



Annual Report & Accounts 2022





The image on our front cover

Mahomed is sitting on a park bench with his wife, daughter and guide dog Henley.

When Mahomed lost his sight, he felt like a cane slowed him down. As a Muslim, it was unconventional and taboo to have a guide dog. However, when speaking with leaders in the Muslim community, they agreed it was essential to his wellbeing and Henley became the first guide dog to be allowed into the mosque. Mahomed is now comfortable with his guide dog in his community but wants to break down more cultural barriers.

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We are Guide Dogs

We're here to help people with sight loss live the life they choose. Children and adults. Friends and family. Whoever you are, our expert staff, volunteers and life-changing dogs are here to help you:

Live actively

Our people and dogs can help you go wherever school, work or play takes you – and you can be confident that your sight loss won't hold you back.

Live independently

The advice and skills we provide will give you the freedom to achieve your hopes and ambitions on your terms.

Live well

We can help you through the emotional and practical challenges of sight loss, introducing you to inspiring people with similar experiences and supporting you to be your best.

“

The very first time I took Scooby for a walk on my own, when I got back I was beaming. My wife said, 'You've found your smile again' and gave me a huge hug.”

David and his guide dog, Scooby





“

I was born with retinitis pigmentosa and I started losing my sight in my teens.

I first applied for a guide dog in 2020 during the pandemic and when I was accepted onto the Ready to Train Programme I was so happy.

I'll always remember getting the call from Laura, my Guide Dogs Mobility Specialist. She told me she might have a match for me – a golden retriever called Mitch. Happy tears were running down my face.

We qualified in November 2022 and Mitch has completely changed my life. I'm doing so much more now. Before, I'd be sitting down working 24/7 on my laptop but with Mitch I go out a lot more. I'm walking every day, meeting friends.

This year I was offered a Graduate Teaching Assistant position at my department at the University of Glasgow. It's wonderful to be around students and that's what I want to do. I want to make a difference to students and be that role model as either a teacher or advisor after I have completed my PhD. Mitch is the star of the show during my classes – everyone loves him.

Mitch is so much more than a guide dog. I live on my own, which can get lonely. He gives me a sense of security and it's like always having a friend by my side. The bond between us is so strong.

I can't wait to explore more of the world with Mitch by my side. I have a bucket list to see the world before I potentially lose my sight completely. I love to walk, hike and adventure. At 28 years old, I still have a lot more I want to do. I'm just so thankful. I don't know what I'd do without Mitch. He's amazing and has brought so much joy to my life.”

Zee was matched with her first guide dog, Mitch, in 2022.

A welcome from our Chairman and CEO

This year, we've been focused on doing our very best to recover our guide dog service from the effects of the Covid pandemic.

When we decided to pause our breeding programme for everyone's safety, we didn't know how long the pandemic would go on for. But, because of the time it takes to breed, raise and train a guide dog, we did know the repercussions would be long-lasting. Today, we are still facing huge challenges in recovering our services from the disruption, and we do not expect to recover fully until 2025.

When you've applied for your first life-changing guide dog, or find yourself between guide dogs, we know the wait can feel like a lifetime. In this report, you'll read about the increased support we're providing to those on our Ready to Train Programme, including one-to-one vision rehabilitation sessions to build skills and confidence. Alongside expanding our range of support, we remain committed not only to getting the number of guide dog partnerships we create back to pre-Covid levels as quickly as possible, but also to increasing that number in future years.

To achieve these goals, we've invested heavily to increase the number of puppies available to become future guide dogs and increase the number of staff who work within our guide dog service. We mobilised cross-functional teams to drive transformation, including the recruitment of more essential puppy raising volunteers, whilst also maintaining the highest standards of animal welfare. We've focused on modernising many of our sites through relocation, renovation or redevelopment to ensure we can

accommodate this growth. And our staff have accomplished all this in addition to making sure our other services continue to thrive, so people with sight loss in the UK can live the lives they choose.

None of this would be possible without our donors. We are extremely grateful for their continued support, especially in light of the unsettling world events in 2022. From Russia's invasion of Ukraine and the sad loss of HM Queen Elizabeth II, to the cost of living crisis, it has not been the easiest year. We'd also like to thank our staff and volunteers who, once again, have gone above and beyond to make what we do as a charity possible.

While we may still be finding our way out of the aftermath of Covid, that won't stop us from quietly and confidently looking to the future. Though, sadly, we will be saying farewell to Tom in 2023, as he will retire as Guide Dogs' CEO at the Annual General Meeting in September.



Tom Wright CBE
Chief Executive
4 July 2023



James Hambro
Chairman
4 July 2023



“

Tom has been a very dedicated and inspiring leader of Guide Dogs and leaves a strong foundation for the future. On behalf of the Board, I would like to thank him for all his hard work leading the organisation, particularly through the challenges of the pandemic while still delivering on our modernisation programme.”

James Hambro

“

I’m incredibly proud of how everyone worked together in 2022 to get the guide dog service back on track; it was wonderful to see and be a part of these efforts in what was my last full year at Guide Dogs. I can be certain that this charity stands in excellent stead to carry on overcoming all the challenges we have faced in recent years.”

Tom Wright CBE

How we faced our challenges in 2022

**We're best known for our life-changing guide dogs.
But there's so much more to us.**

Through our wide range of services, both with and without dogs, we've helped thousands of people live actively, independently and well with sight loss.

Every day 250 more people join the two million already living with sight loss, and this number is set to double by 2050.

The International Guide Dog Federation reported in 2022 that the pandemic continued to have an impact on global guide dog training, with waiting times increasing worldwide. We, too, continued to be frustrated by the effects of the pandemic and unfortunately for many people on our Ready to Train Programme, their wait for a guide dog has increased. Given it takes around two years to raise and train a guide dog, the impact of Covid remains, and it will be a few years before we return to pre-Covid dog partnership numbers. We are taking significant long-term steps to address this and are investing in our staff and our centres to put us on a better footing in the future.

During the pandemic we also lost many of our experienced puppy raisers and we are working hard to rebuild our vital volunteer community.

In 2022, we focused on increasing the number of our puppy raising volunteers. We established a cross-functional team of experts to help identify challenges, drive volunteer recruitment and improve the overall volunteer experience. We've seen thousands of new applications as a result.

As part of our response, we have appointed a new Director of Transformation and a new Technology Director to meet these challenges, improve our ways of working and ultimately increase the number of guide dog partnerships we can create.

We're all working extremely hard to deliver our recovery plans to strengthen our services, so we can change more lives than ever before. Guide dog success rates are recovering. Although there is further work to do, the number of puppies we're raising and the dogs we have in training are also returning to pre-pandemic levels.



We created 387 new guide dog partnerships and supported 4,065 existing guide dog and buddy dog partnerships.



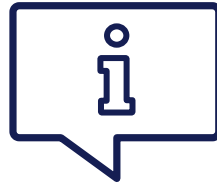
We increased the number of puppies starting their journey to become guide dogs to 1,217.



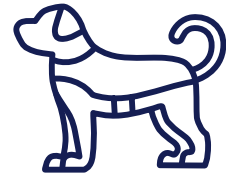
We provided expert information and advice through 51,694 calls to our Guide Line.



We received 5,086 applications to be a puppy raiser.



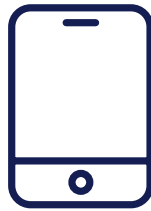
We provided support through digital information and advice 2.5 million times.



We created 52 new buddy dog partnerships for children and young people.



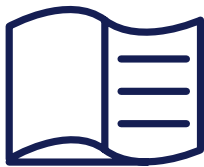
We supported 496 new My Sighted Guide partnerships and a total of 698 partnerships.



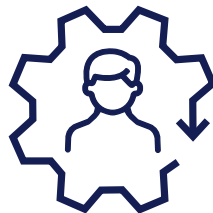
We gave 2,500 iPads to children and young people as part of our digital assistance programme Tech For All.



Our new Guide Dogs app to report access refusals was downloaded over 1,600 times.



Our CustomEyes Books team delivered 6,289 accessible books to families.



We provided 4,548 My Life Skills interventions for adults.



We helped 805 children with a vision impairment learn through My Time to Play.

Our services



From our Habilitation Specialists who teach children essential life skills, to our Vision Rehabilitation Specialists who support adults on our Ready to Train Programme, to our dedicated canine teams who raise and train the next generation of guide dogs – we're all passionate about making a difference to the lives of people with a vision impairment.

Guide dog service

In 2022 we created 387 new guide dog partnerships and across all our canine services supported 4,065 active partnerships. It's still our goal to match 1,000 guide dog partnerships a year and we continue to reinvigorate our operations to reach this. Reflecting the time it takes to breed, raise and train a guide dog, this challenge will take several more years. In 2022 we provided additional support to people on our Ready to Train Programme, and launched new initiatives to revitalise our operations with the objective of reducing the time it takes to be partnered with a guide dog. In 2023 we expect the number of active partnerships to reduce slightly while we build up our pipeline, and the number of puppies being raised to be at least in line with pre-Covid levels. Puppy numbers will continue to expand into 2024 and 2025 and we are planning the number of new partnerships to have returned to near 2019 levels in 2025. Thereafter, new partnerships will increase steadily to 1,000 per annum in the years to come.

International collaboration

We're doing everything we can to successfully partner as many people as possible with a guide dog, including collaborating with other guide dog organisations across the world to learn and share knowledge. In 2022, five fully trained guide dogs joined us from the Finnish Federation of the Visually Impaired and after spending a few months learning about life in the UK with our community team in Shrewsbury, almost all of the dogs are now matched in partnerships. Our international work continued with similar organisations in France and Japan providing dogs to enrich our breeding programme. These dogs will help us improve our genetic diversity and they were carefully selected to help safeguard the health and core traits of all our future guide dogs.



Ready to Train Programme

We know that when someone is ready to be matched with a guide dog the wait can feel like a lifetime. This year we expanded our team of Vision Rehabilitation Specialists and reached out to every person on our Ready to Train Programme to offer further support. Our specialists can offer a range of support including long cane training, help learning new routes, life skills for the home and advice about technologies that can support independence. In 2022, 12 new Vision Rehabilitation Trainees joined our team and eight Specialists qualified.

“

I felt quite anxious about my guide dog Slipper retiring, I didn't know how I was going to cope without her. When you go back to using the long cane, it's easy to feel like you don't want to go out.

I'm on the Ready to Train Programme and, while I wait to get partnered with another guide dog, I've been getting support from Vision Rehabilitation Specialist Rachael Johnson. Rachael has been teaching me the bus routes to neighbouring towns so I can visit other places to explore new shops and coffee shops.

My biggest worry was crossing the road to get to the bus stop. Rachael and I practiced crossing quieter roads first, teaching me about what to listen for and noticing any car lights. Then we identified the best place to cross for the bus stop and tackled that. We did the bus route together a few times, then I would do half of it on my own with Rachael meeting me off the bus in the neighbouring town and now I have the courage to do it by myself. The bus stop also has a QR code on it that Rachael taught me to scan on my phone for live bus updates.

I'm really happy that Rachael has given me the confidence to travel independently. Plus, I know practising these routes will help me when I'm partnered with another dog.”

After joining the Ready to Train Programme, Lyn received one-to-one support from our Vision Rehabilitation Specialists.

“

The more we try and understand our puppies the better; they are all individuals and giving them support tailored to their specific needs will help set them on the path to becoming happy, healthy guide dogs for people with sight loss.”

Dr Helen Whiteside, Assistant Director:
Breeding, Puppy Raising and Science



Canine expertise

Our Canine Science Team continues to provide insightful research so our dogs are raised to be happy and healthy, and we can match partnerships in the most efficient and effective way. Our 'Puppy Cognition' project, launched in April 2022, is a new way of understanding our puppies' personalities and behaviours. The project will assess around 400 puppies and the data will help us understand more about whether certain genes can influence temperament.



The health and happiness of our dogs

Our dogs' health and welfare is at the heart of what we do. We've added a layer of veterinary provision to our portfolio, with a small team of three vets and five vet nurses working between our National Centre in Warwickshire and our Reading Hub. Specialist veterinary expertise is fundamental to the routine and reactive care we provide, but until now we have always relied on external vets. With the large number of dogs we look after, it's more practical and cost effective to have some additional resource on site.

We are truly committed to our dogs' welfare, and we do everything we can to make sure they are healthy and happy throughout their lives. Our approach is underpinned by:



Positive reinforcement

So our dogs learn that training is rewarding and look forward to their work.



People

Everyone involved in looking after our dogs is provided with the skills and knowledge to deliver the best care and training possible.



Partnerships

Balancing the needs of both our dogs and the person they are partnered with. The welfare of our dogs is inseparable from the wellbeing of our service users.

Services for adults

Our dogs have always been at the heart of what we do, but we continue to look for innovative ways to reach more people.

Our digital
services delivered
information and advice
**2.5 million
times**

We provided
expert information
and advice
through over
51,000
calls to Guide Line

Online information and advice

We partnered with the Royal College of Ophthalmologists to create easy-to-access, high-quality online information about eye health and eye conditions. Our new eye health pages cover 29 topics ranging from 'Ageing and your eyes' to 'Make-up tips for eye safety and care'. Our eye conditions pages have articles on 43 of the most common or asked-about conditions. We provide information on symptoms and treatment, answers to frequently asked questions and advice on how and when to seek medical help. A key part of this project was to share lived experiences. Following nearly 40 one-to-one calls with people who have different eye conditions we created a series of award-winning animations that sit alongside the content on our website.

Sighted guide training

In 2022 we developed our sighted guide training programmes to teach even more people the important skill of guiding someone with sight loss with confidence and empathy. Our online Introduction to Sighted Guiding Training is for anyone wanting to learn more about basic guiding techniques, while our Friends and Family Sighted Guide Training is for those who want to help a loved one with a vision impairment. Over 63 online events took place in 2022 with 634 attendees, and 913 family members and friends were trained.

We also worked with leisure and tourism organisations by providing sighted guide training to staff and volunteers, to make visitor experiences much more accessible. This includes training almost 40 members of staff at Edinburgh Zoo and 22 members of staff and volunteers at Dartmoor Zoo.

We supported 496 new My Sighted Guide partnerships, helping people with sight loss do more of the things they love and explore new opportunities with a fully trained sighted guide volunteer.

My Life Skills

Our Vision Rehabilitation Specialists provide personalised support to help people live actively, independently and well. They are trained to help with a wide range of life skills from adaptations within the home, additional cane training, or advice and training on accessible technology. In 2022 we provided 4,548 My Life Skills interventions for adults.



Services for children and young people

For children with a vision impairment and their families, early intervention is life-changing. We're proud to provide a wide range of services for children and young people with a vision impairment in the UK.

Support for families

We continued to offer practical advice, support and emotional guidance to children with sight loss and their families. Our family days and annual family weekend give parents the chance to meet other families living with sight loss and to share experiences. They also help children with a vision impairment build their confidence and make lifelong friends.

CustomEyes Books

Our CustomEyes Books give children with a vision impairment the chance to read a printed book just like their friends. Each book we create is bespoke, with font size, spacing, colour and more, tailored to each child's individual needs. In 2022, we delivered 6,289 accessible books to families so they can experience the joy of reading.

In March we welcomed our Patron, Her Royal Highness The Duchess of Edinburgh, who met with staff from our Children and Young People's Services at our Reading Hub. The Duchess learnt more about our services, including CustomEyes Books, and read with children using our tailor-made books.



Tech for All

We know assistive technology can make a huge difference to children with a vision impairment, helping their learning, creativity and confidence. Following the successful pilot of our Tech for All initiative, we were able to offer another 2,500 iPads to children and young people with a vision impairment. We also worked in partnership with Apple to expand our Tech for All learning programme, helping families make the most of their iPad, including information on accessibility features and advice on apps that can be helpful for young people with a vision impairment.

We asked the parents or guardians of children who had received our iPads to complete a survey so we could evaluate the impact of our Tech for All scheme. The results were very positive, showing the initiative is really changing lives. The 2022 data showed a statistically significant positive impact across the measures of autonomy, openness and sociability in the four months after the families received the devices.



Buddy dogs

We've had a successful year with our buddy dogs service, which brings a canine friend into the lives of children with sight loss. These are dogs who, after starting their training, are not quite suited to being a guide dog but can enormously help a child's self-confidence, wellbeing and improve relationships. We created 52 new buddy dog partnerships in 2022.



My Life Skills

Our Habilitation Specialists provide My Life Skills training to help children develop practical skills and confidence so they can learn about and explore the world. We've also developed our Guide Dogs My Time to Play service, a programme of fun and supportive group sessions led by Habilitation Specialists which helps young children aged 0-4 and their families develop a broad range of skills. During 2022, we delivered My Time to Play to 805 children and family members.

“

When we first got Ruby's diagnosis we were scared about the future and how hard it might be.

When I called Guide Dogs I spoke with a Family Support Officer who actually has the same condition as Ruby. It was the best conversation I think I've ever had. She made us realise that everything will be okay. Ruby will still be able to do everything that everyone else can, sometimes just in a different way or with a little help. She got us lots of support with Ruby's paperwork and told us more about the different services available through Guide Dogs and other organisations.

When she told me about Guide Dogs My Time to Play I jumped at the chance to meet other families. Sometimes I feel that parents at other playgroups don't understand. The sessions were really exciting. Ruby loves other children and people in general. Ruby's favourite part was when we got a watermelon and scooped out all the insides. She was trying to pick out the seeds, getting really messy and then eating it. Usually, she doesn't like getting messy but now she's more open to it. Because of the sessions, she can now open jars and screw tops and we've nearly mastered closing them too. We could see her changing week by week. She's definitely grown her skills and her confidence. Learning through play is genius.”

Ruby, aged 4, and her mum, Magdalena, have loved attending our My Time to Play sessions.

Our people and places



Our dogs are our icons, but our people are our heroes. It's their skill, empathy and dedication that make our guide dog and other essential services possible. We want Guide Dogs to be a place where everyone can give their best and bring out the best in one another. But to do this, we must continue to support and develop our staff and volunteers.

Supporting our people

Throughout 2022, we've looked at how we can create an environment where we all feel supported, healthy, engaged and productive.

Like everyone else, we've not been immune from the recent price increases and additional financial pressures. The cost of living crisis has come at a time when our services have never been in such demand and it's more important than ever to look after our staff. In October, we gave all full-time and part-time staff a one-off cost of living payment to help with increasing costs.

Part of our wellbeing strategy, which we launched in 2022, was to empower our staff to look after their own wellbeing as well as providing support to colleagues. We've introduced wellbeing buddies, who are volunteer staff members who are trained to listen and support, whether someone is having a bad day or needs someone to talk to.

All our staff can also access our Employee Assistance Programme (EAP), a free and confidential wellbeing and life management resource. Staff who feel supported to manage life issues and stay well are better equipped to help us deliver our strategy.



“

As a police officer I had the opportunity to help people, but this role gives me the chance to make a longer-term impact and see that benefit through.”

Dan Hutton, Academy Learner Guide Dog Mobility Specialist

Investing in our specialist technical staff

In 2022 we focused on investing in our technical staff. We transformed the way we recruit, train and develop them to put us on a better footing for the future and deliver more guide dog partnerships.

At the start of the year, we officially opened the Guide Dogs Academy, our new training school for Guide Dog Trainers and Mobility Specialists. We recruited 59 new trainees who have now started at our regional centres across the UK, with a plan to recruit a further 110 over the next three years. Our trainees are embedded within our delivery teams but working through the Academy framework, so they are alongside their colleagues from the outset and trained to the highest international standards.

Celebrating diversity

We launched our Diversity, Equity and Inclusion strategy in 2022. This has begun to help us achieve our vision of a diverse, inclusive and equitable Guide Dogs where all our people feel they belong, are valued and included.

We're working hard to become the gold standard employer for people who have a vision impairment. We recognise the value of staff who have a vision impairment in shaping our organisation and we're building on the work we've already completed over the last two years to embed accessibility from the outset. All colleagues are expected to complete training to ensure all the documents we create are accessible.

A diverse organisation has a richness of thoughts and ideas. We celebrate our differences and champion diversity of perspective and lived experience.

We've also continued to grow and support our staff networks. These are affinity groups that provide a safe space for staff members with a shared lived experience to come together to discuss what matters to them. Alongside a number of networks which include Proud at Guide Dogs, Beyond Bias and the Disability Network, we have developed a new carers network too.



“

I joined the neurodiversity group at the start of 2022 and I am so grateful for the group. It is a place where we can have real, honest conversations or just listen to others as they share their stories. I feel more engaged and confident being part of this group.”

Pippa Bolton, Disability Network and South West Regional Wellbeing Team member

Developing our places

In the North East, we successfully launched our public appeal for our regional centre in Leeds in the summer of 2022. The redevelopment work at this centre started in early 2023. In Newcastle, we purchased a new property which will give us additional space to train 45 dogs as well as more outside space for training and enrichment.

We began the construction work for our new South East regional centre in Redbridge in September. By the end of the year we had also submitted our final design and plans for the redevelopment at our National Centre in Leamington.

Our in-house veterinary clinics were fitted out at the National Centre and Reading Hub, so we are better able to monitor the health of our dogs.

These redeveloped centres will allow us to improve the way we train our guide dogs of the future and achieve our vision of empowering more people with sight loss to live the life they choose.



Building our community of volunteers

Our volunteers and donors are the backbone of everything we do at Guide Dogs and we're so grateful to each and every one of our supporters. We know the impact of the pandemic will be with us for some time and to help us increase the number of dogs we can match we need more volunteers in all roles.

We received

5,086

**new puppy raiser
applications over the year**

In 2022, we focused on our puppies and dogs in training because this is the key to getting back on our feet after the disruption of recent years. We've identified the need to grow our puppy raising and fostering volunteer network. We've also taken a closer look at what it means to be a puppy raiser. This has helped us to better understand the overall experience to help us attract and keep as many volunteers as possible in future. As a result, we've seen a significant increase in puppy raiser and fosterer applications.





“

Never in a million years did I think I'd do puppy raising!

You get the worst part of the job – lack of sleep, they eat things, then they become lovely and they leave!

But I spoke with my husband and within a week we had signed up. And now we're doing it, it's a huge part of our lives. I didn't realise how much we needed this, but it's been the missing piece in our jigsaw puzzle. I'm a full-time carer for my daughter who has a disability, and the bond she has with the puppies and what she gets from them is huge.

Our first puppy Fergall was an absolute delight, he's the most emotional dog and loves people and cuddles. He started his advanced training in December and we're now raising our second puppy Archie.

It was hard saying goodbye to Fergall. I always knew it would be the toughest part of the journey. But you also feel immensely proud seeing your little star ready to progress. It's such a great sense of achievement knowing you have helped to make a future life-changer.”

Lisa became a puppy raiser for Guide Dogs in 2022 after speaking to a volunteer in her local town.

Our community



We're here to make sure children and adults with sight loss can live actively, independently and well. We work hard to remove barriers and champion best practice.

In 2022 nearly 100,000 people were told they are losing their sight.

Campaigning for change

Our campaigning work covers a range of issues; from making sure children with sight loss have access to the services they need, to ensuring public transport and streets are as accessible as possible. We couldn't do this important work without over 17,500 campaign supporters across the UK.

Open Doors campaign

In 2022, we published our Open Doors report, which revealed the extent and impact of access refusals on guide dog owners. Our new research showed that 81% of guide dog owners responding to our survey had been refused access to a business or service at some point. In response, we launched our Open Doors campaign to help end illegal access refusals. We do this by offering increased support to guide dog owners to report refusals, including through our new app, by educating businesses and service providers, and by working to strengthen the law.

In November, as part of our High Street Heroes activity, a record-breaking number of Guide Dogs campaigners visited their high streets to educate shops, cafés, restaurants and other businesses and services about the access rights of assistance dog owners. This year's event saw politicians taking part for the first time, with over 20 MPs taking to the streets to support us.



Scoot Aware campaign

E-scooters are becoming more and more common. However, e-scooters are almost silent, which means people with sight loss have little or no warning when they're approaching. We compiled our evidence and produced our Scoot Aware report. We have also worked with Police and Crime Commissioners across the country to seek their support to ensure robust police enforcement and to raise public awareness around the current laws on e-scooters.

All Things Equal

In spring the Government published its Green Paper with plans to reform the systems of support for children with special educational needs and disability. In response, we highlighted issues including the importance of increasing the specialist workforce that supports children with vision impairments and the need for schools to meet their obligations under the Equality Act 2010. We also hosted a Parliamentary Reception in April, attended by the Minister for Children and Families.

Transport accessibility

We were delighted when Network Rail announced their commitment to installing tactile paving on all railway stations by 2025, ahead of deadline. The announcement followed our campaign and the active support from 108 MPs who lobbied the Secretary of State for Transport on our behalf.



Working in partnership

In 2022, we continued to work in partnership with other sight loss charities and organisations to ensure we provide joined-up support and advice on important matters.

We know the cost of living crisis has had a disproportionate impact on the lives of people living with sight loss, so we've worked closely with organisations who are part of the VI Charity Sector Partnership, and co-ordinated a joint response. We created shared information and guidance which pulls together and combines our collective knowledge and resources.

The partnership aims to offer help and support in areas such as:

- Ensuring access to food and essentials
- Advice and information
- Liaising with energy providers
- Money and benefits advice
- Access to technology
- Community support
- Emotional support

Guiding stars

Towards the end of 2022, we launched our Guiding Stars campaign to raise awareness of the value of sighted guiding in making the world more accessible for people with sight loss. Much like learning how to perform first aid, sighted guiding is an important and useful life skill.

We also created the UK's first ever inclusive Christmas grotto for children with a vision impairment. Designed in collaboration with families and children with sight loss, the grotto created a magical and immersive festive experience. As part of this, we partnered with the Ministry of Fun's 'Santa School' to train Santas and Elves in grottos around the country to feel more confident about how to make the festive season more accessible.





“

I joined Guide Dogs in June 2021 as the Regional Policy and Campaigns Manager covering London and the South East. Our vision is to make every day better for people with sight loss by changing society.

I wanted to apply for the position because of how positive my experience of Guide Dogs was as a person with sight loss. When I applied, I was on the Ready To Train Programme waiting to be matched with a guide dog. Every interaction I had with Guide Dogs was really warm.

My lived experience of sight loss really helps me in my role. I can help stakeholders understand our policy and why it matters, and I think that makes me more influential. When I go to a meeting and a designer is showing me a map of something, I can share my experience with them and explain how it will or won't work, then I enjoy solving the problem.

I was matched with my guide dog Hermes in 2022 and he's raised my life to a whole new level. The biggest change since being partnered with Hermes is now I really want to enjoy my life. I want to do so much more. I used to really hate walking anywhere but now I'm not constantly thinking about the strain on my eyes, because he's doing all the hard work for me. I used to get really tired from travelling, but now I feel unstoppable!

Karishma works for Guide Dogs in the Public Affairs Team and was partnered with her first guide dog Hermes in spring 2022.

Fundraising



In a year of such challenging economic conditions, we've never been more grateful for the generosity of our valued supporters. This year we've worked hard to maximise every opportunity and make sure the way we engage with our supporters is relevant, inspiring and thought provoking.

Legacies

We are always incredibly grateful for our supporters who remembered us with a gift in their Will. Their legacies will change lives for many years to come, and we will remember them through their gifts.

This has been another remarkable year in terms of legacy donations. Our work continues to benefit from the generosity of many long standing supporters as well as resonating with new donors and legators. Although this is a story replicated in other areas across the charitable sector, the strength of our legacy portfolio is testament to our ongoing work to increase awareness and engagement with our work.

Sponsoring a guide dog puppy

Our Sponsor a Puppy scheme is increasingly popular, with supporters able to follow the progress of their chosen puppy in print or online in a wonderful variety of ways to immerse themselves in their puppy's world. We remain committed to delivering inclusive and exciting fundraising activities to bring our services ever closer to our donors.





Community fundraising

Our community fundraising volunteers and staff are fundamental to our ability to raise money across the UK. While many face-to-face events are now operational again after Covid, we've needed to be sensitive and considerate to national events and personal circumstances which have impacted supporters, including the death of HM Queen Elizabeth II and the effects of the Ukraine War.

We've enjoyed bringing the best of face-to-face and virtual events to a widening audience of supporters in 2022. These included the iconic London Marathon and Great North Run, Thames Path walks, accessible 5k runs, our much-loved Tea Party, Facebook challenges and a sell-out Christmas carol concert at the iconic St Paul's Cathedral.

Capital appeal

Our capital appeal programme continued to gain momentum in 2022. Our ambitious and inspiring plans will see us offering all our life-changing services from our four new regional centres for the first time, enabling us to reach more people across the country through our services.

By the end of the year, we secured more than £7 million in generous donations and pledged gifts towards our £10 million target.

Bringing our cause to even more people

It remains ever important for us to future-proof our fundraising, and in 2022 we continued to see the benefit of our plans to innovate and diversify our fundraising activities. We further developed our online gaming challenge Play Your Turn, created new virtual and face-to-face challenge events and developed our online store offer.

We want to remain relevant to the interests of our loyal supporters, whilst adapting to bring our cause and promote our full range of services to new communities across the UK.

Thank you to our volunteers

We want to say a huge thank you to each and every one of our incredible 15,500 volunteers, who have given over 13 million hours of their precious time in 2022. You're helping us to make sure that people with sight loss can live the life they choose.

From puppy raisers to sighted guides and fundraisers, we simply wouldn't be able to do what we do without you.

Thank you for supporting us. Your commitment and spirit ensures we can continue our work to change lives.





Future investment and plans

Our ambition is a future where every person with sight loss has the confidence and support they need to live the life they choose.



This ambition is central to our By My Side Strategy, which aims to support many more beneficiaries and expand the guide dog service to create 1,000 new partnerships every year. The strategy, launched in 2018, has been significantly disrupted by the impact of Covid. This has meant breeding and training programmes are yet to fully recover. We are making every effort to get back on track.

Our investment in 2022 focused on continuing to build future capacity to deliver on our strategy and expanding the numbers of puppies and operational resources to drive future guide dog partnership numbers to pre-pandemic levels and beyond.

To ensure that we are able to plan the necessary future workforce we established the Guide Dogs Academy at the beginning of the year on 15 sites, hired 59 additional specialist guide dog trainees and saw the number of qualified canine technical staff increase to 233 (2021: 220). Supported by a capital appeal, we increased our investment in new or expanding sites at Reading, Newcastle, Leeds and Redbridge. We also opened new on-site veterinary practices early in 2023 at both the Reading Hub and the National Centre in Warwickshire. We continued to work on new data and information systems that will drive productivity. The recovery of our breeding programme post-suspension in 2020 is well advanced. The number of puppies we produced increased in 2022 to 1,217 (2021: 967). Overall, we invested over £20.0 million to improve our services in 2022, which included a mixture of capital and operating spend.

To meet the challenge of achieving our 1,000 guide dog partnerships per year target, and do this in the most cost-effective way, our investment and transformation programme will continue at pace, supported by our in-house expertise.

Reserves of £52.5 million (2021: £56.4 million) have been designated to deliver this, supported by dedicated transformation expertise as follows:

Guide dog services and capability will be extended, with specific focus on our dog supply chain and volunteering operating models:

£16.2 million

(2021: £16.5 million).

Further work will be undertaken to continue to increase capacity and bring our facilities up to modern day standards:

£20.0 million

(2021: £21.2 million).

Modernisation of our fleet with electric vehicles will continue as global supply of vehicles recovers:

£9.6 million

(2021: £9.6 million).

Technological innovation will focus on extending our Customer Relationship Management capability and improving data and systems:

£6.6 million

(2021: £9.1 million).

Once complete, reserves are expected to reduce in line with Guide Dogs' reserves policy.

Sustainability and Guide Dogs

Carbon Report 2022

Reporting organisation

The Guide Dogs for the Blind Association

Person responsible

Sustainability and Energy Manager

Reporting period covered

1 January 2022 - 31 December 2022

Baseline year

2019

Organisational boundaries

Financial control approach, whereby the company accounts for 100 percent of the greenhouse gas (GHG) emissions over which it has control.

Reporting Methodology

GHG Protocol Corporate Accounting and Reporting Standard and the 2019 UK Government Environmental Reporting Guidelines, and UK Government GHG Conversion Factors for Company Reporting 2022.

Operational Scope

Scope 1 and 2 emissions and scope 3 emissions related to employee use of their own vehicle.

Intensity Ratio

tCO₂e per full-time equivalent employee.
tCO₂e energy used per average square metre of buildings.

The below table summarises the emissions by activity. Please note, some figures from 2021 have changed from last year's Annual Report, this is due to rebilling and some estimated invoices being updated.

Type of emissions and activity	2022 kWh	2022 tCO ₂ e	2021 kWh	2021 tCO ₂ e	2019 kWh	2019 tCO ₂ e
Scope 1 Gas	3,135,212	572	3,891,040	715	3,681,550	677
Scope 1 Biomass	520,158	5	1,124,922	17	1,110,939	17
Scope 1 Gasoil (direct billed)	366,986	94	255,666	66	247,053	63
Scope 1 Gasoil (indirect billed)	78,227	20	51,564	13	64,905	17
Scope 1 Fuel purchased (allocated/pool vehicles)	4,411,499	1,063	3,984,537	944	6,153,889	1,505
Scope 2 Electricity (direct billed)	2,092,550	405	2,195,908	466	2,337,472	597
Scope 2 Electricity (indirect billed)	141,921	27	77,587	17	121,670	31
Scope 3 Grey fleet	2,201,979	512	1,157,331	270	2,194,835	522
Scope 3 Hire car	165,474	40	184,979	45	392,309	93
Total (Location Based)	13,114,005	2,738	12,923,534	2,553	16,304,622	3,522
Scope 2 Electricity tCO₂e saving (Market Based)	(0)	(0)	(1,646,896)	349	-	-
Total (Market Based)	11,021,455	2,333	11,276,638	2,204	-	-

The below table summarises intensity ratios per employee and per square metre.

Intensity ratios	2022	2021	2019
1 – Average number of employees (fte)	1,590	1,456	1,392
tCO ₂ e per employee (location)	1.72	1.75	2.55
tCO ₂ e per employee (market)	1.47	1.51	Not available
2 – Average square metre	34,070	33,452	31,377
tCO ₂ e per square metre (location) (Calculation only includes 'building associated' emissions)	0.033	0.039	0.045
tCO ₂ e per square metre (market)	0.021	0.035	Not available

Energy saving

As our working practices continue to return to normal, our carbon footprint is remaining stable and is still below our baseline year. We're continuing to monitor energy usage across our sites and are pleased to have seen a decrease of 100,000kWh on our direct billed electricity as well as a significant decrease of 750,000kWh from gas usage over the course of 2022. Two of our larger sites have photovoltaic solar panels installed, one of which, Bristol, has managed to generate a third of the electricity consumed over 2022 for the site as a whole.

Our energy contract with Ecotricity, who supply 100% renewable energy and carbon neutral gas, has continued this year for the majority of our sites. This has enabled us to again include a market-based carbon total which shows a saving of 405tCO₂e.

Our property estate has grown in size, which has increased our building energy consumption, accounting for our rise in indirect energy consumption. However, our saving measures have ensured that gas usage has decreased by 143tCO₂e despite the additional sites.

Our grey fleet mileage has seen a return to similar levels of that of our baseline year, almost twice as high as 2021. As an organisation, we're increasing efforts to get back on track with all our services, which has affected the mileage driven by employees. With more than 300 additional employees in 2022, the grey fleet mileage is still reasonable when compared to the levels in 2019.

In efforts to keep on target with the move to electric vehicles (EVs) within the UK, during 2022 we began work to trial electric vans and also started the rollout of enhanced driver training for electric vehicles. This will accelerate through 2023, as more electric vehicles with sound, which is more considerate to people with sight loss, join the fleet. Our fleet policy was updated to include the introduction of electric cars, this will enable the organisation to accelerate the transition to electric over the coming years.

The introduction of EV charge points has been hampered by delays with district network operator approval. Permission must be sought prior to the connection of EV charging equipment to the electricity network. At the end of 2022, we were waiting for approval to install 12 points at four locations.

Our team of Green Reps have continued to raise awareness and encouraged colleagues to take part in activities such as the 'Great British Spring Clean'. This took place at the end of March, where groups of colleagues went litter-picking and tidied up around the office. Our '30 Days Wild' project in June encouraged colleagues to share photos of the nature and wildlife around them.

Our planning for 2023 and beyond now begins as we continue our journey to reach net zero.

Financial performance

The 2022 result is a surplus of £3.4 million (2021: £44.0 million). This is after the inclusion of investment losses of £10.3 million owing to the exceptional external environment (2021: gain of £7.0 million). Net movement in funds was £2.4 million (2021: £43.0 million). We have designated £52.5 million (2021: £56.4 million) in total to support future investment plans which will reduce cash resources to align with our reserves policy.

Cost of living crisis

The continued support of our donors has enabled our life-changing services to continue to reach existing and new service users, even whilst the cost of living crisis has placed further financial pressure on them. We thank our donors for their continued support.

To support our employees, a one-off net cost of living payment of £340 was made to staff excluding senior leaders. We will continue to review this going forward for 2023.

Going concern

The Trustees have considered several factors when forming their conclusions as to whether the use of the going concern basis is appropriate when preparing these financial statements. These factors include liquidity, cash resources, liabilities and demand for services.

In previous years cash resources were purposely built up to fund much-needed investment in facilities and technology. During 2022 we invested £20 million in furthering these activities and this is expected to continue over the next five years as we continue to invest to develop and expand our guide dog service.

After assessing the impact of possible income reduction scenarios, general inflation, and in particular resource and supply chain inflation, the Trustees have not identified any material uncertainties and have concluded that they have a reasonable expectation that there are adequate resources to continue to operate for at least twelve months from the date of signing of the financial statements. Therefore, the Trustees have continued to prepare the financial statements on a going concern basis.

Income

Income in 2022 totalled £142.0 million (2021: £153.0 million). The major elements of our income are as follows:

Donor-based income includes all types of income that are made on a voluntary basis. Donations totalled £53.7 million in 2022 (2021: £54.4 million). Sponsor a Puppy income remains stable at £46.2 million (2021: £46.2 million) despite the cost of living crisis.

Legacy income in 2022 totalled £66.3 million (2021: £77.7 million). Notifications have continued to grow by 28% in 2022 (2021: 19%), however 2021 included a small number of particularly large donations causing the overall level of legacy income to fall in 2022.

Our teams of volunteers were able to begin to reconnect with their communities in 2022, and this improved engagement and increased Community Fundraising income in 2022 to £6.2 million (2021: £5.7 million).

Corporate income increased to £4.9 million (2021: £4.1 million) principally owing to the additional contributions from the People's Postcode Lottery.

Other income in 2022 totalled £10.9 million (2021: £11.1 million). This includes income from Charitable Activities, Other Trading Activities and Investments.

Expenditure

Expenditure in 2022 totalled £128.3 million (2021: £116.0 million). Expenditure has risen as we increased the number of puppies and staff to reinvigorate the guide dog service. In addition, inflation has also impacted vet costs in particular.

Support costs amounted to £20.8 million (2021: £17.3 million). These costs have increased as a result of inflation in professional services and projects undertaken in 2022 to support the expansion of the guide dog service, for example the Guide Dogs Academy.

Costs of raising funds

Expenditure in 2022 totalled £32.6 million (2021: £34.4 million) and included £27.7 million (2021: £29.9 million) relating to the raising of donations and legacies. Allocated support costs were £3.1 million (2021: £2.7 million). Owing to increasing inflation in the supply chain, acquisition activity was carefully targeted to ensure monies were invested appropriately to minimise the cost of acquisition. As a result, expenditure in this area has fallen overall.

Costs of providing the guide dog service

Expenditure in 2022 totalled £63.8 million (2021: £53.2 million). Allocated support costs were £11.6 million (2021: £10.0 million). Direct costs have increased by £9.0 million as we have continued to invest in our Academy and additional resources to support our puppies and dogs in training.

Costs of providing other adult services

Expenditure in 2022 totalled £9.3 million (2021: £8.5 million). Allocated support costs were £1.7 million (2021: £1.9 million). Vision Rehabilitation Services have been expanded to support the journey towards a guide dog partnership.

Costs of providing our children's services

Expenditure in 2022 totalled £10.0 million (2021: £8.9 million). Allocated support costs were £3.1 million (2021: £1.5 million).

We have continued to expand this area, increasing technical habilitation resources and the number of trainees to 25 (2021: 17). Our Tech for All programme continued and provided 2,500 devices to children with a vision impairment in 2022 (2021: 4,930 devices).

Advocacy and awareness

Expenditure in 2022 totalled £11.9 million (2021: £10.3 million). Allocated support costs were £1.2 million (2021: £1.1 million). Guide Dogs has been active in 2022 with an Open Doors campaign drawing attention to access refusals which many guide dog owners are subject to and campaigning to keeping pavements clear, including to control the use of e-scooters.

Net losses and gains on investment assets

Our investment portfolio generated net losses of £10.3 million (2021: gain of £7.0 million).

Other recognised gains and losses

Net actuarial losses of £1.0 million (2021: £1.0 million) were recognised relating to the defined benefit pension scheme. These arose from changes in actuarial assumptions owing to changed market conditions.

Funds

Funds are equivalent to net assets, and include investments and cash which are discussed in our financial reserves policy. Funds increased by £2.4 million (2021: £43.0 million) to £198.8 million (2021: £196.4 million). These funds comprise three elements: unrestricted funds, restricted funds and endowment funds.

Each of these categories is described as follows:

Unrestricted funds

Unrestricted funds are those funds that we can use for any activity that meets our charitable objectives. At the end of 2022 unrestricted funds amounted to £194.6 million (2021: £191.7 million).

Unrestricted funds comprise of two types of reserves: general and designated funds.

General funds

At the end of 2022 general funds amounted to £99.4 million (2021: £98.0 million).

Designated funds

These are funds that have been designated for specific purposes by the Board of Trustees. These funds will be spent over the next five years. At the end of 2022 there were six designated funds: (1) The fixed assets fund representing the historical cost net of depreciation of tangible assets such as property, plant and equipment £42.3 million (2021: £36.0 million);

(2) People's Postcode Lottery (PPL) fund representing funds allocated to, but not restricted to, activity agreed with the PPL £0.5 million (2021: £1.3 million); (3) Strategic development of buildings in line with our By My Side Strategy £20.0 million (2021: £21.2 million); (4) Building future capability and increasing reach £16.2 million (2021: £16.5 million); (5) Investment in sustainability £9.6 million (2021: £9.6 million); and (6) Technological innovation £6.6 million (2021: £9.1 million).

Restricted funds

These are unexpended funds that have been donated to Guide Dogs with specific conditions attached to their use. As at 31 December 2022 these funds totalled £3.6 million (2021: £4.1 million). Approximately £1 million of these funds originated from the government's LIBOR fund, and will be spent over the next five years in providing guide dogs to veterans of the armed forces with a vision impairment. The remaining majority are restricted legacy donations which were received close to the year end. They are restricted to a specific location and will be spent within the year.

Endowment funds

These are funds that have been donated subject to the condition that the capital must remain unspent in perpetuity. Income from the investment of these funds may be used for unrestricted purposes.

As of 31 December 2022 these funds totalled £0.6 million (2021: £0.6 million).

Financial reserves policy

Our financial reserves policy seeks to ensure that reserves are maintained at a level that enables the Guide Dogs Group ('the Group') to manage financial risk and short-term income volatility, allowing us to sustain optimal levels of service over the long term, while ensuring that financial commitments can be met as they are due. Holding reserves also allows us to implement new strategic priorities and to invest in new opportunities that help us to achieve our goals.

Our reserves policy takes into consideration the nature of our most costly activity, the guide dog service, which requires us to commit expenditure over the medium to long term, while also recognising that, as we are a fundraising charity, we are subject to the effects of short-term volatility in income and inflation. We therefore hold funds in reserve to ensure that we can meet our service delivery plans in the face of such fluctuations. Reserve thresholds are reviewed on a three-year cycle; the next review will take place in 2024.

Cash resources, defined as investments and cash, are the most important part of our reserves policy. Our financial reserves policy mandates that the Group holds a minimum level of cash resources to ensure that we can discharge our financial commitments as they fall due over the course of the five-year plan. Following the Covid pandemic, the Board of Trustees (the 'Board') has agreed that the Group should aim to maintain cash resources above £44.7 million (2021: £42.0 million) unless exceptional events take place.

This level is determined by considering the need to act as caretakers for all our dogs; provide short-term protection against inflation and downward fluctuations in annual income or capital receipts; protect the charity from investment risk; support medium term strategic investment; and to provide a financial cushion in the event of extreme circumstances affecting the charity's ability to operate.

We have no wish to hold excessive cash resources; funds are donated to provide support to people with a vision impairment, not to hold in reserve. The Board therefore closely monitors current and projected levels of cash resources and amends its service delivery plans if levels become, or are expected to become, too high.

At 31 December 2022, cash resources after designations stood at £51.5 million (2021: £40.5 million), made up as follows:

Relationship between reserves, cash resources and cash resources after designations for comparison with reserves policy	2022 £m	2021 £m
Reserves	198.8	196.4
Remove fixed asset designations	(42.3)	(36.0)
Remove working capital*	(47.8)	(57.5)
Cash resources (Investments and cash at bank and in hand)	108.7	102.9
Less restricted funds	(3.6)	(4.1)
Less endowment funds	(0.6)	(0.6)
Cash resources prior to designations	104.5	98.2
Less People's Postcode Lottery designated funds	(0.5)	(1.3)
Less designated funds held for future investment	(52.5)	(56.4)
Cash resources after designations	51.5	40.5

We have designated funds in order to grow our services and reach more people, improve our infrastructure and training facilities, recruit and train additional technical staff and ultimately support recovery post-Covid and growth plans going forwards. As a result designated funds held for future investment have been refined to £52.5 million (2021: £56.4 million).

Tangible fixed assets

The movements in tangible fixed assets during the year are summarised in Note 6 to the financial statements. Capital expenditure of £7.3 million (2021: £5.6 million) has been incurred.

Investment policy

Our investment policy is:

- To protect the value of our investments in real terms while seeking an appropriate return.
- Not to invest directly in any company with a significant interest in any activity that runs contrary to Guide Dogs' charitable objectives and mission.

We consider this to be a prudent policy that challenges managers to produce excellent results.

The investment portfolio is managed on an unconstrained basis in two segments by CCLA Investment Management Limited (CCLA) and Newton Investment Management, supervised by

Guide Dogs' Finance Reporting & Investment Committee. We selected two managers for their contrasting styles, in order to diversify overall risk. Both Investment Managers have clear environmental, social and governance policies. Monies with CCLA are invested in a fund specifically designed for charities and monies invested with Newton are in a sustainable fund.

Our Finance Reporting & Investment Committee reviews investment manager performance against target on a quarterly basis, and against the performance of comparable funds over a five year time horizon. The annual performance for each fund manager is summarised in the table overleaf:

* Working capital consists of the legacy accrual.

Investment Manager	2022	2021
CCLA Investment Management Ltd:		
Target: CPI plus 5%	15.51%	16.96%
Actual performance	(9.00)%	17.38%
Newton Investment Management Ltd:		
Target: SONIA plus 4%	5.40%	4.05%
Actual performance	(11.45)%	7.56%

At the beginning of the year investments were valued at £78.3 million. The portfolio was valued at £83.7 million at the end of the year, with additions of £15.0 million from our cash reserves (2021: £4.0 million) and losses of £10.3 million (2021: gains of £7.0 million).

The scale and speed of changes in the investment environment in 2022 meant that certain elements of our managers' investment strategies designed to reduce volatility were not as successful as we would have envisaged. In response to this we are reviewing our investment strategy in 2023 and have already rebalanced our portfolio, moving monies from Newton to CCLA to avoid over concentration in any given fund. We regularly benchmark and review the performance of our managers to ensure risks and returns are appropriate.

Guide Dogs' pension schemes

We operate two funded pension schemes for our staff: a defined benefit and a defined contribution scheme.

We closed the defined benefit scheme to new entrants on 31 March 2011, and to future accrual on 31 December 2012. A valuation of this scheme for accounting purposes, under FRS 102, as of 31 December 2022 showed no deficit (2021: no deficit).

The latest completed full actuarial valuation of the scheme was at 31 December 2021. This showed a surplus of £11.0 million calculated on a technical funding basis. A discretionary annual contribution of £1.0 million was made to the pension scheme in 2022 (2021: £1.0 million). As the scheme is in surplus, there is no need for a deficit recovery plan.

We continue to work with the scheme's trustees to manage and reduce the financial risks inherent in the scheme's funding arrangements.

At 31 December 2022 the defined benefit pension scheme was fully funded on a technical basis with a funding percentage of 100.3%. The scheme did not suffer any significant liability driven investment (LDI) exposures during the year, although its asset values were impacted by wider market responses.

The defined contribution scheme has existed since 1 April 2011, and during 2013 also became the vehicle for the auto-enrolment offering to staff.

Risk management and governance

Our Board

The Board is ultimately responsible for establishing and monitoring Guide Dogs' system of governance, risk management and internal controls and setting associated policies for implementation by management. Guide Dogs' governance structure is designed to enable the Board to govern the charity within a framework of effective controls which enables risks to be assessed and managed.

Risk Management Framework

Our system of governance includes a Risk Management Framework using a 'three lines' approach which is overseen by the Audit & Risk Committee (ARC). In addition, the External and Internal Auditors respectively provide further assurance to the ARC and the Board in relation to our financial statements and to the effectiveness of our internal controls.

The Risk Management Framework seeks to ensure that:

- There are clear and established risk appetites in key areas of risk within which Guide Dogs operates.
- Risk management processes are in place to identify, assess, monitor, manage and report risks.
- Controls are implemented and monitored to reduce risk exposure proportionate to the need for effective service delivery.
- Risk management information is used to make effective decisions across Guide Dogs.

Risk, governance and visibility

The key areas of Guide Dogs' system of governance are as follows:

- The Board meets at least four times a year and a number of matters are specifically reserved for its approval.
- There is a clear organisational structure with appropriate levels of accountability and reporting lines. The Board approves the delegation of financial authority to the Chief Executive.
- An outsourced internal audit function, directed by the Audit & Risk Committee, undertakes a rolling review of the design and operational effectiveness of controls over activities based on the risks inherent therein.
- The Corporate Risk Group (CRG), comprised of senior managers across Guide Dogs, looks at operational risks across the organisation. The CRG is responsible for monitoring, reporting and mitigation of these risks.

Monitoring risks

We continue to monitor our significant strategic risks below. The continued importance of these and other strategic risks is reviewed regularly by the Audit & Risk Committee, with recommendations made to the Board. Such a review is in progress as at the date of this Annual Report:

Risk	Mitigation
Culture The risks associated with failing to deliver effective and timely transformation process and change.	<p>Transformation and strategy execution are a key focus of senior management.</p> <p>Creation of a leadership environment across Guide Dogs supported by clear design principles to reframe the operating model, overseen by a sub-committee of the Board.</p> <p>Prioritisation of business cases in line with the impact and benefit to service users.</p>
Dog supply chain The risk we fail to secure the resources required to deliver our objectives due to complexity and/or lack of resilience in the dog supply chain or changes to third-party provision.	<p>The supply chain matrix to 2025 is reviewed by the senior leadership team on a rolling basis, alongside priority work to reframe the operating model.</p>
Project delivery The risk that programmes and projects required to realise the transformation plan do not deliver the agreed benefits on time or within budget.	<p>A Technology and Transformation roadmap to ensure future developments are prioritised effectively.</p> <p>Project methodologies refined to underpin delivery to time, cost, and quality governance by the Strategic Monitoring Committee.</p>
Volunteering The risk that our Volunteering Strategy and organisational operating model does not have the right focus, sufficient range, and depth to deliver our strategic aims.	<p>We are focused on delivering our Guide Dogs strategic ambitions through workstreams that include:</p> <ul style="list-style-type: none">• a volunteer facing digital platform.• a target operating model review.• a volunteer centric approach for attraction, recruitment, and retention.
Animal welfare The risk we fail to fulfil our responsibility to meet the welfare needs of our dogs resulting in loss of goodwill, as well as support of staff, volunteers, donors, beneficiaries, and other stakeholders.	<p>Appointment of a Chief Veterinary Officer to ensure we meet requirements of the Animal Welfare Act 2006.</p> <p>An Animal Ethics Panel supported by a robust Ethical Policy embeds animal welfare practices into our day-to-day operations.</p> <p>Continued roll out of Standardised Training for Excellent Partnerships (STEP) and Puppy Raising for Excellent Partnerships (PREP).</p>

Risk

Cyber-security

The risk that “bad actors” may attempt to access our IT systems to steal and utilise charity data or plant malware viruses to access charity funds and/or cause a denial of service to those systems.

Safeguarding

The risk that a child, young person or vulnerable adult is harmed whilst being involved with Guide Dogs.

Charitable offer

The risk that funds are not focused on the right areas or making a meaningful difference for people with a vision impairment.

Staff recruitment & retention

The risk that we are not able to recruit and/or retain staff and volunteers with the right skills and behaviours, which may impact our ability to deliver our services. This is exacerbated by the current cost of living challenges as well as the general tightness in the UK labour market.

Mitigation

Our information technology systems and processes are being strengthened with an agreed action plan to enhance our ability to identify, detect and prevent such attacks.

Safeguarding compliance is managed by a dedicated internal team. The Audit & Risk Committee has also recently been strengthened with the appointment of a committee member with specialist safeguarding expertise.

Guide Dogs ensures there are proportionate safeguarding processes, with training to match service delivery needs. Relevant disclosure checks are completed on all people in roles working with children or vulnerable adults.

Safeguarding is considered part of everyone’s role at Guide Dogs. There is an established referral process and a full whistleblowing process for staff and volunteers to raise concerns to ensure Guide Dogs maintains a safe culture.

Approval by the Board of annual budgets to ensure resources are directed most effectively to deliver charitable aims.

Proactive communications strategy to share progress on the Guide Dog service to service users. This focuses on increased dog numbers and technical resources.

Undertake research to evidence the positive impact which Guide Dogs has on people living independently, actively, and well.

We are implementing plans to further attract, retain and develop talented people across the workforce. This includes:

- Our Guide Dogs Academy to deliver sustainable technical capacity.
- Robust recruitment and retention processes.
- Ongoing leadership and professional development.

Fundraising responsibly

We rely on donations to keep our life-changing services running. We have policies and controls in place to ensure we raise money in a considerate and responsible way. We are registered with the Fundraising Regulator and follow their code of practice. This means:

- We are transparent about how we raise funds.
- We treat donors and supporters respectfully and fairly.
- We explain clearly how to opt out of receiving fundraising communications.
- We adhere to data protection laws and explain clearly how we use, store and secure personal details.
- We work with third-party suppliers who ensure the provision of door-to-door and private site face-to-face donor acquisition, as well as some telefundraising activity.
- All third-party supplier contracts are approved by Procurement and Legal to ensure compliance with participator and third-party requirements under the fundraising Code of Practice.
- We ensure that any volunteer, third-party or professional agency who fundraises on our behalf has had proper training and adheres to our standards and procedures.
- We monitor the work of all third-party fundraisers by carrying out mystery shopping visits, observations, shadowing, quality calls and by listening to telephone calls to make sure they meet our quality standards. We record all our inbound and outbound fundraising calls for quality and training purposes.
- Guide Dogs has Chartered Institute of Fundraising Accreditation status that requires an annual assessment of our fundraising practices to ensure responsible fundraising practice.
- We take all reasonable steps to protect vulnerable people from persistent requests to donate. Any staff member or third-party agency who contacts supporters receives regular training on how they should address and deal with vulnerable people. Our safeguarding team takes follow-up action on any calls that raise concern.
- Guide Dogs supports Dementia Friends and incorporates its guidance in our training, which helps our staff and third-party fundraisers to understand dementia and how it may affect a person.
- We have robust procedures in place for handling complaints. We respond quickly and efficiently to resolve any complaints we receive about our fundraising. In 2022 we received 158 complaints (2021: 123), although this is an increase, it reflects a full return to face-to-face events in 2022 and is well below industry average.
- In 2022, 88% (2021: 89%) of the total proceeds from Guide Dogs' Lucky Lottery were applied for the unrestricted purposes of the charity, with its core objective to support people with sight loss to live the life they choose. The remaining 12% (2021: 11%) of the total proceeds covers prizes and the administrative costs of running the lottery.
- In 2022, 69% (2021: 71%) of the total proceeds from Guide Dogs' Raffles were applied for the unrestricted purposes of the charity, whose core objective is to promote the health, equality and independence of blind and partially sighted people. The remaining 31% (2021: 29%) of the total proceeds covers prizes and the administrative costs of running the Raffle.

Structuring and managing Guide Dogs

The Board of Trustees

The members of the Board of Trustees (the 'Board') of The Guide Dogs for the Blind Association (Guide Dogs) who are both Directors of the company and Trustees of the charity during 2022 and as of 4 July 2023, except as noted below, were:

James D Hambro
Chairman

Paul W Baker MBA

Clare E Black BSc (Hons)
Retired on 20 September 2022

Catherine M Crofts BSc, CIM, CAM

Robert M Deakin BA (Hons), (CEng), FIET

Christiane Elsenbach Dipl. Kfm, FCSI
Appointed 18 April 2023

Helen Farrow BA (Oxon), MBA
Appointed 18 April 2023

Lynne V Hill MVB, MBA, MRCVS
Deputy Chairman

Mark A T Johnstone BA (Hons), FCA

Patrick Moran CITP, CISSP
Appointed 18 April 2023

Kerry Small BA (Hons)
Appointed 18 April 2023

Dr Ranjit Sondhi BSc, CBE

Jennelle L Tilling BBus/BA

Emma J West BA (Hons)

Polly A Williams FCA, BA (Hons)
Retired on 30 December 2022

Michael J Wroe BSc (Joint Hons), FCA

Catherine Crofts and Patrick Moran
are guide dog owners.

Election of Trustees

The Trustees are reappointed by the members of Guide Dogs at the Annual General Meeting or appointed by the Board to fill any vacancies arising during the year. Recruitment takes place through a sub-committee of the Board with clear terms of reference. Trustees require candidates to provide the Board with a full range of relevant skills relating to the business of the charity. Trustees actively seek diverse applications, particularly from people with a vision impairment.

Trustees serve a three-year term of office before retiring and are eligible to stand for re-election for a maximum of two further three-year terms of office, which is subject to performance. Exceptionally, a fourth and final term may be served if there is a specific need, agreed by the Board.

Clare Black retired from the Board in September 2022. Clare's championing of children and young adults was fundamental to the expansion and development of our

children's services. We would like to thank Clare for her dedicated service over the years.

Polly Williams retired from the Board in December 2022 after completing three terms of office. We have very much appreciated her service and contribution over the years and we have benefitted greatly from her knowledge and expertise. We would like to thank Polly for her significant commitment and loyalty to the charity.

All new Trustees have personalised induction programmes and all Trustees are provided with regular training updates. These cover the main aspects of the charity, including our finances and our future plans and objectives. They are encouraged to visit one of our Guide Dogs Regional Centres and other local teams. They must also attend a staff and volunteer induction workshop, covering safeguarding and other topics.

Governance

Trustees have overall responsibility for Guide Dogs' activities and are advised by the Chief Executive and the Executive Directors. The Trustees have established four committees:

The Audit & Risk Committee comprises: Mark Johnstone, Trustee of Guide Dogs and Chairman of this Committee; Lynne Hill, Trustee; Patrick Moran, Trustee; Kerry Small, Trustee; Janet Ayoola, independent member and Elaine Carr, independent member.

The Finance Reporting & Investment Committee comprises: Mike Wroe, Trustee of Guide Dogs and Chairman of this Committee who succeeded Polly Williams on 1 January 2023; Christiane Elsenbach, Trustee; Helen Farrow, Trustee; Robert Barnard-Smith, independent member; and Michael Hughes, external consultant.

The Remuneration & People Committee comprises Emma West, Trustee of Guide Dogs and Chairman of this Committee; Patrick Moran, Trustee; Ranjit Sondhi, Trustee; Jennelle Tilling, Trustee; and James Hambro as an ex officio member.

The Nominations Committee comprises the following Trustees: James Hambro (Chairman) Chairman of the Board; Lynne Hill, Deputy Chairman of the Board who succeeded Polly Williams on 1 January 2023; Mike Wroe, Chairman of the Finance Reporting & Investment Committee; Ranjit Sondhi, Chairman of Blind Children UK; Mark Johnstone, Chairman of the Audit & Risk Committee and Emma West, Chairman of the Remuneration & People Committee.

The policy framework sets out terms of reference for the committees and the Board receives regular reports of their activities. The Board has a clear policy and procedures for dealing with conflicts of interest in accordance with the Charity Commission guidelines.

The organisation has adopted The Charity Governance Code and operates in accordance with its principles. Trustees and independent committee members do not receive any remuneration for their services to Guide Dogs.

The Charity has Professional Indemnity insurance in place for the benefit of all Trustees and Pension Indemnity insurance for Trustees of the defined benefit pension scheme.

s172 statement

Section 172 of the Companies Act 2006 requires Trustees to promote the success of the charity for the benefit of its stakeholders as a whole, and this includes anyone affected by sight loss, their families, our employees and volunteers, our sponsors and donors, our suppliers, the wider community and the environment. Acting in good faith and fairly, the Trustees consider what is most likely to promote success for its stakeholders and the charity in the long term.

Likely consequences of any decisions on the long term

The decision taken to ensure service users, volunteers, dogs and employees were protected during the Covid pandemic resulted in Guide Dogs pausing dog breeding and face-to-face training. Lockdowns prevented our puppies and dogs being socialised as they would normally. Consequently, the number of dogs available to establish partnerships has been restricted and, as seen in guide dog schools across the world, our qualification rates dropped significantly.

This means that the time taken to match guide dog partnerships has increased. To address this the Trustees have focused on increasing guide dog partnerships through the following key decisions:

- Supplementing our breeding programme with the purchase of external dogs from registered breeders.
- We have invested in growing our specialist canine workforce including recruiting trainees into our Guide Dog Academy and recruited into the roles Training and Behaviour Advisors and Training and Behaviour Consultants.
- Invested in a significant transformation programme of the guide dog service that has been designed to reduce waiting times to a pre-pandemic level and to increase partnership numbers to support our goal of matching 1,000 guide dog partnerships a year. We appointed a Director of Transformation to lead this key piece of work.

Engagement with stakeholders

The Trustees recognise that as a charity it is important that all decisions support the objective to help people with sight loss live the life they choose – to live actively, independently and well.

The key stakeholders we have considered are:

Stakeholder	Feedback received or our observations	Our principal decisions and response
Service users	<ul style="list-style-type: none"> Time taken to match guide dog partnerships has increased. 	<ul style="list-style-type: none"> Expanded our team of Vision Rehabilitation Specialists. Provided additional support to people on our Ready to Train Programme. Engaged a Director of Transformation to drive new initiatives to reinvigorate operations and increase efficiency. Increased breeding and purchase of external dogs. Increased recruitment into the Guide Dog Academy and other technical roles. Increased recruitment of puppy raisers.
Donors	<ul style="list-style-type: none"> Contact times not appropriate. 	<ul style="list-style-type: none"> Fundraise in accordance with Fundraising Regulator code of practice – see further details on page 56. Transparent in our use of donations – see further details on page 48. Elimination of door-to-door engagement in the evening.
Our people	<ul style="list-style-type: none"> Recruitment and retention concerns. Cost of living pressures. Wellbeing concerns. Volunteer journey timescales and support. 	<ul style="list-style-type: none"> Launched our Wellbeing Strategy and introduced wellbeing buddies. Provided staff with a one-off cost of living payment. Appointed a Head of Accessibility to prioritise lived experience and inclusivity. Launched our first Diversity, Equity and Inclusion Strategy – see further details on page 66. Introduced a taskforce to focus on improving volunteer experience and journey.
Our dogs	<ul style="list-style-type: none"> Animal welfare incidents raised. 	<ul style="list-style-type: none"> Continued roll out of Standard Training for Excellent Partnerships (STEP) and Puppy Raising for Excellent Partnerships (PREP). Increased number of wellbeing technicians. Decision approved to introduce two in-house veterinary practices.

Stakeholder	Feedback received or our observations	Our principal decisions and response
Partners and suppliers	<ul style="list-style-type: none"> • Inflation. • Value for money. • Increased requirement for in-house expertise. 	<ul style="list-style-type: none"> • Retendering of key contracts including dog food and external audit. • Appointment of Director of Technology.
Community	<ul style="list-style-type: none"> • Increased access issues for guide dogs. 	<ul style="list-style-type: none"> • Launched our Open Doors campaign and new app to report access refusals.
Environment	<ul style="list-style-type: none"> • Environmental, Social and Governance (ESG) not embedded into all activities. 	<ul style="list-style-type: none"> • 100% renewable energy and carbon neutral energy contract – see further details on page 46. • Introduction of electric vehicles – see further details on page 46. • Investment in photovoltaic solar panels. • Review of Procurement supplier selection criteria to incorporate ESG aspects.

A reputation for a high standard of business conduct

The Trustees are supported by an extensive governance framework, described on page 58. Two interim external consultants have been appointed, a Director of Transformation and a Director of Technology, to support the change agenda.

We conduct business in accordance with Charity Commission, Fundraising Regulator and Gambling Commission guidance, and have comprehensive whistleblowing procedures summarised on page 67. We place safeguarding

and wellbeing at the centre of all of our interactions. Detailed safeguarding training is undertaken by all of our people and monitored by a dedicated safeguarding team.

Owing to the complexity of our services and processes we have an extensive set of policies, procedures, guidance and training. These are reviewed regularly, audited cyclically using a risk based selection approach and the results of these audits monitored by the Audit & Risk Committee.

The need to act fairly between stakeholders of the charity

The aims of the charity and its clear strategy enable the Trustees to prioritise activities, ensure that stakeholder interests are always considered and that the Trustees act fairly between stakeholders.

Trustees Responsibility Statement

The Trustees (who are also directors of The Guide Dogs for the Blind Association for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period.

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

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.
- Observe the methods and principles in the Charities SORP.

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 ensure that the financial statements comply with the Companies Act 2006. Trustees are also responsible for safeguarding the assets of the charitable company and the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as we are aware:

There is no relevant audit information of which the charitable company's auditor is unaware.

The Trustees have taken all reasonable 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustee and Independent Committee Member attendance at Board and Committee meetings 2022

In the table below the number in brackets denotes the number of meetings the Trustee/Independent Committee Member was eligible to attend, and the number outside brackets represents the number of meetings actually attended.

	Trustee Board (6)	Away Day (2)	Audit & Risk Committee (5)	FRIC (4)	Pension Trust (4)	Remuneration & People Committee (5)	Nomination Committee (2)
James Hambro (Chairman)	6(6)	2(2)	-	-	-	4#(5)	2(2)
Paul Baker	4(6)	2(2)	-	-	-	-	-
Clare Black	2(2)	1(1)	-	2(2)	-	-	1(1)
Catherine Crofts	6(6)	2(2)	-	-	-	-	-
Rob Deakin	4(6)	0(2)	4(5)	-	-	-	-
Lynne Hill	6(6)	2(2)	4(5)	-	-	-	-
Mark Johnstone	6(6)	2(2)	5(5)	-	-	-	2(2)
Ranjit Sondhi	6(6)	2(2)	-	-	-	4(5)	1(1)
Jennelle Tilling	4(6)	2(2)	-	-	-	4(5)	-
Emma West	6(6)	2(2)	-	-	-	5(5)	2(2)
Polly Williams*	4(6)	1(2)	-	4(4)	3(4)	-	2(2)
Mike Wroe	6(6)	2(2)	-	3(4)	-	-	1(2)
Elaine Carr^	-	-	5(5)	-	-	-	-
Robert Barnard-Smith^	-	-	-	3(4)	-	-	-
Bruce Gordon^*	-	-	-	-	4(4)	-	-
David Bagley*	-	-	-	-	4(4)	-	-
Lynda Bowen*	-	-	-	-	4(4)	-	-
Roz Gratton*	-	-	-	-	3(4)	-	-
Gordon Smith*	-	-	-	-	3(4)	-	-
Claire Walters*	-	-	-	-	4(4)	-	-
John Wrighthouse*	-	-	-	-	4(4)	-	-

^ Denotes Independent Committee Member

* Denotes Pension Trustee

Denotes attendance in ex officio capacity, not as a member of the committee

Managing Guide Dogs – our Executive Directors

Guide Dogs’ Executive Directors are the Chief Executive and the Executive Directors. Together, they are accountable for Guide Dogs’ vision and strategy. The Executive Directors are responsible for the day-to-day management of Guide Dogs, acting under delegated authority given to them by the Board. It is important for Guide Dogs to have an effective leadership team in place in these senior roles. The Executive Directors in post during 2022 and as of 4 July 2023 were:

Name	Position
Tom Wright	Chief Executive Officer
Sarah Bennett	Acting Finance Director (from May 2023)
Vijay Doshi	Chief Financial Officer (from June 2022 to May 2023)
Beverley Hopkins	Acting Chief Financial Officer (from March 2022 to May 2022)
Deirdre Evans	Chief Financial Officer (to February 2022)
Emma Foulds	Chief Marketing and Strategy Officer
Deborah Bourne	Director of Fundraising and Commercial (from July 2022)
	Joint Acting Director of Fundraising (from December 2021 to June 2022)
Hannah Wallis	Joint Acting Director of Fundraising (from December 2021 to June 2022)
Peter Osborne	Chief Operations Officer
Kathryn Ward	Director of People

From 2023 The Executive has been strengthened with two interim appointments:

Name	Position
Helen Bliss	Director of Transformation (from January 2023)
Jon Farley	Director of Technology (from January 2023)

These roles will work closely with the Executive Team to implement an extensive change agenda.

Our policy on executive pay

Guide Dogs is a growing charity, with the ambition to support the Vision Impaired (VI) community through a doubling of the number of guide dog partnerships, developing new services and extending other services. To achieve this, we need to develop, recruit and retain talented leaders with the skills and experience to help us meet our goals. The Board of Trustees, all independent volunteers, decide the level of pay for the Executive Directors, who are accountable to the

Board for ensuring we transform the lives of those we support. The current pay policy and terms and conditions for the Executive Directors and CEO forms part of their contracts. It was introduced in 2011, reviewed in 2021, and any pay changes are determined by Guide Dogs' Remuneration & People Committee operating as a sub-committee of the Board.

The Trustees use recognised benchmarks to ensure individual and collective levels of pay are appropriate, and comparable

with similar roles in organisations of a similar size and complexity. Pay rises are awarded based on benchmark, organisational and individual performance, as well as affordability. Guide Dogs is committed to transparency on the issue of pay and supports the recommendations in the National Council of Voluntary Organisations (NCVO). Information about executive pay is available on both our website and in this annual report.

Salary and benefits

Name	Position	Period in role	Basic salary
Vijay Doshi	Chief Financial Officer	7 months	£81,919
Deirdre Evans	Chief Financial Officer	2 months	£21,009
Beverley Hopkins	Acting Chief Financial Officer	3 months	£22,734
Emma Foulds	Chief Marketing and Strategy Officer	12 months	£110,415
Deborah Bourne	Director of Fundraising and Commercial (July 2022 onwards) and Joint Acting Director of Fundraising (to June 2022)	12 months	£76,695
Hannah Wallis	Joint Acting Director of Fundraising	6 months	£28,085
Peter Osborne	Chief Operations Officer	12 months	£107,255
Kathryn Ward	Director of People	12 months	£122,700
Tom Wright	Chief Executive Officer	12 months	£179,696

Pension contributions, employer's National Insurance and flexible benefits for key management listed above totalled £182,273 (2021: £165,413).

Other benefits

Benefits for Executive Directors are in line with benefits and pension contributions available to all staff. This includes a flexible benefits allowance of up to 3% of salary, and employer pension contributions conditional on employee contributions.

Diversity, equity and inclusion

In 2022 we took a major step in our commitment to grow the diversity of our people – those who work or volunteer for us, support us and receive a service from us – with the creation of our first formal Diversity, Equity and Inclusion Strategy. We also undertook our first Ethnicity Pay Gap and Disability Pay Gap analysis, alongside our Gender Pay Gap reporting.

As an employer, a provider of services and a recipient of public and donor money, it is hugely important that we are open, honest, and equitable. Our DEI strategy sets out our roadmap for the next three years across four pillars. These are:

- Becoming the gold standard employer for people who are vision impaired.
- Being inspired by difference.
- Levelling the playing field.
- Building a culture of belonging.

We continue to support our employees through the wide range of staff networks, run by staff for staff; we listened to colleagues with vision impairments and made changes during 2022 which answered many of the needs they expressed; we delivered cultural awareness training for staff and volunteers around race & ethnicity, allyship, neurodiversity and disability; we appointed a Head of Accessibility to further improve the inclusivity of the environments, systems and technology we work with; we are significant contributors to the agenda around Lived Experience within the Vision Impaired charity sector; and we provide support and expertise to a number of forums which further promote these aims.

Employee involvement

We're committed to transparency in our work, including employees in decisions, and consulting formally and informally about proposed changes. We listen to feedback from employees and volunteers through broad annual surveys and targeted focus groups. We enable mutually beneficial two-way communication with employees through day-to-day line management, team and cross-directorate meetings, our intranet, and email.

Employees of all levels contribute to key forums, such as our Inclusion & Accessibility committees, and our Regional & National Wellbeing teams. In addition, employees can raise any questions they may have at a national level, via regular all-staff Q&A meetings, and via our elected Staff Representatives, who in turn work to problem solve, supporting individuals and our whole community.

Employing people with disabilities

We are a Disability Confident Employer and have been awarded the Two Ticks symbol by Job Centre Plus. The symbol identifies employers who have taken action to meet five commitments on the employment, retention, training, and career development of employees with disabilities. We apply the same principles to anyone who becomes disabled while employed by Guide Dogs. We support our staff – and new hires – through any applications for Access to Work grants, as well as ensuring they have the reasonable adjustments required to thrive in the workplace. In 2022 we implemented a mentor scheme to help current employees with a vision impairment to achieve their career goals, and our Disability staff network is our fastest growing group, providing peer support to over 100 members.

Whistleblowing

Our whistleblowing policy outlines our approach to dealing with allegations which relate to suspected wrongdoing or potential risks at work which have a wider impact. The Audit & Risk Committee receives an annual report from the Whistleblowing Officer on the level and nature of issues raised. Any significant matters raised would be escalated to the Chairman of the Audit & Risk Committee as identified. The respective responsibilities of the Committee and the Board in respect of whistleblowing are set out in the Terms of Reference. The Committee reviews, on behalf of the Board, the adequacy and security of the charity's arrangements for its employees, volunteers, agency workers and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee seeks to ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.

Related parties

Guide Dogs is the sole member, or owns the entire issued share capital of its seven subsidiary undertakings:

- The Guide Dogs for the Blind Association (Trading Company) Limited is the charity's trading subsidiary.
- Blind Children UK is a charity which raises funds to provide services to children and young people with vision impairment and their families. In 2022 Blind Children UK made a restricted grant of its liquid funds to Guide Dogs for use in providing these services.
- Guide Dogs UK Limited is the charity's design and build subsidiary.
- GDBA Community Care Services Limited, GDBA (Pension Fund Trustee) Limited, Guide Dogs Limited and Blind Children UK (Trading) Limited were dormant during 2021.

The financial performance of these subsidiaries is disclosed in Note 17 of the financial statements.

Reappointment of Auditor

In accordance with Section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of BDO LLP as auditor of the Company.

Corporate information

The Guide Dogs for the Blind Association (Guide Dogs) operates under the abbreviated name of Guide Dogs.

Guide Dogs is a registered charity (Number 209617 in England and Wales, number SC038979 in Scotland and number 1334 in Isle of Man) and was incorporated as a company limited by guarantee (registered in England and Wales number 00291646) on 30 August 1934. Its Central Office which is also its Registered Office, is Hillfields, Reading Road, Burghfield Common, Reading, Berkshire RG7 3YG.

Guide Dogs is governed by its Articles of Association, which were last amended on 14 September 2021. Guide Dogs is a company limited by guarantee and does not have a share capital. In the event of the company being wound up, each member of the company undertakes to contribute such amount as may be required (not exceeding £1) towards the costs of dissolution and liabilities of the Association.

Public benefit

The objects and aims of Guide Dogs fall within the sub-section of the Charities Act 2011 related to the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

No person who is blind or partially sighted is prohibited from applying for assistance from the services we provide on the grounds of financial circumstances.

The Board has paid due regard to the public benefit guidance published by the Charity Commission.

Principal Advisors

Auditor

BDO LLP
2 City Place
Beehive Ringway
Gatwick
West Sussex RH6 OPA

Bankers

Barclays Bank Plc
Thames Valley Corporate
Wytham Court
11 West Way
Oxford OX2 0JB

HSBC Bank plc
25 High Street
Windsor
Berkshire SL4 1LN

Investment Fund Managers

Newton Investment
Management Ltd
The Bank of New York
Mellon Centre
160 Queen Victoria Street
London EC4V 4LA

CCLA Investment
Management Limited
1 Angel Lane
London EC4R 3AB

The Trustees' report, including the Strategic report and the Directors' report, was approved by the Board on 4 July 2023 and signed on its behalf by:



James Hambro
Chairman

Independent auditor's report to the members and the Trustees of The Guide Dogs for the Blind Association

Report on the audit of the financial statements

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2022 and of the Group's incoming resources and application of resources and the Parent Charitable Company's 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 regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended.

We have audited the financial statements of The Guide Dogs for the Blind Association ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2022 which comprise the consolidated statement of financial activities incorporating an income and

expenditure account, the consolidated and charity balance sheets, the consolidated 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent 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.

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 Group and the Parent Charitable Company'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.

Other information

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

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

Other Companies Act 2006 reporting

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.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or 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 Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company 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 responsibility 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 Group's and the Parent 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 Group or the Parent 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.

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

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
 - Discussion with management, the Audit and Risk committee and those charged with governance;
 - Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the Charities Act in the UK, UK GAAP, UK tax legislation, the Charity Commission and the Office of the Scottish Charity Regulator.
- Our procedures in respect of the above included:
- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
 - Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
 - Review of financial statement disclosures and agreeing to supporting documentation;
 - Involvement of tax specialists in the audit; and
 - Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management, the Audit and Risk committee and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud;
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Assessing the design and operating effectiveness of controls and procedures relevant to the preparation of the financial statements and the detection and prevention of irregularities and fraud.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias, including; the valuation and assumptions used to value the defined benefit pension scheme; assumptions used within accrued legacy income; and allocation of support costs.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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: 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.

Fiona Condron

Fiona Condron

Senior Statutory Auditor
For and on behalf of BDO LLP
Statutory Auditor
London, United Kingdom

Date: 6 July 2023

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

Accounts and financial statements

Consolidated statement of financial activities incorporating an income and expenditure account for the year ended 31 December 2022

	Notes	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	Total 2022 £m	Total 2021 £m
Income and endowment from:	2					
Donations and legacies		118.4	12.7	-	131.1	141.9
Charitable activities		1.3	-	-	1.3	1.0
Other trading activities		8.4	-	-	8.4	9.0
Investments		0.9	-	-	0.9	0.7
Other income		0.3	-	-	0.3	0.4
Total income		129.3	12.7	-	142.0	153.0
Expenditure on:	3					
Raising funds		32.6	-	-	32.6	34.4
Charitable activities						
Provision of guide dog services		52.0	11.8	-	63.8	53.2
Provision of other adult services		9.1	0.2	-	9.3	8.5
Provision of other children's services		8.8	1.2	-	10.0	8.9
Research and development		0.7	-	-	0.7	0.7
Advocacy and awareness		11.9	-	-	11.9	10.3
Total expenditure on charitable activities		82.5	13.2	-	95.7	81.6
Total expenditure		115.1	13.2	-	128.3	116.0
Net (loss)/gain on investments		(10.3)	-	-	(10.3)	7.0
Net Income/(expenditure) for the year		3.9	(0.5)	-	3.4	44.0
Other recognised losses						
Actuarial loss on defined benefit pension scheme		(1.0)	-	-	(1.0)	(1.0)
Net movements in funds		2.9	(0.5)	-	2.4	43.0
Reconciliation of funds						
Fund balance brought forward at 1 January		191.7	4.1	0.6	196.4	153.4
Fund balance carried forward at 31 December		194.6	3.6	0.6	198.8	196.4

All results are derived from continuing operations. There are no other recognised gains or losses. The prior year consolidated statement of financial activities is presented in Note 22.

The accounting policies and notes on pages 79 to 109 form part of these financial statements.

Consolidated and charity balance sheets at 31 December 2022

	Notes	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Fixed assets					
Tangible assets	6	42.3	38.7	42.3	38.7
Intangible fixed assets	7	3.5	–	3.5	–
Investments	8	83.7	78.3	84.7	78.8
Total fixed assets		129.5	117.0	130.5	117.5
Current assets					
Stocks	9	0.3	0.3	–	0.1
Debtors	10	52.3	62.2	52.7	63.2
Cash at bank and in hand		28.2	26.5	25.6	24.8
Total current assets		80.8	89.0	78.3	88.1
Creditors					
Amounts falling due within one year	11	(11.4)	(9.5)	(10.8)	(9.3)
Net current assets		69.4	79.5	67.5	78.8
Total assets less current liabilities		198.9	196.5	198.0	196.3
Creditors					
Amounts falling due after more than one year	12	(0.1)	(0.1)	(0.1)	(0.1)
Net assets		198.8	196.4	197.9	196.2
Unrestricted funds					
General funds		99.4	98.0	98.8	98.1
Designated funds		95.2	93.7	95.2	93.7
Total unrestricted funds		194.6	191.7	194.0	191.8
Restricted funds		3.6	4.1	3.3	3.8
Endowment funds		0.6	0.6	0.6	0.6
Total funds		198.8	196.4	197.9	196.2

The parent charity, The Guide Dogs for the Blind Association, has gross income of £140.0m (2021: £151.8m) and a result of £1.7m gain (2021: £43.6m gain) for the year. As provided by Section 408 of the Companies Act 2006, no separate income and expenditure account is presented for the parent charity. The Financial Statements of The Guide Dogs for the Blind Association (registered company number 00291646) were approved and authorised for issue by the Board of Trustees on 4 July 2023 and signed on its behalf by:



James Hambro, Chairman



Mark Johnstone, Trustee

The accounting policies and notes on pages 79 to 109 form part of these financial statements.

Consolidated cash flow statement for the year ended 31 December 2022

	Notes	2022 £m	2021 £m
Cash flows from operating activities			
Net cash provided by operating activities	21	26.7	21.3
Cash flows from investing activities			
Dividends, interest and rents from investments		0.9	0.7
Purchase of tangible and intangible fixed assets		(10.8)	(5.6)
Proceeds from sale of tangible fixed assets		0.4	0.2
Purchase of investments		(15.5)	(4.0)
Net cash used in investing activities		(25.0)	(8.7)
Change in cash and cash equivalents in the reporting period		1.7	12.6
Cash and cash equivalents at 1 January		26.5	13.9
Increase in the year		1.7	12.6
Cash and cash equivalents at 31 December		28.2	26.5

The accounting policies and notes on pages 79 to 109 form part of these financial statements.

The prior year figures have been restated to disclose the 2021 purchase of investments amounting to £4.0 million as investing activities. This was previously misclassified as cash flows from financing activities. This change does not impact the net result, cash position or the opening/closing funds balance.

Notes to the financial statements for the year ended 31 December 2022

Company and charitable status

The Guide Dogs for the Blind Association (Guide Dogs), a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having share capital. There are currently 14 Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. Guide Dogs is a registered charity. The registered office and charity registration numbers are given on page 68.

1. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are as follows:

a. Basis of accounting

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

The Guide Dogs for the Blind Association meets the definition of a qualifying entity under FRS 102 and the charity has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

b. Preparation of the accounts on a going concern basis

The Board of Trustees has reviewed financial projections for Guide Dogs which reflect the

aim to quickly return the number of guide dog partnerships to pre-Covid levels. The Board of Trustees have not identified any material uncertainties related to events or conditions that cast significant doubt on the charity's (and group's) ability to continue as a going concern. The Board of Trustees consider that there are sufficient cash resources for at least the next twelve months from the date of signature of the financial statements to manage any foreseeable downturn in the UK and global economy. The Board has considered the impact of a key risk crystallising and a number of worst case scenarios including a reduction in donations and continued supply chain inflation on future cashflows.

c. Group financial statements

Group financial statements have been prepared in respect of the Charity and its wholly owned subsidiary undertakings The Guide Dogs for the Blind Association (Trading Company) Limited, Blind Children UK and Guide Dogs UK Limited. These financial statements have been consolidated on a line-by-line basis and include the elimination of intercompany transactions and balances. The results of the subsidiary undertakings are disclosed in Note 17.

d. Income

Income is recognised when the Group and Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

- i. The income of community fundraising activities and associated donations is accounted for on a receivable basis. Income from raffles and draws is accounted for at the time of cash receipt.
- ii. Donated goods and services are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised and is referred to in the Trustees' report (including the Directors' report and Strategic report) for more information about their contribution. On receipt, donated goods and services are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

- iii. Legacy income: Pecuniary legacies are accounted for when notification of the legacy is received, normally after grant of probate, unless there is any evidence that there are insufficient assets in the estate to pay the legacy or the legacy is contested. Residuary legacies are accounted for when notification of the legacy is received, normally after grant of probate providing the amount can be reliably ascertained and that ultimate receipt is probable. See also Sources of estimation uncertainty. Where part or all of a legacy is contested, the disputed amount is not recognised as income. Residuary legacies with a life interest are not recognised as income until the beneficial title has passed to the Charity absolutely. Legacies that do not meet the recognition criteria but where a value can be reliably estimated are disclosed as contingent assets in Note 10 – Debtors.
- iv. Investment income is accounted for on an accruals basis.
- v. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.
- vi. Coronavirus Job Retention Scheme Government grant income is accounted for on a cash basis.
- vii. Other grant and trust income is recognised at the earlier of cash received and when entitlement and value can be evidenced.
- viii. Rehabilitation income is recognised based on services provided in accordance with agreed contractual arrangements.

e. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is recognised on an accruals basis.

- i. Grants payable are recognised when a legal commitment has been made and the fulfilment of any associated performance obligation is judged to be probable. Any performance obligations judged to be possible will be disclosed as a contingent liability.
- ii. The costs of charitable activities and raising funds include relevant direct costs incurred and the direct costs of staff employed on the activity, together with a share of overheads and support costs calculated in proportion to the number of staff employed in this area. Governance costs (relating to the direct costs associated with the constitutional and statutory requirements of the charity and including the costs of internal and external audit, secretariat and other related costs) are included in the support costs allocation.
- iii. The cost of irrecoverable Value Added Tax is included within relevant expenditure.
- iv. Termination liabilities are recognised when a legal or constructive obligation exists that can be reliably estimated and is probable will occur.

f. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, information technology, finance, personnel, payroll and governance costs which support the group's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. Support costs have been allocated primarily on the basis of headcount of staff included in each charitable activity.

g. Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

h. Tangible fixed assets

Tangible fixed assets are stated at cost, with the exception of freehold land and buildings which are stated at historic valuation and were adopted as deemed costs upon FRS 102 transition (see Note 6), net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold land	Nil
Freehold buildings	2½% - 5%
Furniture and equipment	10% - 20%
Motor vehicles	20%
Computers	33%

Leasehold properties are depreciated over their lease terms on a straight-line basis.

i. Intangible fixed assets

Intangible fixed assets represent costs of significant software and technology systems for use in the long term. Research phase costs are expensed, costs of the development and implementation phases are capitalised. Costs are amortised over their useful economic life of 7 years following commissioning of the system. Prior to commissioning assets will be disclosed as assets under construction and will not be amortised.

j. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at transaction price (including transaction costs), except for those financial assets classified at fair value through the statement of financial activities, which are measured at fair value (which is normally the transaction price), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The Charity and Group only have financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value in the case of current assets and liabilities and discounted settlement value in the case of assets and liabilities falling due after more than one year.

k. Significant areas of estimation and judgement

In the application of the Group's accounting policies, which are described here, the Trustees are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical accounting judgements

Pension fund asset recognition (Note 19): The defined benefit scheme surplus of £13.3 million (2021: £36.7 million) has not been recognised as the Trustees judge that they cannot demonstrate that it is recoverable by Guide Dogs.

The accounting treatment of dogs: the cost of dog training and the provision of dogs for partnerships are running costs of the charity, incurred in line with charitable objectives. Costs are expensed in the period in which they are incurred, and no asset nor corresponding liability is recognised in the balance sheet. Dogs are generally bred internally, with the Trustees judging the associated costs to represent key running costs of the charity and delivery of its charitable objectives, rather than development of a resource controlled by the company i.e. an asset. Few dogs are purchased externally and these costs are expensed. Breeding and training are both regarded as activities that the charity undertakes on behalf of its beneficiaries, with the undertaking of these processes representing fulfilment of an implicit charitable objective. The expensing of such costs aligns with the Charities SORP definition of expenditure, being the amount of a charity's resources spent in carrying out its activities.

Sources of estimation uncertainty

Accrued legacy income (see Note 10): The accrued legacy income amounts to £47.8m at 31 December 2022 (£57.5m at 31 December 2021).

Legacy income is recognised on a receivable basis when the charity is entitled to the legacy, receipt is probable, and the value can be estimated with sufficient accuracy. The critical judgement involved in the recognition of legacy income is around whether the recognition criteria are met. The key sources of estimation uncertainty are in relation to the estimated disposal value of underlying capital assets in residuary legacies, and the legal and professional fees and other liabilities, which are estimated based on the best information available at the balance sheet date. When calculating the estimated value of a residuary legacy, an estimated deduction for costs incurred in administering an Estate of 5% or 7% or 9%, depending on the size of the Estate, is applied. Due to the uncertainty associated with such estimates, there is a possibility that, on conclusion of open matters at a future date, the final outcome may differ.

Pension actuarial assumptions (see Note 19). The valuation of pension liabilities is determined using a number of assumptions including the discount rate, rate of increase of pensions in payment, inflation rates, life expectancy in retirement and cash commutation. The key source of estimation uncertainty is the likelihood of actual rates diverging from the assumptions used to estimate pension liabilities. The valuation and underlying assumptions used in these accounts have been prepared by a qualified actuary and reflect industry standards.

I. Investments

Investments are stated at market value at the balance sheet date. The value of unit trusts is the mid price of the units.

It is the charity's policy to keep valuations up to date such that when investments are sold there is no realised gain or loss arising. As a result, the Statement of Financial Activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings as they are together treated as changes in the value of the investment portfolio throughout the year.

Investments in subsidiary companies are stated at cost, less any provision for impairment.

Social, environmental or ethical considerations are addressed through the selection of appropriate funds which are limited to investments in line with the charitable objectives, exclude certain types of investments and prioritises sustainability.

m. Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

n. Cash and cash equivalents

Cash and cash equivalents are defined as cash in hand, notice deposits with a notice period of less than 3 months at the date of acquisition and overdraft facilities repayable on demand. A net debt reconciliation is not required as Guide Dogs do not have any debt.

o. Pension costs

Guide Dogs sponsors two pension schemes:

- a. A defined contribution scheme. The pension charge in relation to this scheme is based upon employer's contributions payable in the year.
- b. A defined benefit pension scheme. This scheme is closed to future accrual. The pension charge in relation to this scheme is based on annual valuations undertaken by the scheme Actuary in compliance with the provisions of FRS 102.

The difference between the fair value of the assets held in the defined benefit pension scheme and the liabilities measured on an actuarial basis using the projected unit method is recognised in the group's balance sheet as a pension asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the group can recover the surplus and has not been recognised as the group does not have an

unconditional right to a refund of any surplus on wind-up of the Scheme.

In addition, there is a small unfunded pension liability in respect of three ex-employees. The liability in relation to these employees is recognised in accordance with annual actuarial valuations.

p. Fund accounting

The charity has a few small permanent endowments, which have to be retained as capital in perpetuity. However, income arising from these funds is wholly unrestricted.

Restricted funds are those which must be applied in accordance with the purpose specified by the donor. Expenditure relating to these purposes is therefore charged directly to the relevant fund.

The unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects. Such funds include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose. Transfers of funds from general unrestricted funds to designated funds are approved by the Trustees. Further details of each fund are disclosed in Note 14.

q. Taxation

Guide Dogs, as a registered charity, is exempt from corporation tax under Chapter 3 of Part 11 to the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that surpluses are applied to its charitable purposes. No corporation tax charge has arisen in the charity's subsidiaries, in one case because the subsidiary itself is a registered charity, and in all other cases due to their policies of gifting all taxable profits to Guide Dogs each year. Irrecoverable VAT is charged against the category of total expenditure for which it was incurred.

2. Income

	2022 £m	2021 £m
Income from donations and legacies		
Community fundraising	6.2	5.7
Donor-based fundraising	53.7	54.4
Corporate and trust income	4.9	4.1
Legacies	66.3	77.7
Donations and legacies	131.1	141.9
Charitable activities		
Sale of rehabilitation services under contract	1.1	0.8
Ancillary trading	0.2	0.2
Charitable activities	1.3	1.0
Other trading activities		
Raffles and draws	3.6	4.0
Lotteries	3.5	3.5
Other	1.3	1.5
Other trading activities	8.4	9.0
Investment income	0.9	0.7
Other income		
Other	0.3	0.3
Coronavirus Job Retention Scheme (government funding)	-	0.1
Other income	0.3	0.4
Total income	142.0	153.0

See note 10 for further information on the accrued legacy income. Corporate and trust income includes £nil (2021: £nil) income from government and government-related grants.

One ex-gratia payment (2021: one) of £367 was made during the year (2021: £1,000). This relates to an interpretation of a Will.

3. Total expenditure

	Direct costs £m	Support costs £m	Total 2022 £m	Total 2021 £m
Expenditure on raising funds				
Expenditure on raising donations and legacies				
Community fundraising	3.7	1.0	4.7	4.4
Donor-based fundraising	16.8	0.7	17.5	20.8
Corporate and trust income	0.9	0.3	1.2	1.0
Fundraising development and administration	2.3	0.8	3.1	2.8
Legacy marketing and administration	0.9	0.3	1.2	0.9
Expenditure on raising donations and legacies	24.6	3.1	27.7	29.9
Expenditure on trading activities				
Expenditure on other trading activities	1.2	–	1.2	1.0
Raffles and draws	1.7	–	1.7	1.7
Lotteries	1.8	–	1.8	1.6
Expenditure on trading activities	4.7	–	4.7	4.3
Investment management fees	0.2	–	0.2	0.2
Expenditure on raising funds total	29.5	3.1	32.6	34.4
Charitable expenditure				
Provision of guide dog services	52.2	11.6	63.8	53.2
Provision of other adult services	7.6	1.7	9.3	8.5
Provision of children's services	6.9	3.1	10.0	8.9
Research and development	0.6	0.1	0.7	0.7
Advocacy and awareness	10.7	1.2	11.9	10.3
Charitable expenditure	78.0	17.7	95.7	81.6
Total expenditure	107.5	20.8	128.3	116.0

3. Total expenditure continued

2021 Comparatives

	Direct costs £m	Support costs £m	Total 2021 £m
Expenditure on raising donations and legacies			
Community fundraising	3.4	1.0	4.4
Donor-based fundraising	20.1	0.7	20.8
Corporate and trust income	0.8	0.2	1.0
Fundraising development and administration	2.2	0.6	2.8
Legacy marketing and administration	0.7	0.2	0.9
Expenditure on raising donations and legacies	27.2	2.7	29.9
Expenditure on trading activities			
Cost of goods sold and other costs	1.0	-	1.0
Raffles and draws	1.7	-	1.7
Lotteries	1.6	-	1.6
Expenditure on trading activities	4.3	-	4.3
Investment management fees	0.2	-	0.2
Expenditure on raising funds	31.7	2.7	34.4
Charitable expenditure			
Provision of guide dog services	43.2	10.0	53.2
Provision of other adult services	6.6	1.9	8.5
Provision of children's services	7.4	1.5	8.9
Research and development	0.6	0.1	0.7
Advocacy and awareness	9.2	1.1	10.3
Charitable expenditure	67.0	14.6	81.6
Total expenditure	98.7	17.3	116.0

3. Total expenditure continued

Total expenditure includes:

	2022 £m	2021 £m
Lease charges		
Other – land and buildings	0.9	0.9
Depreciation charged in the year	3.5	3.1
	2022 £'000	2021 £'000
Fees payable to the charity's auditor		
The audit of the charity's annual financial statements (inclusive of VAT)	175.2	76.1
The audit of the charity's subsidiaries pursuant to legislation (inclusive of VAT for BCUK)	19.2	18.9
Other services (inclusive of VAT)	-	18.0
The audit of the charity's pension scheme (inclusive of VAT)	-	22.0
Fees payable to the pension scheme's auditor		
The audit of the charity's pension scheme (inclusive of VAT)	30.0	-

3. Total expenditure continued

Support cost allocation

	Raising funds £m	Provision of guide dog services £m	Provision of other adult services £m	Provision of children's services £m	Research and development £m	Advocacy and awareness £m	Total 2022 £m
Governance	-	0.2	-	-	-	-	0.2
Finance	0.5	2.0	0.2	0.5	-	0.2	3.4
Information technology	1.1	4.1	0.6	1.1	0.1	0.5	7.5
Human resources	0.6	2.1	0.3	0.6	-	0.2	3.8
Marketing and communications	0.3	1.0	0.2	0.3	-	0.1	1.9
Central property costs	0.3	1.1	0.2	0.3	-	0.1	2.0
Other central costs	0.3	1.1	0.2	0.3	-	0.1	2.0
Total	3.1	11.6	1.7	3.1	0.1	1.2	20.8

2021 comparatives

	Raising funds £m	Provision of guide dog services £m	Provision of other adult services £m	Provision of children's services £m	Research and development £m	Advocacy and awareness £m	Total 2021 £m
Governance	-	0.2	-	-	-	-	0.2
Finance	0.5	1.7	0.3	0.3	-	0.2	3.0
Information technology	1.0	4.1	0.8	0.6	0.1	0.4	7.0
Human resources	0.5	1.7	0.3	0.3	-	0.2	3.0
Marketing and communications	0.2	0.6	0.1	0.1	-	0.1	1.1
Central property costs	0.2	0.8	0.2	0.1	-	0.1	1.4
Other central costs	0.3	0.9	0.2	0.1	-	0.1	1.6
Total	2.7	10.0	1.9	1.5	0.1	1.1	17.3

Contributions to the defined contributions pension scheme are allocated to activities in line with resources the contributions relate to. All defined contribution pension contributions are funded from unrestricted funds.

4. Research and development

Research and development comprises strategic, market, consumer and scientific research and technology development. Total research and development expenditure amounted to £0.7m (2021: £0.7m).

5. Trustees and employees

The Trustees and persons connected with them have not received, obtained or waived any remuneration or other financial benefits for the year directly or indirectly from Guide Dogs (2021: £nil). Travelling and subsistence expenses were reimbursed in respect of seven (2021: six) Trustees, totalling £3,893 (2021: £1,447). Trustee donations received in respect of six (2021: seven) Trustees total £3,066 (2021: £1,484).

Staff costs

	2022 £m	2021 £m
Wages and salaries	54.3	46.6
Social security	5.6	4.6
Other pension costs	3.5	3.1
Sub total	63.4	54.3
Other staff-related costs	6.5	5.0
Total	69.9	59.3

Wages and salaries include £0.4m redundancy and termination payments in the year (2021: £0.3m).

The average headcount of persons employed during the year ended 31 December 2022 was 1,734 (2021: 1,623). The average number of persons employed during the year ended 31 December 2022 is shown below on full-time equivalent basis:

	2022 Number (FTE)	2021 Number (FTE)
Fundraising and legacies	195	198
Provision of guide dogs services	788	742
Provision of other adult services	114	140
Provision of other children's services	202	117
Research and development	7	10
Advocacy and awareness	86	75
Management, administration and clerical (indirect)	198	174
Total	1,590	1,456

5. Trustees and employees continued

Pension contributions were paid into Guide Dogs' defined contribution scheme for 1,613 employees (2021: 1,511 employees).

The number of group employees whose emoluments, excluding pension contributions and employers' National Insurance, but including benefits in kind, were in excess of £60,000 was:

	2022 Number	2021 Number
£60,001 to £70,000	16	19
£70,001 to £80,000	10	8
£80,001 to £90,000	8	6
£90,001 to £100,000	1	2
£100,001 to £110,000	1	1
£110,001 to £120,000	1	-
£120,001 to £130,000	1	1
£130,001 to £140,000	-	1
£180,001 to £190,000	1	1
Total	39	39

Pension contributions were paid into the Guide Dogs' defined contribution scheme for the year on behalf of 39 (2021: 39) of the employees with emoluments in excess of £60,000.

The key management personnel of the parent charity and the Group are listed on pages 64 and 65. The total remuneration (including pension contributions and employer's National Insurance) of the key management personnel of the charity for the year totalled £932,782 (2021: £898,653).

No staff are employed directly by subsidiary companies.

6. Tangible fixed assets

	Freehold properties and land £m	Assets under construction £m	Leasehold properties £m	Furniture, equipment, vehicles and computers £m	Total £m
Group and Charity Cost					
As of 1 January 2022	54.1	1.0	1.0	15.9	72.0
Additions	2.6	1.4	-	3.3	7.3
Disposals	(0.1)	-	-	(3.9)	(4.0)
Transfers	0.2	(0.2)	-	-	-
At 31 December 2022	56.8	2.2	1.0	15.3	75.3
Depreciation					
As of 1 January 2022	21.2	-	0.8	11.3	33.3
Provision for year	1.7	-	-	1.8	3.5
Disposals	(0.1)	-	-	(3.7)	(3.8)
At 31 December 2022	22.8	-	0.8	9.4	33.0
Net book value 31 December 2022	34.0	2.2	0.2	5.9	42.3
Net book value 31 December 2021	32.9	1.0	0.2	4.6	38.7

The freehold property depreciation charge for the year on a historical cost basis was identical to the actual charge as the revalued assets have now been fully depreciated (2021: identical). Freehold properties and land includes £5.8m of freehold land (2021: £5.8m).

In respect of signing the contract for the sale of Land at Manor Road, Redbridge on 12 July 2022, consideration will be payable to Guide Dogs should future events occur. No asset has been recognised in the financial statements as receipt of the consideration is not certain, however the terms of the agreement establish a contingent asset of £0.6m (2021: £nil).

7. Intangible fixed assets

	Assets under construction £m
Group and Charity Cost or valuation	
As of 1 January 2022	-
Additions	3.5
At 31 December 2022	3.5
Amortisation	
As of 1 January 2022	-
At 31 December 2022	-
Net book value 31 December 2022	3.5
Net book value 31 December 2021	-

8. Investments

a. Movement in investments during the year

	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Market value as of 1 January	78.3	66.7	78.8	67.2
New investment	15.0	4.0	15.5	4.0
Dividends received	0.9	0.7	0.9	0.7
Net (loss)/gain on revaluation	(10.3)	7.0	(10.3)	7.0
Fees paid	(0.2)	(0.1)	(0.2)	(0.1)
Market value at 31 December	83.7	78.3	84.7	78.8

b. Analysis of investments of market value

	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Listed investments				
– United Kingdom	83.7	78.3	83.7	78.3
Investments in subsidiaries	–	–	1.0	0.5
Total	83.7	78.3	84.7	78.8

c. Analysis of investment cost

	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Listed investments				
– United Kingdom	74.9	59.9	74.9	59.9
Investments in subsidiaries	–	–	1.0	0.5
Total	74.9	59.9	75.9	60.4

At 31 December 2022 the listed investments included holdings in COIF Charities Investment Fund, managed by CCLA, valued at £41.8m (2021: £28.4m) and BNY Mellon's Newton Sustainable Real Return Fund valued at £41.9m (2021: £49.9m). The CCLA holding includes £0.6m (2020: £0.6m) representing Guide Dogs' Endowment Funds.

The results of the charity's subsidiaries are discussed in Note 17.

9. Stocks

	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Equipment	–	0.1	–	0.1
Trading stock	0.3	0.2	–	–
Total	0.3	0.3	–	0.1

10. Debtors

	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Tax recoverable	1.6	2.2	1.5	2.2
Trade debtors	0.3	0.3	0.3	0.3
Due from subsidiary undertakings	–	–	0.5	1.0
Accrued legacy income	47.8	57.5	47.5	57.5
Other accrued income	0.4	0.4	0.3	0.4
Other prepayments	2.2	1.8	2.6	1.8
Total	52.3	62.2	52.7	63.2

A proportion of legacies receivable may be received after more than 1 year, but in most cases this figure cannot be determined with any accuracy due to the inherent uncertainty in the timing of receipt of legacy income.

In addition to the accrued legacy income, the Charity has been notified of legacies for which no income has been recognised as at 31 December because the income recognition criteria have not been met. The timing and amounts to be received are uncertain. On a case-by-case basis, the value of contested legacies is estimated to amount to £1.5m (2021: £1.0m). In addition, there are a further 384 legacies (2021: 252) where a life tenancy exists or conditions attached to the legacy have yet to be met, which are also not included in accrued legacy income.

11. Creditors: amounts falling due within one year

	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Trade creditors	3.3	3.0	2.9	2.9
Other creditors	0.6	0.6	0.6	0.6
Tax and social security	1.7	1.3	1.7	1.4
Accruals and deferred income	4.9	4.6	4.7	4.4
Provisions	0.9	–	0.9	–
Total	11.4	9.5	10.8	9.3

The majority of deferred income relates to fundraising and sports events taking place in 2023.

12. Creditors: amounts falling due after more than one year

	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Unfunded pension obligations	0.1	0.1	0.1	0.1

The unfunded pension obligations are in respect of three (2021: three) retired members of staff.

13. Financial instruments

The carrying values of the financial assets and liabilities are summarised below:

	Notes	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
Financial assets measured at transaction price					
Debtors	10	48.5	58.2	48.8	59.2
Cash at bank and in hand		28.2	26.5	25.6	24.8
Total		76.7	84.7	74.4	84.0
Financial liabilities measured at transaction price					
Creditors	11	(9.6)	(8.2)	(9.0)	(7.9)
Total		(9.6)	(8.2)	(9.0)	(7.9)
Financial assets measured at fair value					
Investments	8	82.7	77.8	83.7	78.3
Total		82.7	77.8	83.7	78.3
Financial liabilities measured at amortised cost					
Unfunded pension obligations	12	0.1	0.1	0.1	0.1
Total		0.1	0.1	0.1	0.1

The gains and losses in respect of financial instruments are summarised below:

	Notes	Group 2022 £m	Group 2021 £m	Charity 2022 £m	Charity 2021 £m
(Losses)/Gains on financial assets measured at fair value					
Investments	8	(10.3)	7.0	(10.3)	7.0
Total		(10.3)	7.0	(10.3)	7.0
Interest income on financial assets measured at fair value					
Investments	8	0.9	0.7	0.9	0.7
Total		0.9	0.7	0.9	0.7
Impairment (losses) on financial liabilities measured at amortised cost					
Unfunded pension obligations	12	-	-	-	-
Total		-	-	-	-

14. Fund balances

	1 January 2022 £m	Income £m	Expenditure £m	Loss/Gain £m	Transfers £m	31 December 2022 £m
Year ended 31 December 2022						
Group						
General funds	98.0	129.3	(115.1)	(11.3)	(1.5)	99.4
Designated funds	93.7	-	-	-	1.5	95.2
Revaluation reserve	-	-	-	-	-	-
Restricted funds	4.1	12.7	(13.2)	-	-	3.6
Endowment funds	0.6	-	-	-	-	0.6
Total	196.4	142.0	(128.3)	(11.3)	-	198.8
	1 January 2022 £m	Income £m	Expenditure £m	Loss/Gain £m	Transfers £m	31 December 2022 £m
Year ended 31 December 2022						
Charity						
General funds	98.1	127.3	(113.8)	(11.3)	(1.5)	98.8
Designated funds	93.7	-	-	-	1.5	95.2
Revaluation reserve	-	-	-	-	-	-
Restricted funds	3.8	12.7	(13.2)	-	-	3.3
Endowment funds	0.6	-	-	-	-	0.6
Total	196.2	140.0	(127.0)	(11.3)	-	197.9
	1 January 2021 £m	Income £m	Expenditure £m	Investment gain £m	Transfers/ Other £m	31 December 2021 £m
Year ended 31 December 2021 comparatives						
Group						
General fund	79.5	139.8	(104.8)	6.9	(23.4)	98.0
Designated fund	64.8	-	-	-	28.9	93.7
Revaluation reserve	5.9	-	-	-	(5.9)	-
Restricted funds	2.7	13.2	(11.2)	-	(0.6)	4.1
Endowment funds	0.5	-	-	0.1	-	0.6
Total	153.4	153.0	(116.0)	7.0	(1.0)	196.4
	1 January 2021 £m	Income £m	Expenditure £m	Investment gain £m	Transfers/ Other £m	31 December 2021 £m
Year ended 31 December 2021 comparatives						
Charity						
General fund	79.0	138.6	(103.0)	6.9	(23.4)	98.1
Designated fund	64.8	-	-	-	28.9	93.7
Revaluation reserve	5.9	-	-	-	(5.9)	-
Restricted funds	2.4	13.2	(11.2)	-	(0.6)	3.8
Endowment funds	0.5	-	-	0.1	-	0.6
Total	152.6	151.8	(114.2)	7.0	(1.0)	196.2

14. Fund balances continued

Designated funds

Year ended 31 December 2022	1 January 2022 £m	Income £m	Expenditure £m	31 December 2022 £m
Group and charity				
Strategic development of buildings	21.2	1.2	(2.4)	20.0
Building future capability and increasing reach	16.5	6.4	(6.7)	16.2
Investment in sustainability	9.6	-	-	9.6
Technological innovation	9.1	1.0	(3.5)	6.6
Funds designated for future investment	56.4	8.6	(12.6)	52.4
Fixed assets	36.0	10.9	(4.6)	42.3
People's Postcode Lottery	1.3	2.0	(2.8)	0.5
Total	93.7	21.5	(20.0)	95.2

Year ended 31 December 2021 comparatives	1 January 2021 £m	Income £m	Expenditure £m	31 December 2021 £m
Group and charity				
Strategic development of buildings	20.0	4.1	(2.9)	21.2
Building future capability and increasing reach	-	16.5	-	16.5
Investment in sustainability	-	9.6	-	9.6
Technological innovation	10.0	-	(0.9)	9.1
Funds designated for future investment	30.0	30.2	(3.8)	56.4
Fixed assets	33.5	5.2	(2.7)	36.0
People's Postcode Lottery	1.3	-	-	1.3
Total	64.8	35.4	(6.5)	93.7

Restricted funds

Year ended 31 December 2022	1 January 2022 £m	Income £m	Expenditure £m	Transfers £m	31 December 2022 £m
Group					
Restriction					
Location	2.6	8.4	(8.7)	-	2.3
Guide dog services	0.1	2.6	(2.6)	-	0.1
Veterans	0.8	-	(0.2)	-	0.6
Children's services	0.3	1.2	(1.2)	-	0.3
Other	0.3	0.1	(0.1)	-	0.3
Capital	-	0.4	(0.4)	-	-
Total	4.1	12.7	(13.2)	-	3.6

14. Fund balances continued

Year ended 31 December 2022

Charity	1 January 2022 £m	Income £m	Expenditure £m	Transfers £m	31 December 2022 £m
Restriction					
Location	2.6	8.4	(8.7)	–	2.3
Guide dog services	0.1	2.6	(2.6)	–	0.1
Veterans	0.8	–	(0.2)	–	0.6
Children's services	–	1.2	(1.2)	–	–
Other	0.3	0.1	(0.1)	–	0.3
Capital	–	0.4	(0.4)	–	–
Total	3.8	12.7	(13.2)	–	3.3

Year ended 31 December 2021

Comparatives Group	1 January 2021 £m	Income £m	Expenditure £m	Transfers £m	31 December 2021 £m
Restriction					
Location	0.9	6.5	(4.8)	–	2.6
Guide dog services	0.1	5.3	(5.3)	–	0.1
Veterans	1.1	–	(0.3)	–	0.8
Children's services	0.3	0.5	(0.5)	–	0.3
Covid Job Retention Scheme	–	0.1	–	(0.1)	–
Other	0.3	0.8	(0.3)	(0.5)	0.3
Total	2.7	13.2	(11.2)	(0.6)	4.1

Year ended 31 December 2021

Comparatives Charity	1 January 2021 £m	Income £m	Expenditure £m	Transfers £m	31 December 2021 £m
Restriction					
Location	0.9	6.5	(4.8)	–	2.6
Guide dog services	0.1	5.3	(5.3)	–	0.1
Veterans	1.1	–	(0.3)	–	0.8
Children's services	–	0.5	(0.5)	–	–
Covid Job Retention Scheme	–	0.1	–	(0.1)	–
Other	0.3	0.8	(0.3)	(0.5)	0.3
Total	2.4	13.2	(11.2)	(0.6)	3.8

Restricted income comes primarily from legacies but also from other income streams. There was a capital appeal in the year for our new build in Redbridge which has been spent in the year. Most funds are utilised in the year of receipt as they are matched to activities already happening in the area. Blind Children UK reserves of £0.3m (2021: £0.3m) are treated as restricted.

Revaluation reserve balances amounting to £2.7 million as at 1 January 2021 and 31 December 2021 for the revaluation of properties for both the Group and Charity have been reallocated to general funds as the properties had been fully depreciated as at those dates. This restatement does not impact the net result and the unrestricted funds in 2021 remain the same.

15. Capital commitments and contingent liabilities

At the end of the year the capital commitments relating to property and vehicles for each of the following periods are:

	2022 £m	2021 £m
Group		
Within one year	11.9	0.2
Between one year and five years	-	-
Beyond five years	-	-
Total	11.9	0.2

These capital commitments will be funded by designated funds.

Contingent liabilities as of 31 December 2022 include legacy indemnities that Guide Dogs has provided to the executors of certain estates. These indemnities provide legal recourse to the recovery of any overpayments up to the total value of receipts by Guide Dogs. The maximum possible liability arising from 41 (2021: 51) indemnities outstanding at the balance sheet date was £2.5m (2021: £4.4m) with the majority of indemnity periods being 6 years.

16. Other financial commitments

At the end of the year the total of future minimum lease payments under non-cancellable leases for buildings for each of the following periods are:

	2022 £m	2021 £m
Group		
Within one year	0.9	0.9
Between one year and five years	0.6	0.6
Beyond five years	-	-
Total	1.5	1.5

17. Subsidiaries

The Association owns the whole of the issued share capital, or is the sole member of:

1. The Guide Dogs for the Blind Association (Trading Company) Limited (company registration number 1596945);
2. Blind Children UK (company registration number 3133018);
3. Guide Dogs UK Limited (company registration number 3252696);
4. Guide Dogs Limited (company registration number 2332629);
5. GDBA Community Care Services Limited (company registration number 2735518);
and
6. GDBA (Pension Fund Trustee) Limited (company registration number 1870871).

Blind Children UK owns the whole of the issued share capital of Blind Children UK (Trading) Limited (company registration number 4245581).

Of these only the following traded in their own account in 2022:

- Blind Children UK raises funds for providing services to blind and partially sighted children and their families via the Guide Dogs programmes. This funding is passed to Guide Dogs in the form of a restricted grant.
- The Guide Dogs for the Blind Association (Trading Company) Limited is the charity's trading subsidiary.
- Guide Dogs UK Limited (company registration number 3252696).

All companies in the group are domiciled in the United Kingdom and their registered offices are all: Hillfields, Burghfield Common, Reading, Berkshire RG7 3YG.

17. Subsidiaries continued

A summary of the trading results and net assets for the year ended 31 December 2022 is shown below:

	Blind Children UK 2022 £m	Trading company 2022 £m	Guide Dogs UK Limited 2022 £m	Total 2022 £m	Total 2021 £m
Income/turnover	0.6	1.2	1.2	3.0	1.9
Cost of raising funds/cost of sales	-	(0.4)	(1.0)	(1.4)	(0.3)
Gross profit	0.6	0.8	0.2	1.6	1.6
Other operating income	-	0.1	-	0.1	0.2
Distribution, selling and administration expenses	-	(0.9)	(0.1)	(1.0)	(1.3)
Operating profit for the financial year	0.6	-	0.1	0.7	0.5
Qualifying charitable donation to Guide Dogs	(0.6)	-	(0.1)	(0.7)	(0.5)
Result for the year	-	-	-	-	-
Reserves at start of year	0.3	0.4	-	0.7	0.7
Capital injection	-	0.5	-	0.5	-
Reserves at end of year	0.3	0.9	-	1.2	0.7
Current assets	0.6	1.9	0.8	3.3	2.1
Current liabilities	(0.3)	(1.0)	(0.8)	(2.1)	(1.4)
Net assets at end of year	0.3	0.9	-	1.2	0.7

2021 Comparatives

	Blind Children UK 2021 £m	Trading company 2021 £m	Guide Dogs UK Limited 2021 £m	Total 2021 £m
Income/turnover	0.5	1.0	0.4	1.9
Cost of raising funds/cost of sales	-	(0.3)	-	(0.3)
Gross profit	0.5	0.7	0.4	1.6
Other operating income	-	0.2	-	0.2
Distribution, selling and administration expenses	-	(0.9)	(0.4)	(1.3)
Operating profit for the financial year	0.5	-	-	0.5
Donation to Guide Dogs	(0.5)	-	-	(0.5)
Result for the year	-	-	-	-
Reserves at start of year	0.3	0.4	-	0.7
Reserves at end of year	0.3	0.4	-	0.7
Current assets	0.5	1.4	0.2	2.1
Current liabilities	(0.2)	(1.0)	(0.2)	(1.4)
Net assets at end of year	0.3	0.4	-	0.7

18. Related party transactions

Expenses reimbursed to Trustees, donations made to the charity by Trustees and the remuneration of the key management personnel of the Charity are disclosed in note 5.

Emma West, Trustee of Guide Dogs is also a director of Emma West Consulting Limited. In 2022, sales with Emma West Consulting Limited were £4,533.12 (2021: £nil). James Hambro, Chairman of the Board is also a Trustee of the J and D Hambro Charitable Trust. In 2022, sales with J and D Hambro Charitable Trust were £11,000 (2021: £nil).

Transactions with the Charity's defined benefit pension scheme are listed in note 19.

Details on Guide Dogs' relationship with its subsidiaries are listed in note 17.

The following discloses related party transactions between Guide Dogs and its subsidiary undertakings:

	Blind Children UK 2022 £000	Trading company 2022 £000	Guide Dogs UK Limited 2022 £000
(Creditor) at end of year	(264)	(909)	(56)
Qualifying Charitable Donation to Guide Dogs	623	-	70
Management recharge	-	20	74
Capital injection	-	500	-

	Blind Children UK 2021 £000	Trading company 2021 £000	Guide Dogs UK Limited 2021 £000
(Creditor) at end of year	(233)	(887)	(3)
Qualifying Charitable Donation to Guide Dogs	520	-	18
Management recharge	-	16	50
Capital injection	-	-	-

There were no other transactions during the year that fall within the definition of 'related party transactions' (2021: £nil).

19. Pension costs

Composition of the scheme

The Association operates The Guide Dogs for the Blind Association Pension Scheme, which is a final salary pension scheme. The Scheme closed to new entrants on 31 March 2011 and closed to future accrual on 31 December 2012.

The Scheme is a registered funded pension scheme. The assets of the Scheme are held separately from the assets of the Association in Trustee-administered funds.

Contributions to the scheme are assessed in accordance with the advice of a qualified actuary. Nil deficit contributions are required for 2022 under the scheme’s agreed Recovery Plan, however, a discretionary contribution of £1.0 million was paid (2021: £1.0 million).

Assumptions

The major assumptions used by the actuary were:

	2022	2021
Discount rate	4.70%	1.80%
Rate of increase in salaries	n/a	n/a
Rate of increase in payment of pensions (RPI maximum 5%)	2.95%	3.30%
Inflation assumption (RPI)	3.30%	3.40%
Inflation assumption (CPI)	2.80%	2.90%
Life expectancies on retirement at age 60:		
Retiring today – males (years)	27.2	27.1
Retiring today – females (years)	29.9	29.8
Retiring in 20 years – males (years)	28.6	28.6
Retiring in 20 years – females (years)	31.3	31.2
Cash commutation	75% of members commute 25%	100% of members commute 25%

19. Pension costs continued

Balance Sheet

The assets in the plan were:

	2022 £m	2021 £m
Equities	31.7	78.1
Properties	11.7	16.4
Bonds	166.9	206.8
Inflation swaps	3.0	0.1
Liability hedging portfolio (swaps)	(23.4)	(2.2)
Other assets in pooled investment fund	15.1	26.3
Insured pensions	0.2	0.3
Cash	7.8	24.6
Total market value of assets	213.0	350.4
Present value of plan liability	(199.7)	(313.7)
Surplus in the plan	13.3	36.7
Effect of the asset ceiling	(13.3)	(36.7)
Net pension fund	-	-

Analysis of the amount (charged) to the Statement of Financial Activities

	2022 £m	2021 £m
Net interest cost and past service cost on the defined benefit obligation	-	-
Total amount charged within net income for the year	-	-
Experience (loss)/gain arising on plans assets	(135.3)	9.7
Experience (loss)/gain arising on plan liabilities	(8.0)	0.5
Actuarial gain	118.3	17.0
Effect of asset ceiling	24.0	(28.2)
Actuarial loss	(1.0)	(1.0)
Total amount charged to the Statement of Financial Activities	(1.0)	(1.0)

19. Pension costs continued

Reconciliation of present value of plan liabilities and assets

	2022 £m	2021 £m
Change in present value liabilities		
Present value of plan liabilities at start of year	313.7	334.6
Interest on pension liabilities	5.6	4.3
Actuarial (gain) on financial assumptions	(125.1)	(16.7)
Actuarial loss/(gain) on demographic assumptions	6.8	(0.3)
Experience loss/(gains)	8.0	(0.5)
Benefits paid	(9.3)	(7.7)
Present value of plan liabilities at end of year	199.7	313.7

	2022 £m	2021 £m
Change in plan assets		
Fair value of plan assets at start of year	350.4	342.3
Interest income	6.2	4.4
Return on scheme assets excluding interest income	(135.3)	10.4
Employer's contributions	1.0	1.0
Benefits paid	(9.3)	(7.7)
Fair value of plan assets at end of year	213.0	350.4

Five-year history

History of funding position and experience gains and losses

	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m
Defined benefit obligation	(199.7)	(313.7)	(334.6)	(300.4)	(270.4)
Scheme assets	213.0	350.4	342.7	310.2	283.5
Effect of asset ceiling	(13.3)	(36.7)	(8.1)	(9.8)	(13.1)
Surplus	-	-	-	-	-
Actual return less expected return on plan assets					
– amount	(135.3)	9.7	37.9	30.0	(15.9)
– percentage of plan assets	(63.5%)	2.8%	11.1%	9.7%	(5.6%)
Experience (loss)/gain on plan liabilities					
– amount	(8.0)	0.5	13.2	(0.3)	8.0
– percentage of the present value of plan liabilities	4.0%	0.2%	3.9%	0.1%	(3.0%)
Total (loss) recognised in statement of financial activities					
– amount	(1.0)	(1.0)	(0.9)	(1.0)	(0.6)
– percentage of the present value of plan liabilities	0.5%	0.3%	0.3%	0.3%	0.2%

20. Analysis of net assets between funds

Group	General funds £m	Designated funds £m	Restricted funds £m	Endowment funds £m	Total 2022 £m	Total 2021 £m
Tangible fixed assets	-	42.3	-	-	42.3	38.7
Intangible fixed assets	3.5	-	-	-	3.5	-
Fixed asset investments	63.1	20.0	-	0.6	83.7	78.3
Bank balances	14.5	10.1	3.6	-	28.2	26.5
Other assets and liabilities	18.3	22.8	-	-	41.1	52.9
Total	99.4	95.2	3.6	0.6	198.8	196.4

Charity	General funds £m	Designated funds £m	Restricted funds £m	Endowment funds £m	Total 2022 £m	Total 2021 £m
Tangible fixed assets	-	42.3	-	-	42.3	38.7
Intangible fixed assets	3.5	-	-	-	3.5	-
Fixed asset investments	64.1	20.0	-	0.6	84.7	78.8
Bank balances	12.2	10.1	3.3	-	25.6	24.7
Other assets and liabilities	19.0	22.8	-	-	41.8	54.0
Total	98.8	95.2	3.3	0.6	197.9	196.2

2021 comparatives Group	General funds £m	Designated funds £m	Restricted funds £m	Endowment funds £m	Total 2021 £m
Tangible fixed assets	2.7	36.0	-	-	38.7
Fixed asset investments	56.5	21.2	-	0.6	78.3
Bank balances	11.6	10.8	4.1	-	26.5
Other assets and liabilities	27.2	25.7	-	-	52.9
Total	98.0	93.7	4.1	0.6	196.4

2021 comparatives Charity	General funds £m	Designated funds £m	Restricted funds £m	Endowment funds £m	Total 2021 £m
Tangible fixed assets	2.7	36.0	-	-	38.7
Fixed asset investments	57.0	21.2	-	0.6	78.8
Bank balances	10.1	10.8	3.8	-	24.7
Other assets and liabilities	28.3	25.7	-	-	54.0
Total	98.1	93.7	3.8	0.6	196.2

21. Notes to cash flow statement

Reconciliation of net income to net cash inflow from operating activities

	2022 £m	2021 £m
Net income for the financial year	3.4	44.0
Investment loss/(gain)	10.3	(7.0)
Investment (income)	(0.9)	(0.7)
Depreciation	3.5	3.1
Net gain on disposal of tangible fixed assets	(0.3)	(0.2)
Decrease/(increase) in debtors	9.9	(16.6)
Increase/(decrease) in creditors	1.8	(0.3)
Pension scheme contribution	(1.0)	(1.0)
Net cash inflow from operating activities	26.7	21.3

22. Comparative consolidated statement of financial activities

Incorporating an income and expenditure account For the year ended 31 December 2021

	Notes	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	Total 2021 £m
Income and endowments from:	2				
Donations and legacies		128.7	13.2	-	141.9
Charitable activities		1.0	-	-	1.0
Other trading activities		9.0	-	-	9.0
Investments		0.7	-	-	0.7
Other income		0.4	-	-	0.4
Total income		139.8	13.2	-	153.0
Expenditure on:	3				
Raising funds		34.4	-	-	34.4
Charitable activities					
Provision of guide dogs services		42.8	10.4	-	53.2
Provision of other adult services		8.2	0.3	-	8.5
Provision of other children's services		8.4	0.5	-	8.9
Research and development		0.7	-	-	0.7
Advocacy and awareness		10.3	-	-	10.3
Total charity expenditure		70.4	11.2	-	81.6
Total expenditure		104.8	11.2	-	116.0
Net gain on investments		6.9	-	0.1	7.0
Net income for the year		41.9	2.0	0.1	44.0
Transfers between funds		0.6	(0.6)	-	-
Other recognised losses					
Actuarial loss on defined benefit pension scheme		(1.0)	-	-	(1.0)
Net movements in funds		41.5	1.4	0.1	43.0
Reconciliation of funds:					
Fund balance brought forward at 1 January		150.2	2.7	0.5	153.4
Fund balance carried forward at 31 December		191.7	4.1	0.6	196.4

Major gifts and donations

Thank you

None of our work is possible without the support of so many. To those who pledged a gift in their Will, sponsored a puppy, made a cash donation, took part in a sporting challenge event or raised money through any number of fundraising activities, we give you our sincere thanks.

For their significant support, our thanks go to:

Major donors

Mrs Shirley Bowring for her generous support
Mr Croshaw for his generous support
Kate Barber for her generous donation
Mr Larbalestier for his generous donation
Mr Lean for his generous donation
The Somerset Canine Obedience Club for their donation
The Roden family for their generous support
Mr & Mrs Bowman for their generous donation
Mrs Holinger for her generous donation
Mr Gillespie for his generous donation
Dr Charles Barker and Mrs Pat Barker for their generosity

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Maureen Boal Charitable Trust	Broome Family Charitable Trust
Audrey Wilson Charitable Settlement	Tompkins Foundation
Volant Charitable Trust	Alphaone Trust
Crowther 2020 Charitable Trust	Macbeth Memorial Trust

Funds

Funder	Programme/Project	Award
Grantscape/East Coast Community Fund	My Sighted Guide (Lincolnshire)	£9,548
Glasgow City Council/Blindcraft Trust	My Sighted Guide (Scotland)	£24,900
Children in Need/Main Grants Scheme	Guide Dogs My Time to Play (South West)	£94,123
Heart of Buckinghamshire/Community Grant	Vision Rehabilitation	£5,000
Liverpool City Council/Clinically Extremely Vulnerable Grant	Aftercare, My Sighted Guide, Peer support group	£43,320
National Lottery Community Fund/Jubilee Fund	Family Events	£8,408
Liverpool City Council/Community Resource Grant	My Sighted Guide (Liverpool)	£10,000
National Lottery Community Fund/Awards for All Wales	My Sighted Guide (Wales)	£10,000
National Lottery Community Fund/Award for All NI	Family Events (NI)	£10,000
The Health and Social Care Alliance Scotland/Scottish Government/Self-Management Fund	Technology Hub	£58,500
Edinburgh City Council/Community Grant	Guide Dogs My Time to Play (Edinburgh)	£3,737



Guide Dogs

Hillfields

Burghfield Common

Reading

Berkshire RG7 3YG

[guidedogs.org.uk](https://www.guidedogs.org.uk)

Guide Dogs is a working name of The Guide Dogs for the Blind Association. Registered Office:
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