

Registration number 26293

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

CONTENTS

| | Page |
|---|----------------|
| Directors and other information | 2 - 3 |
| Directors' report | 4 - 9 |
| Statement of directors' responsibilities | 10 |
| Independent Auditors' report | 11 - 14 |
| Consolidated Statement of Financial Activities | 15 |
| Consolidated Balance sheet | 16 |
| Parent Balance sheet | 17 |
| Cash flow statement | 18 |
| Notes to the financial statements including Statement of Accounting Policies | 19 - 41 |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP
DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

DIRECTORS AND OTHER INFORMATION

| | |
|-----------------------|---|
| Directors | Paul Ledwidge (Chairman) Senator Martin Conway Sean Costello Roderick Feely David Hickson Nancy Holland David Keegan Anne Troy Anthony Murray Aidan Gavin (Appointed 3rd December 2019) Eithne Walsh (Appointed 19th June 2019) Donnacha McCarthy (Appointed 19th June 2019) Joseph Geraghty (Resigned 23rd October 2019) Aoife Thorton (Resigned 28th May 2019) Donal Fitzpatrick (Resigned 28th May 2019) |
| Finance Committee | David Hickson (Chairman) Paul Ledwidge Catherine O'Reilly John Hannigan |
| Nominations Committee | Senator Martin Conway (Chairman) |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

Paul Ledwidge

Catherine O'Reilly

Services Committee Paul Ledwidge (Chairman)

David Keegan

Gerry Kerr

Anthony Murray

Secretary HMP Secretarial Limited

Parent Company number 26293

Registered office Whitworth Road,
Drumcondra,
Dublin 9.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The Board of Directors presents its annual report and the audited financial statements of the Company and the Group for the year ended 31 December 2019.

Organisational Structure

The NCBI group of companies, hereafter called NCBI, includes the holding company NCBI Group, hereafter referred to as the company, and three subsidiary companies - NCBI Services (Registered Charity 4626), NCBI Retail (Registered Charity 20619) and NCBI Charitable Foundation (Registered Charity CHY 12673) and Vision Sports Ireland (Registered Charity 10793).

NCBI and Vision Sports merged effective 8th June 2019. Both organisations have co-operated closely over many years and the merger greatly increases the resourcing of Vision Sports and the reach of NCBI.

The NCBI Group Board, hereafter referred to as the Board, currently meets at least six times annually and retains overall responsibility for the strategic direction of the companies. The day-to-day running of the company is overseen by a senior management team, which is headed by the Chief Executive and supported by other senior staff.

Internal Control and Risk Management

The Board has overall responsibility for the systems of risk management and internal control for NCBI. Their oversight aims to safeguard the assets of NCBI, to maintain the financial and operational integrity of the company and its subsidiaries and to ensure that the NCBI operates in a transparent manner in accordance with best practice and good governance. The diverse composition of the Board, with members from a wide variety of business backgrounds and sectors, is intended to provide the company with a broad range of views and expertise. A Governance Manual, approved by the Board in October 2013, clearly sets out the duties and responsibilities of the directors.

The Board considers the management of risk in the company as a key part of adhering to good corporate governance and ensuring that all risks are managed and mitigated appropriately. Financial risks include the management of limited resources in a climate of increasing demand on those resources, while operational risks revolve around maintaining the provision of a quality service against this background of shrinking resources. Risk management recommendations currently being implemented by the senior management team, under the oversight of the Finance Committee.

The company prepares an annual budget, which is reviewed and approved by the Board. The Board and management are provided with regular updates which compare actual against budgeted results.

In July 2013 the company and its subsidiary companies adopted the Statement of Guiding Principles for Fundraising, developed by Irish Charities Tax Research Limited to ensure that the company and its subsidiaries comply with best practice in fundraising.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

In September 2013 the company and its subsidiaries adopted The Governance Code - A Code of Practice for Good Governance of Community, Voluntary and Charitable Organisations in Ireland. While adoption is voluntary, the Board wishes the company and subsidiary companies to adhere to the highest standards of corporate governance and is committed to reviewing regularly to ensure that NCBI is still compliant.

The Board met 7 times in 2019.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Principal activities and review of the business

The Company is a registered charity CRA number 20083328 and the financial statements are presented in a form which complies with the requirements of the Companies Act 2014 and, although not currently obliged to comply with the Statement of Recommended Practice (SORP) as issued by the Charity Commissioners for England and Wales FRS 102 effective 1st January 2015. The Group has implemented many of its recommendations in these accounts.

The activities of the Company and Group are primarily charitable.

The directors are satisfied that the results for the year are consistent with expected levels.

Board Committees

The Board has set out formal terms of reference for sub committees to provide specific expertise within certain areas of NCBI. These committees are as follows:

The Finance Committee

The Finance Committee was established in 2013 to monitor and review the financial performance of NCBI, to provide an independent review of the finances of NCBI and to make recommendations to the Board on major financial issues. It met 5 times in 2019. It is responsible for overseeing the general risk management of NCBI.

The Nominations Committee

The Nominations Committee was established in 2012 to ensure that the company and subsidiary Boards have the best mix of skills, knowledge and experience. It is also responsible for effective succession planning and recommendations on the hiring of senior management personnel. The committee met four times in 2019.

2019 Review of operations

2019 was for NCBI a year when funding issues and the additional pressures put on the delivery of services by these funding issues subsided, which allowed a renewed focus on the model of Service delivery deployed.

Overall income increased to €20.086 million from €18.14 million. Statutory income from the Health Service Executive (HSE) was at same level as 2018. The Board remains committed to increasing income by developing new income streams within both NCBI Retail and NCBI Charitable Foundation. Trading income increased by €887k, which led to an improved surplus from trading activities.

Group expenditure increased from €17.5 million to €19.0 million during 2019. NCBI remains committed to reducing costs where possible while maintaining the existing high quality of services.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

The overall Surplus of €1,083,859 compares to €641,358 in prior year.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

NCBI continued to engage with its primary statutory partner the HSE through the annual Service Level Agreement process and currently provides significant co-funding for day-to-day operations in the majority of the CHO Areas.

The directors remain aware of the significant financial and operational challenges facing NCBI and approved a budget for 2020 to reduce reliance within the company and its subsidiaries on volatile income sources such as legacies and, to a lesser extent, retail sales.

2020 will have challenges for NCBI. The general economic outlook remains challenging. Public concern about governance and transparency within a small group of charities has had a noticeable negative impact on the sector as a whole and is having a longer lasting impact with serious long term implications.

NCBI Services - Review of Operations

In 2019 NCBI Services continued to deploy a Life Cycle Model of Delivery of Service, which focused on how it can best use staff resources for the benefit of those who require its services. This resulted in a staff increase in the Children's Team. Most commonly, people are referred to NCBI Services by their ophthalmologist or optometrist. But they may not be sure what it is that NCBI Services can help them with, or indeed have had an opportunity to consider how their sight loss is affecting them and their families, if their diagnosis is recent. Working with each individual to clarify what they are having difficulty with and what it is they want to achieve enables management and staff to plan where resources are needed. Some people will require minimal intervention in the beginning and perhaps return when their vision deteriorates further or there is another change in their circumstances, while others may require more intensive and ongoing interventions, usually requiring the input of more than one department within NCBI Services.

By focusing on the initial assessment that is carried out following a referral, staff can determine the needs of the individual and the appropriateness of NCBI's services. There are two parts to this process, the first being a telephone assessment, whereby staff try to gather as much information as possible in order to assist both parties in determining the service requirements. It gives the person being referred an opportunity to find out more about NCBI's services while allowing management and staff to target resources to priority needs and thereby manage caseloads more effectively. The second part of the assessment is a face-to-face assessment which looks at the impact of vision loss on the individual's quality of life and explores solutions.

In 2019 NCBI Services conducted 3,822 assessments with individuals, the majority of whom were being seen for the first time, although assessments may be repeated at any stage as circumstances change and new needs are identified. This process is proving to be efficient and cost-effective and follows best practice, as well as satisfying funders and donors that NCBI Services is focused on offering a service that represents value for money.

The increase in the number of older people living with sight loss is evident in the age profile of those availing of services, the majority of whom are over the age of 65. In fact, people over the age of 76

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

represent just over half of those NCBI Services is working with. However, an emerging trend in recent years has been an increase in referrals of complex cases, such as people with sight loss as a result of acquired brain injury, stroke and children with sight loss who also have other disabilities or neurological conditions.

NCBI Charitable Foundation - Review of Operations

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

NCBI Charitable Foundation, hereafter the Foundation, manages and directs the fundraising activities of NCBI, and together with NCBI Retail, will seek donations and financial support from the general public in order to fund NCBI Services. It is a company limited by guarantee, and is also a registered charity.

A surplus of €905,503 was generated during 2019.

The fundraising environment for the Foundation, in common with many charities, during 2019 was extremely challenging. However, the vision of NCBI and the services provided by NCBI Services, continues to receive a tremendous level of support from those who take part in events, raise money or donate to the Foundation.

It is essential to develop innovative fundraising campaigns in difficult economic times. In December the Foundation launched its Make a Dark Day Brighter campaign. The main element to the campaign, the first being the Tree of Light, which saw NCBI Christmas trees take pride of place in Dublin Airport. An exciting event was a Dine in the Dark event which ran nationally with support from the Restaurant Association of Ireland.

In 2019, the Foundation provided clear calls to action for events and in advertising campaigns. These new initiatives were run alongside annual events, which include cycles, and two long-established golf competitions to name a few.

The Board of the Foundation would like to thank its supporters and look forward to their continuing assistance and work on behalf of NCBI Charitable Foundation.

NCBI Retail - Review of Operations

NCBI Retail operates a network of 116 charity shops in the Republic of Ireland. It is a company limited by guarantee, and is also a registered charity. The net surplus generated by NCBI Retail is used to support the activities of NCBI Services. The shop chain also contributes to the fundraising activities of the Charitable Foundation.

The rebranding of the charity shops from Mrs Quin's to NCBI Retail, which began in 2012, was successfully concluded in early 2013. This rebrand creates a clear link between the work of NCBI Services and the funds raised through the shop network. It creates visibility for the NCBI brand in town's right across Ireland and enhances the awareness of the activities of NCBI.

The success achieved by the charity shops in 2019 would not have been possible without the dedication of the 850 volunteers, who worked alongside shop staff and managers during the year, providing an average of seven hours per week each in support of NCBI Retail. This substantial voluntary contribution equates to the work of 100 full time staff.

The company also engages approx. 240 social activation staff between CE and TUS schemes.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

A surplus of €1,309,685 was generated in 2019 (€1,091,838 in 2018). Making significant contributions to the bottom line was the increase in the number of shops in the national chain. The reach of the network was expanded by the opening of twelve new shops during the year.

The company's activities involve the sale of reused goods and the company fully participates in the circular economy. Through shop sales the company has diverted 1,950 tons of clothes from landfill. Also the company through its recycling partners has placed approx. 1700 tons of clothes into reuse.

One of the challenges for NCBI Retail has been the scarcity of high quality donated items for resale. An advertising campaign was embarked upon to help build awareness of the brand and to help in the provision of items for resale. Stock not deemed suitable for resale is recycled or sold by weight and in 2019 NCBI Retail built on good working relationships with recycling partners to further develop income from these activities.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Vision Sports Ireland - Review of Operations

Grant aided by Sport Ireland, Vision Sports strives to manage, develop and encourage sporting pursuits, always emphasising the many benefits that participation can offer.

Throughout 2019 Vision Sports facilitated vision impaired people to participate in more than 20 sports. Participation in all our core sports grew including athletics (including parkrun), tandem cycling, swimming, para-triathlon, blind golf, blind and partially sighted football and adapted tennis.

Principal risks and uncertainties

The directors consider that the following are the principal risk factors that could materially and adversely affect the company's future operating results or financial position:

- Fluctuating income from NCBI Retail
- Further unanticipated cuts or the withdrawal of support from the HSE
- Overdependence on unpredictable legacy income

The company has business policies and organisational structures to limit some of these risks and the Board of Directors and Management regularly review, reassess and proactively limit the associated risks insofar as possible.

Reserve Policy

NCBI's Total Reserves (represented by Restricted and Unrestricted Funds) are assets (principally tangible fixed assets and cash) held by the NCBI Group.

Tangible assets are effectively restricted, in that they are not immediately available.

Reserves for the purposes of this policy describe that part of charities funds that are freely available.

The directors have considered various factors involved in assessing level of required reserves and analysed the available assets. The increasing activity levels reflected in income & expenditure growth of NCBI prompts a need to target increasing cash reserve levels.

Freely available reserves at 31st December 2019 is €4,104,416, made up of Cash at Hand of €1,297,252 and Financial Assets of €2,807,164. Financial assets are invested in short term assets which are capable of encashment at short notice.

The Directors are of the view that freely available reserves need to be at a level of €4m by 31st Dec 2020 and increase further to a level of €4.8m as resources allow.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

The Directors have considered 2020 Capex plans and full year cash flow projections which indicate that unrestricted reserves will reduce during Q1 2020 and increase over the balance of 2020.

Included in the consolidated reserves of NCBI (National Council for the Blind) Group are €439,237 in relation to NCBI Retail and €513,693 in relation to NCBI Charitable Foundation and €62,041 acquisition reserves brought forward from Vision Sports Ireland. These reserves are restricted in use and relate to reserves transferred from NCBI Group on incorporation of NCBI Retail and NCBI Charitable Foundation in 2013.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Post Balance Sheet Events

In March 2020 the Irish government introduced a number of measures in an attempt to reduce the spread of COVID 19. These measures include the enforced closure of non-essential retail outlets and the restriction of events, which have had a significant impact on the funding of the NCBI Group. The impact of these measures cannot yet be fully quantified. These events indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Significant cost reductions have been put in place and the Group have sought financial aid from the State in an effort to negate the effect of these Government measures.

The Directors having considered the key uncertainties of

- a) Timing of re-opening of NCBI Retail shops
- b) Level of trading of shops upon resumption of trading
- c) State support to Charity Sector
- d) Financial Aid for NCBI Services to provide disability services
- e) Ongoing HSE funding
- f) Possible reoccurrence of Covid in 2020/21
- g) Cost structure of NCBI Group for 2021
- h) Cash flow of NCBI Group for next 12 month

and have satisfied themselves that the Company is in a position to continue as a going concern.

Directors of the Company

The present membership of the board is listed on the 'Directors and other information' page. The directors and secretary who served during the year have no financial interest in the company.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Section 281 to 285 of the Companies Act 2014, regarding adequate accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the finance function. The accounting records of the company are maintained at the Registered Office at Whitworth Road, Drumcondra, Dublin 9.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Auditors

The auditors, KSi Faulkner Orr Limited, indicated their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act 2014.

This report was approved by the Board on _____ and signed on its behalf by

David Hickson

Director

Paul Ledwidge

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Director

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

**STATEMENT OF DIRECTORS RESPONSIBILITIES FOR THE
MEMBERS' FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors are responsible for preparing the Director's Report and financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland including FRS 102 The Financial Reporting Standard applicable in the U.K and Ireland (Generally Accepted Accounting Practice in Ireland) as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1st January 2015. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for that financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit and loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

On behalf of the board

David Hickson

Director

Paul Ledwidge

Director

Date: _____

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP
FOR THE YEAR ENDED 31 DECEMBER 2019**

..... continued

Report on the audit of the financial statements

Opinion

We have audited the financial statements of NCBI (National Council for the Blind) Group for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 102 The Financial Reporting Standard applicable in the U.K and Republic of Ireland as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1st January 2015.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2019 and of its results for the year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

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

Material Uncertainty Related to Going Concern

We draw attention to note 30 in the financial statements, which indicates that the closure of all charity shops and the postponing of event based fundraising as a result of the COVID 19 pandemic has had a significant impact on group finances. As stated in note 30, these events indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP
FOR THE YEAR ENDED 31 DECEMBER 2019**

..... continued

Other Information

The directors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP
FOR THE YEAR ENDED 31 DECEMBER 2019**

..... continued

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP
FOR THE YEAR ENDED 31 DECEMBER 2019**

..... continued

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page 14, which is to be read as an integral part of our report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's shareholders, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's shareholders 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 any responsibility to anyone other than the company and the company's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

**Emma Delaney,
for and on behalf of KSi Faulkner Orr Limited.**

**KS*i* Faulkner Orr Limited,
Behan House,
10 Lower Mount Street,
Dublin 2.**

Date:

APPENDIX TO THE INDEPENDENT AUDITOR REPORT

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

FOR THE YEAR ENDED 31 DECEMBER 2019

Further information regarding the scope of our responsibilities as auditor

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as going concerns. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as going concerns.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2019

| | | Continuing operations | | | |
|-------------------------------------|-----------|-----------------------|-------------|------------|------------|
| | | Unrestricted | Restricted | Funds | Funds |
| | | Funds | Funds | Total | Total |
| | Notes | € | € | € | € |
| Income from: | | | | | |
| Donations and Legacies | 6 | 2,074,837 | - | 2,074,837 | 1,332,819 |
| Trading activities | 8 | 9,275,149 | - | 9,275,149 | 8,388,738 |
| Charitable activities | 7 | 703,757 | 6,741,230 | 7,444,987 | 7,971,252 |
| Other income | 7 | 62,466 | 823,943 | 886,409 | 297,916 |
| Rental income | 9 | 187,646 | - | 187,646 | 185,768 |
| Investment income | 9 | 217,903 | - | 217,903 | (35,631) |
| | | _____ | _____ | _____ | _____ |
| Total Income | | 12,521,758 | 7,565,173 | 20,086,931 | 18,140,862 |
| | | _____ | _____ | _____ | _____ |
| Expenditure from: | | | | | |
| Donations and Legacies | 10 | 568,231 | - | 568,231 | 664,060 |
| Raising funds | 8 | 7,965,464 | - | 7,965,464 | 7,296,900 |
| Charitable activities | 11 | 1,091,248 | 9,300,736 | 10,391,984 | 9,461,053 |
| Governance costs | 12 | 77,492 | - | 77,492 | 77,492 |
| | | _____ | _____ | _____ | _____ |
| Total Expenditure | | 9,702,435 | 9,300,736 | 19,003,171 | 17,499,505 |
| | | _____ | _____ | _____ | _____ |
| Net income/(expenditure) | | 2,819,323 | (1,735,563) | 1,083,760 | 641,357 |
| Total funds brought forward | 22 | 4,204,028 | 994,591 | 5,198,618 | 4,557,261 |
| Aquisition reserves brought forward | | 57,948 | 4,093 | 62,041 | - |

The notes on pages 19 to 38 form an integral part of these financial statements.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

| | | | | | |
|------------------------------------|-----------|-------------|-----------|-----------|-----------|
| Net transfers between funds | | (1,708,831) | 1,708,831 | - | - |
| Total funds carried forward | 22 | 5,372,468 | 971,952 | 6,344,420 | 5,198,618 |

There are no recognised gains or losses other than the surplus or deficit for the above two financial years.

On behalf of the board

David Hickson
Director

Paul Ledwidge
Director

Date: _____

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2019

| | Notes | Consolidated 2019 € | Consolidated 2018 € |
|--|-------|---------------------------|---------------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 5,332,188 | 5,377,709 |
| Financial assets | 14 | 2,807,164 | 2,130,578 |
| | | _____ | _____ |
| | | 8,139,352 | 7,508,287 |
| Current assets | | | |
| Stocks | 15 | 211,733 | 227,948 |
| Debtors | 16 | 556,729 | 571,206 |
| Capital in progress | 17 | 996,271 | - |
| Cash at bank and in hand | | 1,297,252 | 573,218 |
| | | _____ | _____ |
| | | 3,061,985 | 1,372,372 |
| Creditors: amounts falling due within one year | | | |
| | 18 | (1,099,134) | (1,193,386) |
| Net current assets | | | |
| | | 1,962,851 | 178,986 |
| | | _____ | _____ |
| Total assets less current liabilities | | | |
| | | 10,102,203 | 7,687,273 |
| Creditors: amounts falling due after more than one year | | | |
| Long term liabilities | 19 | (1,007,017) | (729,851) |
| Capital Grants | 20 | (2,750,766) | (1,758,804) |
| | | _____ | _____ |
| Net Assets | | 6,344,420 | 5,198,618 |
| | | _____ | _____ |

The notes on pages 19 to 38 form an integral part of these financial statements.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

The funds of the charity:

| | | |
|-------------------------|-----------|-----------|
| Restricted funds/(debt) | 971,952 | 994,591 |
| Unrestricted funds | 5,372,468 | 4,204,027 |
| | _____ | _____ |
| Total charity funds | 6,344,420 | 5,198,617 |
| | ===== | ===== |

The financial statements were approved by the Board on _____ and signed on its behalf by

David Hickson

Director

Paul Ledwidge

Director

The notes on pages 19 to 38 form an integral part of these financial statements.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2019

| | | 2019 | | 2018 | |
|---|--------------|-------------|-------------|-------------|-------------|
| | Notes | € | € | € | € |
| Fixed assets | | | | | |
| Tangible assets | 13 | | 3,541,573 | | 3,636,971 |
| Financial assets | 14 | | 318,454 | | 282,500 |
| | | | <hr/> | | <hr/> |
| | | | 3,860,027 | | 3,919,471 |
| Current assets | | | | | |
| Debtors | 16 | 4,018,622 | | 3,822,702 | |
| Capital in progress | 17 | 996,271 | | - | |
| Cash at bank and in hand | | 18,251 | | 90,128 | |
| | | <hr/> | | <hr/> | |
| | | 5,033,144 | | 3,912,830 | |
| Creditors: amounts falling | | | | | |
| due within one year | 18 | (2,948,515) | | (3,252,689) | |
| | | <hr/> | | <hr/> | |
| Net current assets/(liabilities) | | | 2,084,629 | | 660,141 |
| | | | <hr/> | | <hr/> |
| Total assets less current | | | | | |
| liabilities | | | 5,944,656 | | 4,579,612 |
| Creditors: amounts falling due | | | | | |
| after more than one year | 19 | | (1,007,017) | | (729,851) |
| Capital grant | 20 | | (2,750,766) | | (1,758,804) |
| | | | <hr/> | | <hr/> |
| Net assets | | | 2,186,873 | | 2,090,957 |
| | | | <hr/> <hr/> | | <hr/> <hr/> |

The notes on pages 19 to 38 form an integral part of these financial statements.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

The funds of the charity

| | | | |
|----------------------------|-----------|-----------|-----------|
| Restricted funds | 22 | - | - |
| Unrestricted funds | 22 | 2,186,873 | 2,020,957 |
| | | _____ | _____ |
| Total charity funds | 22 | 2,186,873 | 2,020,957 |
| | | ===== | ===== |

The financial statements were approved by the board on _____ and signed on its behalf by

David Hickson
Director

Paul Ledwidge
Director

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

| | Notes | 2019 | 2018 |
|--|--------------|------------------|------------------|
| | | € | € |
| Reconciliation of operating surplus to net cash outflow from operating activities | | | |
| Operating surplus | | 1,280,708 | 621,188 |
| Depreciation | | 984,264 | 821,315 |
| (Increase)/Decrease in stocks | | 16,215 | (32,260) |
| Decrease/(Increase) in debtors | | (981,964) | 127,861 |
| (Decrease)/Increase in creditors | | (99,152) | 200,718 |
| Government grant released | | (68,568) | (73,940) |
| | | <hr/> | <hr/> |
| Net cash outflow from operating activities | | 1,131,503 | 1,479,160 |
| | | <hr/> | <hr/> |
| Cash flow statement | | | |
| Net cash outflow from operating activities | | 1,131,503 | 1,479,160 |
| Returns on investments and servicing of finance | | 356,422 | 2,056 |
| Capital expenditure and financial investment | 28 | (328,213) | (2,010,853) |
| | | <hr/> | <hr/> |
| | | 446,868 | (529,637) |
| Financing | 28 | 277,166 | - |
| | | <hr/> | <hr/> |
| (Decrease)/Increase in cash in the year | | 169,702 | (529,637) |
| | | <hr/> | <hr/> |

Reconciliation of net cash flow to movement in net funds (Note 29)

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

| | | |
|---|-----------|-----------|
| (Decrease)/Increase in cash in the year | 169,702 | (529,637) |
| Cash outflow from decrease in debts and lease financing | (277,166) | - |
| | ————— | ————— |
| Change in net funds resulting from cash flows | (446,868) | (529,637) |
| | | |
| Net funds at 1 January 2019 | (246,174) | 283,461 |
| | ————— | ————— |
| Net funds / (debt) at 31 December 2019 | 200,694 | (246,176) |
| | ————— | ————— |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

1. Statement of accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

1.1. Basis of preparation

The audited financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Act 2014. Accounting Standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council. The financial statements have been prepared under the historical cost convention. The company has also impented many of the recommendations of the Statement of Recommended Practice (SORP)"Accounting and Reporting by Charities".

1.2. Group accounts

The financial statements consolidate the financial statements of NCBI (National Council for the Blind) Group and its subsidiary undertakings made up to 31 December 2019. The subsidiary companies comprise NCBI Charitable Foundation, NCBI Retail and NCBI Services and Vision Sports Ireland from date of acquisition 8th June 2019. The results of the subsidiary undertakings in the year are included in the consolidated Statement of Financial Activities.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

1.3. Income Policies

Donations and Legacies

Donations and Legacy income is derived from donations, fundraising events, branch income and legacy income. Donations and Legacy income is recognised on a cash receipts basis and is unrestricted in all cases except legacy income where it can be restricted by the donor.

Trading Activities

Income from trading activities is income received in respect of the charity shops in NCBI Retail and is recorded on a receipts basis in the year the income is received.

Income from Charitable Activities

Statutory income relates to grant income receivable from the Health Service Executive. This income is restricted and is credited to income in the year to which it relates.

Rental Income

Rental income is derived from the NCBI Retail shops. This income is unrestricted and is credited to income in the year to which it relates to.

Other Income

Income from other sources relates to library and audio visual services, telephony, sales of low vision goods and appliances and income from EU agencies. This can be restricted or unrestricted and is credited to income in the year to which it relates.

Investment income

Investment income is derived from deposit interest and dividend income. Deposit interest is accounted for on an accruals basis and dividend income is accounted for on a receipts basis. This income is unrestricted.

Co-Funding Income

Co-fund income relates to income from other group members to fund the expenditure of that group company.

1.4. Expenditure policy

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Co-Funding Expenditure

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Co-fund expenditure relates to income transferred to other group members to fund the expenditure of that group company.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

1.5. Reserves policy

Charity funds are managed between restricted and unrestricted reserves. Restricted reserves relates to income where the donor specifies how the funds should be spent. Unrestricted reserves relates to income donated to the company without any stipulation by the donor as to how the funds should be spent.

NCBI's Total Reserves (represented by Restricted and Unrestricted Funds) are assets (principally tangible fixed assets and cash) held by the NCBI Group.

Tangible assets are effectively restricted, in that they are not immediately available.

Reserves for the purposes of this policy describe that part of charities funds that are freely available.

The directors have considered various factors involved in assessing level of required reserves and analysed the available assets. The increasing activity levels reflected in income & expenditure growth of NCBI prompts a need to target increasing cash reserve levels.

The Directors are of the view that freely available reserves need to be at a level of €4m by 31st Dec 2020 and increase further to a level of €4.8m as resources allow.

Included in the consolidated reserves of NCBI (National Council for the Blind) Group are €439,237 in relation to NCBI Retail and €513,693 in relation to NCBI Charitable Foundation and €62,041 acquisition reserves brought forward from Vision Sports Ireland. These reserves are restricted in use and relate to reserves transferred from NCBI Group on incorporation of NCBI Retail and NCBI Charitable Foundation in 2013.

Reserves represented by cash and investments stand at €4m as of 31st December 2019. The Directors note that is an improved position from 2018 which helps to ensure that finances of NCBI remain in a sustainable position.

The Directors have considered 2020 Capex plans and full year cash flow projections which indicate that unrestricted reserves will reduce during Q1 2020 and increase over the balance of 2020.

1.6. Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment loss. Cost includes all costs that are directly attributable to bringing the asset into working condition for its intended use.

Depreciation

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

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

| | |
|--|---------------------------|
| Freehold / 999 - year lease premises | - 2% Straight line |
| Leasehold (under 35 year) premises refurbishment | - 10% Straight line |
| Furniture and fittings | - 15% - 25% Straight line |
| Training and office equipment | - 15% - 33% Straight line |
| Motor vehicles | - 15% - 25% Straight line |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

1.7. Financial assets

Fixed asset investments are stated at cost less provision for permanent diminution in value. Investments are reviewed for diminution in value if events or changes in circumstances indicate that the carrying amount may not be recoverable. Diminution in value is calculated such that carrying value of the fixed asset investment is the lower of its cost or recoverable amount. Recoverable amount is the higher of its net realisable value and its value in use.

1.8. Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost includes all costs incurred in the normal course of business in bringing the product or service to its present location and condition.

Raw materials, consumables and goods for resale are valued at purchase cost on a first-in, first-out basis.

Stock, which represents goods for resale, are valued on a first in first out basis at the lower of cost and net realisable value. Cost is defined as the purchase cost and any other costs necessary in bringing the stock to its present location and condition. Net realisable value is defined as the expected selling price less selling costs.

Donated goods for resale are not measured at their fair value as it is impractical to measure the fair value of these goods. Under FRS 102, if it is impractical to measure the fair value of goods donated for resale, the donated goods must be recognised when they are sold.

1.9. Trade and Other Debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

1.10. Trade and Other Creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

1.11. Foreign currencies

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

1.12. Taxation

NCBI (National Council for the Blind) Group is registered as a charitable organisation (CHY 20902) with the Revenue Commissioners, therefore no provision has been made for corporation tax.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

1.13. Pensions

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

The regular cost of providing retirement pensions and related benefits is charged to the statement of financial activities over the employees' service lives on the basis of a constant percentage of earnings.

1.14. Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the Statement of Financial Activities over the expected useful life of the assets. Grants towards revenue expenditure are released to the Statement of Financial Activities as the related expenditure is incurred.

2. Income

The total income of the company for the year has been derived from its principal activity wholly undertaken in Ireland.

The turnover is derived from classes of businesses and geographical markets that substantially differ from each other. An analysis of each is given below:

3. Operating surplus

| | 2019 | 2018 |
|--|-------------------|-------------------|
| | € | € |
| Operating surplus is stated after charging: | | |
| Depreciation and other amounts written off tangible assets | 984,264 | 821,315 |
| Amortisation of capital grants | (68,564) | (73,940) |
| | <u> </u> | <u> </u> |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

4. Employees note - consolidated

Number of employees

| The average monthly numbers of employees during the year were: | 2019 | 2018 |
|---|---------------|---------------|
| | Number | Number |
| Direct Service Activities | 137 | 115 |
| Support Costs | 13 | 13 |
| Trading Activities | 140 | 117 |
| Generating Voluntary Income | 7 | 5 |
| Governance | 1 | 1 |
| | <hr/> | <hr/> |
| | 298 | 251 |
| | <hr/> | <hr/> |

| Employment costs | 2019 | 2018 |
|-------------------------|-------------|-------------|
| | € | € |
| Wages and salaries | 9,744,539 | 8,743,152 |
| Employer PRSI | 1,018,233 | 897,088 |
| Other pension costs | 231,071 | 235,740 |
| | <hr/> | <hr/> |
| | 10,993,843 | 9,875,980 |
| | <hr/> | <hr/> |

| The number of higher paid employees was: | 2019 | 2018 |
|---|---------------|---------------|
| | Number | Number |
| €60,000 - €70,000 | 10 | 10 |
| €70,000 - €80,000 | 8 | 6 |
| €80,000 - €90,000 | 4 | 2 |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

| | | |
|---------------------|-------|-------|
| continued | | |
| €90,000 - €100,000 | 1 | - |
| €120,000 - €130,000 | 1 | 1 |
| | <hr/> | <hr/> |
| | 24 | 19 |
| | <hr/> | <hr/> |

NCBI Group

Remuneration includes base pay and excludes employer pension, car allowance and PRSI contributions. In 2019 NCBI's Group CEO was paid €122,000.

NCBI Group operates a Defined Contribution Pension Scheme. The employee contributes a minimum of 5% and NCBI contributes 5% of gross pay.

Pension Scheme

The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to €231,071 (31 December 2018 - € 235,740).

Board Member Expenses

No member of the Board received any payments except for the reimbursement of expenses incurred.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

5. Transactions with directors

There were no transactions with the directors during the period apart from those disclosed in note 4 and note 27.

6. Income

Consolidated donations and legacy income includes the following:

| Fundraising activities | Unrestricted | Restricted | Total | Total |
|-------------------------------|---------------------|-------------------|--------------|--------------|
| | 2019 | 2019 | 2019 | 2018 |
| | € | € | € | € |
| Committed and Cash Giving | 91,168 | - | 91,168 | 163,610 |
| Corporate | 78,606 | - | 78,606 | 95,195 |
| Legacies | 1,246,028 | - | 1,246,028 | 502,386 |
| Events and Campaigns | 659,035 | - | 659,035 | 560,143 |
| Government Department Grant | - | - | - | 11,485 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total fundraising activities | 2,074,837 | - | 2,074,837 | 1,332,819 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| 7. Income from Charitable Activities | Core Funding | | Low Vision | Total | Total |
|---|---------------------|-------------------|-------------------|--------------|--------------|
| | Unrestricted | Restricted | Equipment | | |
| | 2019 | 2019 | 2019 | | |
| Statutory Sources | € | € | € | € | € |
| HSE Dublin North East: | | | | | |
| CHO9 (Dublin North Central) | - | 3,013,903 | - | 3,013,903 | 3,003,257 |
| HSE Dublin Mid Leinster: | | | | | |
| CHO7 (Dublin South West) | - | 174,930 | 21,930 | 196,860 | 196,860 |
| CHO6 (Dublin South East) | - | 129,844 | - | 129,844 | 129,844 |
| CHO8 (Midlands) | - | 500,712 | 5,000 | 505,712 | 500,736 |
| HSE West: | | | | | |
| CHO2 (HSE West) | - | 420,035 | 10,000 | 430,035 | 430,035 |
| CHO1 (HSE North West) | - | 536,027 | 5,500 | 541,527 | 540,522 |
| CHO3 (HSE Mid West) | - | 391,746 | - | 391,746 | 426,912 |
| HSE South: | | | | | |
| CHO4 (HSE South) | - | 788,749 | 40,930 | 829,679 | 781,970 |
| CHO5 (HSE South East) | - | 665,926 | - | 665,926 | 666,310 |
| HSE Other: | | | | | |
| Respite funding via Lottery | - | 18,500 | - | 18,500 | 18,500 |
| Total Statutory Sources | - | 6,640,372 | 83,360 | 6,723,732 | 6,694,946 |
| Other Sources | | | | | |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| | | | | | |
|--|----------------|------------------|---------------|------------------|------------------|
| HSE Acute Hospital Services | - | - | - | - | 70,000 |
| Library and Audio Visual Services | 62,466 | - | - | 62,466 | 80,863 |
| Telephony | 512,672 | - | - | 512,672 | 557,831 |
| Sales of Low Vision Goods and Appliances | - | 681,916 | - | 681,916 | 708,578 |
| Pobal (note 24) | - | 34,360 | - | 34,360 | 38,568 |
| Vision Sport Ireland | 68,719 | 17,500 | - | 86,219 | |
| Other income | 122,365 | 107,666 | - | 230,031 | 118,382 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Other Sources | 766,222 | 841,442 | - | 1,607,664 | 1,574,222 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Overall total | 766,222 | 7,481,814 | 83,360 | 8,331,396 | 8,269,168 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

8. Income from trading activities

The consolidated net result of shop operations is as follows:

| | Unrestricted | Restricted | Total | Total |
|------------------------------|---------------------|-------------------|--------------|--------------|
| | 2019 | 2019 | 2019 | 2018 |
| | € | € | € | € |
| Sales | 9,275,149 | - | 9,275,149 | 8,388,738 |
| | _____ | _____ | _____ | _____ |
| Wages and salaries | (3,698,989) | - | (3,698,989) | (3,136,935) |
| Other operating expenses | (4,122,531) | - | (4,122,531) | (4,068,393) |
| Support costs (note 12) | (143,944) | - | (143,944) | (91,572) |
| | _____ | _____ | _____ | _____ |
| Expenditure | (7,965,464) | - | (7,965,464) | (7,296,900) |
| | _____ | _____ | _____ | _____ |
| Net shop contribution | 1,309,685 | - | 1,309,685 | 1,091,838 |
| | ===== | ===== | ===== | ===== |

Sales represent income from the sale of donated goods through the charity's shops. It is not considered practicable to value stock of unsold donated goods at the year end.

9. Rental and Investment income

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| | Unrestricted | Restricted | Total | Total |
|----------------------------|---------------------|-------------------|----------------|----------------|
| | 2019 | 2019 | 2019 | 2018 |
| | € | € | € | € |
| Rental Income | 187,646 | - | 187,646 | 185,768 |
| Gain/(Loss) on investments | 211,586 | - | 211,586 | (51,861) |
| Deposit interest | 6,316 | - | 6,316 | 16,230 |
| | <u>405,548</u> | <u>-</u> | <u>405,548</u> | <u>150,137</u> |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

10. Expenditure on raising funds

Consolidated expenditure on raising funds represents fundraising costs to raise both restricted and unrestricted income, excluding trading sales.

| | Total | Total |
|--------------------------|--------------|--------------|
| | 2019 | 2018 |
| | € | € |
| Salaries and pensions | 332,545 | 244,652 |
| Direct fundraising costs | 155,049 | 345,312 |
| Support costs (note 12) | 80,638 | 74,096 |
| | ————— | ————— |
| | 568,232 | 664,060 |
| | ————— | ————— |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

11. Resources expended for charitable activities

| | CHO1 | CHO2 | CHO3 | CHO4 | CHO5 | CHO6 | CHO7 | CHO8 | CHO9 | | | | | |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-------------------|-------------------|-----------------|----------------|------------------|------------------|
| | HSE | | HSE | | HSE | HSE | HSE | | HSE | | | | 2019 | 2018 |
| | North | HSE | Mid- | HSE | South | Dublin | Dublin | HSE | Dublin | Low Vision | National | | 2019 | 2018 |
| | West | West | West | South | East | S.E. | S.W. | Midlands | N. Central | Goods Sale | Pobal | Office | Total | Total |
| Restricted | | | | | | | | | | | | | | |
| Community Based Services | 627,181 | 431,717 | 488,495 | 808,594 | 664,261 | 137,366 | 137,909 | 610,657 | 968,098 | - | - | - | 4,874,278 | 4,718,812 |
| Training and Resource Centres | - | - | - | - | - | - | 55,457 | - | 1,041,740 | - | 38,774 | - | 1,135,971 | 918,575 |
| Specialist Services | - | - | - | - | - | - | - | - | 790,678 | - | - | - | 790,678 | 592,543 |
| Low Vision Shops and Services | - | - | - | - | - | - | - | - | 2,115 | - | - | - | 2,115 | 5,030 |
| Sale of Appliances | - | - | - | - | - | - | - | - | 20,018 | 688,825 | - | - | 708,843 | 684,143 |
| Acute Costs | - | - | - | - | - | - | - | - | 69,017 | - | - | - | 69,017 | - |
| EU Agencies and Projects | - | - | - | - | - | - | - | - | - | - | - | 19,208 | 19,208 | - |
| Direct Costs | 627,181 | 431,717 | 488,495 | 808,594 | 664,261 | 137,366 | 193,366 | 610,657 | 2,891,666 | 688,825 | 38,774 | 19,208 | 7,600,110 | 6,919,103 |
| Support Costs (note 12) | 69,696 | 46,464 | 46,464 | 72,861 | 72,861 | 46,464 | 46,464 | 69,696 | 217,569 | - | - | 117,211 | 805,750 | 742,000 |
| Total Restricted Costs | 696,877 | 478,181 | 534,959 | 881,455 | 737,122 | 183,830 | 239,830 | 680,353 | 3,109,235 | 688,825 | 38,774 | 136,419 | 8,405,860 | 7,661,103 |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Unrestricted

| | | | | | | | | | | | | | | |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|----------------|------------------------|-------------------|------------------|------------------|
| Library and Audio Visual Centre | - | - | - | - | - | - | - | - | - | - | - | 477,825 | 477,825 | 408,108 |
| Telephony Services | - | - | - | - | - | - | - | - | - | - | - | 422,400 | 422,400 | 554,400 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Direct Costs | - | - | - | - | - | - | - | - | - | - | - | 900,225 | 900,225 | 962,508 |
| Support Costs (note 12) | - | - | - | - | - | - | - | - | - | - | - | 1,085,899 | 1,085,899 | 837,442 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Unrestricted Costs | - | - | - | - | - | - | - | - | - | - | - | -1,986,124 | 1,986,124 | 1,799,950 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Charitable Expenditure | 696,877 | 478,181 | 534,959 | 881,455 | 737,122 | 183,830 | 239,830 | 680,353 | 3,109,235 | 688,825 | 38,7742,122,543 | 10,391,984 | 9,461,053 | |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

12. Support and Governance costs

| | | 2019 | 2019 | 2018 |
|------------------------------|--------------------|----------------|-------------------|--------------|
| | | Support | Governance | Total |
| Payroll Costs | Cost Driver | Costs | Costs | Costs |
| Human Resources | Staff Numbers | - | - | 400 |
| Finance | Staff Numbers | 281,508 | 23,478 | 299,378 |
| Information Technology | Staff Numbers | 149,584 | - | 76,752 |
| Corporate and communications | Staff Numbers | 291,742 | 36,953 | 279,548 |
| Logistics | Staff Numbers | 116,177 | - | 116,542 |
| Non Payroll support | | 1,038,841 | 17,061 | 979,449 |
| | | _____ | _____ | _____ |
| | | 1,877,852 | 77,492 | 1,752,069 |
| | | ===== | ===== | ===== |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

| | | | | | | | | |
|--|---|--|---------------------------------------|---|------------------------------|--------------------------------------|---------------------|---|
| <p>.....continued</p> <p>13. a Consolidated</p> | | | | | | | | |
| <p>Tangible assets</p> | <p>Land and buildings freehold</p> | <p>Short leasehold property</p> | <p>Long leasehold property</p> | <p>Training and office equipment</p> | <p>Motor vehicles</p> | <p>Furniture and fittings</p> | <p>Total</p> | |
| | € | € | € | € | € | € | € | € |
| Cost | | | | | | | | |
| At 1 January 2019 | 6,996,707 | - | 6,056,910 | 248,030 | 734,360 | 1,524,794 | 15,560,801 | |
| Additions | 18,728 | 12,836 | 623,976 | 128,888 | - | 176,160 | 960,588 | |
| Disposals | - | - | - | - | (45,500) | - | (45,500) | |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | |
| At 31 December 2019 | 7,015,435 | 12,836 | 6,680,886 | 376,918 | 688,860 | 1,700,954 | 16,475,889 | |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | |
| Depreciation | | | | | | | | |
| At 1 January 2019 | 3,704,553 | - | 4,214,222 | 248,030 | 491,493 | 1,524,794 | 10,183,092 | |
| On disposals | - | - | - | - | (23,655) | - | (23,655) | |
| Charge for the year | 147,060 | 3,209 | 675,893 | 32,222 | 81,840 | 44,040 | 984,264 | |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | |
| At 31 December 2019 | 3,851,613 | 3,209 | 4,890,115 | 280,252 | 549,678 | 1,568,834 | 11,143,701 | |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | |
| Net book values | | | | | | | | |
| At 31 December 2019 | 3,163,822 | 9,627 | 1,790,771 | 96,666 | 139,182 | 132,120 | 5,332,188 | |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | |
| At 31 December 2018 | 3,292,154 | - | 1,842,688 | - | 242,867 | - | 5,377,709 | |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | |
| 13. b Company | | | | | | | | |
| <p>Tangible assets</p> | <p>Land and buildings freehold</p> | <p>Short leasehold property</p> | <p>Long leasehold property</p> | <p>Training and office equipment</p> | <p>Motor vehicles</p> | <p>Furniture and fittings</p> | <p>Total</p> | |
| | € | € | € | € | € | € | € | € |
| Cost | | | | | | | | |
| At 1 January 2019 | 6,996,707 | - | 1,684,359 | 248,030 | 497,049 | 1,524,794 | 10,950,939 | |
| Additions | 18,728 | - | 88,508 | 128,888 | - | - | 236,124 | |
| Disposals | - | - | - | - | (45,500) | - | (45,500) | |
| | ----- | ----- | ----- | ----- | ----- | ----- | ----- | |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| | | | | | | | |
|---------------------|-----------|-------|-----------|---------|---------|-----------|------------|
| At 31 December 2019 | 7,015,435 | - | 1,772,867 | 376,918 | 451,549 | 1,524,794 | 11,141,563 |
| | _____ | _____ | _____ | _____ | _____ | _____ | _____ |

Depreciation

| | | | | | | | |
|---------------------|-----------|-------|-----------|---------|----------|-----------|-----------|
| At 1 January 2019 | 3,704,553 | - | 1,411,175 | 248,030 | 425,416 | 1,524,794 | 7,313,968 |
| On disposals | - | - | - | - | (23,655) | - | (23,655) |
| Charge for the year | 147,060 | - | 107,883 | 32,222 | 22,512 | - | 309,677 |
| | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| At 31 December 2019 | 3,851,613 | - | 1,519,058 | 280,252 | 424,273 | 1,524,794 | 7,599,990 |
| | _____ | _____ | _____ | _____ | _____ | _____ | _____ |

Net book values

| | | | | | | | |
|---------------------|-----------|-------|---------|--------|--------|-------|-----------|
| At 31 December 2019 | 3,163,822 | - | 253,809 | 96,666 | 27,276 | - | 3,541,573 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| At 31 December 2018 | 3,292,154 | - | 273,184 | - | 71,633 | - | 3,636,971 |
| | ===== | ===== | ===== | ===== | ===== | ===== | ===== |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

14. a Financial assets - consolidated

| | Listed investments | Other unlisted investments | Total |
|---------------------------|-------------------------------|---|--------------|
| | € | € | € |
| Cost | | | |
| At 1 January 2019 | 91,877 | 2,038,701 | 2,130,576 |
| Additions | - | 450,000 | 450,000 |
| Gain/(Loss) on investment | 19,805 | 206,781 | 226,586 |
| | ----- | ----- | ----- |
| At 31 December 2019 | 111,682 | 2,695,482 | 2,807,162 |
| | ----- | ----- | ----- |
| Net book values | | | |
| At 31 December 2019 | 111,682 | 2,695,482 | 2,807,162 |
| | ===== | ===== | ===== |
| At 31 December 2018 | 91,877 | 2,038,701 | 2,130,576 |
| | ----- | ----- | ----- |

Included in the unlisted investments is a Davy investment of €2,308,268, Friends First investment of €68,758 and a pension investment with Friends First of €318,454.

14. b Financial assets - company

| | Other unlisted investments | Total |
|--------------------|---|--------------|
| | € | € |
| Cost | | |
| At 1 January 2019 | 282,500 | 282,500 |
| Gain on investment | 35,954 | 35,954 |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| | | |
|------------------------|---------|---------|
| At 31 December 2019 | 318,454 | 318,454 |
| Net book values | | |
| At 31 December 2019 | 318,454 | 318,454 |
| At 31 December 2018 | 282,500 | 282,500 |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| 15. Stocks - consolidated | 2019 | 2018 |
|----------------------------------|-------------------|-------------------|
| | € | € |
| Stocks | 211,733 | 227,947 |
| | <u> </u> | <u> </u> |

There are no material differences between the replacement cost of stock and the balance sheet amount.

| 16. a Debtors - consolidated | 2019 | 2018 |
|-------------------------------------|-------------------|-------------------|
| | € € | |
| Trade debtors | 283,135 | 292,582 |
| Other debtors | 97,619 | 139,315 |
| Prepayments and accrued income | 175,965 | 139,129 |
| | <u> </u> | <u> </u> |
| | 556,719 | 571,026 |
| | <u> </u> | <u> </u> |

| 16. b Debtors - Company | 2019 | 2018 |
|------------------------------------|-------------------|-------------------|
| | € € | |
| Trade debtors | 283,361 | 284,797 |
| Amounts owed by group undertakings | 3,735,261 | 3,521,851 |
| Other debtors | - | 16,054 |
| | <u> </u> | <u> </u> |
| | 4,018,622 | 3,822,702 |
| | <u> </u> | <u> </u> |

17. Capital in progress

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| | 2019 | 2018 |
|---------------------|-------------------|-------------------|
| | € | € |
| Capital in progress | 996,271 | - |
| | <u> </u> | <u> </u> |

in Capital in progress comprises of funds held by NCBI in relation to a capital project to be undertaken in conjunction with and supported by the National Transport Authority. These funds are not under the control of NCBI.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| 18. a Creditors: amounts falling due | 2019 | 2018 |
|---|-------------|-------------|
| within one year - Consolidated | € | € |
| <i>Loans & other borrowings</i> | | |
| Bank loan | 89,542 | 89,542 |
| <i>Other creditors</i> | | |
| Trade creditors | 343,198 | 201,844 |
| Other creditors | - | 47,501 |
| Accruals and deferred income | 418,563 | 627,751 |
| <i>Taxation creditors</i> | | |
| PAYE/PRSI | 229,741 | 207,619 |
| VAT | 18,090 | 19,129 |
| | <hr/> | |
| | 1,099,134 | 1,193,386 |
| | <hr/> | |

The bank facilities are secured by a legal charge over the following properties: Unit 1 Emmet House, Barrack Square, Ballincollig, Co. Cork. 3 Nugent Street, Kildare, Co. Kildare. 33 Duke Street, Athy, Co. Kildare. 6 Main Street, Cashel, Co. Tipperary. Main Street, Roscrea, Co. Tipperary. 36 O'Connell Street, Waterford. 133 North Main Street, Youghal, Co. Cork.

| 18. b Creditors: amounts falling due | 2019 | 2018 |
|---|-------------|-------------|
| within one year - Company | € | € |
| <i>Loans & other borrowings</i> | | |
| Bank loan | 89,542 | 89,542 |
| <i>Other creditors</i> | | |
| Trade creditors | 106,845 | 21,413 |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| | | |
|-----------------------------------|-----------|-----------|
| Amounts owed to group undertaking | 2,659,512 | 2,911,417 |
| Other creditors | - | 14,422 |
| Accruals and deferred income | 77,212 | 167,936 |

Taxation creditors

| | | |
|-----------|--------|--------|
| PAYE/PRSI | 27,104 | 28,590 |
| VAT | 18,300 | 19,339 |

2,978,515
3,252,659

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

19. Creditors: amounts falling due

after more than one year - consolidated and company

| | 2019 | 2018 |
|-----------|-----------------------------|-----------------------------|
| | € | € |
| Bank loan | 1,007,017 | 729,851 |
| | <u> </u> | <u> </u> |

20. Accruals and deferred income - consolidated and company

| | 2019 | 2018 |
|---------------------------------|-----------------------------|-----------------------------|
| | € | € |
| Capital grants | | |
| At 1 January 2019 | 1,758,804 | 1,832,744 |
| Remeasurement of capital grants | 1,060,530 | - |
| | <u> </u> | <u> </u> |
| | 2,819,334 | 1,832,744 |
| Released in year | (68,568) | (73,940) |
| | <u> </u> | <u> </u> |
| At 31 December 2019 | 2,750,766 | 1,758,804 |
| | <u> </u> | <u> </u> |

21. Details of Borrowings

| Maturity Analysis | Within | Between 1 | Between 2 | After | Total |
|--------------------------|---------------|----------------------|----------------------|----------------|--------------|
| | 1 year | & 2 years | & 5 years | 5 years | |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| | € | € | € | € | € |
|---------------------------------|---------------|----------------|----------------|----------------|------------------|
| <i>Repayable by instalments</i> | | | | | |
| Bank loan | 89,542 | 179,084 | 179,084 | 648,849 | 1,096,559 |
| | ———— | ———— | ———— | ———— | ———— |
| At end of year | 89,542 | 179,084 | 179,084 | 648,849 | 1,096,559 |
| | ===== | ===== | ===== | ===== | ===== |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

| 22. a Reconciliation of movements in consolidated charity funds | 2019 | |
|--|-------------------|-------------------|
| 2018 | € | € |
| Surplus for the year | 1,083,760 | 641,357 |
| Opening charity funds | 5,198,618 | 4,557,260 |
| Acquisition opening funds | 62,042 | - |
| | <u> </u> | <u> </u> |
| Closing charity funds | 6,344,420 | 5,198,618 |
| | <u> </u> | <u> </u> |
| Analysed as: | | |
| Unrestricted funds | 5,372,468 | 4,204,027 |
| Restricted funds | 971,952 | 994,591 |
| | <u> </u> | <u> </u> |
| | 6,344,420 | 5,198,618 |
| | <u> </u> | <u> </u> |
| | | |
| 22. b Reconciliation of movements in Company charity funds | 2019 | |
| 2018 | € | € |
| Surplus for the year | 54,253 | (17,718) |
| Net movement on transfers between companies | 41,661 | 41,559 |
| | <u> </u> | <u> </u> |
| Net addition to charity funds | 95,914 | 23,841 |
| Opening charity funds | 2,090,957 | 2,067,116 |
| | <u> </u> | <u> </u> |
| Closing charity funds | 2,186,871 | 2,090,957 |
| | <u> </u> | <u> </u> |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Analysed as:

| | | |
|--------------------|-------------------------|-------------------------|
| Unrestricted funds | 2,186,871 | 2,090,957 |
| Restricted funds | - | - |
| | <u>2,186,871</u> | <u>2,090,957</u> |
| | <u><u>2,186,871</u></u> | <u><u>2,090,957</u></u> |

23. Co-Funding by group companies

NCBI Charitable Foundation provided funding to NCBI Services of €1,909,065 at year ended 31st December 2019.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

24. Other Statutory Sources of Funding

Grant

| | |
|---|---------------------------------|
| Agency | Pobal |
| Sponsoring Government Department | Department of Social Protection |
| Grant Programme | Community Services Programme |
| Total Grant | €34,360 |
| Term | Expires 31 January 2020 |
| Expenditure | €34,360 |
| Received Year End | 31 December 2019 |
| Capital Grant | Nil |
| Restriction on Use | Support for staff wages |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

25. HSE Statutory Sources of Funding

Grant

Agency Health Service Executive

Sponsoring Government Department Department of Health

Grant ProgrammeS.39

Total Grant

CHO Area 1 Donegal Sligo/Leitrim/West Cavan Cavan/Monaghan €536,027

CHO Area 2 Galway Roscommon Mayo€420,035

CHO Area 3 Clare Limerick North Tipperary/East Limerick €391,746

CHO Area 4 Kerry Cork €788,749

CHO Area 5 South Tipperary Carlow/Kilkenny Waterford Wexford €665,926

CHO Area 6 Wicklow Dun Laoghaire Dublin South East €129,844

CHO Area 7 Kildare/West Wicklow Dublin West Dublin South City Dublin South West€174,930

CHO Area 8 Laois/Offaly Longford/Westmeath Louth/Meath €500,712

CHO Area 9 Dublin North Dublin North Central Dublin North West€2,425,289

TermExpires 31 December 2019

Expenditure

CHO Area 1 Donegal Sligo/Leitrim/West Cavan Cavan/Monaghan €673,645

CHO Area 2 Galway Roscommon Mayo€478,181

CHO Area 3 Clare Limerick North Tipperary/East Limerick €534,959

CHO Area 4 Kerry Cork €881,455

CHO Area 5 South Tipperary Carlow/Kilkenny Waterford Wexford €737,122

CHO Area 6 Wicklow Dun Laoghaire Dublin South East €137,366

CHO Area 7 Kildare/West Wicklow Dublin West Dublin South City Dublin South West€137,909

CHO Area 8 Laois/Offaly Longford/Westmeath Louth/Meath €657,121

CHO Area 9 Dublin North Dublin North Central Dublin North West€2,891,665

Capital Grant Nil

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

Restriction on Use Provision of Disability Services

The Agency is compliant with relevant circulars, including Circular 44/2006. "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments"

26. Post balance sheet events

Since the year end, Covid episode has impacted the funding sources of NCBI Group. The financial and operational challenges are being addressed through a combination of significant cost reduction measures and seeking Financial Aid from the State.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

27. Related party transactions

Related party transactions occur between group companies as a result of payments and receipts made on behalf of group companies by another group member and the allocation of support costs from NCBI Group to its subsidiary companies. All companies in the group financially support group members and so transfers occur between companies where the activities of the company is in deficit.

All transactions were conducted at arm's length.

28. Gross cash flows

| | 2019 | 2018 |
|---|-------------------|-------------------|
| | € | € |
| Capital expenditure and financial investment | | |
| Payments to acquire tangible assets | (960,588) | (1,710,853) |
| Payments to acquire investments | (450,000) | (300,000) |
| Receipts from sales of tangible assets | 21,845 | - |
| Receipt of grant | 1,060,530 | - |
| | <u> </u> | <u> </u> |
| | (328,213) | (2,010,853) |
| | <u> </u> | <u> </u> |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

29. Analysis of changes in net funds

| | Opening balance | Cash flows | Closing balance |
|--------------------------|----------------------------|-----------------------|----------------------------|
| | € | € | € |
| Cash at bank and in hand | 573,219 | 724,034 | 1,297,253 |
| Overdrafts | - | - | - |
| | <u>573,219</u> | <u>724,034</u> | <u>1,297,253</u> |
| Debt due within one year | (89,542) | - | (89,542) |
| Debt due after one year | (729,851) | 277,166 | (1,007,017) |
| | <u>(819,393)</u> | <u>(277,166)</u> | <u>(1,096,559)</u> |
| Net funds | <u>(246,174)</u> | <u>446,868</u> | <u>200,694</u> |

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

30. Going concern

In March 2020 the Irish government introduced a number of measures in an attempt to reduce the spread of COVID 19. These measures include the enforced closure of non-essential retail outlets and the restriction of events, which have had a significant impact on the funding of the Group. The impact of these measures cannot yet be fully quantified. These events indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Significant cost reductions have been put in place and the Group have sought financial aid from the State in an effort to negate the effect of these Government measures. The Directors having considered the key uncertainties of a) Timing of re-opening of NCBI Retail shops b) Level of trading of shops upon resumption of trading c) State support to Charity Sector d) Financial Aid for NCBI Services to provide disability services e) Ongoing HSE funding f) Possible reoccurrence of Covid in 2020/21 g) Cost structure of NCBI Group for 2021 h) Cash flow of NCBI Group for next 12 month From the above the Directors have satisfied themselves that the Company is in a position to continue as a going concern.

31. Company limited by guarantee

The company and its subsidiaries are limited by guarantee not having a share capital. The liability of each individual member, in the event of the company being wound up is €1.

32. Branches of NCBI

The financial statements of the company contain the transactions relating to NCBI and its subsidiary companies.

NCBI branches and their funds are not under the direct control of NCBI Group or its subsidiary companies. At 31 December 2019 there were approximately 11 county branches and a number of smaller townland branches in existence. NCBI expect to receive all funds from these branches over the next 5 years. The branch funds are not reflected in the financial statements.

NCBI (NATIONAL COUNCIL FOR THE BLIND) GROUP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

..... continued

33. Approval of financial statements

The board of directors approved these financial statements and authorised them for issue on

_____.