

Christian Blind Mission (United Kingdom) Limited

Report and Financial Statements

Year Ended 30 June 2020



Secretary and Registered Office

Moin Uddin, Christian Blind Mission (United Kingdom) Limited, 1 Munro House,
20 Mercers Row, Cambridge, CB5 8HY

Chief Executive

Kirsty Smith

Leadership Team

Director of Fundraising and Communications
– Harriet Millward
Director of International Programmes
– Matthew Hanning
Director of Finance and Operations
– Moin Uddin (from July 2019)
Director of Finance and Corporate Services
– Philip Nye (to July 2019)

Company Number

03148424

Charity Numbers

CBM UK 1058162 (England and Wales)
SC041101 (Scotland)

Bankers

Lloyds Bank plc, Black Horse House, Castle
Park, Cambridge, CB3 0AR

Auditors

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Cover photo: Jasrani (98) smiling after successful
cataract surgery at CBM's partner hospital in
Nepal. ©CBM

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From our Chair, Robert McCorquodale



This has been a year like no other. COVID-19 has turned our world upside down, providing new challenges for our supporters, our team and, most starkly, for people living with disabilities in the world's poorest places, who too often have been among those hardest hit and the last to receive help.

The way that we respond to difficulty says a lot about us and our values. For CBM UK, responding to COVID-19 has meant, first and foremost, keeping our focus on reaching those most marginalised. We have worked tirelessly to adapt our projects around the world

and develop new ones so that we can meet the needs of people we serve. We have made sure that our partners in Africa and Asia can train and equip their teams to continue working safely, supporting their communities. We have also made sure that our dedicated UK team can continue to make every action count towards our mission, whether working from the office or elsewhere.

We have been overwhelmed by the continued generosity of our supporters through these times, and sustained by your prayers and messages. On behalf of all the Trustees and the wonderful CBM UK staff, I thank you for sharing our values and commitment to people living with and at risk of disabilities in the world's poorest places.

A handwritten signature in black ink that reads "Robert McCorquodale".

From our Chief Executive, Kirsty Smith



In 2019-20, CBM UK was able to spend over £8 million on life-changing programmes – our highest ever, up from just under £7 million last year. This has been possible thanks to vital partnerships with governments, programme and advocacy partners and funders, and generous support from thousands of individuals across the UK.

Sadly, this year has demonstrated that our work is needed more than ever. COVID-19 has highlighted and exacerbated the marginalisation of people with disabilities around the world, especially in the poorest communities. We've heard so many devastating stories of women, men and children unable to access health care or struggling to access daily essentials such as food or medicine.

But there is cause for hope. Through these difficult times, I've been inspired time and again by stories of huge resilience and courage from our projects, by the dedication of our team and partners and by the faithfulness of our generous family of supporters here in the UK. Together, we can continue to bring hope and opportunity to people in need.

A handwritten signature in black ink that reads "K Smith".

Trustees' Report

Structure, Governance and Management

Governing Document

Christian Blind Mission (United Kingdom) Limited is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association dated 19 January 1996. The Charity is also registered with the Office of the Scottish Charity Regulator 'OSCR' with registered charity number SC041101. The directors of the Charity are its Trustees' for the purposes of charity law and throughout this report are collectively referred to as the Trustees.

Public Benefit

The Trustees have given due regard to the public benefit guidance published by the Charity Commission and are confident that CBM UK's work assisting people with disabilities in the poorest parts of the world satisfies the public benefit requirements as laid out in the Charities Act 2011.

Trustees'

The following Trustees served during the year:

Robert McCorquodale (Chair)
Chinwe Osuchukwu
Edwin Godfrey
Pam Gosal
Mary Bishop
James Raynor
Kit Lawry
Robert Dillarstone
Gill Kelly
Elizabeth Dun
Jayne Rowe (Appointed February 2020)
Janice Flawn (until July 2019)
Maxwell Teare (until July 2019)
Rachel Jones (until July 2019)
Adrian Hopkins (until July 2019)
Kristin Van Zwieten (until July 2019)

We were delighted to welcome Jayne Rowe to join our Board this year. More information

about all our Trustees can be found on our website at <https://www.cbmuk.org.uk/who-we-are/our-people/trustees/>

Organisation

The Board of Trustees administers the Charity. The Trustees normally hold four meetings each year. The Board has delegated approval for day-to-day operational decisions to the Chief Executive and Leadership Team under a scheme of delegated authority. All decisions outside this scheme are approved by the Board.

Appointment of Trustees

As set out in the Articles of Association, the Trustees are recruited and appointed by the Board. The Trustees are appointed to serve for a period of three years and are eligible for re-appointment for one further term.

Trustees' induction and training

On appointment, Trustees participate in a comprehensive induction programme tailored to their experience and skills. Trustees are encouraged to undertake training to brief them on the legal obligations under charity and company law and to attend appropriate external training events and projects where these will facilitate the undertaking of the role.

Our structure

CBM UK became a member of a new Federation, CBM Global Disability Inclusion Vereniging in the Netherlands, commonly known as "CBM Global" in January 2020. CBM Global links six member organisations around the world and integrates global programme and policy efforts to maximise impact for people with disabilities. There is a transition phase between January 2020 and December 2021 where respective operations will be transferred between the old Federation (CBM International) and the new in line with the Transition Agreement.

CBM UK works through CBM's network of country offices, which provide vital links with our local partners, host governments and institutions, and create networks between the different partner organisations, Governments, Disabled People's

Organisations and other Non-Governmental Organisations. In addition, CBM employs technical experts to build capacity and ensure quality. With our team of technical advisors, surgeons, ophthalmologists, other health workers, humanitarian, livelihood and education specialists working alongside partners around the world, communities receive long-lasting, life-changing support.

CBM UK is also represented in Scotland and Northern Ireland.

Staff

The achievements of CBM UK rely on the commitment and hard work of its valued staff. CBM UK employs 44 people in the UK, with expertise in international development and disability, programme management, fundraising, advocacy, communications, administration, finance and governance. CBM UK is committed to equality in recruiting, training, promotion and career development.

Volunteers

The financial statements set out the results for the year, and although not material in value, they do not reflect the considerable and vital support of our many volunteers. The Trustees and staff are extremely grateful for their commitment and contribution.

Remuneration

All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 4 and note 13 to the accounts. The pay of staff is reviewed annually and normally adjusted for increases in the retail price index. Salaries are also benchmarked against similar sized organisations in the local area.

Photo: Mohamed (7) is now able to see and play after cataract surgery at CBM's partner hospital in Tanzania. ©CBM/Hayduk



Strategic Report

Too many people face poverty, stigma and isolation, denied the chance to go to school or earn a living, just because they have a disability. And every day, people lose the ability to see, hear or walk because of conditions that could easily be treated or prevented.

Driven by Christian values, CBM UK works in the world's poorest places to reach those whom others leave behind. Working in partnership with Governments and local partners, we create long-term positive change and change systems that make and keep people poor. We treat and prevent conditions that lead to disability and enable people with disabilities to go to school, access health care, earn a living and be active and respected in their community. Our mission is to end the vicious cycle of poverty and disability.

Where we work

CBM UK provided direct funds and expertise to set up and run 49 life-changing programmes in 16 countries in 2019/20. These countries are: Bangladesh, Burundi, Ghana, India, Indonesia, Kenya, Laos, Malawi, Nepal, Nigeria, Pakistan, Rwanda, Tanzania, Uganda, Zambia, Zimbabwe.

Our focus areas

We work in the world's poorest places to transform lives through life-changing programmes, advocacy and sharing expertise with other organisations.

- **Saving sight:** We improve access to sight-saving eye health services and systems, treating and preventing blinding diseases, training health care workers and carrying out sight-restoring surgeries.
- **Improving health:** We prevent and treat conditions that can lead to disability and make health care accessible for people with disabilities.

As mental health conditions are a leading cause of disability and ill-health worldwide, improving access to mental health treatment and support is a key part of this work.

Education for all: We help build inclusive education systems, training teachers, equipping schools and supporting parents and communities so girls and boys with disabilities can go to school and reach their potential.

- **Building livelihoods:** We help tackle stigma and discrimination that prevents many people with disabilities from accessing employment, and provide training and support to help them get a job or start their own business.
- **Emergency response:** We provide life-saving aid to people with disabilities when disasters strike and support and equip other humanitarian organisations to be disability-inclusive.
- **Policy and inclusion:** We work with people with disabilities and their representative organisations, supporting them to campaign for their rights and hold governments to account. Through our advocacy and advisory work in the UK and worldwide, we influence and support Governments, NGOs and other organisations to be more inclusive.

CBM in numbers

CBM UK is part of a worldwide Federation. Last year, with our Global partners, CBM:

- carried out 589,063 sight-restoring cataract surgeries.
- provided 46,225 people with Community Mental Health services.
- helped 36,811 children with disabilities go to school.
- supported 91,115 people with disabilities to earn a living.
- reached 27,458 people with disability-inclusive emergency relief.

Coronavirus: reaching those most vulnerable

As the Coronavirus pandemic took global centre stage in early 2020, CBM UK responded quickly to support our partners around the world and protect people with disabilities. As so often during times of crisis, people with disabilities have been among those most affected and often the last to receive help.

Many of our existing projects had to be adapted to cope with the pandemic. But thanks to the generous response of our donors to our crisis appeal, launched in April 2020, we worked with our country teams and partners across Africa and Asia to:

- make vital health messages accessible to all, for example by providing information in sign language, large print and braille.
- ensure people with disabilities were not forgotten, for example by providing food and vital supplies during lockdown.
- protect health and community outreach workers at our partner hospitals by ensuring they could access face masks, soap and hand sanitiser.
- support people's mental health and well-being through this time of crisis.



Roman, 32, a wheelchair user from **Bangladesh**, was trained by our partner Centre for Disability in Development (CDD) to help educate his community about COVID-19, for example by speaking to local market traders and distributing hand sanitiser (pictured).

"I wanted to prove that if opportunities are available in the society then persons with disabilities can also contribute in the community effectively. To be safe from the germs, we should maintain hygiene rules properly." (Roman)

In **Nepal**, we've been working with the Nepal Disabled Women's Association to provide accessible information and support for people with disabilities and promote inclusion. NDWA Project Coordinator Nila explains:



"Many people with disabilities used to work on a daily wage basis to support their families. They have been hit hard by this situation as they have lost their employment opportunities. Likewise, many persons with disabilities need to take a daily dose of medicines. Many of them are now at the stage where they cannot afford to take medicine..."

"We are now busy with relief distribution efforts with the support of CBM. We have formed self-help groups comprising local women with disabilities and are now conducting our activities through those self-help groups. This is a challenging time but people with disabilities are getting more affected so we need to reach out to them which would not have been possible without the generous support of CBM."

In **Zimbabwe**, Coronavirus has worsened an already desperate humanitarian situation caused by drought and economic crisis, leaving millions at risk of hunger.

Our existing emergency programme continued to provide food packages (pictured below), seeds and financial support to the most at-risk families, and also started to distribute health awareness messaging in inclusive formats to enable people to protect themselves from Coronavirus.



Supporting student mental health in Kenya

High levels of depression and anxiety among university students in Kenya, especially those from poor backgrounds, causes many to leave higher education. In 2019 we launched a two-year CBM project in collaboration with Fundació Nous Cims to

improve mental health support for students at Chuka and Kenyatta Universities.

- Over 100 university staff have been trained to recognise symptoms of poor mental health, provide support and refer students to services to improve their mental wellbeing.
- Indoor and outdoor "safe spaces" have been created, accessible to people with disabilities.
- Anti-stigma campaigns are helping raise student awareness of mental health, using brochures, social media, theatre performances and University radio.

Seeing is Believing: celebrating an amazing partnership

For 14 years, CBM has been working with Seeing is Believing (SiB), a collaboration between Standard Chartered and the International Agency for the Prevention of Blindness, to treat avoidable blindness and visual impairment by improving access to affordable and quality eye care. SiB is now drawing to a close, but thanks to this amazing partnership, we have:

- funded 13 life-changing programmes in 20 countries.
- carried out over 2.2 million sight-saving surgeries, of which 40,902 were children.
- reached over 150 million people with information on how they can improve their eye health and access treatments.
- screened over 4 million people for eye conditions so those needing it could be treated.
- provided 66,830 pairs of glasses and low vision devices to improve sight.
- trained 31,233 health and community workers to identify and treat people with sight loss and support entire communities for years to come.

Tackling violence against women and girls with disability



Women and girls with disabilities at the Disability Rights Advocacy Centre programme in Nigeria.
©CBM

Together with Nigerian Organisation Disability Rights Advocacy Centre (DRAC), in 2019 we launched a new project to reduce violence against women with disabilities. Women with disabilities in Nigeria are at least twice as likely as others to be victims of rape, sexual abuse or intimate partner violence. The new project, funded by the Jo Cox Memorial Fund through the UK government's UK Aid Direct scheme, aims to reduce gender-based violence by improving women's economic interdependence, confidence and leadership skills, complementing our existing project with DRAC to promote understanding of the issue and improve access to justice.

Fundraising and Communications Review

In spite of challenging times for many due to Coronavirus, our supporters have continued to inspire and humble us with their continued generosity and passion for transforming lives.

Gifts in wills continued to fund a significant proportion of our work: £996,711 (up from £674,208 last year).

See the Way appeal



Lydia (56) is full of joy after having her sight restored at CBM's partner hospital in Malawi. ©CBM/Hayduk

On 12 February 2020, we launched our second *See the Way* UK Aid Match Appeal, during which the UK government pledged to match all public donations.

See the Way was due to run for three months, but on 9 April we paused the appeal to enable us to focus on responding to the Coronavirus pandemic. Through UK Aid Match the UK Government will once again match donations during the remaining 5 weeks of the appeal up to a maximum of £2 million, rescheduled for 12 November – 17 December 2020.

Public donations to *See the Way* help prevent blindness and transform lives wherever the need is greatest. Match funding from the UK government will improve access to sight-saving services in Malawi.

Diane Louise Jordan visits sight-saving work



Diane Louise Jordan meeting Etienne (10) at his home in rural Rwanda. ©CBM/Tugwell

As part of *See the Way*, TV presenter Diane Louise Jordan (Blue Peter, Songs of Praise) travelled to Rwanda, along with her 12 year old grandson, to see the life-changing impact of our work preventing blindness. They met 10 year-old Etienne (pictured) and witnessed his first moments of sight after cataract surgery and visited Vincent, a grandfather receiving treatment for glaucoma. On her return to the UK, Diane shared what she had seen in several media interviews, including for BBC Breakfast, BBC Look East, Premier Christian Radio and UCB.

Watch *Etienne's Miracle* and *Meeting Vincent*, two short films about Diane's visit here: <https://www.cbmun.org.uk/rwanda-diane/>

Fundraising Statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Such amounts receivable are presented in our accounts as "voluntary income" and include legacies and grants.

The day-to-day management of all income generation is delegated to the executive team, who are accountable to the Trustees'. The vast majority of our fundraising is managed internally, without involvement of

commercial participators, professional fundraisers, or third parties. When we use professional fundraisers or commercial participators to help us deliver our fundraising, for example using an agency to boost our in-house capacity to receive and make telephone calls or deliver online advertising, we follow a robust procurement process to ensure agencies we employ are held to the highest possible standards in regards to data protection and fundraising compliance, and deliver a return on investment that we then invest in our life-changing work. CBM UK is registered with the Fundraising Regulator and complies fully with their code of practice.

In 2019/20, we received no complaints or feedback that needed to be escalated to the Fundraising Regulator. Three complaints were received which required a follow up letter or telephone conversation to resolve. Although this is a very small proportion of our fundraising communications, we value and learn from all feedback, acting upon it where appropriate to improve the way we communicate.



Photo: Dinesh returns home with a new prosthetic leg fitted for him at CBM's partner hospital in Nepal.
©CBM

Financial Review

The financial results for 2019/20 are shown in the Statement of Financial Activities on page 22. These results are the accounts of Christian Blind Mission (United Kingdom) Limited.

Income

Income for the year was £8,980,039 (2019 - £8,725,209), an increase of nearly 3%. Our income streams are diversified with approximately a quarter of funds received from the UK Government.

A number of generous supporters gave significant gifts of over £5,000, including County Trust, The Anthony Scholefield Foundation, Vitol Charitable Foundation, Stobart Newlands Charitable Trust, Indigo Trust and Headley Trust.

Expenditure

Spending on our life-changing work (charitable activities) grew from £6,985,713 to £8,028,901, an increase of 15%.

The cost of generating funds decreased to £1,397,596 from £1,508,762, representing just under 16% of total income. The slight drop in expenditure relates to mitigation measures taken in response to the COVID-19 pandemic. However, our strategic objective to grow and increasingly engage our target audiences remains the same.

Restricted income and funds

Total restricted income for the year was £4,695,457 compared with £4,820,005 last year. Restricted grant income decreased by nearly 3% despite a growth forecast of more than 40%, largely due to the transfer of DFID Neglected Tropical Diseases (NTD) Programmes over to our counterpart in CBM Germany.

Our partnership with SiB continued to prevent avoidable blindness in Zimbabwe, Ivory Coast, Indonesia and Nigeria. SiB funds 80% of these projects, with 20% coming from other generous CBM UK supporters. By the end of the year, SiB-funded projects in Nigeria, Ivory Coast, Tanzania and Zimbabwe were successfully completed. The programme in Indonesia alone reached more than two million people in supporting hospitals, schools and caregivers to support children with low vision.

Funding was received from the Department for International Development (DFID) for several projects:

- Phase two of the project 'Disability Audit of Humanitarian Response with DFID' in north east Nigeria, which entailed disseminating the disability audit findings amongst partners in Nigeria and internationally, and built capacity and training for humanitarian implementing partners on disability inclusion in emergency response.
- Improving Maternal Mental Health in Ghana, working with four local partners to provide awareness, support and services including self-help groups to women and mothers.
- 'Supporting Adolescent Girls Education' consortium (led by Plan UK), supporting highly marginalised out-of-school adolescent girls in Zimbabwe.
- 'Innovation to Inclusion' consortium in Bangladesh and Kenya, led by Leonard Cheshire, via UK Aid Connect. We worked closely with Disabled People's Organisations providing accessibility audits, training private companies on Technical Vocational Education and Training and disability inclusion, and supporting people with disabilities getting into formal employment.
- An exciting new research project, the Mind-Skin link, to better understand the psychosocial impact of NTDs in Nigeria, coordinated by the Taskforce for Global Health. This project is an

opportunity to bring together CBM's experience in NTDs with our expertise in mental health and disability inclusion.

- 'Break the Cycle' – an empowerment project for women with disabilities in Nigeria, through UK Aid Direct.
- 'Essential 'Healthcare for the Disadvantaged programme' in Bangladesh (led by Concern).

A number of CBM's Neglected Tropical Disease projects were completed during the year. Our Commonwealth Trachoma Elimination project in Nigeria (funded by DFID and led by Sightsavers) made significant progress in Northern Nigeria, despite a very challenging security situation in the project areas. Work funded by Givewell on mass drug administration for schistosomiasis in Yobe State (Nigeria) was also completed.

A mass drug administration project in Meru County, Kenya, the final district where trachoma is considered a public health problem was completed, as was our joint project funded by DFID and led by the Fred Hollows Foundation to tackle the disease.

The two projects funded by the Scottish Government continued supporting people with hearing loss in Zambia and improving livelihood opportunities for people with disabilities in Rwanda.

Through the Village Savings and Loans Association project in Uganda funded by National Lottery Community Fund, people with disabilities in rural communities have responded to opportunities for support to form and run savings and loans groups. The Fund continues to support a separate project to train Disabled People's Organisations (DPOs) in Tanzania with a focus on development of knowledge and skills in understanding the UN Convention on the Rights of Persons with Disabilities with emphasis on inclusion.

A Comic Relief funded project in Malawi continues to strengthen support to people with mental health conditions.

Reserves policy

The Board reviews the charity's reserves policy annually, balancing the need to hold back sufficient general reserves to protect the charity's charitable activities with the objective of maximizing the funding available for those activities. The Board has agreed a policy that a designated unrestricted reserve should be maintained equivalent to a minimum of 12 months unrestricted programme expenditure. In addition the Board has agreed that undesignated unrestricted reserves should not fall below six months' operating costs. It is intended that this amount should be held in liquid funds (cash or short term investments). The Board has set these targets to ensure the charity has a sound and secure financial foundation.

At the year end the designated programme reserve was £2,182,599 – equivalent to the estimated 2020/21 unrestricted programme expenditure.

The level of undesignated unrestricted reserves at 30 June 2020 was £2,613,389 an increase of £385,420 compared to last year. This is above the minimum level set by the Board of 6 months of operating costs (estimated at £1.85m). This is mainly as a result of the BasicNeeds funds now being treated as Unrestricted since the integration of the Charity, significant over performance on legacies versus budget and cost saving mitigation measures taken during COVID-19 in anticipation of a future decline in income.

CBM UK has also committed to contribute towards building a reserve at the new CBM Global Federation. In 2020/21, the expectation is a contribution of €176,000 (£159,861).

Risk Management

The Trustees are required to identify and review the major risks (governance, operational, financial, external and regulatory) to which CBM UK is exposed and to assess the likelihood of such risks and the possible level of impact they would have.

CBM UK regularly reviews its risk management framework. The framework focuses on identifying risks, prioritising them and setting out mitigation approaches and accountabilities for the highest priority items. The risk register is reviewed regularly by the Leadership Team, by the Finance & Audit Committee at each of its meetings and

by the full Board of Trustees every year. Trustees are satisfied that the systems are in place to monitor, manage and, where appropriate, mitigate CBM UK's exposure to the major risks.

The directors consider the following to be the main risks facing the charity:

Risk	Actions to mitigate
COVID-19	<ul style="list-style-type: none"> Paused all non-essential business associated travel, particularly overseas. Adaptation of plans, processes, technical specification and functionality, including remote working systems. Contract compliance implications and communication with donors on the same. Establishing other means of communication between staff internally and stakeholders, providing support for staff to be able to support the organisation with critical business functions, staff home working implemented. Continuous monitoring and update of evolving risks and impact. Leadership Team and Board carry out due diligence on long-term implications for the organisation, including productivity, strategic objectives, financial health, sustainability and staff wellbeing.
Continued economic uncertainty following Brexit	<ul style="list-style-type: none"> Careful budgeting and monitoring. Regular financial reforecasting. Diversification of income streams. Inclusion of Currency Reserve.
Governance changes within the CBM Federation affecting CBM UK strategy and programme delivery	<ul style="list-style-type: none"> Directors involved in development of new structure to organise work more efficiently and effectively during transition period. Detailed scrutiny of the new financial and operating model.
Changes in Government policies and departments affecting current statutory	<ul style="list-style-type: none"> Closer monitoring of current projects to mitigate impacts of reduction. Diversification in income streams.

contracts and future prospects	<ul style="list-style-type: none"> • Regular liaison with donors and contract managers.
Harm comes to people as a result of contact with CBM's programmes, operations or people	<ul style="list-style-type: none"> • Implementation and regular review of robust safeguarding policy and practice. • Training of partners within COVID-19 constraints.
Demographic of supporters	<ul style="list-style-type: none"> • Investment to diversify income streams, particularly online giving and reduce reliance on direct mail.

Going Concern

The Board of Trustees has reviewed the key risks and uncertainties emerging as a result of the COVID-19 crisis in the context of CBM's operations and how these affect both immediate cash requirements and long term sustainability.

CBM's income is mainly from donations, grants and legacies. Grants and donations come from a variety of sources, including statutory bodies, trusts and foundations, corporates and individuals. The charity receives two classes as required in trust law: unrestricted funds and restricted funds. In 2019/20, unrestricted funds were 48% of total income (£4.3m), with restricted funds 52% (£4.7m).

The Trustees prepare annual budgets and forecasts in order to ensure there is adequate funding in place to deliver charitable activities for the coming year. In addition, in formulating its plan and strategy for the future operations of the organisation, the Board has considered a multi-year period beyond that for which formal budgets and forecasts are prepared. Minimum unrestricted cash levels of £1.5m and reserves of £3m are incorporated into all projections reviewed by the Trustees, whose approval is required before these levels can be breached.

Ongoing liquidity of the charity is dependent on three main areas – maintaining levels of unrestricted funding sufficient to cover the gap between total operating costs and

restricted funding for staff and overheads; timely and full receipt of funds from restricted sources where these are received in arrears; the ability to recover operating costs from restricted contracts, whether or not related programme activities can take place.

If unrestricted income falls significantly, cash reserves fall, which leads to considerable erosion of the £6.8m reserves held as at 30 June 2020. Similarly, if income from restricted sources is delayed, or contracts cancelled, for example where economic uncertainties impede the grantee's ability to fulfil their contractual obligations, pressure would be placed on the organisation's liquidity and ability to meet its financial obligations.

COVID-19 has had a significant, immediate impact on the charity's operations, and, at the present time, it is not clear how long the current circumstances are likely to last and what the long-term impact will be.

At the start of the pandemic, governments in many countries where CBM operates introduced national or local lockdowns. These lockdowns restricted operations at CBM Country Offices and partner organisations, which meant the implementation of some ongoing programmes was paused and activities postponed. In addition, many people with disabilities and their families were impacted by the health implications of the pandemic itself, and subsequent economic implications of the lockdowns. CBM responded specifically to people's increasing needs through

targeted emergency activities. CBM also adapted current programmes to ensure they were COVID-secure and able to continue through other means (e.g. remotely) when possible. Where significant delays were unavoidable, plans, timeframes and activities were revised to take account of the new situation.

Charitable expenditure has reduced due to the constraints of the operating environment caused by COVID-19; this also had a corresponding effect on charitable income, where income from restricted sources is dependent on delivering a programme of activities that cannot be completed. Some significant funders have agreed that CBM can continue to charge staff and overhead costs during the current period, even where there is reduced charitable expenditure.

Due to economic uncertainties caused by the COVID-19 crisis, there has also been a decline in unrestricted donations from the public and churches. The approved operational budget for 2020/21 included a conservative assumption that unrestricted income would drop by 15%, based on recent income trends and fundraising plans; if the recent trend in the reduction of unrestricted income were to continue, a drawdown on reserves will be required to meet ongoing operating costs.

In light of the impact that COVID-19 may have on the charity, the Trustees have carried out financial modelling based on two scenarios, realistic case and worst case, which are extended through to June 2024, 43 months beyond the date of the signing of the 2020 financial statements. These projections consider the possible impact of the COVID-19 crisis on organisational financial health through analysis of levels of reserves, income and expenditure over this period.

The modelling tests the impact of the following areas which are particularly important to maintain CBM's financial health over the coming period:

- Varying levels of programme expenditure depending on government lockdown plans in the countries in which CBM operates, and the ability to implement activities in the context of social distancing measures.
- The impact of a drop in income from unrestricted income compared to the target for the year.
- The extent to which funders agree CBM can charge operating costs to their grants regardless of the level of programme spend.
- The impact of sterling exchange rate movements on operating costs arising from the outcome of Britain's Brexit negotiations with the European Union on a trade deal at the end of the transition period on 31st December 2020.

In the worst-case scenario modelled, CBM would have enough reserves and unrestricted cash to maintain operations through to June 2024.

Regular communication has been maintained with funders on the implications of COVID-19 on contractual compliance.

At the time of writing, confirmed continued operating cost support had been obtained from several key funders. CBM has also reviewed planned unrestricted expenditure for the current financial year and taken a number of measures to help maintain financial health, including the following: placing an immediate freeze on recruitment of new staff unless absolutely essential, considering the possible need to drawdown on reserves over the coming period; reducing expenditure budgets for 2020/21 in light of the expected short to medium term drop in related income; and a review to see where overhead costs can be reduced. CBM also took advantage of the Government's support with the COVID-19 Job Retention Scheme.

The Board will continue to review and monitor the financial picture during the current period of uncertainty, and the

financial modelling described above will be frequently updated as the crisis evolves.

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Plans for Future Periods

We continue to work to our strategic framework, CBM UK: Through the Roof, with three over-arching objectives:

- People with disabilities will experience positive and lasting change.
- UK policy and practice will increasingly support sustainable change for people with disabilities.
- Our target audiences will grow and be increasingly engaged.

In light of COVID-19, we are currently working to the following priorities:

- Responding and adapting to COVID-19.
- Acquisition and maintenance of our income as well as strong oversight of programmes.
- Contributing to set up of a sustainable new Global Federation.
- Finalisation of Budget 2020/21 and future outlook.

- Continue to ensure safeguarding focus and capacity is built at all levels of the organisation.
- Staff wellbeing.

Within the next financial year a new multi-year strategic framework will be launched.

The worldwide CBM family will implement its programmes through two legal entities which will continue to collaborate closely, sharing programme standards and drawing on each other's resources and expertise. CBM UK will work with five other Member Associations (Australia, Ireland, Kenya, New Zealand and Switzerland), in the new entity which will integrate some elements from the former CBM International. CBM UK will continue to be part of a global family working towards achieving our vision of an inclusive world in which all persons with disabilities enjoy their human rights and achieve their full potential.

Other

Following several years of seeking to move to a more central location, in 2019 the Board approved a decision to move to a premises located close to central in Cambridge. The aim was to improve CBM's accessibility, visibility and ability to recruit staff and volunteers. CBM successfully moved their office, as soon as feasible within lockdown restrictions in April 2020 in order to reduce ongoing costs to the charity.

Trustees' Responsibilities

The Trustees (who are also directors of CBM UK for the purposes of company law) are responsible for preparing the Trustees Report, the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

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

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees' Report and the Strategic Report was approved by the Trustees on the 17th December 2020 and signed on their behalf by:



Robert McCorquodale (Chair)

Independent Auditor's Report to the Members and Trustees of Christian Blind Mission (United Kingdom) Limited

Opinion

We have audited the financial statements Of Christian Blind Mission (United Kingdom) Limited ("the Charitable Company") for the year ended 30 June 2020 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, 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 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 Charitable Company's affairs as at 30 June 2020 and of its incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

Emphasis of Matter: Property valuations

We draw attention to note 6, which explains that as a result of the impact of the outbreak of the Novel Coronavirus (COVID-19) on the market, the Company's property valuer has advised that less certainty, and a higher degree of caution, should be attached to their valuation than would normally be the case. Our opinion is not modified in respect of this matter.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements 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 related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: the Trustees report, the strategic report, the fundraising and communications review, the financial review and the Trustees' responsibilities. 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, 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, which are included in the Trustees' Report, have 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 Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Tracey Keeble

Senior Statutory Auditor

For and on behalf of BDO
LLP statutory auditor

Ipswich

Date 17 December 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Financial Activities

(Incorporating an income and expenditure account)

Year ended 30 June 2020

	Note	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total Funds 2019 £
Income from:					
Voluntary income:					
Donations & legacies	2	4,212,998	218,442	4,431,440	3,912,928
Grants	2	-	4,477,015	4,477,015	4,755,462
Total voluntary income		4,212,998	4,695,457	8,908,455	8,668,390
Investment income		14,097	-	14,097	28,148
Other income		57,487	-	57,487	28,671
Total income		4,284,582	4,695,457	8,980,039	8,725,209
Expenditure on:					
Cost of generating voluntary income		(1,397,596)	-	(1,397,596)	(1,508,762)
Charitable activities		(1,675,969)	(6,352,932)	(8,028,901)	(6,985,713)
Total expenditure	3	(3,073,565)	(6,352,932)	(9,426,497)	(8,494,475)
Net income/(expenditure) for the year		1,211,017	(1,657,475)	(446,458)	230,734
Transfer between funds		(197,703)	197,703	-	-
Gains on investments		477,107	-	477,107	1,807
Net Movement in funds		1,490,421	(1,459,772)	30,649	232,541
Reconciliation of funds:					
Total funds brought forward at 1 July 2019	10	5,315,428	2,814,902	8,130,330	7,897,789
Fund balances carried forward at 30 June 2020	10	6,805,849	1,355,130	8,160,979	8,130,330

The notes on pages 25-46 form part of these financial statements. Detailed comparatives are shown in note 16.

Balance Sheet

Year ended 30 June 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	321,898	1,056,016
Investment Property	6	1,450,000	-
Long-term investments	7	24,787	23,869
Investment in BN Trading		1	-
Total fixed assets		1,796,686	1,079,885
Current assets			
Debtors	8	859,667	796,943
Cash and cash equivalents		6,000,252	6,461,915
Total current assets		6,859,919	7,258,858
Creditors			
Amounts falling due within one year	9	495,626	208,413
Net current assets		6,364,293	7,050,445
Net assets		8,160,979	8,130,330
Funds			
Restricted funds	10		
Funds not in deficit		1,413,380	2,893,473
Funds in deficit		(58,250)	(78,571)
		1,355,130	2,814,902
Unrestricted funds	10	6,805,849	5,315,428
		8,160,979	8,130,330

The financial statements on pages 22 to 44 were approved by the Board of Directors on 17th December 2020 and signed on its behalf



Robert McCorquodale
Trustee



Robert Dillarstone
Trustee

Cash Flow Statement

Year ended 30 June 2020

	2020	2019
	£	£
Net cash (used in)/provided by operating activities	(148,923)	446,193
Cash flow from investing activities:		
Investment income	14,097	28,148
Purchase of BN Investment	(1)	-
Proceeds from the sale of fixed assets	-	833
Purchase of tangible fixed assets	(326,836)	(9,102)
Cash (used in)/provided by investing activities	(312,740)	19,879
Change in cash in the reporting period	(461,663)	466,072
Cash and cash equivalents at the beginning of the reporting period	6,461,915	5,995,843
Cash and cash equivalents end of the reporting period	6,000,252	6,461,915
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	30,649	232,541
Adjustments for:		
Depreciation charges	87,143	75,812
Loss on sale of tangible fixed assets	-	116
Investment income receivable	(14,097)	(28,148)
(Gains)/Losses on investments	(476,189)	-
Unrealised (gain) on investment	(918)	(1,807)
Decrease/(Increase) in debtors	(62,724)	373,851
Increase/(Decrease) in creditors	287,213	(206,172)
Net cash (used in)/provided by operating activities	(148,923)	446,193

Notes forming part of the financial statements

For the year ended 30 June 2020

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention, adjusted for the valuation of investments and investment property and in accordance with the Companies Act 2006, Charities Act 2011, Charities Accounts (Scotland) Regulations 2006, Charities and Trustee Investment (Scotland) Act 2005 and the Statement of Recommended Practice (FRS 102)' - "Charities SORP (FRS 102)" second edition, issued in October 2019, and applicable United Kingdom accounting standards. The Charity has adapted the Companies Act formats to reflect the Charities SORP and the special nature of the Charity's activities.

CBM UK 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(s).

On 1 July 2019 the charity BasicNeeds, previously a subsidiary to Christian Blind Mission (United Kingdom) Limited was fully integrated into the parent Company. Therefore there is no consolidation requirement on the 2019/20 Financial Statements, and the prior period comparatives included BasicNeeds financial statements.

Critical accounting judgements and key source of estimation of uncertainties

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant.

Company Status

CBM UK is a registered charity in England and Wales (number 1058162) and Scotland (number SC0041101) and is constituted as a company registered in England and Wales and limited by guarantee (company number 03148424). It is governed by its Memorandum and Articles of Association and at the year-end there were 11 Members (2018/19 - 11) who were each liable to contribute £1 in the event of the company being wound up.

Going concern

CBM UK's Board of Trustees has reviewed the key risks and uncertainties emerging as a result of the COVID-19 crisis in the context of CBM's operations and how these affect both immediate cash requirements and long term sustainability.

CBM's income is mainly from donations, grants and legacies. Grants and donations come from a variety of sources, including statutory bodies, trusts and foundations, corporates and individuals. The charity receives two classes as required in trust law: unrestricted funds and

Notes forming part of the financial statements

For the year ended 30 June 2020

1. Accounting policies (cont'd)

restricted funds. In 2019/20, unrestricted funds were 48% of total income (£4.3m), with restricted funds 52% (£4.7m).

The Trustees prepare annual budgets and forecasts in order to ensure there is adequate funding in place to deliver charitable activities for the coming year. In addition, in formulating its plan and strategy for the future operations of the organisation, the Board has considered a multi-year period beyond that for which formal budgets and forecasts are prepared. Minimum unrestricted cash levels of £1.5m and reserves of £3m are incorporated into all projections reviewed by the Trustees, whose approval is required before these levels can be breached.

Ongoing liquidity of the charity is dependent on three main areas – maintaining levels of unrestricted funding sufficient to cover the gap between total operating costs and restricted funding for staff and overheads; timely and full receipt of funds from restricted sources where these are received in arrears; the ability to recover operating costs from restricted contracts, whether or not related programme activities can take place.

If unrestricted income falls significantly, cash reserves fall, which leads to considerable erosion of the £6.8m reserves held as at 30 June 2020. Similarly, if income from restricted sources is delayed, or contracts cancelled, for example where economic uncertainties impede the grantee's ability to fulfil their contractual obligations, pressure would be placed on the organisation's liquidity and ability to meet its financial obligations.

COVID-19 has had a significant, immediate impact on the charity's operations, and, at the present time, it is not clear how long the current circumstances are likely to last and what the long-term impact will be.

At the start of the pandemic, governments in many countries where CBM operates introduced national or local lockdowns. These lockdowns restricted operations at CBM Country Offices and partner organisations, which meant the implementation of some ongoing programmes was paused and activities postponed. In addition, many people with disabilities and their families were impacted by the health implications of the pandemic itself, and subsequent economic implications of the lockdowns. CBM responded specifically to people's increasing needs through targeted emergency activities. CBM also adapted current programmes to ensure they were COVID-secure and able to continue through other means (e.g. remotely) when possible. Where significant delays were unavoidable, plans, timeframes and activities were revised to take account of the new situation.

Charitable expenditure has reduced due to the constraints of the operating environment caused by COVID-19; this also had a corresponding effect on charitable income, where income from restricted sources is dependent on delivering a programme of activities that cannot be completed. Some significant funders have agreed that CBM can continue to charge staff and overhead costs during the current period, even where there is reduced charitable expenditure.

Due to economic uncertainties caused by the COVID-19 crisis, there has also been a decline in unrestricted donations from the public and churches. The approved operational budget for

Notes forming part of the financial statements

For the year ended 30 June 2020

1. Accounting policies (cont'd)

2020/21 included a conservative assumption that unrestricted income would drop by 15%, based on recent income trends and fundraising plans; if the recent trend in the reduction of unrestricted income were to continue, a drawdown on reserves will be required to meet ongoing operating costs.

In light of the impact that COVID-19 may have on the charity, the Trustees have carried out financial modelling based on two scenarios, realistic case and worst case, which are extended through to June 2024, 43 months beyond the date of the signing of the 2020 financial statements. These projections consider the possible impact of the COVID-19 crisis on organisational financial health through analysis of levels of reserves, income and expenditure over this period.

The modelling tests the impact of the following areas which are particularly important to maintain. CBM's financial health over the coming period:

- Varying levels of programme expenditure depending on government lockdown plans in the countries CBM operates in, and the ability to implement activities in the context of social distancing measures
- The impact of a drop in income from unrestricted income compared to the target for the year
- The extent to which funders agree CBM can charge operating costs to their grants regardless of the level of programme spend
- The impact of sterling exchange rate movements on operating costs arising from the outcome of Britain's Brexit negotiations with the European Union on a trade deal at the end of the transition period on 31st December 2020.

In the worst-case scenario modelled, CBM would have enough reserves and unrestricted cash to maintain operations through to June 2024. Regular communication has been maintained with donors on the implications of COVID-19 on contractual compliance.

At the time of writing, confirmed continued operating cost support had been obtained from several key donors. CBM has also reviewed planned unrestricted expenditure for the current financial year and taken a number of measures to help maintain financial health, including the following: placing an immediate freeze on recruitment of new staff unless absolutely essential, considering the possible need to drawdown on reserves over the coming period; reducing expenditure budgets for 2020/21 in light of the expected short to medium term drop in related income; and a review to see where overhead costs can be reduced. CBM also took advantage of the Governments support with the Coronavirus Job Retention Scheme.

The Board will continue to review and monitor the financial picture during the current period of uncertainty, and the financial modelling described above will be frequently updated as the crisis evolves.

Having regard to the above, the Trustees believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Notes forming part of the financial statements

For the year ended 30 June 2020

1. Accounting policies (cont'd)

Income

Donations and Gifts

Monetary donations and gifts are included in full in the statement of financial activities when received, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacy income is accounted for when notification of the legacy is received, generally after the grant of probate, providing the amount can be reliably ascertained and that the ultimate receipt is probable.

Donations under Gift Aid together with the associated income tax recoveries are credited as income when the donations are received.

Grants receivable

Revenue grants are credited as income when they are receivable provided conditions of receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

Investments

Investment income, including associated income tax recoveries, is recognised when receivable.

Investments are stated on the balance sheet at their bid value at the balance sheet date. The Finance and Audit Committee review the investment policy of the Charity each year.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Expenditure, which is charged on an accruals basis and has been classified under headings that aggregate all cost under that category. All expenditure is inclusive of irrecoverable VAT, where applicable and is allocated between:

- Expenditure incurred directly to the fulfilment of the Charity's objectives (charitable activities); and
- Expenditure incurred in the generation of funds for the Charity.

Notes forming part of the financial statements

For the year ended 30 June 2020

1. Accounting policies (cont'd)

Fund accounting

Unrestricted funds are donations and other income received or generated for expenditure on the general objectives of the Charity. Designated funds are unrestricted funds that the Trustees' have allocated to particular projects for the time being.

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs where this is allowed by the donor.

At the year-end any fund deficits are maintained only when the Directors are of the opinion that such deficits will be eliminated by future committed giving. Income and expenditure on these funds are shown as restricted in the Statement of Financial Activities and analysed into the main components in note 10.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost of all tangible fixed assets for charity use by equal annual instalments over their estimated useful economic lives. The rates generally applicable are:

Leasehold improvements	20%
Motor vehicles	25%
Office equipment	25%-33%
Fixtures and fittings	25%

Investment property

Investment property includes land and buildings owned by the charity and which is held for its investment potential. The property is held for long-term investment and is stated in the balance sheet at its fair value at the balance sheet date. The valuation approach was primarily the market and investment approach to valuation by reference to comparable transactions.

Routine maintenance costs are expensed through the Statement of Financial Activities in the year in which they occurred. Changes in the market value of the investment property are taken to the Statement of Financial Activities as a separate line item before arriving at 'net value'. The cumulative gains are disclosed in the notes to the accounts.

Notes forming part of the financial statements

For the year ended 30 June 2020

1. Accounting policies (cont'd)

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with in the Statement of Financial Activities.

Retirement benefits

Defined Contributions Pension Scheme

The pension costs charged in the period are the contributions payable to the scheme in respect of the accounting period.

Taxation

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Notes forming part of the financial statements

For the year ended 30 June 2020

2. Donations

	Unrestricted funds £	Restricted funds £	2020 Total Funds £	2019 Total Funds £
Donations and legacies				
Donations and gifts	2,792,859	181,310	2,974,169	2,809,647
Legacies	959,579	37,132	996,711	674,208
Gift Aid	460,560	-	460,560	429,073
	4,212,998	218,442	4,431,440	3,912,928
Grant income				
Statutory	-	3,027,254	3,027,254	2,406,659
Trusts and Foundation	-	515,528	515,528	1,292,668
Corporate donations	-	918,057	918,057	995,441
Other	-	16,176	16,176	60,694
	-	4,477,015	4,477,015	4,755,462

Legacies

The charity has been notified of certain legacies, which have not been included in income due to uncertainty. The estimated value of these legacies is £2,054,549 (2019 - £787,993).

Notes forming part of the financial statements

For the year ended 30 June 2020

3. Total Expenditure

	Direct £	Support £	2020 Total £	2019 Total £
Unrestricted				
Cost of generating voluntary income	794,175	603,421	1,397,596	1,507,818
	794,175	603,421	1,397,596	1,507,818
Charitable activities	459,967	1,216,002	1,675,969	1,207,396
Total unrestricted expenditure	1,254,142	1,819,423	3,073,565	2,715,214

Analysis of support costs Unrestricted

	Cost of generating voluntary income £	Charitable Activities £	Governance £	2020 Total £	2019 Total £
Christian Blind Mission International support	-	-	-	-	180,737
Christian Blind Mission Global support	-	173,268	-	173,268	-
Christian Blind Mission Global set up costs	-	66,542	-	66,542	-
Staff costs	435,378	580,519	-	1,015,897	879,984
Premises	47,068	77,024	-	124,092	56,421
Office costs	20,377	65,096	-	85,473	60,940
Travel	-	23,682	1,444	25,126	81,710
Finance	4,446	71,467	-	75,913	69,197
Foreign exchange gain	-	(13,203)	-	(13,203)	(45,058)
IT	63,612	41,986	-	105,598	99,644
Legal & professional	17,802	24,361	27,230	69,393	42,076
HR	-	56,418	-	56,418	23,097
Depreciation	14,738	20,168	-	34,906	27,739
	603,421	1,187,328	28,674	1,819,423	1,476,487

Notes forming part of the financial statements

For the year ended 30 June 2020

	Direct £	2020 Total £	2019 Total £
Restricted			
Cost of generating voluntary income	-	-	944
	-	-	944
Charitable activities	6,352,932	6,352,932	5,778,317
Total unrestricted expenditure	6,352,932	6,352,932	5,779,261

Analysis of support costs Restricted

	Charitable Activities £	2020 Total £	2019 Total £
Premises	-	-	-
Office costs	-	-	2,923
Travel	-	-	11,567
Finance	-	-	8,429
Foreign exchange	-	-	(27,426)
Loss/(gain)	-	-	-
IT	-	-	4,495
Legal & professional	-	-	24,322
HR	-	-	-
Depreciation	-	-	1,404
	-	-	25,714

Support costs have been allocated as far as possible directly to the area incurring the costs. Where this has not been possible costs have been allocated on the basis of departmental staff numbers.

Notes forming part of the financial statements

For the year ended 30 June 2020

Auditors remuneration	2020	2019
	£	£
Net expenditure for the year includes Auditors remuneration for work carried out in the financial year is as follows:		
Audit of financial statements	27,230	38,099
Tax advisory services	4,367	7,792

The 2019 audit fee includes a £12,300 additional fee charged in respect of BasicNeeds 2018 audit. This fee related to the audit of both CBM and BasicNeeds, the 2020 fee relates to CBM only but includes an additional fee of £5,289 relating to CBM and BasicNeeds audit for prior year.

Notes forming part of the financial statements

For the year ended 30 June 2020

4. Employees and Trustees'

	2020 £	2019 £
Staff costs consist of:		
Wages and salaries	1,264,367	1,079,356
Social security costs	119,229	106,133
Other pension and life assurance costs	84,442	87,936
	1,468,038	1,273,425

The average number of employees during the year was as follows:

	Number	Number
Fundraising	19	15
Other activities	25	25
	44	40

The number of employees whose emoluments (including benefits in kind, but excluding employers NI & pension contributions) amounted to over £60,000 in the year were as follows:

	2020	2019
£80,001 to £90,000	1	1

The Chief Executive received total emoluments (including benefits in kind and employers National Insurance but excluding employer's pension contributions) of £98,718 (2019 - £95,236). The cost of employer's pension contributions for the Chief Executive was £8,822 (2019 - £8,471). In 2019/20 the leadership team (comprising the Director of Fundraising and Communications, the Director of International Programmes, Director of Finance and Operations) received a total of £187,428 (2019 - £178,754) (including benefits in kind and employers National Insurance but excluding employers pension contributions). The total cost of employer's pension contributions for the Leadership team was £16,081 (4 members) (2019 - £15,112 - 3 members). The Director of Finance and Corporate Services left the organisation in July 2019.

Trustees

No Trustee received remuneration for fulfilling his or her role as trustee.

During the year travel and payments totalling £956 were incurred for 5 Trustees (2019 - £1,227 to 5 Trustees).

Pension

The Charity operates and offers a defined contribution scheme for all employees. The assets of the scheme are administered by Trustees in a fund independent from those of the Charity. The total amount of employers contributions made during the year (treated as an expense) was £83,352 (2019 - £77,310). No pension payments are allocated to restricted funds. The value of outstanding liability to the pension fund as at year-end was £11,911 (2019 - £13,887).

Notes forming part of the financial statements

For the year ended 30 June 2020

5. Tangible assets

	Freehold property	Leasehold improvements	Motor vehicles	Office Equipment	Fixtures and fittings	Total
	£	£	£	£	£	£
<i>Cost</i>						
At 1 July 2019	1,377,884	-	11,895	269,707	104,606	1,764,092
Additions	-	250,296	-	22,219	54,321	326,836
Transfers	(1,377,884)	-	-	-	-	(1,377,884)
Disposals	-	-	-	(44,946)	(95,816)	(140,762)
At 30 June 2020	-	250,296	11,895	246,980	63,111	572,282
<i>Accumulated Depreciation</i>						
At 1 July 2019	381,108	-	11,895	210,467	104,606	708,076
Charge for the year	22,965	8,319	-	52,238	3,621	87,143
Transfers	(404,073)	-	-	-	-	(404,073)
Disposal	-	-	-	(44,946)	(95,816)	(140,762)
At 30 June 2020	-	8,319	11,895	217,759	12,411	250,384
<i>Net book value</i>						
At 30 June 2020	-	241,977	-	29,221	50,700	321,898
At 1 July 2019	996,776	-	-	59,240	-	1,056,016

Notes forming part of the financial statements

For the year ended 30 June 2020

6. Investment property

	Investment property
	£
Opening Value as at 1 July 2019	-
Transfers	973,811
Disposals	-
Revaluation	476,189
<i>Net book value</i>	
At 30 June 2020	<u>1,450,000</u>

The property cost on 24 May 2005 was £1,377,884 and at the date of transfer the written down value was £973,811. The depreciation was written back and has been taken to unrealised gain on investments in the Statement of Financial Activities.

On 27 April 2020 the Charity moved to new premises and the freehold property became an investment property. The property is currently leased to a third party on a non-cancellable 10 year lease.

This property was the subject of an independent market valuation for inclusion at 30 June 2020 by Eddisons, a RICS registered valuer with the necessary knowledge and expertise to provide this valuation and in accordance with the RICS Valuation - Global Standards - (effective 31 January 2020) incorporating IVSC International Valuation Standards, together with the UK National Supplement - (effective January 2019). The conventional valuation methods are however dependent upon comparable evidence and where a lack of open market transactional activity causes uncertainty to exist throughout this process, they also relied upon their own market assessment/judgement based upon several considerations to include any marketing history, current equivalent sale processes, publicised indices, sector analysis, local factors and daily dialogue with the active agents.

With regard to the material valuation uncertainty the valuers believe there remains a risk to rental values if demand for office space declines as a result of COVID-19. Many businesses are re-assessing their space requirements and operating work from home policies meaning many office buildings are currently unoccupied or occupied by a skeleton staff which may become unviable for many businesses. This in turn could have an impact on the yield applicable as investor demand would weaken and they would seek greater returns to reflect the higher levels of risk. The valuation is however their opinion of value as at the valuation date as they cannot forecast how the market might be adjusted as a result of COVID-19.

Notes forming part of the financial statements

For the year ended 30 June 2020

6. Investment property (cont'd)

For the avoidance of doubt, the comment regarding 'material valuation uncertainty' does not mean that the valuation cannot be relied upon. An explanatory note was included to ensure transparency and to provide further insight as to the market context under which the valuation opinion was prepared. In recognition of the potential for market conditions to move rapidly in response to changes in the control or future spread of COVID-19 they highlight the importance of the valuation date.

Notes forming part of the financial statements

For the year ended 30 June 2020

7. Long term investments

	2020 £	2019 £
Market value at the beginning of the year	23,869	22,062
Unrealised gains	918	1,807
Market value at the end of the year	<u>24,787</u>	<u>23,869</u>

CBM UK holds 9,595.55 units in the COIF Charities Ethical Investment Fund at a historical cost of £20,000. The bid value of these units at 30 June was £24,787.

8. Debtors

	2020 £	2019 £
Trade debtors	-	4,281
Prepayments	75,099	53,109
Accrued income	629,236	448,364
CBM Global	14,500	-
CBM Federation	121,079	282,180
Other debtors	19,753	9,009
	<u>859,667</u>	<u>796,943</u>

9. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	84,931	89,793
Tax and social security	28,190	27,046
Other creditors	15,807	18,831
Accruals	366,698	55,282
CBM IO Creditor	-	17,461
	<u>495,626</u>	<u>208,413</u>

Notes forming part of the financial statements

For the year ended 30 June 2020

10. Funds movement

Unrestricted funds

	Balance 1 July 2019 £	Income £	Gains £	Expenditure £	Transfer £	Balance 30 June 2020 £
Designated Programme Reserve	1,690,683	-	-	-	491,916	2,182,599
Designated Property Investment Reserve	996,776	-	476,189	-	(22,965)	1,450,000
Designated Federation Reserve	-	-	-	-	159,861	159,861
Currency Risk Reserve	400,000	-	-	-	-	400,000
General Reserve	2,227,969	4,284,582	918	(3,073,565)	(826,515)	2,613,389
	5,315,428	4,284,582	477,107	(3,073,565)	(197,703)	6,805,849

The designated programme reserve is CBM UK's funding obligation for programme work in the next twelve months. The transfer between designated programme reserve and general reserve represents the allocation of unrestricted funds to meet the requirement of programmes in the next twelve months.

The designated property investment reserve is the fair value of 7-8 Oakington Business Park at 30 June 2020, the reserve was valued at 1 July 2019 at the property depreciated cost.

The designated federation reserve relates to a commitment to contribute towards building a reserve at the new CBM Global Federation.

The currency risk reserve relates to the risk of exchange fluctuations between UK Sterling and other currencies to which CBM UK is susceptible to. CBM UK receives most of its funding in UK Sterling, however most of the programme expenditure is in US Dollars or currencies whose movements closely correlate to the US Dollar. The net transfer out of unrestricted reserves of £197,703 to restricted reserves represents the current year matched funding obligations on restricted donations and overseas programme costs.

Notes forming part of the financial statements

For the year ended 30 June 2020

10. Funds movement (cont'd)

Restricted Funds	Balance 1 July 2019 £	Income £	Expenditure £	Transfers £	Balance 30 June 2020 £
1. Seeing is Believing (1)	511,949	1,028,972	(1,485,084)	53,010	108,847
2. Queen Elizabeth Diamond Jubilee Trust	66,053	9,472	(6,166)	(69,359)	-
3. UK Department for International Development (2)	496,852	2,508,767	(2,173,152)	(357,436)	475,031
4. The National Lottery Community Fund	176,862	161,477	(188,618)	(37,701)	112,020
5. Scottish Government	58,997	580,347	(412,025)	(83,869)	143,450
6. Comic Relief	203,438	193,615	(195,031)	39,191	241,213
7. The End Fund	32,332	-	(11,371)	(20,961)	-
8. L'Occitane Foundation	32,057	-	(24,558)	-	7,499
9. GiveWell (Sightsavers)	107,861	(65,786)	(7,863)	(34,212)	-
10. Fundacio Nous Cims	38,966	96,471	(115,511)	-	19,926
11. Department of Health	83,637	42,668	(69,787)	-	56,518
12. Emergency Situations	37,081	-	-	(37,081)	-
13. Headley Trust	21,372	25,000	-	-	46,372
14. Indigo Trust	-	75,000	-	-	75,000
15. Jersey Overseas Aid	9,395	-	-	-	9,395
16. Vitol Charitable Foundation	-	20,278	(19,149)	(1,129)	-
17. Other	193,968	19,176	(1,644,617)	1,491,332	59,859
18. BasicNeeds other funds	744,082	-	-	(744,082)	-
	<u>2,814,902</u>	<u>4,695,457</u>	<u>(6,352,932)</u>	<u>197,703</u>	<u>1,355,130</u>

Notes forming part of the financial statements

For the year ended 30 June 2020

10. Funds movement (cont'd)

- (1) SiB – Standard Chartered/ International Agency for the Prevention of Blindness (IAPB).
(2) UK Department for International Development (DFID) (ultimate donor – mostly funds received through Sightsavers, Fred Hollows Foundation, Leonard Cheshire, Plan International and The Task Force for Global Health).
(3) Time to Change's Global pilot programme, partly funded by Comic Relief and partly by Department of Health and Social Care (DHSC). This is a joint venture supported by Mind and Rethink Mental Illness. Comic Relief and DHSC continued to fund the innovative Time to Change Global mental health programme piloting anti-stigma interventions in Ghana, Nigeria, Uganda, Kenya and India.

Further details of the projects listed above are provided in the financial review on pages 12 and 13.

Generally funding for restricted programmes is received in advance of expenditure being incurred. However there can be limited instances where expenditure is incurred before funds are received resulting in the programme being temporarily in deficit.

11. Analysis of net assets between funds 2019/20

As at 30 June 2020	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	1,796,685	-	1,796,685
Current assets	5,504,790	1,355,130	6,859,920
Current liabilities	(495,626)	-	(495,626)
	6,805,849	1,355,130	8,160,979

Analysis of net assets between funds 2018/19

As at 30 June 2019	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	1,079,885	-	1,079,885
Current assets	4,443,956	2,814,902	7,258,858
Current liabilities	(208,413)	-	(208,413)
	5,315,428	2,814,902	8,130,330

Notes forming part of the financial statements

For the year ended 30 June 2020

12. Financial commitments

At 30 June 2020, the Charity had total commitments under non-cancellable operating leases as follows:

Lessee	Land and Buildings 2020	Office equipment 2020	Land and Buildings 2019	Office equipment 2019
	£	£	£	£
Operating leases				
Not later than one year	136,574	10,780	-	8,578
Between two and five years	586,460	31,985	-	31,112
More than five years	713,026	-	-	-

The total expenditure on operating leases during the year was £64,563 (2019 - £15,128).

The Charity leases out its investment property under a non-cancellable operating lease for the following future minimum lease payments. There are no contingent rents.

Lessor	Land and Buildings 2020	Land and Buildings 2019
	£	£
Operating leases		
Not later than one year	90,000	-
Between two and five years	550,833	-
More than five years	676,667	-

The total income received on operating leases during the year was £Nil (2019 - £Nil).

13. Related party transactions

CBM UK became a member of a new Federation, CBM Global Disability Inclusion Vereniging (CBM Global) in January 2020. There is a transition phase between January 2020 and December 2021. During this period, CBM UK will be co-ordinating with both the new Federation and CBMeV (Christoffel Blindenmission eV).

CBMeV co-ordinates member association payments to CBM projects worldwide. During the year CBM UK made payments to international projects, through CBMeV, totalling £5,136,942 (2019 - £5,027,611). In addition CBM UK paid CBMeV £573,391 (2019 - £190,533) for associated project support costs.

Notes forming part of the financial statements

For the year ended 30 June 2020

13. Related party transactions (cont'd)

CBM UK also incurred various costs on behalf of CBMI and CBMeV. During the year CBM UK incurred cost on behalf of CBMeV costs totalling £60,064 (2019 - £266,189). Also during the year CBM UK charged CBMeV £17,625 (2019 - £8,200) for administration costs. At the year-end the amount owed by CBMeV was £121,079 (2019 - £154,147).

CBM Global is in its set up phase, during this period CBM UK and along with other Member Associations have contributed to the formation. During the year CBM UK spent £66,542 (2019 - £Nil) towards the setup of CBM Global.

CBM UK paid CBM Global £173,268 (2019 - £Nil) for associated project support costs.

CBM UK also incurred various costs on behalf of CBM Global. During the year CBM UK incurred cost on behalf of CBM Global costs totalling £62,695 (2019 - £Nil). At the year-end the amount owed by CBM Global was £14,500 (2019 - £Nil).

At the year-end there was an amount of £Nil (2019 - £Nil) due from other members of the CBM federation and £1,757 (2019 - £1,757) due to other members of the CBM federation arising from the recharging of costs incurred on behalf of and by members of the federation. The total value of the recharges by CBM UK to other member associations in the year was £Nil (2019 - £Nil) and the total value of recharges to CBM UK by other member associations was £Nil (2019 - £1,960).

14. Guarantee

In the event of a winding up the maximum amount guaranteed to be contributed by each existing member and from each person who was a member within the preceding twelve months is £1. At the date of this report the number of such people is 11 (2019 - 11).

The charity is also the sole member of Forgotten Children Limited (limited by Guarantee) a dormant company which is registered in England.

15. Ultimate parent

The Trustees consider the ultimate parent of the charity is Christian Blind Mission (United Kingdom) Limited.

Notes forming part of the financial statements

For the year ended 30 June 2020

16. Statement of financial activities – detailed comparative

	Note	Unrestricted funds	Restricted funds	Total funds 2019
		£	£	£
Income from:				
Voluntary income:				
Donations & legacies	2	3,856,924	56,004	3,912,928
Grants	2	-	4,755,462	4,755,462
Total voluntary income		3,856,924	4,811,466	8,668,390
Investment income		28,147	1	28,148
Other income		20,133	8,538	28,671
Income arising on the acquisition of BasicNeeds		-	-	-
Total income		3,905,204	4,820,005	8,725,209
Expenditure on:				
Cost of generating voluntary income		(1,507,818)	(944)	(1,508,762)
Charitable activities		(1,207,396)	(5,778,317)	(6,985,713)
Total expenditure	3	(2,715,214)	(5,779,261)	(8,494,475)
Net income/(expenditure) for the year		1,189,990	(959,256)	230,734
Transfer between funds		(1,334,078)	1,334,078	-
Unrealised gains on investments		1,807	-	1,807
Net Movement in funds		(142,281)	374,822	232,541
Reconciliation of funds				
Total funds brought forward at 1 July 2018	10	5,457,709	2,440,080	7,897,789
Fund balances carried forward at 30 June 2019	10	5,315,428	2,814,902	8,130,330

Notes forming part of the financial statements

For the year ended 30 June 2020

17. Note 2 – detailed comparative

2. Donations

	Unrestricted funds £	Restricted funds £	2019 Total Funds £
Donations and legacies			
Donations and gifts	2,753,953	55,694	2,809,647
Legacies	674,208	-	674,208
Gift Aid	428,763	310	429,073
	<u>3,856,924</u>	<u>56,004</u>	<u>3,912,928</u>
Grant income			
Statutory	-	2,406,659	2,406,659
Trusts and Foundation	-	1,292,668	1,292,668
Corporate donations	-	995,441	995,441
Other	-	60,694	60,694
	<u>-</u>	<u>4,755,462</u>	<u>4,755,462</u>