNC (excluding pension fund valuation)	10,612	7,053	(5,514)	(253)	11,898
Pension fund	(2,572)	-	816	387	(1,369)
Trading Company	(136)	400	(411)	-	(147)
Blindcare	-	85	(105)	74	54
	7,904	7,538	(5,214)	208	10,436

18 OTHER FINANCIAL COMMITMENTS

Commitments in respect of operating lease rentals are as follows:

Commitment payable:	Equipment 2023 £'000	Equipment 2022 £'000
Within one year	31	45
Within two to five years	34	46
	65	91

19 CAPITAL COMMITMENT

At the year end, RNC had no capital commitments (2022: £190,000 committed towards the conversion of office space to a new media suite).

20 RELATED PARTY DISCLOSURES

During the year RNC recharged expenses of £269,042 (2022: £288,772) to R N C Enterprises Limited and paid £11,061 (2022: £2,305) for products and services. The amount due from R N C Enterprises Limited at the year end was £138,194 (2022: £177,221) and the amount due to R N C Enterprises Limited at the year end was £nil (2022: £nil).

RNC is the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). During the year, RNC received income of £53,325 from Blindcare (2022: £85,000). There was no balance due to or from Blindcare (2022: £nil) at the year end.

During the year RNC paid £nil (2022: £69,384) in respect of legal services to Harrison Clark Rickerby, a firm of solicitors in which Mr J Brew, a trustee of RNC, is a former partner. There was no balance outstanding at the year end.

21 PENSION OBLIGATIONS

a) Defined Benefit Scheme - TPT Retirement Solutions

RNC operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. Benefits ceased to accrue within the scheme with effect from 31 March 2012. A full actuarial valuation was carried out at 30 September 2022 and the results of this have been updated to 31 July 2023 by a qualified actuary, independent of the scheme's sponsoring employer.

The most recent completed actuarial valuation, as at 30 September 2022, showed a deficit of £3,572,000. RNC has agreed with the trustee that it will aim to eliminate the deficit over a period of 9 years 8 months from 1 April 2024 by payment of contributions of £332,688 per annum (payable monthly). In addition, from 1 April 2024, RNC will pay £77,340 per annum (payable monthly) to cover scheme expenses (including the Pension Protection Fund levy), increasing by 3% per annum.

Present values of defined benefit obligation, fair value of assets and defined benefit liability

Assets	**31 July 2023 £000**	**31 July 2022 £000**
Equity Type	366	553
Bonds	1,721	5,812
Property	935	1,231
Other	1,829	3,190
LDI	5,759	5,217
Cash	451	196
Fair value of plan assets	11,061	16,199
Present value of defined benefit obligations	(13,406)	(17,568)
Deficit in plan	(2,345)	(1,369)
Defined benefit liability to be recognised under FRS102	(2,345)	(1,369)

None of the market values of the assets shown above include any direct investments in RNC's own financial instruments or any property occupied by, or other assets used by, RNC.

21 PENSION OBLIGATIONS *(continued)*

Change in assets during the year

	2023 £'000	2022 £'000
Assets at the start of the year	16,199	21,044
Interest income on assets	561	345
Expenses	(128)	(79)
Experience on plan assets (excluding amounts included in interest income)	(5,517)	(5,002)
Employer contributions	500	506
Benefits paid	(554)	(615)
Assets at the end of the year	11,061	16,199

Change in liabilities during the year

	2023 £'000	2022 £'000
Liabilities at the start of the year	17,568	23,616
Interest expense	604	385
Actuarial gain on changes in assumptions	(4,405)	(6,654)
Actuarial loss due to scheme experience	193	836
Benefits paid	(554)	(615)
Liabilities at the end of the year	13,406	17,568

Analysis of amount charged to income statement

	2023 £'000	2022 £'000
Expenses	128	79
Interest income on assets	(561)	(345)
Interest cost of defined benefit obligation	604	385
Total expense recognised in the statement of financial activities	171	119

Actuarial gain recognised in Statement of Financial Activities

	2023 £'000	2022 £'000
Return on assets excluding interest income	(5,517)	(5,002)
Experience losses on scheme liabilities	(193)	(836)
Gain/(loss) due to change in demographic assumptions	519	(84)
Gain due to change in financial assumptions	3,886	6,738
Actuarial gain recognised in statement of financial activities	(1,305)	816

21 PENSION OBLIGATIONS *(continued)*

Movement in balance sheet liability during the year

	2023 £'000	2022 £'000
Deficit in plan at the start of the year	(1,369)	(2,572)
Net interest cost	(43)	(40)
Expenses	(128)	(79)
Re-measurements included in the statement of financial activities	(1,305)	816
Employer contributions	500	506
Deficit in plan at the end of the year	(2,345)	(1,369)

Assumptions	2023 % p.a.	2022 % p.a.	2021 % p.a.
Discount rate	5.23	3.49	1.65
Inflation (RPI)	3.14	3.16	3.20
Inflation (CPI)	2.68	2.63	2.60
Deferred revaluations	3.14	3.16	3.20
Earnings growth	3.18	3.13	3.10
Pension increases in payment: RPI max 5.5% pa	3.08	3.10	3.15
Pension increases in payment: CPI max 2.5% pa	1.92	1.90	1.90
Allowance for commutation	75% of maximum allowance	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 July 2023 imply the following life expectancies:

	Life expectancy at age 65 (years)
Male retiring in 2023	21.1
Female retiring in 2023	23.4
Male retiring in 2043	22.7
Female retiring in 2043	24.8

b) Defined Contribution Scheme - TPT Retirement Solutions (TPTRS)

During the year RNC contributed to a Defined Contribution Scheme for non-teaching staff. It is operated by TPTRS and the assets/(liabilities) in the scheme are held separately from those of RNC. During the year RNC paid contributions of £50,909 (2022: £50,317) to the scheme and at the year end £14,347 (2022: £11,674) was outstanding in respect of contributions to this scheme.

21 PENSION OBLIGATIONS *(continued)*

c) Defined Benefit Scheme - Teachers' Pension Scheme

RNC participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £300,845 (2022: £268,471) and at the year end £33,840 (2022: £31,249) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a 'pay as you go' basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the valuation report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the ‘greater value’ benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

22 CONTINGENT LIABILITY

RNC operates a defined benefit pension scheme in the UK, through TPT Retirement Solutions, and have been made aware that some historical changes made to the scheme's benefits may not have been in accordance with the scheme rules. The trustees of the pension scheme are seeking court direction as to whether the changes were made in accordance with the rules and whether they have the power to make changes in respect of benefits built up after the date the changes were made. The court ruling could potentially give rise to an additional liability for RNC. As the pension scheme trustees are currently going through the court process any potential liability has not been recorded in the balance sheet.

23 (a) RECONCILIATION OF NET INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2023 £'000	2022 £'000
Net income for the year as per the Statement of Financial Activities	613	1,594
Adjustments for:		
Gain on sale of assets	-	(4)
Gain on investments	-	(75)
Interest paid	117	80
Depreciation charges	371	347
Bank interest received	(23)	(1)
Payment into Defined Benefit Pension Scheme	(500)	(506)
Pension FRS102 adjustment	171	119
Increase in stock	-	(1)
Decrease / (increase) in debtors	162	(239)
Increase / (decrease) in creditors	16	(27)
Net cash generated by operating activities	927	1,287

23 (b) ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £'000	2022 £'000
Cash at bank and in hand	1,868	1,579
Total cash and cash equivalents	1,868	1,579

23 (c) CHANGE IN NET DEBT

	2023 £'000	2022 £'000
Net debt brought forward	1,954	2,384
Repayment of borrowing	(155)	(402)
New finance lease	131	-
Repayment of finance lease	(31)	(28)
Net debt carried forward	1,899	1,954

24 PRIOR YEAR ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000
Income from:			
Donations and legacies	259	192	451
Charitable activities	6,210	106	6,316
Other trading activities	414	-	414
Investments	1	-	1
Other income	579	-	579
TOTAL INCOME	7,463	298	7,761
Expenditure on:			
Raising funds	508	-	508
Charitable activities	5,522	212	5,734
TOTAL EXPENDITURE	6,030	212	6,242
Net gain on investments	75	-	75
NET INCOME	1,508	86	1,594
Transfers between funds	208	(208)	-
Other recognised gains			
Actuarial gain on defined benefit pension scheme	816	-	816
NET MOVEMENT IN FUNDS	2,532	(122)	2,410
Total funds brought forward	7,904	1,149	9,053
Total funds carried forward	10,436	1,027	11,463

THE ROYAL NATIONAL COLLEGE FOR THE BLIND

England & Wales - Charity number 1000388

Accounts



THE ROYAL NATIONAL COLLEGE FOR THE BLIND
(a Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 July 2022

Charity Registered Number 1000388

Company Registered Number 02367626

The Royal National College for the Blind
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 July 2022

CONTENTS Pages

Chair's Statement	1 - 2
Governors' Report (including Strategic Report)	3 - 11
Independent Auditor's Report	12 - 15
Consolidated Statement of Financial Activities	16
Consolidated and College Balance Sheets	17
Consolidated Statement of Cash Flows	18
Notes to the Consolidated Financial Statements	19 - 40



The Royal National College for the Blind
CHAIR'S STATEMENT
for the year ended 31 July 2022

2022 marked the College's 150 year anniversary and we have enjoyed a number of events celebrating our long history enriching the lives of those who are blind and visually impaired. We ended our year of celebration by welcoming to the College our patron, King Charles III. His Majesty witnessed many examples of the inspirational work of staff and students. It was certainly a milestone in our history and a day we shall all remember for a very long time. Students played a central part in The King's visit, as they did in the planning of other events, showing to everyone involved their own pride in the work of the College, and demonstrating how much they benefit from their attendance at RNC.

In my note to last year's financial statements, I referred to a significant increase in the number of students in September 2021. The final total number of students studying in the 2021/22 academic year was 101, a 25% increase on the previous year and the highest number of students registered at RNC since 2012/13. Although this included a higher than usual number of students whose period of study was extended because of the impact of Covid-19, we welcomed to the College 40 new students, the highest first-year intake since 2016/17. This represents an excellent achievement against a continuing backdrop of substantial pressure on funding bodies. Our staff continue to play a crucial part in supporting applicants and their supporters in navigating a challenging and often perplexing system in order to win funding to pursue their chosen path.



The sharp increase in student numbers was a cause of celebration but brought with it significant challenges for staff. Covid continued to play its part. We maintained a well-planned and managed system of regular testing of staff and students and other measures including mask wearing and extra ventilation. In spite of this there were a number of positive cases amongst staff and students, leading to periods of isolation. This placed additional pressure on staff, who were required to take on additional duties and to cover for absent colleagues, and on students, who were required to join classes virtually from their College accommodation during periods of isolation. Staff and students continued to respond magnificently, with creativity and resilience. Their caring support of each other was a source of great pride and inspiration.

The year saw many physical changes. All activities transferred to the northern campus. The refurbishment of Armitage Hall was finished for the start of the academic year, which was timely, because it allowed for the transfer of teaching to Armitage from less well-ventilated rooms in thePoint4 building. The refurbishment of Armitage was supported by a significant grant from the Bradbury Foundation, and includes a dedicated facility for the teaching of Independent Living Skills. Following another very successful fundraising campaign, which included a generous grant from the Eveson Foundation, work began on the installation of a new Media Centre for the teaching of media and related subjects: the Centre is now in operation. Other work undertaken has included improvement to ventilation in tP4, and the construction of a sensory garden. Our next priority is the refurbishment of two student halls of residence, currently at the planning stage and for which we will shortly launch a fundraising initiative.

The 2021/22 accounts that follow show a significant surplus, testament to the work of all concerned in building a sustainable future for the College. This success has been achieved through increased student numbers and another successful year for fundraising, despite the more challenging climate because of the on-going impact of the pandemic and the worsening economic climate. The pandemic has continued to impact upon commercial income from thePoint4 but this is being addressed. The improved financial position has allowed the Board to begin to address a number of longstanding issues, including those relating to the reward and remuneration of our exceptionally dedicated and highly skilled staff and to the infrastructure. This important work will continue.



I have referred in previous reports to our progress in achieving the outcomes in RNC's Business Recovery Plan (BRP). Our success in recruitment in 2021/22 has been consolidated in September 2022 (currently a total of 95 students against a target of 90 with the prospect of additional students joining later in the year). I am therefore delighted to report that the Board is now able to move to a state of "Business as Usual". Our progress against the objectives in the BRP has been recognised by our external stakeholders – in the course of the 2021/22 financial year the Education and Skills Funding Agency took us out of special measures and our bankers, Barclays, have stepped back and we are no longer in business support. We have worked closely with both bodies throughout the duration of our business recovery and have welcomed their input and the keen interest they have shown in our work. We shall continue to work to guarantee RNC's long term financial sustainability.



The Board adopted a new Strategic Plan (2021-2026) in February 2022. We re-stated our Vision – 'a world where every person with a visual impairment has true equality' – and our Mission – 'education, employment and empowerment for all people with a visual impairment'. The new strategic plan identifies a set of key strategic objectives aligned with the themes of our vision and mission and is accessible via the RNC website at www.rnc.ac.uk.

The Board has continued to assess its performance against the principles in the Charity Code of Governance. We strive to meet the highest standards of governance embedded in the Code. We have reviewed our own development and training needs and are implementing a programme of briefings on key issues that take place before each board meeting. These are supplemented by the mandatory completion of on-line training on critical areas including safeguarding and cyber security and individual attendance on relevant external courses. We continue to recruit new trustees through external advertisement using a skills matrix, and have welcomed in the course of the year four new trustees who have brought additional knowledge and experience to the Board.



In summary, 2021/22 has been another challenging but successful year and I would like to take this opportunity to acknowledge and thank the contribution made by: my colleagues on the Board and to other volunteers who contribute so much to the College; to the Executive Principal and her management team who have shown outstanding leadership; to all student facing and support staff who never fail to rise to the many challenges placed before them; and finally, to our students, the lifeblood of the College, whose achievements make our work worthwhile.

John Ryan MBE
Chair

Date: 3rd March 2023

The Governors (who are also the Company directors and charity trustees as listed on page 9) present their annual report and audited financial statements for the year ended 31 July 2022, which comply with the Charities Act 2011, the Companies Act 2006, RNC's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Aims, objectives and activities

Aims

The aim of The Royal National College for the Blind ("RNC") is to provide and promote education and training for people who are blind or visually impaired and for such other people as the Governors may determine from time to time.

Charitable objectives

The objectives of RNC are covered by its Vision and Mission statement.

Vision:	A world where every person with a visual impairment has true equality.
Mission statement:	Education, employment and empowerment for all people with a visual impairment.

Activities

The principal activity of RNC is that of a residential specialist college of Further Education, promoting the independence and potential of people who are blind or partially sighted aged 16 and over.

RNC's major funders are the Education and Skills Funding Agency, the Welsh Government and Local Authorities. In addition, some students are also funded through private funding.

Other areas of activity include providing disabled student assessments and the operation of a Sports and Complementary Therapy Centre (thePoint4). These facilities are widely used by our students and the general public. RNC also has a range of support services to offer to organisations which require assistance in addressing the needs of the visually impaired.

Public benefit

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and relief of those in need by reason of disability. The activities described above enable us to meet the definition of public benefit.

During the academic year 2021/22, there were 101 students aged 16 to 25 enrolled at RNC (2020/21: 81 students).



Strategic report

Achievements and performance

This was a challenging year, with covid having a serious impact in the autumn and spring terms, although College life began to return to some semblance of normality as the year progressed. Staff and students showed great resilience and flexibility, moving between face to face, remote and hybrid working in response to isolation needs.

In January 2022 our residential provision was inspected by Ofsted under the Social Care Common Inspection Framework, securing a grade of Good across all areas. We were delighted by this result in the context not only of covid, but also the business recovery plan.

Following two years of teacher assessed grades, the majority of outcomes for 2021/22 were based on exams, including vocational qualifications assessed on coursework/ assignments and exams. We operate very small class sizes, so if a single student fails to achieve in a subject this has a disproportionate impact on the overall rates.

Of students studying A Levels, 73% of students achieved at grades A-E, 50% at grades A-C. All students who applied to university were accepted on to their first choice of degree course at their first choice of university. At AS Level, 85% of students achieved at grades A-E, 51% at grades A-C.

A number of subjects saw 100% achievement, including BTEC Level 1 Home Cooking Skills, BTEC Level 3 Sporting Excellence year one, and OCR Levels 2 and 3 Health and Social Care. BTEC Level 1 Introductory Qualifications, NVQ Business Administration Level 2, OCR Levels 2 and 3 Business, and Complementary Therapy all saw very high achievement rates.



As restrictions eased, we were pleased to reintroduce a programme of educational and social activities. Groups visited Spain and France, where they enhanced their language skills and experienced different cultures. Closer to home, trips included Barry Island, Cadbury World, the Windrush exhibition and the Welsh National Opera performance of ‘Migrations’.

Massage and Complementary Therapy students delivered a clinic for a staff wellbeing day at a local school, Sport and Recreation students ran weekly fitness sessions for National Star College, and Business Administration students organised a concert by Talgarth Male Voice Choir, with solo performances from several RNC students. Duke of Edinburgh students achieved their bronze and silver awards after challenges including climbing Pen y Fan. Students visited the University of Worcester as part of preparation for higher education, and we hosted a conference for professionals working in the field of visual impairment.



As always it was a busy and successful year in sport. Amongst many other achievements, RNC Hereford won the FA Disability Cup for the second year in a row, while RNC Academy took bronze at the Goalfix Cup, the most prestigious trophy in the Goalball calendar. Students took part in the Herefordshire Track and Field County Championships and the summer term ended with a staff/student cricket match.

Risk management

The principal risks and uncertainties facing RNC, and the mitigation measures in place are:

Risk	Mitigation measures
Failure to increase student numbers at a time when local authorities are under ever-increasing budgetary constraints and based on current commissioning practices/law	Investment in legal support and specialist staffing to support applicants. Work actively and collaboratively with other VI organisations, departments of state, NATSPEC, funders and others to develop strategies. Active lobbying of political parties and local authorities. Visit key people in local authorities and Welsh Government. Explore overseas opportunities.
Failure of tP4 membership/classes/ sales income to grow	Targeted promotional activities to reach key audiences, locally and nationally, to include charitable USP. Identify and develop relationships with sport and social groups for other disabilities. Business Consultant appointed.
Failure of Fundraising activities to achieve annual targets based on current market and trends	Active engagement by the Board in supporting the fundraising team. Working with external consultant, reviewing Blindcare position, developing strategy for next five years (to tie in with campus development strategy and education provision strategy).
Inability to recruit to fill key roles plus impact of staff absences on colleagues	External factors (eg shortages in care sector) and internal factors (salaries, need for specialist skills) mean recruitment is extremely challenging. Staff absences due to illness, isolation or family circumstances increasing pressure. Introduction of refer a friend' bonus for staff. Additional roles on fixed term contracts being advertised. More flexibility in recruitment process to ensure fast turnaround for strong applications, while still meeting safer recruitment standards for appointments. Senior staff covering gaps where possible.
Staff shortages (sickness absence / Covid measures) in key areas, leading to loss of provision in the short and medium term	Willingness of staff to cover outside their immediate area of work. Ensuring staff cover is renumerated appropriately. Investigations into agencies and their areas of specialism.
Impact of revisions to curriculum, Covid adjustments and campus development having a negative impact on Ofsted grading	ESQAC meet regularly to review quality standards. Evidence in place to demonstrate robust measures taken to continue learning activities during Covid pandemic.
Major IT fail - hacking/phishing/ ransomware	Tech team well versed in the risks and run regular exercises to check understanding across staff and students. Strong firewall in place, all systems backed up regularly, Cyber Essentials status.
Campus buildings long term condition inadequately assessed and resourced	Compliance work is progressing, with a full life cycle assessment of the estate required which would feed in to budgets and the fundraising strategy. In the short term there is an increased risk of unexpected costs arising.

The Board has examined the principal areas of RNC's operations and considered what major risks may arise in each of these areas. RNC keeps a detailed risk register which is reviewed and updated by Governors and the Senior Management Team every three months. In the opinion of the Governors, RNC has therefore established policies, resources and review systems, which under normal conditions should allow the risks identified by them to be mitigated to an acceptable level in its day to day operations.

Financial review

One of the principal risks of RNC is maintaining financial viability in light of continual changes to funding arrangements for high needs students. Monthly accounts and cash flows are monitored by the Senior Management Team and Governors to identify potential issues at the earliest opportunity.

A summary of key figures over the last three year have been:

	2022	2021	2020
	£000	£000	£000
Total income of the Charitable Group	7,761	5,620	5,635
Income from donations and legacies	451	507	448
Net income / (expenditure) before pension scheme	1,594	107	(65)
Net movement in funds after pension scheme	2,410	613	(462)
Net assets at year end	11,463	9,053	8,440
Unrestricted funds at year end	10,436	7,904	7,420

Despite the continual challenges of obtaining placements and funding from Local Authorities, there was a significant increase in student numbers during the year resulting in income from student services showing a 33.9% increase in 2022 (3.7% increase in 2021).

Included within the above figures are those of the trading subsidiary, R N C Enterprises Limited, and the controlled charity, Blindcare. Detailed results of these entities are shown in note 5 to these financial statements.

Turnover of R N C Enterprises Limited for the year was £400,000 (2021: £260,000), and the amount gift-aided to RNC during the year was £nil (2021: £nil). R N C Enterprises returned an operating deficit in both 2021 and 2022 as a direct result of reduced usage of the facilities due to the Covid-19 pandemic. There is a business plan in place that will enable the subsidiary to return to profit once operations are able to return to pre-pandemic levels.

Turnover of Blindcare for the 12 months ended 31 July 2022 was £85,000 (2021: £96,000) and the amount donated to RNC during the year was £85,000 (2021: £69,000).

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2025, and a significant deficit on its defined benefit pension scheme, but has worked through a detailed recovery plan to address this and has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which, despite the impact of the Covid-19 pandemic, show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Pension liability

RNC operates a defined benefit funded pension plan in the UK. The scheme is closed to new entrants and benefits ceased to accrue with effect from 31 March 2012. A full actuarial valuation was carried out at 30 September 2019 and showed a deficit in the scheme of £5,932,000. Following the valuation, the pension trustee and the employer agreed that additional contributions would continue to be paid to the scheme by the employer at the rate of £332,688 per annum over a period of 11 years 11 months as from 1 April 2021.

Reserves policy

The Governors have examined the requirement for free reserves which are those unrestricted funds not invested in tangible fixed assets, restricted funds or otherwise committed. The Governors consider that, given the nature of RNC's operations, this should be approximately £500,000, equivalent to one month's expenditure, which gives flexibility to cover temporary timing differences for fees and grants, adequate working capital for core costs, and will allow a quick response to emergencies.

The free reserves as at 31 July 2022 consist of unrestricted investments plus unrestricted net current assets/liabilities less long term liabilities (excluding pension reserve), which total -£475,000 (2021: -£1,741,000). However, despite having negative free reserves, as at 31 July 2022 the group had net current assets of £1,212,000 (2021: £23,000) giving it sufficient working capital in the short term. The significant improvement in reserves and net current assets is a direct result of the net income for the year being £1,594,000, further details of which are in the Financial Review section above. It should be noted however that the net income includes an amount of £575,000 received during the year from a construction company as compensation for defects in the main college building. These funds will be spent in future years on maintenance and repairs in order to address the building defects.

Governors acknowledge that having negative free reserves is below the desired level, however they continue with the ethos of the recent business recovery plan by aiming to stabilise or grow student numbers, sell the one remaining property that is surplus to requirement and closely monitor and control the cost base of the college thus maintaining working capital and improving the level of free reserves within the longer term.

At year end, the Group had funds of £11,463,000 (2021: £9,053,000) which consisted of £10,436,000 unrestricted funds (2021: £7,904,000) and £1,027,000 restricted funds (2021: £1,149,000). Included within the unrestricted funds was the pension reserve, which currently sits at a deficit of £1,369,000 (2021: £2,572,000).

Land and buildings

The freehold land and buildings were bought by the Royal National College and Academy of Music for the Blind Trust in 1978, and transferred to RNC on incorporation in 1989.

Under the transition to FRS 102, the net book value of the freehold land and buildings as at the transition date has been used as the historical cost.

Investment policy

The memorandum of association authorises the Governors to invest in such stocks, shares, investments and property in the UK as they see fit. The Governors' policy is to adopt a medium risk investment strategy based upon maintaining the real value of investments and achieving a reasonable income.

At year end, RNC owned one property which is surplus to requirement and on the market to be sold and is therefore treated as an Investment Property. Note 10 to these accounts gives more information on the investment held at the year end.

Structure, Governance and Management

Governing document

RNC is a registered charity (No. 1000388) and a Company limited by guarantee (No. 02367626). RNC is governed by memorandum and articles of association adopted by special resolution of the Board of Governors dated 8 December 2009.

Trustee recruitment, induction and training

The Board has a sub-Group, the Nominations and Governance Committee, who manage the recruitment of Governors. They identify skills/ethnicity gaps and target recruitment to fill those gaps. There is an extensive induction process for new Governors and regular training events are organised aligned to priorities identified within the self assessment process.

Organisation

The Governors ratify the general direction and policy of RNC and monitor its performance, whilst the day to day leadership and management of the College and its subsidiaries is delegated to the Executive Principal.

Pay policy for key management personnel

The pay of key management personnel is set by the Governors having regard for levels of responsibility, corresponding positions in similar organisations and pay scales issued by the Association of Colleges.

Related parties

R N C Enterprises Limited (RNCE) is RNC's wholly-owned trading subsidiary and carries out non-charitable trading activities for RNC. The results of RNCE are consolidated within the overall RNC results. Further details of RNCE's activities are shown above in the Financial Review, and in Note 5 to these financial statements.

RNC is the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). The results of Blindcare are consolidated within the overall RNC results as RNC controls the Board of Blindcare. Further details of the results of Blindcare are given in Note 5 to these financial statements.

Equal opportunities

It is the policy of RNC to provide equal employment opportunities to ensure that no employee receives less favourable treatment than others on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. Staff development programmes have been run with the aim of promoting equal opportunities amongst staff, Governors and students.

Employees

RNC is an equal opportunities employer, committed to the promotion of equality, diversity and a supportive environment for all members of our community. We are committed to safeguarding and all staff are subject to necessary Disclosure and Barring Service checks, which are reviewed on a three year cycle. RNC has safeguarding and equality and diversity groups with staff representation which meet on a regular basis and ensure that policies and practices are up to date.

There is mandatory training on safeguarding, equality and diversity and data protection for all staff. Managers involved in staff recruitment all have to complete a "Safer Recruitment in Education" programme. There is also an extensive programme of other developmental training for staff.

RNC has a staff consultation group made up of representatives from across RNC who meet on a regular basis and there is an open policy in the provision of information to employees.

Fundraising

RNC employs a small fundraising team (2.8 FTE staff) who concentrate mainly on grant applications to Trusts and Foundations. No professional fundraisers or commercial participators are used, and there is no direct fundraising from the general public. As a result, the fundraising team were not required to implement any policies regarding the safeguarding of vulnerable members of the general public, nor did they receive any complaints during the year. A detailed fundraising report is presented to Governors at all board meetings, which sets out the current strategy, fundraising income received year to date against budget, income pledged but not yet received, and any other issues of which Governors should be aware. RNC therefore has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Future development and plans

There is a clear ongoing need for RNC as a national centre of expertise. We are secure in our mission and our specialism, and remain committed to providing our students with a holistic experience which includes the embedding of essential skills for life alongside academic and vocational qualifications. We will continue to review our curriculum to ensure that it meets the needs of both our students and their future employers, while recognising the value of study for its own sake. We will develop strategies to support new students whose education has been interrupted by the pandemic. Having consolidated our provision on to a single site, we will implement a multi-year Estates strategy, investing in student accommodation, teaching areas and recreation spaces to ensure that our facilities support and enhance the student experience throughout their time at RNC.

Reference and administrative details

Charity name:	The Royal National College for the Blind (also known as "RNC")
Charity number:	1000388
Company number:	02367626
Principal and registered office:	thePoint4, Venns Lane, Hereford, HR1 1DT

Our advisers

Independent auditor	Crowe U.K. LLP, 4th Floor, St James House, St James Square, Cheltenham, GL50 3PR
Bankers	Barclays Bank plc, 1 - 3 Broad Street, Hereford, HR4 9BH
Solicitors	Eversheds Sutherland, 115 Colmore Row, Birmingham, B3 3AL

Key management personnel

Executive Principal	L Proctor	(ex-officio trustee)
Director of Student Support	J Price	
Director of Learning	J Lynch	
Director of Learning	N Smith	

Governors, Directors and Trustees

The Governors of The Royal National College for the Blind are also the trustees and Company directors. The Governors and elected directors who served during the year and since the year end were as follows:

Ms J Barnes	(appointed 1 February 2022)	
Mr E Bastable		
Mr J Brew		Also a director of Blindcare
Mrs S Bryson	(appointed 1 February 2022)	
Mr J Clarke-Morris		Also a director of R N C Enterprises Limited
Miss K Diamond		
Mr P Flynn		Also a director of R N C Enterprises Limited
Mr P Gebbie	(appointed 1 February 2022)	
Mr S Hairsnape		Also a director of Blindcare
Ms H Miles	(appointed 1 February 2022)	
Mrs S Penny		
Mr A Powell	(appointed 11 February 2022)	Staff governor
Mrs L Proctor		Also a director of Blindcare
Mrs V Pugh		
Mrs L Roberts	(appointed 11 February 2022)	Staff governor
Mr J Ryan	(Chair)	
Mr P Walker	(appointed 1 February 2022)	

Governors are elected by the Board for a renewable term of three years by rotation. New Governors are given a full induction to the College and its activities.

There are three sub-committees of the Board of Governors that meet at various times during the year; the Audit and Assurance Committee, the Finance, Development and Commercial Committee and the Education and Training Committee.

Charity Governance Code

As RNC is a not for profit organisation which aims to follow charity sector best practice, the Governors reviewed the Charity Governance Code (the "Code") published in July 2017. Following an in-depth review of the Code carried out at the Governors' meeting held on 20th December 2018, the Governors agreed to adopt the Code in full at their meeting on 17th May 2019. Governors have reviewed the updated Code issued in December 2020, which is used to measure the Board of Governors' effectiveness and is built into the annual Governor Self-Assessment Report (SAR).

Statement of Governors' responsibilities

The Governors (who are also directors of The Royal National College for the Blind for the purposes of Company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under Company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Group will continue in business.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the Charitable Company's transactions, 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 and the provisions of the Charitable Company's constitution. They are also responsible for safeguarding the assets of the Charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditor

In so far as each of the directors of RNC at the date of approval of this report is aware, there is no relevant audit information (information needed by RNC's auditor in connection with preparing the audit report) of which RNC's auditor is unaware. Each director has taken all of the steps that he/she should have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that RNC's auditor is aware of that information.

The Governor's Report, including the Strategic Report, was approved by the Board of Governors of The Royal National College for the Blind on 3rd March 2023 and is signed on its behalf by:

John Ryan
Chair
Date: 3rd March 2023





Opinion

We have audited the financial statements of The Royal National College for the Blind ('the Charitable Company') and its subsidiaries ('the Group') for the year ended 31 July 2022 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, College balance sheet, Consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Charitable Company's affairs as at 31 July 2022 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the

financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Charitable Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report included within the Governors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 10, the Governors (who are also the directors of the Charitable Company for the purposes of Company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charitable Company and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charitable Company's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were Ofsted.

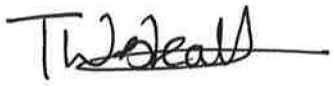
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors' and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit and Assurance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of this report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James Square
Gloucestershire
GL50 3PR

Date: 28 March 2023

The Royal National College for the Blind
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES *(incorporating an income and expenditure account)*
for the year ended 31 July 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Income from:					
Donations and legacies	2	259	192	**451**	507
Charitable activities	2	6,210	106	**6,316**	4,817
Other trading activities	5	414	-	**414**	264
Investments	2	1	-	**1**	20
Other income	2	579	-	**579**	12
TOTAL INCOME		7,463	298	**7,761**	5,620
Expenditure on:					
Raising funds	4	508	-	**508**	376
Charitable activities	4	5,522	212	**5,734**	5,143
TOTAL EXPENDITURE	4	6,030	212	**6,242**	5,519
Net gain on investments	10	75	-	**75**	6
NET INCOME		1,508	86	**1,594**	107
Transfers between funds	16	208	(208)	**-**	-
Other recognised gains					
Actuarial gain on defined benefit pension scheme	21	816	-	**816**	506
NET MOVEMENT IN FUNDS		2,532	(122)	**2,410**	613
Reconciliation of funds:					
Total funds brought forward	15	7,904	1,149	**9,053**	8,440
Total funds carried forward	15	10,436	1,027	**11,463**	9,053

The notes on pages 19 to 40 form part of these financial statements.

The Royal National College for the Blind (a Company limited by guarantee no. 02367626)
CONSOLIDATED AND COLLEGE BALANCE SHEETS
as at 31 July 2022

	Notes	Consolidated 2022 £'000	Consolidated 2021 £'000	College 2022 £'000	College 2021 £'000
FIXED ASSETS					
Tangible assets	9	13,059	13,125	13,058	13,124
Investments	10	350	641	350	641
Total fixed assets		13,409	13,766	13,408	13,765
CURRENT ASSETS					
Stock	11	6	5	1	1
Debtors	12	390	151	543	281
Cash at bank and in hand		1,579	712	1,499	692
Total current assets		1,975	868	2,043	974
LIABILITIES					
Creditors: amounts falling due within one year	13	(763)	(845)	(737)	(814)
Net current assets		1,212	23	1,306	160
Total assets less current liabilities		14,621	13,789	14,714	13,925
Creditors: amounts falling due after more than one year	14	(1,789)	(2,164)	(1,789)	(2,164)
Net assets excluding pension scheme liability		12,832	11,625	12,925	11,761
Defined benefit pension scheme liability	21	(1,369)	(2,572)	(1,369)	(2,572)
TOTAL NET ASSETS		**11,463**	**9,053**	**11,556**	**9,189**
THE FUNDS OF THE GROUP					
Restricted income funds	16	1,027	1,149	1,027	1,149
Unrestricted funds					
General	15	11,805	10,476	11,898	10,612
Defined benefit pension scheme liability	21	(1,369)	(2,572)	(1,369)	(2,572)
Total unrestricted funds	17	10,436	7,904	10,529	8,040
TOTAL GROUP FUNDS	15	**11,463**	**9,053**	**11,556**	**9,189**

The notes on pages 19 to 40 form part of these financial statements.

The College only net income for the year totalled £1,551,000 (2021: net income of £128,000).

The financial statements were approved and authorised for issue by the Governors on and were signed on their behalf by:

John Ryan **Date: 3rd March 2023**
Chair

The Royal National College for the Blind
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2022

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Cash flows from operating activities:					
Net cash generated by operating activities	23(a)		1,287		263
Cash flows from investing activities:					
Rents from investment properties		-		20	
Bank interest received		1		-	
Proceeds from sale of tangible fixed assets		4		12	
Proceeds from sale of investments		366		400	
Purchase of tangible fixed assets		(281)		(495)	
Net cash provided by / (used in) investing activities			90		(63)
Cash flows from financing activities					
Repayment of borrowing	23(c)	(402)		(428)	
Repayment of finance lease	23(c)	(28)		(28)	
Interest paid		(80)		(75)	
Net cash used in financing activities			(510)		(531)
Change in cash and cash equivalents in the year			**867**		**(331)**
Cash and cash equivalents at the beginning of the year			712		1,043
Cash and cash equivalents at the end of the year	23(b)		**1,579**		**712**

The notes on pages 19 to 40 form part of these financial statements.

1 STATEMENT OF ACCOUNTING POLICIES

The Royal National College for the Blind ("RNC") is a Charitable Company limited by guarantee and was incorporated on 3 April 1989 (Company no: 02367626). The Royal National College for the Blind is registered as a charity with the Charity Commission England and Wales (charity no. 1000388). Its registered and principal office is thePoint4, Venns Lane, Hereford, HR1 1DT. This is also the registered office of the 100% wholly-owned subsidiary, R N C Enterprises Limited, and the controlled charity, Blindcare.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and Charities Act 2011.

The Royal National College for the Blind meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2025, and a significant deficit on its defined benefit pension scheme, but has worked through a detailed recovery plan to address this and has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Income

Income is included in the Statement of Financial Activities when the Group has entitlement to the funds, any performance conditions have been met, it is probable the income will be received and the amount can be measured reliably.

Student services and grants

Student services and grants are accounted for in the period in which the service is provided. Student services consist of income from student fees and any sundry receipts.

Government grants

Grants from government bodies and other sources are received for specific projects/costs and are recognised in accordance with their individual terms and conditions. Income is recognised when the Group has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Donations

Donations received for the general purposes of the Group are credited to unrestricted funds but shown separately from direct Group income. Donations subject to specific wishes of the donors are carried to the relevant restricted fund. Donations are accounted for when received.

Legacies

Legacies received for the general purposes of RNC are credited to unrestricted funds and shown within donations and legacies. Legacies subject to specific wishes of the donor are included within restricted funds. Legacy income is accounted for based upon settlement of the Estate Accounts, or receipt of payment, whichever is earlier.

Income from trading

Income from trading activities is included in the financial statements in the period in which the relevant goods and services have been provided, and is stated net of Value Added Tax.

Investment and similar income

Investment and similar income is accounted for when receivable.

Taxation

As a charity, RNC is generally exempt from corporation tax on income it receives which is properly applied for its Charitable purpose.

Expenditure

Group expenditure is accounted for on an accruals basis. Where expenditure is apportioned across cost categories, it is apportioned at the best estimate of the Governors based on the level of activity during the year. Costs are allocated to the appropriate cost categories in the Statement of Financial Activities.

Support costs are those costs directly incurred in administering and supporting RNC operations as an educational establishment. Governance costs comprise the costs of running the charity, including external audit and all the costs of complying with constitutional and statutory requirements, such as the cost of the Board and Committee meetings and of preparing statutory accounts.

Expenditure of trading and the costs of raising funds are accounted for in the period in which the expenditure is incurred.

Investments

Investment properties are stated in the Balance Sheet at potential freehold market value. A formal professional valuation is carried out at least every five years, and prepared on an informal basis in the intervening period. Gains or losses are taken to the Statement of Financial Activities. No depreciation is provided on investment properties.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the Statement of Financial Activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Tangible fixed assets and depreciation

The Group took advantage of the transition to FRS 102 and all freehold land and buildings are recognised at their deemed cost which was their net book value at the date of transition. The historic cost basis will apply going forward. Other fixed assets are stated at historical cost.

Depreciation is calculated so as to write off the cost of assets over their estimated useful lives as follows:

Freehold land	No depreciation	
Freehold buildings	2%	straight line
Building improvements	5% - 10%	straight line
Fixtures, fittings and equipment	20% - 25%	straight line
Leased assets	20%	straight line

Equipment costing more than £1,000 is capitalised and carried in the Balance Sheet at historical cost.

Cash

Cash is represented by cash in hand and deposits with financial institutions.

Stocks

Stocks comprise goods for resale by the Group. They are included in the financial statements at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Short term debtors are initially measured at their settlement amount.

Creditors

Short term creditors are initially measured at their settlement amount.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of the bank loan and the finance lease obligations which are subsequently measured at amortised cost using the effective interest method.

Unrestricted funds

Unrestricted funds can be used at the discretion of the Governors in accordance with RNC's and the Group's objects.

Restricted funds

Restricted funds are those funds whose income is for a specific purpose as stipulated by the donor, the details of which are set out in the notes to the financial statements.

Pension schemes

The Group contributes to the Teachers' Pension Defined Benefits Scheme at rates based either on instructions from the Department for Education or actuarial advice. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Group. The scheme is therefore accounted for as a Defined Contribution scheme. The amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and other post retirement benefits is the contributions payable in the year.

The Group also contributed to a Defined Benefit pension scheme for non-teaching staff up until its closure to future accruals on 31st March 2012. The assets of the scheme are held separately from those of The Group, and are administered by TPT Retirement Solutions ("TPTRS"). Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each Balance Sheet date. The resulting defined asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The amounts charged to expenditure are the notional interest charges and the other costs charged by the trustee for running the scheme. Actuarial gains and losses are recognised within "Other recognised losses".

Since 1st April 2012 the Group has contributed to a Defined Contribution Scheme for non- teaching staff, administered by TPTRS. The amount charged to the Consolidated Statement of Financial Activities is the contributions payable by the Group in the year.

All pension fund costs are charged against unrestricted funds in line with the associated staff costs.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Consolidation

RNC has a 100% wholly owned trading subsidiary, R N C Enterprises Limited, a Company registered in England and Wales. The results of the subsidiary are included in the consolidated accounts on a line by line basis, with all intra-Group transactions fully eliminated on consolidation. A summary of the results of R N C Enterprises Limited is shown in note 5 to the consolidated financial statements.

RNC is also the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). RNC controls the Board of Blindcare, so its results have been included in the consolidated accounts on a line by line basis, with all intra-Group transactions fully eliminated on consolidation. The results of Blindcare were not included in the 2021 consolidated financial statements on the grounds that the results were immaterial to the Group. The 2022 financial statements of Blindcare have been produced for a 16 month period in order to align the year end with that of RNC and R N C Enterprises Limited. A summary of the results of Blindcare is shown in note 5 to the consolidated financial statements.

The Group has taken advantage of Section 408 of the Companies Act 2006 by not providing a separate Statement of Financial Activities for the Charity.

The Group has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Statement of Cash Flows and certain disclosures about the Charity's financial instruments.

Critical judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to consider making any significant judgements and estimates where necessary. Significant judgements and estimations have been made on the following items:

Useful economic lives of tangible fixed assets
The annual depreciation charges for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible fixed assets and note 1 for the useful lives for each class of assets.

Defined benefit pension fund
The present value of the TPTRS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 30 September 2019 has been used by the actuary in valuing the pensions liability at 31 July 2022. Any difference between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Impairment of fixed assets
Governors considered there to be no impairment of fixed assets during the year.

2 INCOME

Donations and legacies	**2022 £'000**	**2021 £'000**
Donations	105	22
Blindcare reserves brought into the Group	74	-
Trusts and Foundations	226	364
Legacies	46	121
Income from donations and legacies	451	507

Charitable activities		**2022 £'000**	**2021 £'000**
Student fees from:	Education & Skills Funding Agency	905	794
	Welsh Government	464	388
	Local Authorities	4,664	3,238
	Private sources	57	4
Department for Work & Pensions		-	120
Other income		3	5
Income from student services		6,093	4,549
Grants			
Education & Skills Funding Agency		125	86
Department for Education		51	61
Government Job Retention Scheme		4	97
Other grants		43	24
Income from charitable activities		6,316	4,817

Investment and other income	**2022 £'000**	**2021 £'000**
Rental income	-	20
Bank interest	1	-
Income from investments	1	20

Other income	**2022 £'000**	**2021 £'000**
Profit on sale of fixed assets	4	12
Compensation payment received from construction company	575	-
Other income	579	12

3 NET INCOME

Net income for the year is stated after charging:		2022 £'000	2021 £'000
Auditor's remuneration	- audit fees	21	14
	- accountancy and tax services	2	1
	- grant assurance	1	-
Operating lease rentals		42	42
Depreciation	- owned assets	319	285
	- leased assets	28	30
Interest payable	- finance lease interest	5	5
	- loan interest	75	70

4 ANALYSIS OF TOTAL EXPENDITURE

Expenditure on Charitable activities:	**Staff costs £'000**	**Expenses £'000**	**Deprec'n £'000**	**Total 2022 £'000**	**Total 2021 £'000**
Education and training	2,537	172	-	2,709	2,396
Welfare	148	384	-	532	421
Premises	200	450	222	872	792
Marketing	120	26	-	146	132
Support costs	743	561	125	1,429	1,372
Governance costs (see below)	19	27	-	46	30
	3,767	1,620	347	5,734	5,143
Expenditure on raising funds:					
Fundraising	84	22	-	106	101
Trading activities	222	174	-	396	275
Blindcare activities	-	6	-	6	-
	306	202	-	508	376
	4,073	1,822	347	6,242	5,519

Governance costs comprise:	2022 £'000	2021 £'000
Staff costs	19	16
Audit & accountancy costs	22	14
Legal & professional fees	5	-
	46	30

5 OTHER GROUP ENTITIES

The wholly owned trading subsidiary, R N C Enterprises Limited, is incorporated in the United Kingdom (company number 01747998) and pays all of its profits to the parent charity under the gift aid scheme. R N C Enterprises Limited operates all commercial trading activities of RNC, including the sports and conferencing facilities. The summary financial performance of the subsidiary alone is:

	2022 £'000	2021 £'000
Turnover	400	260
Cost of sales	(72)	(19)
Gross profit	328	241
Administrative expenses	(339)	(262)
Operating loss	(11)	(21)
Retained deficit at start of period	(136)	(115)
Retained deficit at end of period	(147)	(136)

	2022 £'000	2021 £'000
Total assets at balance sheet date	50	32
Total liabilities at balance sheet date	(197)	(168)

In addition to income of £400,000 (2021: £260,000) shown above, miscellaneous trading income of £14,000 (2021: £4,000) is included within the results of the College.

RNC is the sole beneficiary and controlling party of an independent charity, Blindcare (charity registration number 1020073, company number 02806606). Blindcare receives donations from various payroll giving schemes and makes donations to the parent charity at the discretion of the Blindcare directors. The summary financial performance of Blindcare alone is:

	2022 12 months £'000	2021 12 months £'000
Income	85	96
Costs of raising funds	(6)	(5)
Charitable activities	(99)	(35)
Net (deficit) / income	(20)	56
Retained income at start of period	74	31
Retained income at end of period	54	87

	2022 £'000	2021 £'000
Total assets at balance sheet date	59	93
Total liabilities at balance sheet date	(5)	(6)

6 CORPORATION TAXATION

RNC is exempt from corporation tax on its Charitable activities.

7 STAFF NUMBERS

The average monthly headcount of full time and part time staff was 153 (2021: 138).

	2022 Number	2021 Number
Education and training	95	82
Student welfare	10	9
Premises	6	6
Support	21	20
Marketing	5	5
Fundraising	5	4
R N C Enterprises Limited	11	12
	153	138

8 ANALYSIS OF STAFF COSTS, GOVERNOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2022 £'000	2021 £'000
Salaries and wages	3,343	2,998
Social security costs	283	240
Pension contributions - teaching	268	233
- non-teaching	50	45
Defined benefit pension scheme contributions	129	132
Total staff costs	4,073	3,648

Included in the above is an amount of £11,676 paid in respect of a termination agreement.

Pension contributions were made to the Teachers' Pension Scheme for teaching staff and to a fund independently administered by TPTRS for non-teaching staff.

The Executive Principal, Mrs Lucy Proctor, is an ex-officio trustee and received emoluments of £70,296 (2021: £70,000) with employer pension contributions of £2,100 (2021: £2,100). Mr Andy Powell and Mrs Lisa Roberts were appointed as Staff Governors during the year and received emoluments of £19,332 and £14,959 respectively whilst serving as staff governors, with employer pension contributions of £557 and £2,668 respectively.

No other Governors nor persons connected with them received any remuneration from the College or any connected organisation in either financial year.

During the year, no Governors were reimbursed expenses or costs (2021: 1 Governor total of £242).

The number of higher paid employees whose emoluments exceeded £60,000 were:

	2022 No.	2021 No.
£60,000 - £69,999	1	-
£70,000 - £79,999	1	1

Pension contributions for the higher paid employee(s) amounted to £14,066 (2021: £2,100).

The key management personnel of the Group during the year, who were remunerated, comprise the Executive Principal, the Head of College, the Director of Student Support and the Directors of Learning. The total employee benefits of the key management personnel, including pension contributions and employer national insurance contributions, were £326,815 (2021: £307,383).

9 TANGIBLE FIXED ASSETS

Consolidated	Freehold land and buildings £'000	Fixtures, fittings & equipment £'000	Leased assets £'000	Group Total £'000
Cost				
At 1 August 2021	13,781	1,541	152	15,474
Additions	133	148	-	281
Disposals	-	(213)	-	(213)
At 31 July 2022	13,914	1,476	152	15,542
Depreciation				
At 1 August 2021	950	1,275	124	2,349
Charge for the year	222	97	28	347
Disposals	-	(213)	-	(213)
At 31 July 2022	1,172	1,159	152	2,483
Net book values				
At 31 July 2022	12,742	317	-	13,059
At 31 July 2021	12,831	266	28	13,125

The net book value of tangible fixed assets owned by R N C Enterprises Limited is £519 (2021: £1,280). The net book value of freehold land and buildings includes an amount of £4,173,000 (2021: £4,173,000) in respect of land.

10 INVESTMENT ASSETS

Consolidated Fixed Assets	Investment Properties £'000
Balance at 1 August 2021	641
Sold in year - sale proceeds	(366)
Gain on property value	75
Balance at 31 July 2022	350

The investment property is located within the county of Herefordshire. The investment is primarily held to provide a return where monies are not required immediately for Charitable activities.

College	£'000
Balance at 31 July 2022 as above	350
Investment in subsidiary Company (see note 5) amounts to £15	-
	350

No investments were held by R N C Enterprises Limited or Blindcare.

The residential property was valued in September 2022 at open market value by Flint & Cook. The Governors are of the opinion that there has been no diminution in value of the property since the date of the valuation.

11 STOCKS

	Consolidated		College	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Goods for resale	6	5	1	1
	6	5	1	1

12 DEBTORS

	Consolidated		College	
	2022	2021	2022	2021
Due within one year:	£'000	£'000	£'000	£'000
Student fees	296	114	296	114
Amount due from subsidiary	-	-	177	137
Prepayments	30	21	25	20
Other debtors	64	16	45	10
	390	151	543	281

13 CREDITORS: amounts falling due within one year

	Consolidated		College	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Bank loan	156	192	156	192
Finance lease payments	9	28	9	28
Trade creditors	136	190	131	188
Taxation and social security	79	77	76	75
Pension contributions	43	38	43	38
Other creditors	50	89	50	89
Accruals and deferred income	290	231	272	204
	763	845	737	814

Barclays Bank have security over all of RNC's properties.

14 CREDITORS: amounts falling due after more than one year

	Consolidated		College	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Bank loan	1,789	2,155	1,789	2,155
Finance lease payments	-	9	-	9
	1,789	2,164	1,789	2,164

The bank loan is repayable at £38,899 per quarter, with the remaining balance repayable in full on 31st January 2025. Interest is charged at 2.5% over Base.

15 ALLOCATION OF THE GROUP NET ASSETS

The net assets are held for various funds as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2022 Total £'000
Restricted funds (note 16)	685	-	342	-	1,027
Unrestricted funds:					
- General (note 17)	12,373	350	964	(1,789)	11,898
- Pension reserve (note 21)	-	-	-	(1,369)	(1,369)
Total RNC	13,058	350	1,306	(3,158)	11,556
Total Subsidiary (note 17)	1	-	(148)	-	(147)
Total Blindcare (note 17)	-	-	54	-	54
Total Group	13,059	350	1,212	(3,158)	11,463

At 31 July 2021 the net assets were held as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2021 Total £'000
Restricted funds (note 16)	771	-	378	-	1,149
Unrestricted funds:					
- General (note 17)	12,353	641	(218)	(2,164)	10,612
- Pension reserve (note 21)	-	-	-	(2,572)	(2,572)
Total RNC	13,124	641	160	(4,736)	9,189
Total Subsidiary (note 17)	1	-	(137)	-	(136)
Total Group	13,125	641	23	(4,736)	9,053

16 RESTRICTED FUNDS	**Balance 31.7.21 £'000**	**Income £'000**	**Expenditure £'000**	**Transfers £'000**	**Balance 31.7.22 £'000**
Football Foundation Grant	444	-	(10)	-	434
Overseas Scholarship Fund	181	-	-	-	181
Sport England Grant	133	-	(3)	-	130
Media Equipment	38	78	(19)	(7)	90
Student Garden	10	39	(5)	(3)	41
Keyless Swipe System	-	26	(1)	6	31
Refurbish Student Gym	29	5	(8)	-	26
Students from Malvern area	18	-	-	(3)	15
Teacher Training	-	55	(43)	-	12
Braille Notes & Brailliants	14	10	-	(14)	10
Independent Living Skills	24	7	(8)	(14)	9
Spa Refurbishment	8	-	-	-	8
Gym Floor Sweeper	19	-	(1)	(12)	6
Student Equipment	9	-	-	(5)	4
Running and Cycling Club	6	-	(4)	-	2
College Move	105	-	-	(105)	-
IT Equipment	31	-	(2)	(29)	-
European Exchange Project	24	-	(24)	-	-
Covid Costs	18	-	(4)	(14)	-
ETF Training / Filming	10	-	(10)	-	-
Building Maintenance	-	51	(51)	-	-
Miscellaneous Small funds	28	27	(19)	(8)	28
	1,149	298	(212)	(208)	1,027

16 RESTRICTED FUNDS *(continued)*

Prior year comparative	Balance 1.8.20 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.7.21 £'000
Football Foundation Grant	454	-	(10)	-	444
Overseas Scholarship Fund	181	-	-	-	181
Sport England Grant	136	-	(3)	-	133
College Move	38	67	-	-	105
Students from Malvern area	27	-	-	(9)	18
Independent Living Skills	27	1	(4)	-	24
Astro Pitch	25	-	-	(25)	-
European Exchange Project	24	-	-	-	24
Braille Notes & Brailliants	17	-	(3)	-	14
Refurbish Fitness Studio	17	-	(1)	(12)	4
ETF Training / Filming	10	-	-	-	10
Spa Refurbishment	8	-	-	-	8
Student Equipment	8	8	(7)	-	9
IT Equipment	6	31	(6)	-	31
Running and Cycling Club	6	-	-	-	6
Media Equipment	6	31	(2)	3	38
Refurbish Student Gym	6	24	(1)	-	29
Gym Floor Sweeper	-	17	-	2	19
Covid Costs	-	94	(76)	-	18
Student Garden	-	4	-	6	10
Building Maintenance	-	61	(61)	-	-
Miscellaneous Small funds	24	10	(8)	(2)	24
	1,020	348	(182)	(37)	1,149

Once the restriction has been fulfilled in line with SORP (FRS 102), restricted assets are transferred to unrestricted funds, as shown above. Where a grant or donation has been given and the asset is required to be held for a number of years the fund has remained restricted and the appropriate depreciation has been charged against the fund.

Football Foundation
The Football Foundation awarded a grant of £1million in total towards a new Sports Centre.

Overseas Scholarship Fund
The Overseas Scholarship Fund is represented by cash at bank, and is only to be used for issuing scholarships to learners and teachers from abroad.

Sport England
Sport England awarded a grant of £200,000 in total towards a new Sports Centre.

Media Suite
Various grants were received towards the building of a new Media suite and the purchase of media and sound equipment, including £34,306 from the Eveson Trust and £30,000 from the Foyle Foundation.

Student Garden
A number of grants have been received for the development of a new student garden area.

16 RESTRICTED FUNDS *(continued)*

Keyless Swipe System
A number of grants have been received for the purchase of a keyless swipe system to be installed on all student bedroom doors.

Refurbish Student Gym
A number of grants and donations were received in order that the student gym could be refurbished.

Students from Malvern area
A donation was received from the KJ Tandy Will Trust to assist with the education and training of ten students from the Malvern area.

Teacher Training
A grant was received from the Department for Education to enable three members of staff to undergo a two year programme of teacher training.

Braille Notes and Brailliants
A number of grants have been received for the purchase of Braille Notes and Brailliants, specialist equipment for the visually impaired.

Independent Living Skills
A number of grants have been received for the purchase of equipment to be used in developing students' independent living skills.

Spa Refurbishment
Sponsorship and donations were received in respect of a 24 hour spinathon event, with 50% of the monies pledged towards refurbishment of the spa areas in thePoint4 sports centre.

Gym Floor Sweeper
Several grants were received for the purchase of a floor sweeper to use on the main hall floor within the sports centre.

Student Equipment
Several grants were received for the purchase of specialist equipment for students, including video magnifiers and talking calculators.

Running and Cycling Club
A grant of £9,911 was received from Sport England towards enabling students to participate in running and cycling activities, including the purchase of tandem bikes, clothing and accessories.

College Move
Grants have been received from the Bradbury Foundation, the Bernard Sunley Charitable Foundation and the Wolfson Foundation towards building works to enable the College to vacate the southern campus following its sale in March 2019.

IT Equipment
A number of grants and donations continue to be received for support towards the cost of specialist computer equipment and assistive technology software.

European Exchange Project
Erasmus funding was received to enable students to partake in an exchange project with a partner college in France.

Covid Costs
A number of grants were received to go towards the additional costs the College incurred for the health and safety of staff and students as a result of the Covid pandemic. This included £50,000 from the Foyle Foundation and £39,693 from the National Lottery Fund.

16 RESTRICTED FUNDS *(continued)*

ETF Training / Filming
A grant of £9,999 was received from the Education and Training Foundation to undertake a filming and training project.

Building Maintenance
A grant was received from the ESFA towards ongoing maintenance and upkeep of RNC buildings.

Miscellaneous Small Funds
Includes a number of separate small restricted funds for a variety of activities, including the RNC cricket team, student overseas visits, acoustic shooting equipment, mental health training, Duke of Edinburgh programme, refurbishment of fitness studios, office equipment and a new switchboard.

17 UNRESTRICTED FUNDS

GENERAL	Balance 1.8.21 £'000	Income £'000	Expenditure & net loss on investments £'000	Transfers £'000	Balance 31.7.22 £'000
RNC (excluding pension fund valuation)	10,612	7,053	(5,514)	(253)	11,898
Pension fund	(2,572)	-	816	387	(1,369)
Trading Company	(136)	400	(411)	-	(147)
Blindcare	-	85	(105)	74	54
	7,904	7,538	(5,214)	208	10,436

Prior year comparative	Balance 1.8.20 £'000	Income £'000	Expenditure & net loss on investments £'000	Transfers £'000	Balance 31.7.21 £'000
RNC (excluding pension fund valuation)	10,898	5,018	(5,056)	(248)	10,612
Pension fund	(3,363)	-	506	285	(2,572)
Trading Company	(115)	260	(281)	-	(136)
	7,420	5,278	(4,831)	37	7,904

18 OTHER FINANCIAL COMMITMENTS

Commitments in respect of operating lease rentals are as follows:

Commitment payable:	Equipment 2022 £'000	Equipment 2021 £'000
Within one year	45	38
Within two to five years	46	55
	91	93

19 CAPITAL COMMITMENT

At the year end, RNC had a commitment to pay the remaining £190,000 of the total contract cost for the conversion of office space to a new media suite (2021: £75,000 committed towards the refurbishment of Armitage Hall).

20 RELATED PARTY DISCLOSURES

During the year RNC recharged expenses of £288,772 (2021: £223,436) to R N C Enterprises Limited and paid £2,305 (2021: £nil) for products and services. The amount due from R N C Enterprises Limited at the year end was £177,221 (2021: £136,777) and the amount due to R N C Enterprises Limited at the year end was £nil (2021: £nil).

RNC is the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). During the year, RNC received income of £85,000 from Blindcare (2021: £65,351). There was no balance due to or from Blindcare (2021: £nil) at the year end.

During the year RNC paid £69,384 (2021: £98,100) in respect of legal services to Harrison Clark Rickerby, a firm of solicitors in which Mr J Brew, a trustee of RNC, is a former partner. There was no balance outstanding at the year end.

21 PENSION OBLIGATIONS

a) Defined Benefit Scheme - TPT Retirement Solutions

RNC operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. Benefits ceased to accrue within the scheme with effect from 31 March 2012. An actuarial valuation was completed as at 30 September 2019 and the results of this have been updated to 31 July 2022 by a qualified actuary, independent of the scheme's sponsoring employer.

The most recent completed actuarial valuation, as at 30 September 2019, showed a deficit of £5,932,000. RNC has agreed with the trustees that it will aim to eliminate the deficit over a period of 11 years 11 months from 1 April 2021 by payment of annual contributions of £332,688. In addition, from 1 April 2021, RNC will pay £77,340 per annum to cover scheme expenses (including the Pension Protection Fund levy).

Present values of defined benefit obligation, fair value of assets and defined benefit liability

Assets	**31 July 2022 £000**	**31 July 2021 £000**
Equity Type	553	834
Bonds	5,812	6,921
Property	1,231	1,074
Other	3,190	3,910
LDI	5,217	7,856
Cash	196	449
Fair value of plan assets	16,199	21,044
Present value of defined benefit obligations	(17,568)	(23,616)
Deficit in plan	(1,369)	(2,572)
Defined benefit liability to be recognised under FRS102	(1,369)	(2,572)

None of the market values of the assets shown above include any direct investments in RNC's own financial instruments or any property occupied by, or other assets used by, RNC.

21 PENSION OBLIGATIONS *(continued)*

Change in assets during the year

	2022 £'000	2021 £'000
Assets at the start of the year	21,044	20,634
Interest income on assets	345	288
Expenses	(79)	(79)
Experience on plan assets (excluding amounts included in interest income)	(5,002)	295
Employer contributions	506	408
Benefits paid	(615)	(502)
Assets at the end of the year	16,199	21,044

Change in liabilities during the year

	2022 £'000	2021 £'000
Liabilities at the start of the year	23,616	23,997
Interest expense	385	332
Actuarial gain on changes in assumptions	(6,654)	(55)
Actuarial loss/(gain) due to scheme experience	836	(156)
Benefits paid	(615)	(502)
Liabilities at the end of the year	17,568	23,616

Analysis of amount charged to income statement

	2022 £'000	2021 £'000
Expenses	79	79
Interest income on assets	(345)	(288)
Interest cost of defined benefit obligation	385	332
Total expense recognised in the statement of financial activities	119	123

Actuarial gain recognised in Statement of Financial Activities

	2022 £'000	2021 £'000
Return on assets excluding interest income	(5,002)	295
Experience (losses)/gains on scheme liabilities	(836)	156
(Loss)/gain due to change in demographic assumptions	(84)	238
Gain/(loss) due to change in financial assumptions	6,738	(183)
Actuarial gain recognised in statement of financial activities	816	506

21 PENSION OBLIGATIONS *(continued)*

Movement in balance sheet liability during the year

	2022 £'000	2021 £'000
Deficit in plan at the start of the year	(2,572)	(3,363)
Net interest cost	(40)	(44)
Expenses	(79)	(79)
Re-measurements included in the statement of financial activities	816	506
Employer contributions	506	408
Deficit in plan at the end of the year	(1,369)	(2,572)

Assumptions	**2022 % p.a.**	**2021 % p.a.**	**2020 % p.a.**
Discount rate	3.49	1.65	1.40
Inflation (RPI)	3.16	3.20	2.90
Inflation (CPI)	2.63	2.60	1.90
Deferred revaluations	3.16	3.20	2.90
Earnings growth	3.13	3.10	2.40
Pension increases in payment: RPI max 5.5% pa	3.10	3.15	2.85
Pension increases in payment: CPI max 2.5% pa	1.90	1.90	1.55
Allowance for commutation	75% of maximum allowance	75% of maximum allowance	75% of maximum allowance

The mortality assumptions adopted at 31 July 2022 imply the following life expectancies:

	Life expectancy at age 65 (years)
Male retiring in 2022	21.4
Female retiring in 2022	23.7
Male retiring in 2042	22.7
Female retiring in 2042	25.2

b) Defined Contribution Scheme - TPT Retirement Solutions (TPTRS)

During the year RNC contributed to a Defined Contribution Scheme for non-teaching staff. It is operated by TPTRS and the assets/(liabilities) in the scheme are held separately from those of RNC. During the year RNC paid contributions of £50,317 (2021: £45,534) to the scheme and at the year end £11,674 (2021: £10,708) was outstanding in respect of contributions to this scheme.

21 PENSION OBLIGATIONS *(continued)*

c) Defined Benefit Scheme - Teachers' Pension Scheme

RNC participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £268,471 (2021: £232,681) and at the year end £31,249 (2021: £26,968) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a 'pay as you go' basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the valuation report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the ‘McCloud/Sargeant case’. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers’ Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal’s judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court’s decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal’s ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched in June 2021 on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

22 CONTINGENT LIABILITY

As at the balance sheet date, an amount of £90,000 was payable to TPT Retirement Solutions subject to certain conditions being met. This was an additional payment towards the defined benefit scheme pension deficit from the proceeds of sale of investment properties in September 2021.

RNC operates a defined benefit pension scheme in the UK, through TPT Retirement Solutions, and have been made aware that some historical changes made to the scheme's benefits may not have been in accordance with the scheme rules. The trustees of the pension scheme are seeking court direction as to whether the changes were made in accordance with the rules and whether they have the power to make changes in respect of benefits built up after the date the changes were made. The court ruling could potentially give rise to an additional liability for RNC. As the pension scheme trustees are currently going through the court process any potential liability has not been recorded in the balance sheet.

23 (a) RECONCILIATION OF NET INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2022 £'000	2021 £'000
Net income for the year as per the Statement of Financial Activities	1,594	107
Adjustments for:		
Gain on sale of assets	(4)	(12)
Gain on investments	(75)	(6)
Interest paid	80	75
Depreciation charges	347	315
Rents from investments	-	(20)
Bank interest received	(1)	-
Payment into Defined Benefit Pension Scheme	(506)	(408)
Pension FRS102 adjustment	119	123
Increase in stock	(1)	(4)
(Increase) / decrease in debtors	(239)	26
(Decrease) / increase in creditors	(27)	67
Net cash generated by operating activities	1,287	263

23 (b) ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022 £'000	2021 £'000
Cash at bank and in hand	1,579	712
Total cash and cash equivalents	1,579	712

23 (c) CHANGE IN NET DEBT

	2022 £'000	2021 £'000
Net debt brought forward	2,384	2,840
Repayment of borrowing	(402)	(428)
Repayment of finance lease	(28)	(28)
Net debt carried forward	1,954	2,384

24 PRIOR YEAR ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000
Income from:			
Donations and legacies	220	287	507
Charitable activities	4,756	61	4,817
Other trading activities	264	-	264
Investments	20	-	20
Other income	12	-	12
TOTAL INCOME	5,272	348	5,620
Expenditure on:			
Raising funds	376	-	376
Charitable activities	4,961	182	5,143
TOTAL EXPENDITURE	5,337	182	5,519
Net gain on investments	6	-	6
NET (EXPENDITURE) / INCOME	(59)	166	107
Transfers between funds	37	(37)	-
Other recognised gains			
Actuarial gain on defined benefit pension scheme	506	-	506
NET MOVEMENT IN FUNDS	484	129	613
Total funds brought forward	7,420	1,020	8,440
Total funds carried forward	7,904	1,149	9,053

THE ROYAL NATIONAL COLLEGE FOR THE BLIND

England & Wales - Charity number 1000388

Accounts



THE ROYAL NATIONAL COLLEGE FOR THE BLIND
(a Company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 July 2021

Charity Registered Number 1000388
Company Registered Number 02367626

The Royal National College for the Blind
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 July 2021

CONTENTS Pages

Chair's Statement	1 - 2
Governors' Report (including Strategic Report)	3 - 10
Independent Auditor's Report	11 - 14
Consolidated Statement of Financial Activities	15
Consolidated and College Balance Sheets	16
Consolidated Statement of Cash Flows	17
Notes to the Consolidated Financial Statements	18 - 38



The Royal National College for the Blind
CHAIR'S STATEMENT
for the year ended 31 July 2021

In my note to last year's set of accounts I referred to the challenge posed by the pandemic and to the outstanding response of staff and students, whose creativity and resilience ensured that the College's main purpose, the education and training of blind and visually impaired students, was fully discharged.



We welcomed students back on campus in September 2020, taking every precaution possible to safeguard staff and students. Students were taught, resided and socialised in three separate "bubbles" and face-to-face teaching was delivered throughout the autumn term. A small number of students tested positive after the half-term break, fortunately all in the same "bubble" which led to a period of self-isolation for the students affected. Thanks to the dedicated commitment of staff and the resourcefulness of our students, the outbreak was controlled and teaching and other activities continued uninterrupted. On the announcement of a further national lockdown in January 2021 all student-facing activities moved on-line. The valuable experience gained during the first lockdown proved invaluable; teaching and pastoral support of students was maintained throughout and staff and students worked in partnership to identify and resolve any issues as they arose.



Students returned to College for the summer term with the focus on preparation for end-of-year assessments. For the second year students were assessed based on teacher grades. This proved demanding on staff and students and was the source of some anxiety. However the outcomes were excellent and students achieved high attainment levels. In some more practical subjects the constraints of covid restrictions and the difficulties of delivering practical classes remotely, meant that students were unable to complete all their assessments. As well as the acquisition of formal qualifications, there is a heavy emphasis on independent living skills. This area of provision was inevitably impacted by the pandemic and prevented some students from progressing to further study. I am pleased to report that we were able to support students affected in applying for extensions to funding to allow them to complete their studies and acquire the qualifications and life skills to move on as planned.

I referred in my previous report to the progress in implementing the College's Business Recovery Plan, designed to achieve long term financial stability. Recruitment activities for 2020/21 were inevitably affected by the pandemic and, although student numbers held up well, they fell a little short of the planned target. The pandemic has continued to impact upon commercial income from the Point4, because of further closures of the public gym and very significantly reduced bookings for conferences and the use of sporting facilities. As a result of closure of the public gym and the move to remote teaching during lockdown we were able to make space available to the NHS and to PHE to use for covid testing and related activities. The Board reviewed the targets in the Business Recovery Plan and concluded that they remained appropriate, but acknowledged that the impact of the pandemic meant that they should be rolled forward by one year. Close contact with RNC's bankers, who remain very supportive, has been maintained throughout the pandemic. The environment for fundraising has been made considerably more competitive because of the impact of the pandemic, but thanks to the excellent work of the fundraising team the fundraising target for 2020/21 was achieved. We continued to monitor expenditure closely and I am pleased to report that, in spite of all the challenges thrown up by the pandemic, we ended the financial year in surplus, a very positive outcome and a good foundation on which to build.



September 2021 saw a significant increase in student numbers and with several students joining after the start of term as a result of successful funding appeals, the total number of 18-25 year old students stands at 98, against a target of 80. This includes a higher than usual number of students with extensions of funding because of the pandemic, but also includes 40 first year students, the highest for many years. This represents an excellent achievement but one that has brought with it additional demands on staff, because of the continuing demands of managing the effects of the pandemic and also because of recruitment difficulties in key areas. September saw the end of the bubble system, very much welcomed by students. A well planned and managed system of regular testing of staff and students is in place and there have been several positive cases amongst staff and students, leading to periods of isolation. This has undoubtedly placed additional pressure on staff who have taken on extra duties and covered for colleagues' absence, and on those students affected. Staff and students continue to respond magnificently, and their caring support of each other is a source of great pride and inspiration.



The Board has continued to assess its performance against the principles in the Charity Code of Governance. Its most recent review of its own effectiveness concentrated on three of the principles in the Code – Organisational Purpose, Leadership, and Integrity. Following moderation of the outcomes by the Audit and Assurance Committee an action plan will be developed to further the Board's objective to meet the highest standards of governance embedded in the Code.

In May 2021, in anticipation of its 150 year anniversary in 2022, the Board commenced a review of its existing strategic plan. It renewed its absolute commitment to achieving on-going financial sustainability as encapsulated in the Business Recovery Plan and at the same time sought to identify a set of objectives and activities to achieve our vision – a world where every person with a visual impairment has true equality, and our mission – education, employment and empowerment for all people with a visual impairment. The Board had a wide-ranging discussion and proposed a number of key strategic aims around the themes of education, employment and empowerment. These are now the focus of further work and consultation by the Executive Principal and her team with the intention of adopting a new strategic plan in the first part of 2022.



In summary, 2020/21 was a hugely challenging but ultimately a successful year - we achieved a financial surplus; despite everything our students excelled and achieved outstanding results; and for a second year our staff rose to all the challenges of the pandemic. At the time of writing, the future course of the pandemic remains uncertain as we await the full impact of the latest covid variant. Our focus as always is on ensuring the safety and wellbeing of staff and students, that our students have the best possible experience and achieve their full potential, and that our staff are well supported. In short to provide an outstanding environment in which to live, learn and work. Our 150th anniversary in 2022 will provide us with the opportunity to celebrate the outstanding achievements of past and present, and to renew and reinforce our commitment to our aim and mission. We are looking forward to it.

John Ryan MBE
Chair

Date: 11 February 2022

The Governors (who are also the Company directors and charity trustees as listed on page 9) present their annual report and audited financial statements for the year ended 31 July 2021, which comply with the Charities Act 2011, the Companies Act 2006, RNC's Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Aims, objectives and activities

Aims

The aim of The Royal National College for the Blind ("RNC") is to provide and promote education and training for people who are blind or visually impaired and for such other people as the Governors may determine from time to time.

Charitable objectives

The objectives of RNC are covered by its Vision and Mission statement.

Vision:	People with visual impairment have true equality.
Mission statement:	Education, employment and empowerment for people with a visual impairment.

Activities

The principal activity of RNC is that of a residential specialist college of Further Education, promoting the independence and potential of people who are blind or partially sighted aged 16 and over.

RNC's major funders are the Education and Skills Funding Agency, the Welsh Government and Local Authorities. In addition, some students are also funded through private funding.

Other areas of activity include providing disabled student assessments and the operation of a Sports and Complementary Therapy Centre (thePoint4). These facilities are widely used by our students and the general public. RNC also has a range of support services to offer to organisations which require assistance in addressing the needs of the visually impaired.

Public benefit

In setting our objectives and planning our activities our Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and relief of those in need by reason of disability. The activities described above enable us to meet the definition of public benefit.

During the academic year 2020/21, there were 81 students aged 16 to 25 enrolled at RNC (2019/20: 78 students). Due to the termination of the contract with DWP at the start of the financial year, no Specialist Employability Support customers (2019/20: 13 customers) commenced employment during the financial year.

Strategic report

Achievements and performance

Students who completed courses during 2020/21 maintained excellent levels of achievement despite significant impacts of the Covid 19 pandemic.

100% of students gained a pass at A Level, 71% of which gained A* - B grades. 100% achieved AS grades A-E with 78% achieving grades A*-C. There was a 100% achievement rate in GCSE English and Maths, which is an improvement of 25% and 20% respectively on 2019/20.



Vocational results saw 100% pass rates across Business, IT, Media, Introductory Skills and Sport.

The College's most recent Ofsted inspection was in February 2018 for our residential provision in which we were judged to be Outstanding in all areas. Education and training provision was inspected a year earlier and we received gradings of Good across the board.

We are ambitious for our students and have much to celebrate. Ultimately colleges like ours are judged by the achievements of our students and we know that our students rate their experience with us very highly. Despite several periods of remote teaching for either the college as a whole and individuals across the year, there are still a good number of highlights to celebrate:

- In the National Blind Football League, RNC were the Disability Cup Champions 2020 - This game was live on BT Sport.



- The College hosted and took part in four Blind Football Festival days offering opportunity for our students and blind football players around the country to resume participation in blind football after Covid-19.
- In the National Partially Sighted Football League, three students were selected for the England trials with two of them being put on the England Talent Pathway for VI futsal. We also had the first ever all female team to play a full futsal match in the UK, which was hosted and officiated by RNC.
- In March, an A level student organised a sponsored walk with the aim of reaching an accumulated target of 500 miles in one day. The mileage target was exceeded - 721 miles - and enough money was raised so that a projector and giant screen could be purchased for students to enjoy regular film nights.
- Staff and students from the College's Mathematics Department joined in the International Day of Mathematics with a programme of activities for all abilities throughout the week.



- As part of an English assignment a fourth year student started up a blog to raise awareness of the challenges that the deafblind community face and to share how Covid has impacted his world personally.
- In July, RNC's Massage and Complementary Therapies students were excited to take part in a two-day workshop hosted at the College by practising Remedial and Sports Massage Therapist and three-time Paralympic cycling Gold medallist, Anthony Kappes MBE.

Risk management

The principal risks and uncertainties facing RNC, and the mitigation measures in place are:

Risk	Mitigation measures
Failure to increase student numbers at a time when local authorities are under ever-increasing budgetary constraints;	Investment in specialist staffing to support applicants. Work actively and collaboratively with other VI organisations, NATSPEC, funders and others to develop strategies. Transparent communication with local authorities. Explore overseas opportunities.
Failure of tP4 membership/classes/ sales income to grow	Targeted promotional activities to reach key audiences, locally and nationally, to include charitable USP. Identify and develop relationships with sport and social groups for other disabilities. Business Consultant appointed.
Failure of Fundraising activities to achieve annual targets based on current market and trends	Active engagement by the Board in supporting the fundraising team. Working with external consultant, reviewing Blindcare position, developing strategy for next five years (to tie in with campus development strategy and education provision strategy)
Inability to recruit to fill key roles plus impact of staff absences on colleagues	External factors (eg shortages in care sector) and internal factors (salaries, need for specialist skills) mean recruitment extremely challenging. Staff absences due to illness and isolation increasing pressure. Introduction of 'refer a friend' bonus for staff. Additional roles on fixed term contracts being advertised. More flexibility in recruitment process to ensure fast turnaround for strong applications, while still meeting safer recruitment standards for appointments. Senior staff covering gaps where possible.
Staff shortages (sickness absence / Covid measures) in key areas, leading to loss of provision in the short and medium term	Willingness of staff to cover outside their immediate area of work. Ensuring staff cover is renumerated appropriately Investigations into agencies and their areas of specialism.
Impact of revisions to curriculum, Covid adjustments and campus development having a negative impact on Ofsted grading	ESQAC meet regularly to review quality standards. Evidence in place to demonstrate robust measures taken to continue learning activities during Covid pandemic. Final phased move to a one site campus has been completed.
Maintaining financial viability under the current financing arrangements for high needs students	Regular meetings with College bankers. Management accounts sent monthly to bank and pensions trustee. Detailed budget planning prior to start of financial year. Three year forecast in place. Major contracts regularly tendered. Cash flow forecast continually monitored and updated.

The Board has examined the principal areas of RNC's operations and considered what major risks may arise in each of these areas. RNC keeps a detailed risk register which is reviewed and updated by Governors and the Senior Management Team every three months. In the opinion of the Governors, RNC has therefore established policies, resources and review systems, which under normal conditions should allow the risks identified by them to be mitigated to an acceptable level in its day to day operations.

Financial review

One of the principal risks of RNC is maintaining financial viability in light of continual changes to funding arrangements for high needs students. Monthly accounts and cash flows are monitored by the Senior Management Team and Governors to identify potential issues at the earliest opportunity. Covid-19 continues to bring additional challenges, with the College campus closed from early December 2020 through to March 2021. All teaching was carried out online throughout this period and student fees were paid in full. However, Covid-19 restrictions meant that the gym and sports facilities were closed to the public for four and a half months of the financial year, and restrictions on usage were in place during the periods when able to be open. Income from the trading subsidiary was consequently 32% lower than the prior year figure, which was also affected by Covid-19 closures.

A summary of key figures over the last three year have been:

	2021	2020	2019
	£000	£000	£000
Total income of the Charitable Group	5,620	5,635	5,827
Income from donations and legacies	507	448	225
Net income / (expenditure) before pension scheme	107	(65)	(1,175)
Net movement in funds after pension scheme	613	(462)	(358)
Net assets at year end	9,053	8,440	8,902
Unrestricted funds at year end	7,904	7,420	8,043

Despite the continual challenges of obtaining placements and funding from Local Authorities, and the impact of the Covid-19 pandemic, income from student services showed a 3.7% increase in 2021 (0.1% increase in 2020).

Included within the above figures are those of the trading subsidiary, R N C Enterprises Limited. Detailed results of the subsidiary are shown in note 5 to these financial statements; turnover for the year was £260,000 (2020: £383,000), and the amount gift-aided to the charity during the year was £nil (2020: £33,665). R N C Enterprises returned an operating deficit in both 2020 and 2021 as a direct result of restrictions imposed due to the Covid-19 pandemic (see Note 5). There is a business plan in place that will enable the subsidiary to return to profit once operations are able to return to pre-pandemic levels.

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2025, and a significant deficit on its defined benefit pension scheme, but is working through a detailed recovery plan to address this which has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which, despite the impact of the Covid-19 pandemic, show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Pension liability

RNC operates a defined benefit funded pension plan in the UK. The scheme is closed to new entrants and benefits ceased to accrue with effect from 31 March 2012. A full actuarial valuation was carried out at 30 September 2019 and showed a deficit in the scheme of £5,932,000. Following the valuation, the pension trustee and the employer agreed that additional contributions would continue to be paid to the scheme by the employer at the rate of £332,688 per annum over a period of 11 years 11 months as from 1 April 2021.

Reserves policy

The Governors have examined the requirement for free reserves which are those unrestricted funds not invested in tangible fixed assets, restricted funds or otherwise committed. The Governors consider that, given the nature of RNC's operations, this should be approximately £500,000, equivalent to one month's expenditure, which gives flexibility to cover temporary timing differences for fees and grants, adequate working capital for core costs, and will allow a quick response to emergencies.

The free reserves as at 31 July 2021 consist of unrestricted investments plus unrestricted net current assets/liabilities less long term liabilities (excluding pension reserve), which total -£1,741,000 (2020: -£1,416,000). However, despite having negative free reserves, as at 31 July 2021 the group had net current assets of £23,000(2020: £447,000) giving it sufficient working capital in the short term.

Governors acknowledge that having negative free reserves is well below the desired level, however the recently implemented business recovery plan, referred to elsewhere within these financial statements, aims to increase student numbers gradually over three years, sell property that is surplus to requirement, reduce the cost base of the college and increase income from fundraising and trading, thus maintaining working capital and improving the level of free reserves within the longer term.

At year end, the Group had funds of £9,053,000 (2020: £8,440,000) which consisted of £7,904,000 unrestricted funds (2020: £7,420,000) and £1,149,000 restricted funds (2020: £1,020,000). Included within the unrestricted funds was the pension reserve, which currently sits at a deficit of £2,572,000 (2020: £3,363,000).

Land and buildings

The freehold land and buildings were bought by the Royal National College and Academy of Music for the Blind Trust in 1978, and transferred to RNC on incorporation in 1989.

Under the transition to FRS 102, the net book value of the freehold land and buildings as at the transition date has been used as the historical cost.

Investment policy

The memorandum of association authorises the Governors to invest in such stocks, shares, investments and property in the UK as they see fit. The Governors' policy is to adopt a medium risk investment strategy based upon maintaining the real value of investments and achieving a reasonable income.

At year end, RNC owned two properties which are surplus to requirements and on the market to be sold and are therefore treated as Investment Properties. Note 10 to these accounts gives more information on the investments held at the year end.

Structure, Governance and Management

Governing document

RNC is a registered charity (No. 1000388) and a Company limited by guarantee (No. 02367626). RNC is governed by memorandum and articles of association adopted by special resolution of the Board of Governors dated 8 December 2009.

Trustee recruitment, induction and training

The Board has a sub-Group, the Nominations and Governance Committee, who manage the recruitment of Governors. They identify skills/ethnicity gaps and target recruitment to fill those gaps. There is an extensive induction process for new Governors and regular training events are organised aligned to priorities identified within the self assessment process.

Organisation

The Governors ratify the general direction and policy of RNC and monitor its performance, whilst the day to day leadership and management of the College and its subsidiary is delegated to the Executive Principal.

Pay policy for key management personnel

The pay of key management personnel is set by the Governors having regard for levels of responsibility, corresponding positions in similar organisations and pay scales issued by the Association of Colleges.

Related parties

R N C Enterprises Limited (RNCE) is RNC's wholly-owned trading subsidiary and carries out non-charitable trading activities for RNC. The results of RNCE are consolidated within the overall RNC results. Further details of RNCE's activities are shown above in the Financial Review, and in Note 5 to these financial statements.

With effect from 1 January 2019, RNC became the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). Income received from Blindcare during the year is included within donations and legacies. The full results of Blindcare have not been consolidated into these financial statements as they are deemed immaterial to the Group.

Equal opportunities

It is the policy of RNC to provide equal employment opportunities to ensure that no employee receives less favourable treatment than others on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. Staff development programmes have been run with the aim of promoting equal opportunities amongst staff, Governors and students.

Employees

RNC is an equal opportunities employer, committed to the promotion of equality, diversity and a supportive environment for all members of our community. We are committed to safeguarding and all staff are subject to necessary Disclosure and Barring Service checks, which are reviewed on a three year cycle. RNC has safeguarding and equality and diversity groups with staff representation which meet on a regular basis and ensure that policies and practices are up to date.

There is mandatory training on safeguarding, equality and diversity and data protection for all staff. Managers involved in staff recruitment all have to complete a "Safer Recruitment in Education" programme. There is also an extensive programme of other developmental training for staff.

RNC has a staff consultation group made up of representatives from across RNC who meet on a regular basis and there is an open policy in the provision of information to employees.

Fundraising

RNC employs a small fundraising team (2.5 FTE staff) who concentrate mainly on grant applications to Trusts and Foundations. No professional fundraisers or commercial participators are used, and there is no direct fundraising from the general public. As a result, the fundraising team were not required to implement any policies regarding the safeguarding of vulnerable members of the general public, nor did they receive any complaints during the year. A detailed fundraising report is presented to Governors at all board meetings, which sets out the current strategy, fundraising income received year to date against budget, income pledged but not yet received, and any other issues of which Governors should be aware. RNC therefore has no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

Future development and plans

There is a clear ongoing need for RNC as a national centre of expertise. We are secure in our mission and our specialism, and remain committed to providing our students with a holistic experience which includes the embedding of essential skills for life alongside academic and vocational qualifications. We will continue to review our curriculum to ensure that it meets the needs of both our students and their

future employers, while recognising the value of study for its own sake. We will develop strategies to support new students whose education has been interrupted by the pandemic. Having consolidated our provision on to a single site, we will implement a multi-year Estates strategy, investing in student accommodation, teaching areas and recreation spaces to ensure that our facilities support and enhance the student experience throughout their time at RNC.

Reference and administrative details

Charity name:	The Royal National College for the Blind (also known as "RNC")
Charity number:	1000388
Company number:	02367626
Principal and registered office:	thePoint4, Venns Lane, Hereford, HR1 1DT

Our advisers

Independent auditor	Crowe U.K. LLP, 4th Floor, St James House, St James Square, Cheltenham, GL50 3PR
Bankers	Barclays Bank plc, 1 - 3 Broad Street, Hereford, HR4 9BH
Solicitors	Eversheds LLP, 115 Colmore Row, Birmingham, B3 3AL

Key management personnel

Executive Principal	L Proctor (ex-officio trustee)
Deputy Principal - Head of College	R Seddon
Director of Student Support	J Price
Director of Learning	J Lynch
Director of Learning	N Smith

Governors, Directors and Trustees

The Governors of The Royal National College for the Blind are also the trustees and Company directors. The Governors and elected directors who served during the year and since the year end were as follows:

Mr E Bastable		(appointed 1 October 2020)
Mr J Brew		
Mr J Clarke-Morris	*	
Miss K Diamond		
Mr P Flynn	*	
Mr S Hairsnape		
Mr E Lloyd		(resigned 24 January 2021)
Mrs S Penny		
Mrs L Proctor		(appointed 1 July 2021)
Mrs V Pugh		(appointed 1 October 2020)
Mr J Ryan	(Chair)	
The Hon. J White		(resigned 4 May 2021)

* Also a director of R N C Enterprises Limited

Governors are elected by the Board for a renewable term of three years by rotation. New Governors are given a full induction to the College and its activities.

There are three sub-committees of the Board of Governors that meet at various times during the year; the Audit and Assurance Committee, the Finance, Development and Commercial Committee and the Education and Training Committee.

Charity Governance Code

As RNC is a not for profit organisation which aims to follow charity sector best practice, the Governors reviewed the Charity Governance Code (the "Code") published in July 2017. Following an in-depth review of the Code carried out at the Governors' meeting held on 20th December 2018, the Governors agreed to adopt the Code in full at their meeting on 17th May 2019. Governors have reviewed the updated Code issued in December 2020, which is used to measure the Board of Governors' effectiveness and is built into the annual Governor Self-Assessment Report (SAR).

Statement of Governors' responsibilities

The Governors (who are also directors of The Royal National College for the Blind for the purposes of Company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under Company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Group for that period. In preparing these financial statements, the Governors are required to:

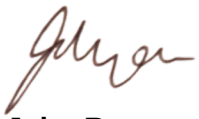
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Group will continue in business.

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the Charitable Company's transactions, 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 and the provisions of the Charitable Company's constitution. They are also responsible for safeguarding the assets of the Charitable Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditor

In so far as each of the directors of RNC at the date of approval of this report is aware, there is no relevant audit information (information needed by RNC's auditor in connection with preparing the audit report) of which RNC's auditor is unaware. Each director has taken all of the steps that he/she should have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that RNC's auditor is aware of that information.

The Governor's Report, including the Strategic Report, was approved by the Board of Governors of The Royal National College for the Blind on 11th February 2022 and is signed on its behalf by:



John Ryan
Chair
Date: 11 February 2022

Opinion

We have audited the financial statements of The Royal National College for the Blind ('the Charitable Company') and its subsidiary ('the Group') for the year ended 31 July 2021 which comprise the Consolidated statement of financial activities, Consolidated balance sheet, College balance sheet, Consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Charitable Company's affairs as at 31 July 2021 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the

financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Charitable Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report included within the Governors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

As explained more fully in the Governors' responsibilities statement set out on page 10, the Governors (who are also the directors of the Charitable Company for the purposes of Company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Charitable Company and Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, employment legislation, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charitable Company's and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context were Ofsted.

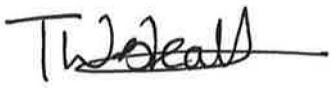
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors' and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing audit procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Ofsted and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of this report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable 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 Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
4th Floor
St James House
St James Square
Gloucestershire
GL50 3PR

Date: 3 March 2022

The Royal National College for the Blind

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES *(incorporating an income and expenditure account)*

for the year ended 31 July 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
Income from:					
Donations and legacies	2	220	287	507	448
Charitable activities	2	4,756	61	4,817	4,575
Other trading activities	5	264	-	264	392
Investments	2	20	-	20	196
Other income		12	-	12	24
TOTAL INCOME		5,272	348	5,620	5,635
Expenditure on:					
Raising funds	4	376	-	376	493
Charitable activities	4	4,961	182	5,143	5,147
TOTAL EXPENDITURE	4	5,337	182	5,519	5,640
Net gain / (loss) on investments	10	6	-	6	(60)
NET (EXPENDITURE) / INCOME		(59)	166	107	(65)
Transfers between funds	16	37	(37)	-	-
Other recognised gains / (losses)					
Actuarial gain / (loss) on defined benefit pension scheme	21	506	-	506	(397)
NET MOVEMENT IN FUNDS		484	129	613	(462)
Reconciliation of funds:					
Total funds brought forward	15	7,420	1,020	8,440	8,902
Total funds carried forward	15	7,904	1,149	9,053	8,440

The notes on pages 18 to 38 form part of these financial statements.

The Royal National College for the Blind (a Company limited by guarantee no. 02367626)
CONSOLIDATED AND COLLEGE BALANCE SHEETS
as at 31 July 2021

	Notes	Consolidated 2021 £'000	Consolidated 2020 £'000	College 2021 £'000	College 2020 £'000
FIXED ASSETS					
Tangible assets	9	13,125	12,945	13,124	12,942
Investments	10	641	1,035	641	1,035
Total fixed assets		13,766	13,980	13,765	13,977
CURRENT ASSETS					
Stock	11	5	1	1	-
Debtors	12	151	177	281	272
Cash at bank and in hand		712	1,043	692	1,027
Total current assets		868	1,221	974	1,299
LIABILITIES					
Creditors: amounts falling due within one year	13	(845)	(774)	(814)	(734)
Net current assets		23	447	160	565
Total assets less current liabilities		13,789	14,427	13,925	14,542
Creditors: amounts falling due after more than one year	14	(2,164)	(2,624)	(2,164)	(2,624)
Net assets excluding pension scheme liability		11,625	11,803	11,761	11,918
Defined benefit pension scheme liability	21	(2,572)	(3,363)	(2,572)	(3,363)
TOTAL NET ASSETS		**9,053**	**8,440**	**9,189**	**8,555**
THE FUNDS OF THE GROUP					
Restricted income funds	16	1,149	1,020	1,149	1,020
Unrestricted funds					
General	15	10,476	10,783	10,612	10,898
Defined benefit pension scheme liability	21	(2,572)	(3,363)	(2,572)	(3,363)
Total unrestricted funds	17	7,904	7,420	8,040	7,535
TOTAL GROUP FUNDS	15	**9,053**	**8,440**	**9,189**	**8,555**

The notes on pages 18 to 38 form part of these financial statements.

The College only net income for the year totalled £128,000 (2020: net income of £74,000).

The financial statements were approved and authorised for issue by the Governors on 11 February 2022 and were signed on their behalf by:

John Ryan
Chair

Date: 11 February 2022

The Royal National College for the Blind
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 July 2021

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
Cash flows from operating activities:					
Net cash generated by / (used in) operating activities	25(a)		263		(31)
Cash flows from investing activities:					
Rents from investment properties		20		194	
Bank interest received		-		2	
Proceeds from sale of tangible fixed assets		12		24	
Proceeds from sale of investments		400		-	
Purchase of tangible fixed assets		(495)		(172)	
Net cash (used in) / provided by investing activities			(63)		48
Cash flows from financing activities					
Repayment of borrowing	25(c)	(428)		(93)	
Repayment of finance lease	25(c)	(28)		(29)	
Interest paid		(75)		(91)	
Net cash used in financing activities			(531)		(213)
Change in cash and cash equivalents in the year			**(331)**		**(196)**
Cash and cash equivalents at the beginning of the year			1,043		1,239
Cash and cash equivalents at the end of the year	25(b)		**712**		**1,043**

The notes on pages 18 to 38 form part of these financial statements.

1 STATEMENT OF ACCOUNTING POLICIES

The Royal National College for the Blind ("RNC") is a Charitable Company limited by guarantee and was incorporated on 3 April 1989 (Company no: 02367626). The Royal National College for the Blind is registered as a charity with the Charity Commission England and Wales (charity no. 1000388). Its registered and principal office is thePoint4, Venns Lane, Hereford, HR1 1DT. This is also the registered office of the 100% wholly-owned subsidiary, R N C Enterprises Limited.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and Charities Act 2011.

The Royal National College for the Blind meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Going concern

RNC has a bank loan facility with a final repayment date of 31st January 2025, and a significant deficit on its defined benefit pension scheme, but is working through a detailed recovery plan to address this which has the full support of its bankers, pension fund trustees and other funders. RNC has a three year financial forecast and a three year cash flow forecast which, despite the impact of the Covid-19 pandemic, show that the Group has sufficient headroom to continue to trade within its current bank loan and overdraft facilities. The Governors therefore believe that it is appropriate to prepare these financial statements on the basis that RNC is a going concern.

Income

Income is included in the Statement of Financial Activities when the Group has entitlement to the funds, any performance conditions have been met, it is probable the income will be received and the amount can be measured reliably.

Student services and grants

Student services and grants are accounted for in the period in which the service is provided. Student services consist of income from student fees and any sundry receipts.

Government grants

Grants from government bodies and other sources are received for specific projects/costs and are recognised in accordance with their individual terms and conditions. Income is recognised when the Group has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Donations and covenanted subscriptions

Donations received for the general purposes of the Group are credited to unrestricted funds but shown separately from direct Group income. Donations subject to specific wishes of the donors are carried to the relevant restricted fund. Donations are accounted for when received.

Legacies

Legacies received for the general purposes of RNC are credited to unrestricted funds and shown within donations and legacies. Legacies subject to specific wishes of the donor are included within restricted funds. Legacy income is accounted for based upon settlement of the Estate Accounts, or receipt of payment, whichever is earlier.

Income from trading

Income from trading activities is included in the financial statements in the period in which the relevant goods and services have been provided, and is stated net of Value Added Tax.

Investment and similar income

Investment and similar income is accounted for when receivable.

Taxation

As a charity, RNC is generally exempt from corporation tax on income it receives which is properly applied for its Charitable purpose.

Expenditure

Group expenditure is accounted for on an accruals basis. Where expenditure is apportioned across cost categories, it is apportioned at the best estimate of the Governors based on the level of activity during the year. Costs are allocated to the appropriate cost categories in the Statement of Financial Activities.

Support costs are those costs directly incurred in administering and supporting RNC operations as an educational establishment. Governance costs comprise the costs of running the charity, including external audit and all the costs of complying with constitutional and statutory requirements, such as the cost of the Board and Committee meetings and of preparing statutory accounts.

Expenditure of trading and the costs of raising funds are accounted for in the period in which the expenditure is incurred.

Investments

Investment properties are stated in the Balance Sheet at potential freehold market value. A formal professional valuation is carried out at least every five years, and prepared on an informal basis in the intervening period. Gains or losses are taken to the Statement of Financial Activities. No depreciation is provided on investment properties.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the Statement of Financial Activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

Tangible fixed assets and depreciation

The Group took advantage of the transition to FRS 102 and all freehold land and buildings are recognised at their deemed cost which was their net book value at the date of transition. The historic cost basis will apply going forward. Other fixed assets are stated at historical cost.

Depreciation is calculated so as to write off the cost of assets over their estimated useful lives as follows:

Freehold land	No depreciation	
Freehold buildings	2%	straight line
Building improvements	5% - 10%	straight line
Fixtures, fittings and equipment	20% - 25%	straight line
Leased assets	20%	straight line

Equipment costing more than £1,000 is capitalised and carried in the Balance Sheet at historical cost.

Cash

Cash is represented by cash in hand and deposits with financial institutions.

Stocks

Stocks comprise goods for resale by the Group. They are included in the financial statements at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Debtors

Short term debtors are initially measured at their settlement amount.

Creditors

Short term creditors are initially measured at their settlement amount.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of the bank loan and the finance lease obligations which are subsequently measured at amortised cost using the effective interest method.

Unrestricted funds

Unrestricted funds can be used at the discretion of the Governors in accordance with RNC's and the Group's objects.

Restricted funds

Restricted funds are those funds whose income is for a specific purpose as stipulated by the donor, the details of which are set out in the notes to the financial statements.

Pension schemes

The Group contributes to the Teachers' Pension Defined Benefits Scheme at rates based either on instructions from the Department for Education or actuarial advice. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the Group. The scheme is therefore accounted for as a Defined Contribution scheme. The amount charged to the Consolidated Statement of Financial Activities in respect of pension costs and other post retirement benefits is the contributions payable in the year.

The Group also contributed to a Defined Benefit pension scheme for non-teaching staff up until its closure to future accruals on 31st March 2012. The assets of the scheme are held separately from those of The Group, and are administered by TPT Retirement Solutions ("TPTRS"). Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained every three years and are updated at each Balance Sheet date. The resulting defined asset or liability is presented separately after other net assets on the face of the Balance Sheet.

The amounts charged to expenditure are the notional interest charges and the other costs charged by the trustee for running the scheme. Actuarial gains and losses are recognised within "Other recognised losses".

Since 1st April 2012 the Group has contributed to a Defined Contribution Scheme for non- teaching staff, administered by TPTRS. The amount charged to the Consolidated Statement of Financial Activities is the contributions payable by the Group in the year.

All pension fund costs are charged against unrestricted funds in line with the associated staff costs.

1 STATEMENT OF ACCOUNTING POLICIES *(continued)*

Consolidation

RNC has a 100% wholly owned trading subsidiary, R N C Enterprises Limited, a Company registered in England and Wales. The results of the subsidiary are included in the consolidated accounts on a line by line basis, with all intra-Group transactions fully eliminated on consolidation. A summary of the results of R N C Enterprises Limited is shown in note 5 to the consolidated financial statements.

With effect from 1 January 2019, RNC became the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). Income received from Blindcare during the year is included within donations and legacies. The full results of Blindcare have not been consolidated into these financial statements as they are deemed immaterial to the Group.

The Group has taken advantage of Section 408 of the Companies Act 2006 by not providing a separate Statement of Financial Activities for the Charity.

The Group has taken advantage of the exemptions in FRS 102 from the requirements to present a charity only Statement of Cash Flows and certain disclosures about the Charity's financial instruments.

Critical judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to consider making any significant judgements and estimates where necessary. Significant judgements and estimations have been made on the following items:

Useful economic lives of tangible fixed assets

The annual depreciation charges for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible fixed assets and note 1 for the useful lives for each class of assets.

Impairment of debtors

The Group makes an estimate of the recoverable value of student fees and other debtors. When assessing impairment of these debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 12 for the carrying amount of the debtors.

Defined benefit pension fund

The present value of the TPTRS defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 30 September 2019 has been used by the actuary in valuing the pensions liability at 31 July 2021. Any difference between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Impairment of fixed assets

Governors considered there to be no impairment of fixed assets during the year.

2 INCOME

Donations and legacies	**2021 £'000**	**2020 £'000**
Donations	22	26
Trusts and Foundations	364	346
Legacies	121	76
Income from donations and legacies	507	448

Charitable activities		**2021 £'000**	**2020 £'000**
Student fees from:	Education & Skills Funding Agency	794	817
	Welsh Government	388	361
	Local Authorities	3,238	2,683
	Private sources	4	61
Department for Work & Pensions		120	419
Other income		5	45
Income from student services		4,549	4,386
Grants			
Education & Skills Funding Agency		86	30
Department for Education		61	75
Government Job Retention Scheme		97	74
Other grants		24	10
Income from charitable activities		4,817	4,575

Investment and other income	**2021 £'000**	**2020 £'000**
Rental income	20	194
Bank interest	-	2
Income from investments	20	196

3 NET (EXPENDITURE) / INCOME

Net (expenditure) / income for the year is stated after charging:		**2021 £'000**	**2020 £'000**
Auditor's remuneration	- audit fees	14	14
	- accountancy and tax services	1	3
Operating lease rentals		42	55
Depreciation	- owned assets	285	247
	- leased assets	30	31
Interest payable	- finance lease interest	5	5
	- loan interest	70	86

4 ANALYSIS OF TOTAL EXPENDITURE

Expenditure on Charitable activities:	Staff costs £'000	Expenses £'000	Deprec'n £'000	Total 2021 £'000	Total 2020 £'000
Education and training	2,228	168	-	2,396	2,588
Welfare	132	289	-	421	408
Premises	193	398	201	792	768
Marketing	115	17	-	132	129
Support costs	719	541	112	1,372	1,225
Governance costs (see below)	16	14	-	30	29
	3,403	1,427	313	5,143	5,147
Expenditure on raising funds:					
Fundraising	80	21	-	101	71
Trading activities	165	108	2	275	422
	245	129	2	376	493
	3,648	1,556	315	5,519	5,640

Governance costs comprise:	2021 £'000	2020 £'000
Staff costs	16	12
Audit & accountancy costs	14	16
Meeting expenses	-	1
	30	29

5 INVESTMENT IN SUBSIDIARY COMPANY

The wholly owned trading subsidiary, R N C Enterprises Limited, is incorporated in the United Kingdom (Company number 01747998) and pays all of its profits to the parent charity under the gift aid scheme. R N C Enterprises Limited operates all commercial trading activities of RNC, including the sports and conferencing facilities. The summary financial performance of the subsidiary alone is:

	2021 £'000	2020 £'000
Turnover	260	383
Cost of sales	(19)	(84)
Gross profit	241	299
Administrative expenses	(262)	(404)
Operating loss	(21)	(105)
Retained (deficit) / earnings at start of period	(115)	24
Gift aid donation paid	-	(34)
Retained deficit at end of period	(136)	(115)

5 INVESTMENT IN SUBSIDIARY COMPANY *(continued)*

	2021 £'000	2020 £'000
Total assets at balance sheet date	32	26
Total liabilities at balance sheet date	(168)	(141)

In addition to income of £260,000 (2020: £383,000) shown above, miscellaneous trading income of £4,000 (2020: £9,000) is included within the results of the College.

6 CORPORATION TAXATION

RNC is exempt from corporation tax on its Charitable activities.

7 STAFF NUMBERS

The average monthly headcount of full time and part time staff was 138 (2020: 138).

	2021 Number	2020 Number
Education and training	82	86
Student welfare	9	9
Premises	6	5
Support	20	19
Marketing	5	4
Fundraising	4	3
R N C Enterprises Limited	12	12
	138	138

8 ANALYSIS OF STAFF COSTS, GOVERNOR REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2021 £'000	2020 £'000
Salaries and wages	2,998	2,927
Social security costs	240	234
Pension contributions - teaching	233	243
- non-teaching	45	42
Defined benefit pension scheme contributions	132	154
Total staff costs	3,648	3,600

Pension contributions were made to the Teachers' Pension Scheme for teaching staff and to a fund independently administered by TPTRS for non-teaching staff.

The Executive Principal, Mrs Lucy Proctor, is an ex-officio trustee and received emoluments of £70,000 (2020: £63,872) with employer pension contributions of £2,100 (2020: £1,916).

No other Governors nor persons connected with them received any remuneration from the College or any connected organisation in either financial year.

During the year, 1 Governor were reimbursed a total of £242 (2020: £278) in respect of costs associated with attending meetings throughout the year.

The number of higher paid employees whose emoluments exceeded £60,000 were:

	2021 No.	2020 No.
£60,000 - £69,999	-	1
£70,000 - £79,999	1	-

Pension contributions for the higher paid employee(s) amounted to £2,100 (2020: £1,916).

The key management personnel of the Group during the year, who were remunerated, comprise the Executive Principal, the Head of College, the Director of Student Support and the Directors of Learning. The total employee benefits of the key management personnel, including pension contributions and employer national insurance contributions, were £307,383 (2020: £242,271).

9 TANGIBLE FIXED ASSETS

Consolidated	Freehold land and buildings £'000	Fixtures, fittings & equipment £'000	Leased assets £'000	Group Total £'000
Cost				
At 1 August 2020	13,442	1,393	152	14,987
Additions	339	156	-	495
Disposals	-	(8)	-	(8)
At 31 July 2021	13,781	1,541	152	15,474
Depreciation				
At 1 August 2020	749	1,199	94	2,042
Charge for the year	201	84	30	315
Disposals	-	(8)	-	(8)
At 31 July 2021	950	1,275	124	2,349
Net book values				
At 31 July 2021	12,831	266	28	13,125
At 31 July 2020	12,693	194	58	12,945

The net book value of tangible fixed assets owned by R N C Enterprises Limited is £1,280 (2020: £3,354). The net book value of freehold land and buildings includes an amount of £4,173,000 (2020: £4,173,000) in respect of land.

Under the transition to FRS 102, the net book value of the freehold land and buildings as at the transition date was used as the historical cost.

10 INVESTMENT ASSETS

Consolidated Fixed Assets	**Investment Properties £'000**
Balance at 1 August 2020	1,035
Sold in year - sale proceeds	(400)
Gain on property values	6
Balance at 31 July 2021	641

All of the investment properties are located within the county of Herefordshire. Such investments are primarily held to provide a return where monies are not required immediately for Charitable activities.

College	**£'000**
Balance at 31 July 2021 as above	641
Investment in subsidiary Company (see note 5) amounts to £15	-
	641

No investments were held by R N C Enterprises Limited.

The two residential properties were valued in December 2018 at open market value by Colliers International Valuation UK LLP. The residential property at 49 Venns Lane was under offer at year end and sold in September 2021 so has been included in the accounts at the offer value.
The Governors are of the opinion that there has been no diminution in value of the property at 56 Venns Lane since the date of the valuation.

11 STOCKS

	Consolidated		College	
	2021 £'000	**2020 £'000**	**2021 £'000**	**2020 £'000**
Goods for resale	5	1	1	-
	5	1	1	-

12 DEBTORS

	Consolidated		College	
Due within one year:	**2021 £'000**	**2020 £'000**	**2021 £'000**	**2020 £'000**
Student fees	114	89	114	89
Amount due from subsidiary	-	-	137	101
Prepayments	21	28	20	28
Other debtors	16	60	10	54
	151	177	281	272

13 CREDITORS: amounts falling due within one year

	Consolidated		College	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bank loan	192	188	192	188
Finance lease payments	28	28	28	28
Trade creditors	190	112	188	111
Taxation and social security	77	72	75	69
Pension contributions	38	35	38	35
Other creditors	89	118	89	118
Accruals and deferred income	231	221	204	185
	845	774	814	734

Barclays Bank have security over all of RNC's properties.

14 CREDITORS: amounts falling due after more than one year

	Consolidated		College	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bank loan	2,155	2,587	2,155	2,587
Finance lease payments	9	37	9	37
	2,164	2,624	2,164	2,624

The bank loan is repayable at £47,893 per quarter, commencing 30 April 2020, with the remaining balance repayable in full on 31st January 2025. Interest is charged at 2.5% over Base.

15 ALLOCATION OF THE GROUP NET ASSETS

The net assets are held for various funds as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2021 Total £'000
Restricted funds (note 16)	771	-	378	-	1,149
Unrestricted funds:					
- General (note 17)	12,353	641	(218)	(2,164)	10,612
- Pension reserve (note 21)	-	-	-	(2,572)	(2,572)
Total RNC	13,124	641	160	(4,736)	9,189
Total Subsidiary (note 17)	1	-	(137)	-	(136)
Total Group	13,125	641	23	(4,736)	9,053

15 ALLOCATION OF THE GROUP NET ASSETS (*continued*)

At 31 July 2020 the net assets were held as follows:	Tangible fixed assets £'000	Investm'ts £'000	Net current assets/ (liabilities) £'000	Long term liabilities & prov'ns £'000	2020 Total £'000
Restricted funds (note 16)	628	-	392	-	1,020
Unrestricted funds:					
- General (note 17)	12,314	1,035	173	(2,624)	10,898
- Pension reserve (note 21)	-	-	-	(3,363)	(3,363)
Total RNC	12,942	1,035	565	(5,987)	8,555
Total Subsidiary (note 17)	3	-	(118)	-	(115)
Total Group	12,945	1,035	447	(5,987)	8,440

16 RESTRICTED FUNDS

	Balance 31.7.20 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.7.21 £'000
Football Foundation Grant	454	-	(10)	-	444
Overseas Scholarship Fund	181	-	-	-	181
Sport England Grant	136	-	(3)	-	133
College Move	38	67	-	-	105
Students from Malvern area	27	-	-	(9)	18
Independent Living Skills	27	1	(4)	-	24
Astro Pitch	25	-	-	(25)	-
European Exchange Project	24	-	-	-	24
Braille Notes & Brailliants	17	-	(3)	-	14
Refurbish Fitness Studio	17	-	(1)	(12)	4
ETF Training / Filming	10	-	-	-	10
Spa Refurbishment	8	-	-	-	8
Student Equipment	8	8	(7)	-	9
IT Equipment	6	31	(6)	-	31
Running and Cycling Club	6	-	-	-	6
Media Equipment	6	31	(2)	3	38
Refurbish Student Gym	6	24	(1)	-	29
Gym Floor Sweeper	-	17	-	2	19
Covid Costs	-	94	(76)	-	18
Student Garden	-	4	-	6	10
Building Maintenance	-	61	(61)	-	-
Miscellaneous Small funds	24	10	(8)	(2)	24
	1,020	348	(182)	(37)	1,149

16 RESTRICTED FUNDS *(continued)*

Prior year comparative	Balance 1.8.19 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.7.20 £'000
Football Foundation Grant	464	-	(10)	-	454
Overseas Scholarship Fund	181	-	-	-	181
Sport England Grant	139	-	(3)	-	136
College Move	-	68	(30)	-	38
Students from Malvern area	27	-	-	-	27
Independent Living Skills	15	14	(2)	-	27
Astro Pitch	-	25	-	-	25
European Exchange Project	-	31	(7)	-	24
Braille Notes & Brailliants	-	32	(2)	(13)	17
Refurbish Fitness Studio	-	18	(1)	-	17
ETF Training / Filming	-	10	-	-	10
Spa Refurbishment	8	-	-	-	8
Student Equipment	-	9	(1)	-	8
IT Equipment	6	42	(7)	(35)	6
Running and Cycling Club	-	10	(2)	(2)	6
Media Equipment	-	8	(2)	-	6
Refurbish Student Gym	-	6	-	-	6
Complimentary Therapies	-	9	(1)	(6)	2
Building Maintenance	-	30	(30)	-	-
Miscellaneous Small funds	19	25	(16)	(6)	22
	859	337	(114)	(62)	1,020

Once the restriction has been fulfilled in line with SORP (FRS 102), restricted assets are transferred to unrestricted funds, as shown above. Where a grant or donation has been given and the asset is required to be held for a number of years the fund has remained restricted and the appropriate depreciation has been charged against the fund.

Football Foundation
The Football Foundation awarded a grant of £1million in total towards a new Sports Centre.

Overseas Scholarship Fund
The Overseas Scholarship Fund is represented by cash at bank, and is only to be used for issuing scholarships to learners and teachers from abroad.

Sport England
Sport England awarded a grant of £200,000 in total towards a new Sports Centre.

College Move
Grants have been received from the Bradbury Foundation, the Bernard Sunley Charitable Foundation and the Wolfson Foundation towards building works to enable the College to vacate the southern campus following its sale in March 2019.

Students from Malvern area
A donation was received from the KJ Tandy Will Trust to assist with the education and training of ten students from the Malvern area.

16 RESTRICTED FUNDS *(continued)*

Independent Living Skills
A number of grants have been received for the purchase of equipment to be used in developing students' independent living skills.

Astro Pitch
A grant of £25,000 was received from the Clothworkers to resurface the College astro pitch.

European Exchange Project
Erasmus funding was received to enable students to partake in an exchange project with a partner college in France.

Braille Notes and Brailliants
A number of grants have been received for the purchase of Braille Notes and Brailliants, specialist equipment for the visually impaired.

Refurbish Fitness Studio
A grant of £17,933 was received from the Peter Harrison Foundation to refurbish the College fitness studio, including the addition of air conditioning and an upgraded sound system.

ETF Training / Filming
A grant of £9,999 was received from the Education and Training Foundation to undertake a filming and training project.

Spa Refurbishment
Sponsorship and donations were received in respect of a 24 hour spinathon event, with 50% of the monies pledged towards refurbishment of the spa areas in thePoint4 sports centre.

Student Equipment
Several grants were received for the purchase of specialist equipment for students, including video magnifiers and talking calculators.

IT Equipment
A number of grants and donations continue to be received for support towards the cost of specialist computer equipment and assistive technology software.

Running and Cycling Club
A grant of £9,911 was received from Sport England towards enabling students to participate in running and cycling activities, including the purchase of tandem bikes, clothing and accessories.

Media Equipment
Various grants were received for the purchase of new media and sound equipment.

Refurbish Student Gym
A number of grants and donations were received in order that the student gym could be refurbished.

Gym Floor Sweeper
Several grants were received for the purchase of a floor sweeper to use on the main hall floor within the sports centre.

Covid Costs
A number of grants were received to go towards the additional costs the College incurred for the health and safety of staff and students as a result of the Covid pandemic. This included £50,000 from the Foyle Foundation and £39,693 from the National Lottery Fund.

Student Garden
A number of grants have been received for the development of a new student garden area following the sale of College properties and the move from the Southern campus.

16 RESTRICTED FUNDS *(continued)*

Building Maintenance
A grant was received from the ESFA towards ongoing maintenance and upkeep of RNC buildings.

Miscellaneous Small Funds
Includes a number of separate small restricted funds for a variety of activities, including the RNC cricket team, student overseas visits, trips to the theatre, Duke of Edinburgh programme, staff development, office equipment and a new switchboard.

17 UNRESTRICTED FUNDS

GENERAL	Balance 1.8.20 £'000	Income £'000	Expenditure & net gain on investments £'000	Transfers £'000	Balance 31.7.21 £'000
RNC (excluding pension fund valuation)	10,898	5,018	(5,056)	(248)	10,612
Pension fund	(3,363)	-	506	285	(2,572)
Trading Company	(115)	260	(281)	-	(136)
	7,420	5,278	(4,831)	37	7,904

Prior year comparative	Balance 1.8.19 £'000	Income £'000	Expenditure & net loss on investments £'000	Transfers £'000	Balance 31.7.20 £'000
RNC (excluding pension fund valuation)	11,231	4,915	(5,064)	(184)	10,898
Pension fund	(3,212)	-	(397)	246	(3,363)
Trading Company	24	383	(522)	-	(115)
	8,043	5,298	(5,983)	62	7,420

18 OTHER FINANCIAL COMMITMENTS

Commitments in respect of operating lease rentals are as follows:

Commitment payable:	Equipment 2021 £'000	Equipment 2020 £'000
Within one year	38	43
Within two to five years	55	93
	93	136

19 FUTURE RENTAL INCOME

Future guaranteed income receivable from the rental of investment properties is as follows:

Rent receivable:	2021 £'000	2020 £'000
Within one year	-	14
	-	14

20 CAPITAL COMMITMENT

At the year end, RNC had a commitment to pay the remaining £75,000 (2020: £nil) of the total contract cost for the redesign and refurbishment of Armitage Hall.

21 RELATED PARTY DISCLOSURES

During the year RNC recharged expenses of £223,436 (2020: £358,023) to R N C Enterprises Limited and paid £nil (2020: £1,005) for products and services. The amount due from R N C Enterprises Limited at the year end was £136,777 (2020: £101,352) and the amount due to R N C Enterprises Limited at the year end was £nil (2020: £nil).

RNC is the sole beneficiary of an independent charity, Blindcare (charity registration number 1020073). During the year, RNC received income of £65,351 from Blindcare, which is included within donations and legacies. The full results of Blindcare have not been consolidated into these financial statements as they are deemed immaterial to the Group.

During the year RNC paid £98,100 (2020: £9,180) in respect of legal services to Harrison Clark Rickerby, a firm of solicitors in which Mr J Brew, a trustee of RNC, is a former partner. There was no balance outstanding at the year end.

22 PENSION OBLIGATIONS

a) Defined Benefit Scheme - TPT Retirement Solutions

RNC operates a defined benefit scheme in the UK. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. Benefits ceased to accrue within the scheme with effect from 31 March 2012. An actuarial valuation has been carried out as at September 2019 and the results of this have been updated to 31 July 2021 by a qualified actuary, independent of the scheme's sponsoring employer.

The most recent completed actuarial valuation, as at 30 September 2019, showed a deficit of £5,932,000. RNC has agreed with the trustees that it will aim to eliminate the deficit over a period of 11 years 11 months from 1 April 2021 by payment of annual contributions of £332,688. In addition, from 1 April 2021, RNC will pay £77,340 per annum to cover scheme expenses (including the Pension Protection Fund levy).

Market value of assets, present value of scheme liabilities and pension liability to be recognised

	31 July 2021	31 July 2020	31 July 2019
Assets	**£000**	**£000**	**£000**
Equity Type	834	1,190	4,767
Bonds	14,777	14,097	12,758
Property	1,074	995	1,074
Other	3,910	4,233	-
Cash	449	119	102
Total market value of assets	21,044	20,634	18,701
Present value of scheme liabilities	(23,616)	(23,997)	(21,913)
Deficit in scheme	(2,572)	(3,363)	(3,212)
Defined benefit liability to be recognised under FRS102	(2,572)	(3,363)	(3,212)

None of the market values of the assets shown above include any direct investments in RNC's own financial instruments or any property occupied by, or other assets used by, RNC.

22 PENSION OBLIGATIONS *(continued)*

Reconciliation of opening and closing balances of the market value of scheme assets

	2021 £'000	2020 £'000
Opening value of assets	20,634	18,701
Interest income on assets	288	409
Expenses	(79)	(80)
Return on assets excluding interest income	295	1,773
Employer contributions	408	393
Benefits paid	(502)	(562)
Market value of scheme assets at end of period	21,044	20,634

Reconciliation of opening and closing balances of the present value of scheme liabilities

	2021 £'000	2020 £'000
Opening liabilities	23,997	21,913
Interest cost on defined benefit obligation	332	476
Actuarial (gain)/loss on changes in assumptions	(55)	3,023
Experience gain on liabilities	(156)	(853)
Benefits paid	(502)	(562)
Present value of scheme liabilities at end of period	23,616	23,997

Defined benefit costs recognised in Statement of Financial Activities

	2021 £'000	2020 £'000
Expenses	79	80
Interest income on assets	(288)	(409)
Interest cost on defined benefit obligation	332	476
Defined benefit costs recognised in statement of financial activities	123	147

Actuarial gain / (loss) recognised in Statement of Financial Activities

	2021 £'000	2020 £'000
Return on assets excluding interest income	295	1,773
Experience gains on scheme liabilities	156	853
Gain / (loss) due to change in demographic assumptions	238	(550)
Loss due to change in financial assumptions	(183)	(2,473)
Actuarial gain / (loss) recognised in statement of financial activities	506	(397)

22 PENSION OBLIGATIONS *(continued)*

Movement in balance sheet liability during the period

	2021 £'000	2020 £'000
Deficit in scheme at the beginning of the period	(3,363)	(3,212)
Net interest cost	(44)	(67)
Expenses	(79)	(80)
Re-measurements included in the statement of financial activities	506	(397)
Employer contributions to the scheme	408	393
Deficit in scheme at the end of the period	(2,572)	(3,363)

Assumptions	2021 % p.a.	2020 % p.a.	2019 % p.a.
Discount rate	1.65	1.40	2.20
Inflation (RPI)	3.20	2.90	3.20
Inflation (CPI)	2.60	1.90	2.20
Deferred revaluations	3.20	2.90	3.20
Salary Growth	3.10	2.40	2.70
Allowance for pension in payment increases of RPI or 5.5% pa if less	3.15	2.85	3.15
Allowance for pension in payment increases of CPI or 2.5% pa if less	1.90	1.55	1.70
Allowance for commutation of pension for cash at retirement	75% of maximum using notional commutation factors	75% of maximum using notional commutation factors	75% of maximum using notional commutation factors

The mortality assumptions adopted at 31 July 2021 imply the following life expectancies:

	Life expectancy at age 65 (years)
Male retiring in 2021	21.3
Female retiring in 2021	23.6
Male retiring in 2041	22.6
Female retiring in 2041	25.1

b) Defined Contribution Scheme - TPT Retirement Solutions (TPTRS)

During the year RNC contributed to a Defined Contribution Scheme for non-teaching staff. It is operated by TPTRS and the assets/(liabilities) in the scheme are held separately from those of RNC. During the year RNC paid contributions of £45,534 (2020: £41,809) to the scheme and at the year end £10,708 (2020: £10,084) was outstanding in respect of contributions to this scheme.

22 PENSION OBLIGATIONS *(continued)*

c) Defined Benefit Scheme - Teachers' Pension Scheme

RNC participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £232,681 (2020: £243,413) and at the year end £26,968 (2020: £24,922) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a 'pay as you go' basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the valuation report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the ‘McCloud/Sargeant case’. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers’ Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal’s judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court’s decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal’s ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

23 POST BALANCE SHEET EVENT

One of the two remaining investment properties was sold after the balance sheet date, with completion taking place on 29th September 2021. Sales proceeds of £366,000 were received on that day, which was the value at which the property was included in the year end accounts.

24 CONTINGENT LIABILITY

RNC operates a defined benefit pension scheme in the UK, through TPT Retirement Solutions, and have been made aware that some historical changes made to the scheme's benefits may not have been in accordance with the scheme rules. The trustees of the pension scheme are seeking court direction as to whether the changes were made in accordance with the rules and whether they have the power to make changes in respect of benefits built up after the date the changes were made. The court ruling could potentially give rise to an additional liability for RNC. As the pension scheme trustees are currently going through the court process any potential liability has not been recorded in the balance sheet.

25 (a) RECONCILIATION OF NET (EXPENDITURE) / INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2021 £'000	2020 £'000
Net income / (expenditure) for the year as per the Statement of Financial Activities	107	(65)
Adjustments for:		
Gain on sale of assets	(12)	(24)
(Gain) / loss on investments	(6)	60
Interest paid	75	91
Depreciation charges	315	278
Rents from investments	(20)	(194)
Bank interest received	-	(2)
Payment into Defined Benefit Pension Scheme	(408)	(393)
Pension FRS102 adjustment	123	147
(Increase) / decrease in stock	(4)	1
Decrease in debtors	26	106
Increase / (decrease) in creditors	67	(36)
Net cash used in operating activities	263	(31)

25 (b) ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £'000	2020 £'000
Cash at bank and in hand	712	1,043
Total cash and cash equivalents	712	1,043

25 (c) CHANGE IN NET DEBT

	2021 £'000	2020 £'000
Net debt brought forward	2,840	2,962
Repayment of borrowing	(428)	(93)
Repayment of finance lease	(28)	(29)
Net debt carried forward	2,384	2,840

26 PRIOR YEAR ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2020 £'000
Income from:			
Donations and legacies	183	265	448
Charitable activities	4,503	72	4,575
Other trading activities	392	-	392
Investments	196	-	196
Other income	24	-	24
TOTAL INCOME	5,298	337	5,635
Expenditure on:			
Raising funds	492	1	493
Charitable activities	5,034	113	5,147
TOTAL EXPENDITURE	5,526	114	5,640
Net loss on investments	(60)	-	(60)
NET (EXPENDITURE) / INCOME	(288)	223	(65)
Transfers between funds	62	(62)	-
Other recognised losses			
Actuarial loss on defined benefit pension scheme	(397)	-	(397)
NET MOVEMENT IN FUNDS	(623)	161	(462)
Total funds brought forward	8,043	859	8,902
Total funds carried forward	7,420	1,020	8,440