

COMPANY REGISTRATION NUMBER: 2659355
CHARITY REGISTRATION NUMBER: 1007270



Since 1923

**The Merthyr Tydfil Institute for the Blind
Company Limited by Guarantee
Financial Statements
31 March 2024**

WALTER HUNTER & CO LIMITED
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2024

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2024.

Reference and administrative details

Registered charity name	The Merthyr Tydfil Institute for the Blind	
Charity registration number	1007270	
Company registration number	2659355	
Principal office and registered office	Unit 4 Triangle Business Park Pentrebach Merthyr Tydfil CF48 4TQ	
The trustees	Mr G Meredith Mr A Bush Mr R Cooper Mrs L Mytton Mr A Gunter Mr J Ellis Mrs J Morgan	(Chairman) (Passed away 21/11/2024)
Company secretary	R A Welfoot	
Principal Officers/Key Management Personnel	Mr R A Welfoot Mrs P Kennedy Mrs M Davies Mr A Phillips Mr E Silburn Ms J Warwick Mr A Trythall	Chief Executive Officer & Company Secretary Deputy Chief Executive Officer Employment & Training Manager Manufacturing Manager Commercial Manager Operations Manager ICT Officer
Auditor	Walter Hunter & Co Limited Chartered accountants & statutory auditor 24 Bridge Street Newport South Wales NP20 4SF	
Bankers	Lloyds Bank PLC 69 High Street Merthyr Tydfil CF47 8AD	
Solicitors	Hugh James 2 Central Square Cardiff CF10 1FS	Carbon Law Partners Creative Quarter Morgan Arcade Cardiff CF10 1AF

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Year ended 31 March 2024

Structure, governance and management

Status

The organisation is a charitable company limited by guarantee, incorporated on 31st October 1991 and registered as a charity in June 1923.

The company was established under a Memorandum of Association, which sets out the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the members of the Management Committee are elected annually at the AGM.

Governance of the Charity

Matters of Finance, Business Development and Business Operations are reported at regular full board meetings. Day to day management is the responsibility of the Chief Executive Officer, who reports directly to the Trustees and is in regular contact with the Chairman to discuss any issues that arise, where it may require a Board meeting to be convened.

Recruitment and appointment of Trustees

Periodically the board will decide whether new Trustees need to be recruited to bring knowledge and experience within specific areas required by the business. Nominations are invited from existing Trustees, which are discussed by the board in order to review the respective nominee's credentials. Successful candidates, approved by the board, are then formally invited to become a trustee. Following acceptance, the new trustee receives an induction regarding all aspects of the organisation by the executive management and meets key employees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

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Objectives and activities

Purpose of The Merthyr Tydfil Institute for the Blind

The Merthyr Tydfil Institute for the Blind (MTIB) is a registered charity providing cost effective training, development and employment opportunities for persons with disabilities and those who are disadvantaged, economically inactive or unemployed. The Charity achieves this through a delicate balancing of the commercial demands on the organisation with the social ethos of providing employment and training opportunities for its clients.

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

MTIB's aim is to provide people who have disabilities, or are disadvantaged, economically inactive or unemployed, the opportunity for sustained employment.

The main areas of charitable activity are the operation of a Supported Business, via a wood working manufacturing unit at Pentrebach, Merthyr Tydfil, servicing the UK furniture industry that directly employs disabled and disadvantaged persons, along with an Employment and Training Department, which delivers programmes that support the employment of persons with disabilities and health conditions, along with those that are disadvantaged, economically inactive or unemployed within mainstream employment throughout South Wales.

The Manufacturing Unit provided sustained direct employment for 32, FTE 25 (2023, 35, FTE 28) disabled persons within a commercial manufacturing environment with 7, FTE 2 (2023, 2, FTE 1) hosted to local employers. Employees are encouraged to engage in training activities to expand and develop their skills to benefit themselves and the organisation. In addition, the manufacturing unit is used to offer work trials and work placement opportunities to clients seeking to gain experience within a work environment, which include those with learning disabilities who access the local council's Day Care Services, as well as students at local schools and colleges.

Administration of the Employment and Training Department also operates from the Pentrebach site and directly employed an average of 11, FTE 8 (2023 12, FTE 8) disabled persons during the year. The Department matches disabled and disadvantaged clients seeking to gain or retain employment with mainstream 'Host' employers and provides a wide range of supported work opportunities that meet the differing needs of people with disabilities, whilst reflecting the demands of the local labour market. MTIB offers a range of support to both employers and employees including practical help, such as, a job trainer, job coach, mentoring from colleagues as well as advice and awareness help to the employer and employees, along with financial support to the employer. All support activities are focused with the goal of creating and sustaining the employment of the disabled client.

The main programmes delivered during the year include the Restart and Jobsense contracts, the UKSPF Programme project and our Local Authority SLA Reach Up project. Supported Business grant continues to be funded via Access to Work under the Transitional Employer Support Grant (TESG). This funding model was originally extended to 30th September 2024 and now to 31st March 2025, to allow the delayed transfer to the new AtW+ funding model.

Our subcontract with Serco to deliver the DWP Restart programme, supporting disadvantaged persons back into employment, continues to be challenging due to the change in the quality of referrals and the onerous compliance regime. However, the Team has performed well to meet the

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contract compliance and performance targets, regularly being in the top quartile of the supply chain. Consequently, MTIB were awarded an increase in contract delivery when Restart referrals were extended for 2 years from 1st July 2024. Additionally, our Jobsense project, supporting those with sight and/or hearing impairment in South and West Wales, being our final EU Funded project, delivered in a collaborative consortium with 3 other likeminded third sector providers of employment support to disabled and disadvantaged people, was successfully completed in September 2023. The MTIB Team performed very well during the period and was allocated, delivered and funded an extra 4% of the project.

We continue to provide much needed training, development and work placement opportunities to people with severe learning disabilities in the Merthyr Area and following a retender of the Reach Up contract with Merthyr Tydfil CBC, we successfully secured the contract until March 2024. Unfortunately, due to funding cuts Merthyr Tydfil CBC has not renewed the contract for 2024/25.

During the year, 354 disabled and disadvantaged people were supported by MTIB via its training and employment contracts, achieving and sustaining a total of 144 jobs.

During the year, our Restart contract supported 173 customers gaining 68 jobs, with our UKSPF project supporting 71 individuals in the period, of which, 19 entered employment. Jobsense engaged with 41 sensory impaired clients and successfully secured 2 jobs, which was very encouraging for this client group.

Our Reach Up project supported 20 individuals with learning disabilities, with 2 sustaining volunteer placements, along with 1 new job and 5 maintaining Supported Permitted Work in the period.

Since April 2019, MTIB's disabled and disadvantaged employees within the Supported Business have originally been funded by the replacement 3-year Transitional Employment Support Grant (TESG) via Access to Work (AtW). This funding has since been extended to, September 2024, with the latest extension to March 2025. During the year our Supported Business directly supported an average of 38 individuals on the TESG programme.

MTIB's clients are provided with the opportunity to participate within our programmes at their chosen level. MTIB's provision facilitates a progressive process, from entry via a directly employed supportive manufacturing environment, through assessment, training and development in specific skill areas, through to the opportunity for placement with a 'Host' employer. Eventually, by tapering support, those who are able, can be fully integrated into mainstream employment. An important feature of MTIB's delivery is that individuals can enter the programme at any stage, to suit their own particular needs and abilities and reap the attendant benefits associated with gaining, retaining and sustaining employment.

There is no charge for our services to the client or 'Host' employer. Eligibility for our services is restricted to persons with disabilities and those disadvantaged, economically inactive and unemployed persons as defined by the individual programmes we deliver. Demand for our services continues to be high especially as the gap between the employment of disabled persons compared to non-disabled remains stubbornly high. MTIB's consistent proactive approach over the years of successfully over delivering on its contracts, has to date facilitated our ability to support each eligible client that has been referred to us. MTIB also continues to expand and develop the services that it is able to provide in line with the varying needs of our clients. However, where client's requirements would be better served through another provider, we refer the client to them where appropriate.

We ensure our activities deliver our aims by reviewing our aims, objectives and activities each year via our business planning process. This review looks at what we achieved and the outcome of our

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work in the previous 12 months. The review looks at the success of each key activity and the benefits brought to those groups of people we are set up to help. This helps us to ensure our aims, objectives and activities remained focused on our stated purposes.

The training, development and support we provide to create and sustain employment opportunities for our clients is always focused on the individual to ensure that the client's health condition is not adversely affected by their employment and is monitored on a regular basis. In addition, any changes in financial circumstances affected by employment are considered with the necessary agencies, so that clients can make an informed decision.

All members of the Board give their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity are set out in note 15 to the accounts.

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Year ended 31 March 2024

Achievements and performance

MTIB has continued to successfully meet the increased demand from its commercial customers and clients of its employment programmes. Since the Covid-19 pandemic, MTIB adopted more flexible working from home practices with relevant staff where agreed, which importantly has ensured continuity of delivery of our employment and training contracts.

Furthermore, MTIB's continued membership of the Supported Business Steering Group (SBSG) with DWP provides our ability to lobby DWP and ensure we are instrumental in securing an extension of TSEG funding to 30th September 2024 and further to 31st March 2025, to allow time for transition to the new funding model.

Having successfully delivered the Restart subcontract for Serco, when the extension was announced, we were rewarded with the offered an over 2.5 fold increase in delivery of referrals for 2 years from 1st July 2024.

MTIB's focus on securing the existing income from its contracts, whilst securing new ones, coupled with ability to increase manufacturing capability as customer demand increased, has helped us to maintain and develop our products and services. However, there still remains more work to be done each year, especially as following Brexit, there will be no more employment and training contracts from EU Funds, now that our final one, Jobsense, ended in September 2023.

However, the fact that MTIB is able to secure and deliver these contracts continues to justify the Board's decision to invest in our staff resources, whilst replacement contracts are secured in order to demonstrate our ability to successfully deliver. Our aim has been achieved in the short term, by securing a UK Shared Prosperity Fund project with Merthyr Tydfil CBC for 2 years from April 2023 supporting disabled and disadvantaged people into work, along with the increased Restart contract extension. Consequently, we will continue to perpetuate this course of action with the goal of generating further income wherever possible.

A forecast loss was budgeted for the year, due mainly to the increased wage costs related to the increase in the National Minimum Wage, energy costs, the limited employment and training contract opportunities following Brexit, along with the uncertain sales demand from our commercial activities in a climate of increasing costs.

Through our focus on maximising income from our employment and training contracts as well as generating sales opportunities within the manufacturing unit, whilst controlling costs, we achieved an unrestricted surplus of £227,436 as per the statement of financial activities shown at page 19, (£67,939, 2023). This was an outstanding, unprecedented result, which demonstrated the success of our efforts.

The manufacturing management team has continued to focus on a targeted marketing strategy to generate sales opportunities and secure material supply at lower prices, whilst improving production effectiveness and efficiency where possible. When an office furniture customer, with which MTIB was collaborating, ceased trading at the end of October 2023, management took the opportunity to quickly decide to employ one of their staff and offer our services to their failed customers. As a result, MTIB secured opportunities with RCTCBC and Carmarthenshire CC to deliver their office furniture solutions, which due to our successful performance and delivery, has persisted to date. Additionally, MTIB secured a contract for the design and manufacture of Welsh Forestry Signs on behalf of the Welsh Government.

Consequently, sales income from the manufacturing business increased to £1,103,910, (£983,611,

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2022/23), representing a 12.2% increase on the previous year's good performance, resulting in a 20.4% increase in added value. The encouraging sales were mainly due to a continued increased demand from existing and new customers for existing products, along with the office furniture and signage business secured highlighted above.

The Employment and Training Department continued to perform well during the year on the Restart contract, whilst completing our final EU Funded project, Jobsense, in September 2023, achieving excellent results. The remaining income was generated from our UKSPF project secured with Merthyr Tydfil CBC, Disability Confident assessments and the Adult services Merthyr Tydfil CBC contract. Consequently, overall financial performance achieved within the department was very encouraging, realising a surplus of around £226k.

Within the manufacturing unit, we continue to focus on improvements to ensure its continued long-term viability. The aim remains for it to achieve a break-even position and then generate a surplus, so as to become less reliant on funding, which is ever reducing. Additionally, the Employment and Training department needs to continue to successfully secure and deliver contracts to maintain its contribution to the organisation, especially where contract opportunities are less prevalent. The Board and Management Team continue to review performance and activities, whilst seeking replacement funding from various other sources so that financial stability can be fully realised. Adopting this approach, MTIB secured an extension of the Restart subcontract with Serco from 1st July 2024 with an increased contract percentage and are awaiting information from Merthyr Tydfil CBC on UK Shared Prosperity Fund (UKSPF) project funding for 2025/26.

The charity's main objectives for the year were to build on the progress of the financial performance of the manufacturing unit and to successfully deliver its Employment and Training contracts, by aiming to maximise related outputs and financial return from all projects. Additionally, to further develop and expand MTIB's training resources and facilities seeking to secure and deliver further replacement employment and training contract income. This has been achieved through our successful delivery of the Restart, Jobsense and UKSPF projects, where we have, since the year end, secured a Restart contract extension increase and await the UKSPF extension.

During the year, we have continued to deliver quality services to our disabled and disadvantaged customers incorporating online activities and have secured continued funding income. The ability of our staff to successfully adapt and be flexible in delivering the various contracts secured, has resulted in a performance that has facilitated our survival throughout this most challenging of years, whilst developing future opportunities.

Our objectives focus on the need to develop and expand our training resources and facilities to secure and deliver employment related training. MTIB has met its objective to successfully deliver its employment and training contracts by maximising the outputs and related income from all contracts. Our successful performance is supported by our continued Investors in People and Matrix accreditations.

We have also met our objective to improve the effectiveness and efficiency of the Supported Business manufacturing unit, increasing sales and added value beyond that of pre Covid-19 levels and increase the training and employment opportunities for our disabled and disadvantaged workforce. MTIB has also maintained its FSC accreditation following audit and notably secured office furniture opportunities with two local authorities and signage business with Welsh Government.

Matters regarding Finance, Business Development and Business Operations are reported on at full board meetings. This has proved an effective way of conducting the business of the organisation, as

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all Trustees are updated on all progress and developments, whilst ensuring that meetings can take place should some be unable to attend. Additionally, the CEO provides regular updates to the board via email, whilst, there is also the flexibility to hold extra meetings in addition to the scheduled board meetings to discuss and address any specific issues that arise either, in person, virtually or a hybrid of both.

Board structure

The board and executive management were very pleased with the results during the year, but are also acutely aware of the challenge to generate future contract income, since the end of EU funds following Brexit. Consequently, they will continue to utilise the business planning process to manage the organisation. In conjunction with the involvement of all staff, they reviewed the strategic direction and agreed a Business Plan for 2024/25, agreeing to commit to maintain staff levels, by utilising reserves if required.

Training, development and personnel

The training and development of MTIB's disabled and disadvantaged clients is a key aspect of the organisation's employment and training delivery. The Board and Management are committed to strive for continual improvement of the quality of all of MTIB's services, whilst increasing the training, development and employment opportunities to disabled, disadvantaged, economically inactive and unemployed persons. The facilities and resources made available through the legacy of the Blueprint Project continues to help the realisation of this goal by providing enhanced work-based training, assessment and ICT training services, which, not only allow more clients the chance to take up employment opportunities, but also provide further opportunities to develop the organisation in the future.

The securing of extra contract income and new contracts during the year, all contribute to the delivery of employability training for those disabled, disadvantaged, economically inactive or unemployed clients seeking to improve their skills, gain qualifications and develop their employment opportunities.

Our focus on our Core Values, communication and the development support of our people, have all been major contributory factors to MTIB's ability to cope with the issues as they arise and to successfully adapt to meet the challenges they may present.

During the year, all staff continued to be regularly updated on the developments of the business. MTIB's Core Values and Management Behaviours have helped to reinforce a positive organisational culture towards change, where all employees have stated that they are prepared to adapt to meet future requirements in order to face the challenges ahead. As such, the Board and Management believe that the continual development of positive working relationships between all employees has resulted in a more effective business operation, which has again been evidenced by this year's performance.

Supported Business Protected Places

MTIB continued to effectively utilise its places on our Supported Business agreement, which was extended to 30th September 2024 and more recently to 31st March 2025, under the DWP Access to Work TSEG scheme (Transitional Employer Support Grant), during which transition to the new funding model will take place.

This resulted in an average of 52 individuals (55, 2023) being directly employed by MTIB. In addition, a further 305 (236, 2023) persons with disabilities were supported by MTIB with the aim of achieving

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sustainable mainstream employment. Of those engaged in 2023/24, MTIB's support provided ongoing or new employment for 144 (2023, 162) individuals during the period.

MTIB's continued flexibility and proactive approach to the delivery of all its contracts has ensured that we have successfully maximised the outputs and related income to the end of contracts (Jobsense). Consequently, we have achieved high levels of contract quality and performance, which has built MTIB an excellent track record that has allowed us to take advantage of future contract opportunities.

Income

MTIB's Restart, Jobsense and UKSPF projects, along with the Supported Business TESS grant via DWP's Access to Work programme, have been the main sources of income, where the objectives were to achieve their planned outputs in order to obtain the maximum funding. During the year, output related income has been maximised where possible and the Supported Business contract has been extended to 31st March 2025. Although the Merthyr Tydfil CBC contract was not extended beyond 31st March 2024, extra funding was secured from our final EU Funded project Jobsense, along with increased contract delivery of the Restart contract. Furthermore, the 2 year from 1st April 2023 UKSPF project secured with Merthyr Tydfil CBC will be extended to 31st March 2026 and the increased Restart contract extension has been secured to July 2027. However, all these contracts are relatively short term, so further funding streams will need to be secured as the new UK and Welsh Governments develop their employability programme plans.

We continue our efforts to reduce costs and increase sales within the Supported Business to secure MTIB's future viability. Our place on the NPS Office and Educational Furniture framework has already presented opportunities where we are collaborating with other socially minded organisations to bid jointly on future contract opportunities.

Further potential opportunities are currently being explored with the DWP, MTCBC and Welsh Government programmes amongst others, but are less developed, due to the uncertainties of funders' priorities within the current economic climate.

We continue to cultivate and develop our relationships and services with local and National Government. In addition, as a member of the Supported Business Alliance, MTIB sits on the Supported Business Steering Group with the British Association of Supported Employment (BASE) working with DWP, which has secured transitional funding for Supported Businesses from April 2019 to March 2025 and are awaiting confirmation of the replacement funding model beyond that date.

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Financial review

Results and principal activities

The profit and loss account for the period is set out on page 19 showing an unrestricted surplus of £227,436 and a restricted deficit of £40,468, with an overall surplus of £186,968 (£25,976, 2023). The principal activities of the company are the provision of supported employment, training and development for disabled persons and those who are disadvantaged, economically inactive or unemployed.

Review of business and future developments

Both the level of business and the year end financial position were satisfactory considering the challenging circumstances. The Trustees are satisfied that there are plans in place to secure opportunities of replacement contract income following the end of existing contracts and have committed to maintain the level of staff, whilst covering any shortfall using reserves, with regular reviews up to that date.

Principal Funders

MTIB's principal funders were WEFO via our remaining EU funded Jobsense project, our Restart contract and our UKSPF project with Merthyr Tydfil CBC, as well as AtW TEGS Funding. All other contracts are smaller in value and for shorter durations of between 12 to 18 months.

Reserves policy

MTIB aims to retain sufficient free reserves to ensure that commitments made to providing services to disabled persons can be made with confidence. The Trustees believe that the value of reserves needed equates to 12 months of the resources expended, excluding materials. The free reserves figure used is calculated as the total of unrestricted reserves less those related to fixed assets, which are compared to the forecast expenditure for the following year. At 31st March 2024 free reserves were £1,974,641 (2023: £1,738,337), which is 14 months of the forward resources expended, excluding materials. The ongoing effects of Brexit, the Energy Crisis and the attendant increase in inflation and cost of living on the future economic climate, provide continued uncertainty of our ability to generate the required level of income from our Employment and Training contracts to cover the Supported Business, which although improved, still trades at a deficit. Consequently, our excess reserves will be utilised to cover periods where income does not cover expenditure, so that service to our disabled employees and customers can be maintained until replacement income or cost reductions are implemented.

Investment policy

The Trustees have wide investment powers and adopted a risk adverse policy to investments. The investments, shown in note 19 to the accounts, have been made in the Charities Official Investment Fund which provides income and the opportunity for capital growth on the investment

Risk review

Key risks within MTIB have been identified and a contingency plan is set out within the Business Plan each year. The Board and management team have set in place systems to mitigate these risks and continue to evaluate and monitor them.

One of the main risks to the business is to achieve the minimum performance levels of all its

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employment and training contracts to ensure that there is no risk of losing them, even with those that have less financial impact due to their relatively lower value. However, the potential resultant undesirable loss in reputation is why MTIB prioritises efforts to ensure that contract quality and performance levels are met and strive to exceed them where possible. This is achieved by ensuring our staff are skilled, focussed, motivated and supported with the necessary resources to successfully deliver all our contracts.

Due to the ending of EU funding following Brexit, MTIB's final EU funded Jobsense project ended in September 2023 and our Merthyr Tydfil CBC Adult services contract ended March 2024. The UK Government developed the UK Shared Prosperity Fund (UKSPF) to be administered by local authorities throughout the UK, for the 2-year period to March 2025 and MTIB secured a contract with Merthyr Tydfil CBC for the period which has been extended to March 2026 with reduced funding. However, there is yet to be announced a framework for funding beyond March 2026. Although MTIB has secured UKSPF funding, currently it is relatively short lived, so as usual, we will keep up to date of potential opportunities as they arise. The economic climate and rise in unemployment will likely provide further opportunities either within our existing Restart subcontract or new programmes. Should replacement funding for the UKSPF not be realised, to help bridge the funding gap, MTIB will consider its options depending on the circumstances at the time.

As a result of the energy crisis, MTIB's forecast for gas and electricity was set to rise from £45k to £113k pa from April 2023, so we have invested in energy reducing measures to help reduce the impact, which have proved successful. Further, investment options to generate energy cost savings are being explored. Operating within a commercial environment there is a considerable risk of our manufacturing unit not being able to improve its financial performance from its current loss, especially with the future uncertainties surrounding the forecast economic climate for 2025. Consequently, senior management focus efforts on developing existing and new customers, along with identifying new opportunities. This is complimented by concerted efforts to control costs, whilst reviewing and implementing production efficiencies to ensure financial improvements are achieved.

Underpinning the potential negative financial effects of the risks highlighted above is our level of free reserves, which would allow the business time to assess the situation and implement a plan of recovery, in the best interests of our disabled workforce.

Employment policy

The company has an equal opportunity policy, which it adopts within its operating environment of Supported Employment.

Pay policy for Key Management Personnel

The trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The senior management team are considered to be those stated below within the Directors, Trustees, Members and Chief Officers section.

All trustees give their time freely and no trustee received remuneration in the year. Details of wage costs of key management personnel and trustees' expenses including related party transactions are disclosed in notes 14 and 15 respectively, to the accounts.

Senior management pay and staff pay is based on market rates and aligned to the National Minimum Wage. An inflationary rise is awarded upon the discretion of the Trustees following consideration of the aforementioned comparators and where funds are available. Increments and bonuses may be

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awarded; however, they are not automatic and are given at the discretion of the Chief Executive and the Board of Trustees.

Political and charitable donations

The company has made no political or charitable donations.

CONCLUSION AND PLANS FOR THE FUTURE

Celebrating our 100th year anniversary, MTIB has made excellent progress on the encouraging performance achieved last year with continued promising business demand. We have secured continued income from the sponsors of our employment and training contracts and used our close relationships with our commercial customers to maintain and generate new business opportunities for the future.

New Supported Business commercial opportunities have been developed bringing the potential for new customers, new markets along with new skills to be learnt, which provides a good platform on which to build. MTIB's facilities and resources, coupled with the commitment and flexibility of our workforce, will give us the opportunity to fully realise the required recovery to drive the business forward.

The Board and Management believe that the development of the business planning process has continued to help us lead the business following the Covid-19 crisis and has ensured that everyone is focussed on delivering the business objectives, which continue to be an important factor in our continuing success to date.

2023/24 has been another challenging year, where we have had to draw on the skills, resourcefulness, flexibility, adaptability and resilience of our staff to maintain the employment of our disabled workforce and continue to deliver the invaluable services to disabled and disadvantage persons within South Wales. This has been mainly due to the sustained strong commercial demand within the Supported Business, the Employment and Training Team successfully achieving delivery of contracts during the year and management securing commercial and contract opportunities. However, we must not be complacent as we need to build on production efficiencies and try to maintain the increased sales opportunities to generate our own income to become less reliant on ever decreasing funding. Additionally, the employment and training contracts are for relatively short durations, so will need to be replaced when completed. We will continue to adapt and develop our services, focusing our efforts to meet the requirements of any new contract opportunities. As a result, we can continue to demonstrate our excellent track record of delivery and performance to commissioners, ensuring that additional contracts are secured.

We are focused on delivering our existing contracts, whilst seeking to secure future contracts, as well as delivering further significant improvements in the financial performance of the manufacturing unit.

MTIB's involvement with DWP regarding the Supported Business Steering Group will have a major impact on MTIB. As such, we will continue our involvement and monitor developments closely, promoting MTIB's services to DWP, JCP, potential prime contractors, MPs and AMs, in order to influence and position ourselves in the best interests of our disabled employees, clients and organisation. However, the future develops, the Board are committed to make every effort to secure the future of the business and continue to develop our services of providing training and employment opportunities for persons with disabilities and health conditions and those who are disadvantaged, economically inactive and unemployed. Consequently, we look forward to meeting the challenges ahead during 2024/25 and beyond.

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Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 04 December 2024 and signed on behalf of the board of trustees by:

R A Welfoot
Charity Secretary



The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Merthyr Tydfil Institute for the Blind

Year ended 31 March 2024

Opinion

We have audited the financial statements of The Merthyr Tydfil Institute for the Blind (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 charity 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 trustees' 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Merthyr Tydfil Institute for the Blind *(continued)*

Year ended 31 March 2024

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Merthyr Tydfil Institute for the Blind *(continued)*

Year ended 31 March 2024

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Merthyr Tydfil Institute for the Blind (continued)

Year ended 31 March 2024

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.

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

- By enquiring with senior management and those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted
- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance
- By obtaining an understanding of the company's policies and procedures on compliance with laws and regulations, and with best accounting practice
- Noting issues discussed with Directors and the Senior Management Team where they relate to risks faced by the company
- Reviewing information received from the company's solicitors, if any, and discussing their contents with the Directors
- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management overrides of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business

Through these procedures, we did not become aware of actual or suspected non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Merthyr Tydfil Institute for the Blind (continued)

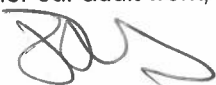
Year ended 31 March 2024

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Rhodes BSc BFP FCA (Senior Statutory Auditor)

For and on behalf of
Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

04 December 2024

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2024

		2024		2023 (restated)
	Note	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments				
Donations and legacies	5	5,670	—	5,670
Charitable activities	6	2,168,164	1,000	2,169,164
Investment income	7	58,617	—	58,617
Total income		<u>2,232,451</u>	<u>1,000</u>	<u>2,233,451</u>
Expenditure				
Expenditure on charitable activities	8,9	2,048,423	—	2,048,423
Total expenditure		<u>2,048,423</u>	<u>—</u>	<u>2,048,423</u>
Net gains/(losses) on investments	11	1,940	—	1,940
Net income		<u>185,968</u>	<u>1,000</u>	<u>186,968</u>
Transfers between funds		41,468	(41,468)	—
Net movement in funds		<u>227,436</u>	<u>(40,468)</u>	<u>186,968</u>
Reconciliation of funds				
Total funds brought forward		2,159,673	880,377	3,040,050
Total funds carried forward		<u>2,387,109</u>	<u>839,909</u>	<u>3,227,018</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 22 to 34 form part of these financial statements.

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

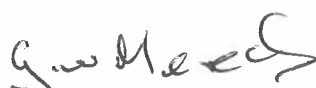
Statement of Financial Position

31 March 2024

	Note	2024 £	2023 (restated) £
Fixed assets			
Tangible fixed assets	15	1,251,377	1,301,713
Current assets			
Stocks	16	100,740	125,486
Debtors	17	355,322	258,694
Investments	18	1,268,364	1,324,043
Cash at bank and in hand		650,405	312,428
		<u>2,374,831</u>	<u>2,020,651</u>
Creditors: amounts falling due within one year	19	<u>399,190</u>	<u>282,314</u>
Net current assets		<u>1,975,641</u>	<u>1,738,337</u>
Total assets less current liabilities		<u>3,227,018</u>	<u>3,040,050</u>
Net assets		<u>3,227,018</u>	<u>3,040,050</u>
Funds of the charity			
Restricted funds		839,909	880,377
Unrestricted funds		<u>2,387,109</u>	<u>2,159,673</u>
Total charity funds	21	<u>3,227,018</u>	<u>3,040,050</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 04 December 2024, and are signed on behalf of the board by:



Mr G Meredith
Trustee



Mrs J Morgan
Trustee

The notes on pages 22 to 34 form part of these financial statements.

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2024

	2024	2023 (restated)
	£	£
Cash flows from operating activities		
Net income	186,968	25,976
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	102,365	88,663
Net gains/(losses) on investments	(1,940)	843
Dividends, interest and rents from investments	(4,480)	(7,315)
Other interest receivable and similar income	(54,137)	(18,487)
Accrued (income)/expenses	(61,590)	409
<i>Changes in:</i>		
Stocks	24,746	3,341
Trade and other debtors	(72,939)	51,905
Trade and other creditors	154,777	47,199
Cash generated from operations	273,770	192,534
Interest received	54,137	18,487
Net cash from operating activities	<u>327,907</u>	<u>211,021</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	4,480	7,315
Purchase of tangible assets	(52,029)	(82,282)
Proceeds from sale of other investments	57,619	15,596
Net cash from/(used in) investing activities	<u>10,070</u>	<u>(59,371)</u>
Net increase in cash and cash equivalents	337,977	151,650
Cash and cash equivalents at beginning of year	312,428	160,778
Cash and cash equivalents at end of year	<u>650,405</u>	<u>312,428</u>

The notes on pages 22 to 34 form part of these financial statements.

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 4 Triangle Business Park, Pentrebach, Merthyr Tydfil, CF48 4TQ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the currency of the entity, rounded to the nearest pound.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% p.a. Straight Line
Plant and machinery	-	20% p.a. Straight Line
Fixtures and fittings	-	20% p.a. Straight Line
Motor vehicles	-	20% p.a. Straight Line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

4. Limited by guarantee

The company is limited by guarantee and has no share capital. The liability of each member under guarantee is limited to £1.

Number of members as at 31 March 2024 is 7 (2023: 7).

5. Prior year adjustment

During the period, accruals recognised in prior year financial statements, totalling £70,000, have been reclassified as Designated Funds to disclose these future costs in accordance with the requirements of the Companies Act and the Charity SORP.

6. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations				
Donations	5,670	5,670	245	245

7. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Sales from Supported Business	1,103,910	—	1,103,910
Fundraising	4,930	—	4,930
Supported Business and Placement Scheme			
Access to Work TESS Grant	192,862	—	192,862
Merthyr Tydfil CBC SLAs	45,000	—	45,000
Coronavirus Job Retention Scheme	—	—	—
WCVA Active Inclusion contract	—	—	—
RESTART contract	240,043	—	240,043
JOBSense contract	222,617	—	222,617
UKSPF Programme Income	286,898	—	286,898
Employment Support Programme Contract	5,510	—	5,510
Other Grants			
WCVA Energy Efficiency Scheme Grant	—	1,000	1,000
DWP Access to Work Income	66,394	—	66,394
	<u>2,168,164</u>	<u>1,000</u>	<u>2,169,164</u>

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

7. Charitable activities *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Sales from Supported Business	983,611	—	983,611
Fundraising	400	—	400
Supported Business and Placement Scheme			
Access to Work TESS Grant	199,989	—	199,989
Merthyr Tydfil CBC SLAs	45,000	—	45,000
Coronavirus Job Retention Scheme	—	16,902	16,902
WCVA Active Inclusion contract	237,488	—	237,488
RESTART contract	213,357	—	213,357
JOBSense contract	268,932	—	268,932
UKSPF Programme Income	—	—	—
Employment Support Programme Contract	18,132	—	18,132
Other Grants			
WCVA Energy Efficiency Scheme Grant	—	—	—
DWP Access to Work Income	32,101	—	32,101
	<u>1,999,010</u>	<u>16,902</u>	<u>2,015,912</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Rental income	4,480	4,480	7,315	7,315
Bank interest receivable	54,137	54,137	18,487	18,487
	<u>58,617</u>	<u>58,617</u>	<u>25,802</u>	<u>25,802</u>

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

9. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Supported Business	1,317,272	—	1,317,272
Employment & Training	405,179	—	405,179
Blueprint Project	33,906	—	33,906
Governance	7,690	—	7,690
Support costs	284,376	—	284,376
	<u>2,048,423</u>	<u>—</u>	<u>2,048,423</u>
	Unrestricted Funds	Restricted Funds	Total Funds 2023 <i>(restated)</i>
	£	£	£
Supported Business	1,229,466	16,902	1,246,368
Employment & Training	457,256	—	457,256
Blueprint Project	32,371	—	32,371
Governance	7,475	—	7,475
Support costs	271,670	—	271,670
	<u>1,998,238</u>	<u>16,902</u>	<u>2,015,140</u>

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2024	Total fund 2023 <i>(restated)</i>
	£	£	£	£
Supported Business	1,317,272	142,188	1,459,460	1,382,202
Employment & Training	405,179	142,188	547,367	593,092
Blueprint Project	33,906	—	33,906	32,371
Governance	7,690	—	7,690	7,475
	<u>1,764,047</u>	<u>284,376</u>	<u>2,048,423</u>	<u>2,015,140</u>

11. Analysis of support costs

	Supported Business	Employment & Training	Total 2024	Total 2023 <i>(restated)</i>
	£	£	£	£
Staff costs	112,445	112,445	224,890	233,360
Premises	7,278	7,278	14,556	18,393
Administrative costs	19,365	19,365	38,730	17,050
Legal & Professional	3,100	3,100	6,200	2,867
	<u>142,188</u>	<u>142,188</u>	<u>284,376</u>	<u>271,670</u>

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

12. Net gains/(losses) on investments

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Gains/(losses) on other investment assets	<u>1,940</u>	<u>1,940</u>	<u>(843)</u>	<u>(843)</u>

13. Net income

Net income is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	102,365	88,663
Auditors' remuneration	<u>7,615</u>	<u>7,400</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024 £	2023 (restated) £
Wages and salaries	1,050,733	1,082,079
Social security costs	88,115	91,551
Employer contributions to pension plans	<u>57,930</u>	<u>66,096</u>
	<u>1,196,778</u>	<u>1,239,726</u>

The average head count of employees during the year was 57 (2023: 59). The average number of full-time equivalent employees during the year is analysed as follows:

	2024 No.	2023 No.
Manufacturing	25	27
Selling and Distribution	2	2
Management and Administration	6	6
Employment and Training	<u>13</u>	<u>12</u>
	<u>46</u>	<u>47</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2024 No.	2023 No.
£70,000 to £79,999	<u>1</u>	<u>1</u>

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

14. Staff costs *(continued)*

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £351,269 (2023: £339,276).

15. Trustee remuneration and expenses

No fees, emoluments or expenses were paid to Trustees during the year (2023: £ Nil)

During the year the charity was not involved in any transactions with organisations associated with people who are directors of the charity.

16. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2023 (as restated)	1,697,454	619,685	138,360	80,382	2,535,881
Additions	—	50,529	1,500	—	52,029
Disposals	—	(187,306)	(1,622)	—	(188,928)
At 31 March 2024	1,697,454	482,908	138,238	80,382	2,398,982
Depreciation					
At 1 April 2023	604,164	452,198	125,291	52,515	1,234,168
Charge for the year	33,949	54,253	3,471	10,692	102,365
Disposals	—	(187,306)	(1,622)	—	(188,928)
At 31 March 2024	638,113	319,145	127,140	63,207	1,147,605
Carrying amount					
At 31 March 2024	1,059,341	163,763	11,098	17,175	1,251,377
At 31 March 2023	1,093,290	167,487	13,069	27,867	1,301,713

17. Stocks

	2024 £	2023 £
Raw materials and consumables	88,100	117,473
Work in progress	10,590	2,274
Finished goods and goods for resale	2,050	5,739
	100,740	125,486

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

18. Debtors

	2024	2023
	£	£
Trade debtors	264,380	189,453
Prepayments and accrued income	90,942	68,509
Other debtors	—	732
	<u>355,322</u>	<u>258,694</u>

19. Investments

	2024	2023
	£	£
Charities Official Investment Fund (COIF) see note (a) below	23,375	21,435
Fixed Rate Deposits	1,244,989	1,302,608
	<u>1,268,364</u>	<u>1,324,043</u>

(a) Relates to 1144 units in COIF Charities Investment Fund Inc, originally purchased for £1 each.

20. Creditors: amounts falling due within one year

	2024	2023
	£	(restated) £
Trade creditors	248,120	142,417
Accruals and deferred income	52,944	90,845
Social security and other taxes	88,303	39,415
Other creditors	9,823	9,637
	<u>399,190</u>	<u>282,314</u>

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £19,702 (2023: £19,494).

Defined benefit plans

The company participates in a pension scheme operated by Rhondda Cynon Taff County Borough Council providing benefits based on final pensionable salary. The assets of the scheme are held separately from those of the company. The company is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, the company has taken advantage of the exemption in FRS 102, and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The company has set out below, information available on the funding of the scheme and the implications for the company in terms of the anticipated contribution rates.

The total pension cost of the company was £18,227 (2023: £26,602). The pension cost is assessed in accordance with the advice of an independent qualified actuary using the projected unit method. The latest actuarial valuation of the scheme was at 31st March 2022. The assumptions that have the most significant effect on the valuation are those relating to discount rate set on the expected

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Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

21. Pensions and other post retirement benefits *(continued)*

return on the fund assets and the rates of increase in salaries and pensions. It was assumed that the discount rate for active members would be 1.3% - 4.3% per annum and 1.3% - 4.25% per annum for members who have left the service; salary increases would average 3.55% per annum and that present and future pensions would increase at the rate of 2.3% per annum.

At the date of the last actuarial valuation, the market value of the assets of the scheme was £4,512.1 million and the actuarial value of the assets was sufficient to cover 105.1% of the benefits which had accrued to members, after allowing for expected future increases in earnings. The contributions of the company will be 29.8% (2023: 33.5%) and for employees 9.9% and 6.8% for the two related employees (2023: 9.9% and 6.8%). Contributions amounting to £3,116 (2023: £3,816) were payable to the scheme at the year end and are included in creditors.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

22. Analysis of charitable funds

Unrestricted funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 March 2024 £
Capital and charitable reserve	469,801	11,363	(2,647)	–	1,940	480,457
Profit and loss account	1,619,872	2,221,088	(2,045,776)	17,404	–	1,812,588
Designated funds	70,000	–	–	24,064	–	94,064
	<u>2,159,673</u>	<u>2,232,451</u>	<u>(2,048,423)</u>	<u>41,468</u>	<u>1,940</u>	<u>2,387,109</u>

	At 1 April 2022 <i>(restated)</i> £	Income £	Expenditure £	Transfers <i>(restated)</i> £	Gains and losses £	At 31 March 2023 <i>(restated)</i> £
Capital and charitable reserve	479,351	–	(8,707)	–	(843)	469,801
Profit and loss account	1,582,383	2,025,057	(1,989,531)	1,963	–	1,619,872
Designated funds	30,000	–	–	40,000	–	70,000
	<u>2,091,734</u>	<u>2,025,057</u>	<u>(1,998,238)</u>	<u>41,963</u>	<u>(843)</u>	<u>2,159,673</u>

The capital and charitable reserve comprises:

A capital reserve which arose on incorporation in 1991	352,919
The accumulated balance of fundraising activities and donations which have been given to the Institute to use for charitable purposes, together with interest thereon, less expenditure incurred to date.	<u>127,538</u>
	480,457

During the period, accruals recognised in prior year financial statements, totalling £70,000, have been reclassified as Designated Funds to disclose these future costs in accordance with the requirements of the Companies Act and the Charity SORP.

The Merthyr Tydfil Institute for the Blind

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

22. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
Job Retention Scheme	—	—	—	—	—
Other revenue grants	—	1,000	—	—	1,000
Other capital grants	43,584	—	—	(15,729)	27,855
Blueprint project	836,793	—	—	(25,739)	811,054
	<u>880,377</u>	<u>1,000</u>	<u>—</u>	<u>(41,468)</u>	<u>839,909</u>

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Job Retention Scheme	—	16,902	(16,902)	—	—
Other revenue grants	—	—	—	—	—
Other capital grants	59,828	—	—	(16,244)	43,584
Blueprint project	862,512	—	—	(25,719)	836,793
	<u>922,340</u>	<u>16,902</u>	<u>(16,902)</u>	<u>(41,963)</u>	<u>880,377</u>

Job Retention Scheme is the grant funding from the UK Government to support the jobs of those employees furloughed and flexible furloughed as a result of the Covid-19 pandemic restrictions. The receipt shown is the release of the clawback provision made in the previous year.

Other capital grants represent grants received from funders that in order to help finance the acquisition of certain fixed assets. Each funding agreement will have its own conditions attached to the use of the funding in relation to the fixed asset.

The Blueprint project represents grants received from the Welsh European Funding Office and Merthyr Tydfil County Borough Council in relation to the organisation's European Objective 1 Blueprint project to expand its resources and services for the training, development and creation of employment opportunities for blind, partially sighted and disabled persons throughout South Wales.

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Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	412,468	838,909	1,251,377
Investments	1,268,364	—	1,268,364
Current assets	1,105,467	1,000	1,106,467
Creditors less than 1 year	(399,190)	—	(399,190)
Net assets	2,387,109	839,909	3,227,018

	Unrestricted Funds (restated) £	Restricted Funds £	Total Funds 2023 (restated) £
Tangible fixed assets	421,336	880,377	1,301,713
Investments	1,324,043	—	1,324,043
Current assets	696,608	—	696,608
Creditors less than 1 year	(282,314)	—	(282,314)
Net assets	2,159,673	880,377	3,040,050

24. Analysis of changes in net debt

	At 1 Apr 2023 £	Cash flows £	At 31 Mar 2024 £
Cash at bank and in hand	312,428	337,977	650,405
Current asset investments	1,324,043	(55,679)	1,268,364
	1,636,471	282,298	1,918,769