



Trustees' Report and Accounts

For the year ended 31st March 2009

Registered as a company limited by guarantee in Scotland 147570
Registered Scottish Charity Number SC022097

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Introduction

The Trustees, who are also directors under the Companies Act 1985, have pleasure in presenting their report together with the audited accounts of the charitable company for the year ended 31 March 2009.

Legal and Administrative Information

Charity Name: Sense Scotland

Company Registration Number: 147570

Scottish Charity Number: SC022097

Registered Office Address: 43 Middlesex Street, Glasgow G41 1EE

Company Secretary: Gillian Morbey OBE

The Trustees during the year were:

Roy Cox	Chairman
Neil Farquharson	Vice Chairman
Douglas Smart	Treasurer
David Newton	
David Bridges	(resigned February 2009)
Marian McArdle	
Duncan Tannahill	
Isabel Allan	
Margaret Smith	
Norman Ritchie	(appointed September 2008)

Directorate team

Gillian Morbey OBE Chief Executive Officer & Company Secretary

Joyce Wilson Depute Director

Linda Annan Senior Assistant Director – Operational services

John O'Connor Assistant Director – Central services

Independent Auditors

PricewaterhouseCoopers LLP

Kintyre House

209 West George Street

Glasgow G2 2LW

Solicitors

MacRoberts
Excel House
30 Semple Street
Edinburgh EH3 8BL

Anderson Strathern
24 Blythswood Square,
Glasgow G2 4BG

Bankers

Bank of Scotland
Second Floor
38 St Andrews Square
Edinburgh EH2 2YR

Structure, Governance & Management

Constitution

Sense Scotland is a charitable company incorporated as a private company limited by guarantee. The sole member is Sense (formerly The National Deafblind & Rubella Association) which itself is a charitable company incorporated in England.

Sense Scotland was established as a charitable company in November 1993 and is governed by a Memorandum and Articles of Association under the Companies Act 1985.

Governance

The governing body of the charity is known as the National Council and comprises of up to 12 trustees which meets five times each year.

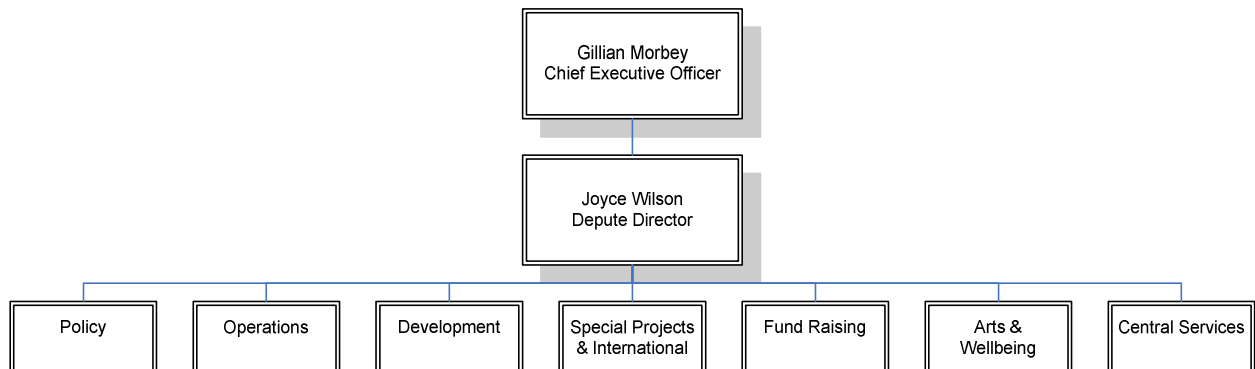
Trustees are inducted into their role primarily through a Trustee guidance file. New Trustees meet with the Chairman and the Chief Executive Officer where the guidance is outlined to them. The Trustee guidance folder includes details of the regulations Trustees operate under, guidance on good Trusteeship, the role of a Trustee, the organisation structure, and an outline of organisational procedures. In addition there is an induction DVD for new staff that Trustees have found useful, along with a DVD on the TouchBase resource.

The National Council has established six senior groups comprising the Senior Management Group, the Directorate Group, the Finance Group, the Partnership Forum, the Operations Group and the Public Policy Group. The Treasurer, who is also a Trustee, sits on the Finance Group, which meets every month. The Finance Group oversees all financial aspects of the charity's operations so as to ensure short and long-term viability. It reviews the three-year strategic plan and budget and monitors performance against them and financial forecasts. There are a number of other working groups to help with the day-to-day running of the charity.

The Trustees who held office during the period are set out on page 3. The Trustees have the powers and obligations of directors under the Companies Act 1985. The appointment of Trustees is determined by the existing National Council members at each Annual General Meeting. Trustees can also be co-opted to the National Council during the course of a year by the existing Trustees. Trustees are normally appointed for a three-year term but this can be extended. The Chief Executive, Depute Director, Senior Assistant Director and Assistant Director attend every Trustees' meeting and are informed of decisions made by Trustees. Minutes from Trustees' meetings are circulated to the senior management group (SMG) members. All SMG members meet twice a year with the Trustees.

Management – Organisational Structure

The diagram below sets out the organisation structure in terms of operational management and reporting:



Within Operations the management structure is split geographically into regions – Highland, North East of Scotland; East of Scotland and West of Scotland. Each has a Regional Manager, supported by Service Managers, who oversees services in their area. Each individual service has a Team Leader or Project Manager who is supervised by, and reports to, a Service Manager.

Risk and internal control

The Trustees have carried out a risk assessment exercise during the year and are satisfied that processes and procedures are in place to monitor and measure potential risks to the charity. Further assessment will be carried out as part of the annual strategic planning process.

Employee involvement and employment of disabled people

The Trustees remain committed to employee involvement. This is in part achieved through the partnership work with the trade union Unite. We continued to develop this over 2008-2009 by developing staff representation through the Partnership Forum, which as a minimum meets four times a year.

All staff representatives have a dedicated email address and mobile phone for partnership information and for their staff constituencies. We have also requested and received personal email addresses from employees and now send out newsletters and other relevant information about the organisation's activities.

We remain committed to staff training but had to reduce some training opportunities in the last six months of the financial year because of financial pressures largely due to the general economic climate.

Staff retention has improved during 2008-2009 and consequently the pressures on recruitment have reduced. Highland, as a developing region, remains an exception, as we continued to recruit for the twelve months in this area.

Last year we reported our wish to increase the number of disabled employees. We have not been as successful as we would like and recognise our need to do more in

this area. As a commitment to the employment of disabled people we survey our disabled employees annually – only 46% of private sector organisations do this.

For 1st April 2008 4.6% staff were recorded as disabled.

For 1st April 2009 this has decreased to 4.3%

Note this is only the staff who have offered this information and not necessarily all staff who are disabled.

The average for a group of organisations from the voluntary sector within Scotland was 3.3% for 2006.

Volunteers continue to play an important role in our charity shops. Across the ten shops we have an average of six volunteers per shop. The number of volunteer hours varies on a weekly basis.

Objectives and Activities

The key aims of the charity, and the objects for which it was established, are to provide support and relief to children and adults who are deafblind, who have a hearing impairment, visual impairment, learning, physical disability or any combination of these, and to provide help and support for their families and carers.

The main objectives and strategies adopted by the charity to meet these aims are to:

- support and promote the interests of persons who are deafblind or who have a hearing/vision impairment, have learning, physical disability and any combination of these or who are suffering from the congenital effects of rubella, and also those people who have Usher syndrome or any other causes known or unknown which may result in such impairment of vision and/or hearing and/or learning disabilities (hereinafter referred to as “beneficiaries”);
- provide special forms of housing and residential care and support to beneficiaries (in particular amongst those who have more profound disabilities);
- provide support and companionship to enable beneficiaries to pursue their interests and take part in leisure activities;
- create and run day, residential and outreach services for adults living at home, in long stay hospitals or attending Adult Training Centres;
- promote and actively encourage nationwide services for beneficiaries; and
- work towards the effective prevention of deafblindness, blindness and/or deafness and the creation of professional and financial frameworks to meet the needs of beneficiaries and their families.

The main activities undertaken by the charity continue to be the provision of care and housing support under contract with local authorities and other statutory bodies across Scotland. These services take the form of residential care homes; residential respite for adults and children; day support services for children; day support resources for adults, and housing support services. This constitutes our main focus but we also provide added value services funded from donations and grants, such as our advisory services for families and carers; health and healthy living information; holidays and outdoor activities, as well as providing creative opportunities for service users in the form of art, music and drama.

Objectives for the year

The charity works to a rolling three-year strategic plan. All stakeholders are involved in the development and the Trustees approve both the three-year strategic plan and the annual operational plan. The annual budget is also approved by the Trustees, and both the plan and the budget are evaluated at the Annual General Meeting.

For the fourth year the Trustees worked to key operational themes. The Senior Management Group monitor and evaluate activities under these themes at their eight-weekly meetings and report back to the Trustee Board on performance.

The objectives for the year as set out in the operational plan for 2008-09 are as

follows:

1. We will support and develop positive health for service users and staff.
2. We will develop opportunities for service users, families and staff.
3. We will promote a culture of high standards and quality.
4. We will promote an efficient and effective organisation at all levels.
5. We will support and promote service users and families to drive forward change.

The report notes each of these objectives in turn and outlines some of the achievements over the year.

Achievements & Performance

We will support and develop positive health for service users and staff

- We continued to reduce the amount of fast food offered to service users through our healthy living programme. We offered individual advice to staff and launched the Good Enough to Eat initiative. The project was led by service users and developed easy to follow and accessible recipes.
- The arts team continue to offer a wide range of arts activities, many of which promote physical and mental health. From a total of a possible 446 service users 389 people have received services from the arts and well being department.
- The Heritage Lottery funded life history project in the Highlands has been running for 18 months and has captured the stories of people leaving New Craigs Hospital to move into independent housing through video, storytelling and the arts. A preview exhibition was held at Inverness Museum and Art Gallery in February 2009.
- Projects linking the arts to environment and outdoor activities have developed further, promoting wellbeing for service users and staff.
- Developed Sex Education networks with Deafblind International (DbI), Common Knowledge with a view to publishing new resources, including a review and update of Batteries not Included. We continued working partnership with Common Knowledge, looking at review of Batteries not Included in autumn of 2008 and also accreditation of current 3 module sex education course (This is being done with the help of Abbey Trust grant). The material is now prepared and we are soon to begin discussions with possible external accrediting bodies. We have liaised directly with the Scottish Government-funded Wellbeing in Sexual Health group about future funding opportunities for course development.
- The uptake of MMR1 by five years of age is 94.4%, just below the World Health Organisation (WHO) target of 95%. This is the highest MMR uptake in the UK.

We will develop opportunities for service users, families, and staff

- Over the course of the year most of the service users previously living in New Craigs have been relocated into their new housing in the community. The final houses will be complete around July 2009 when the last six service users will move. The Trustees note this has been a huge development and thank all the staff concerned. The partnership with Highland Council and NHS Highland has been very positive and despite the challenges everybody has remained committed to finding the solutions. Sense Scotland also understood that these were anxious times for families but we would like to thank relatives for their patience as their sons and daughters moved into the community. We are starting to see positive outcomes for service users and remain convinced that all the hard work has been worth it.

- We hosted the international Listen to me (4) family conference 22nd-27th August. Sixty four family members joined us from Catalonia, Spain, Czech Republic, Slovakia, Italy, Poland, England, Wales and Canada.
- We held the 8th International Helen Keller Art Award. There were 150 entries from 12 countries and the exhibition was held at the Glasgow Royal Concert Hall and TouchBase.
- A number of service users performed at the Edinburgh Fringe Festival in August 2008.
- A family event was held in Inverness March 2008 and the Luv Fete was held at TouchBase February 2008. Over 150 family members attended the two events and the Luv Fete raised £1,800 for the charity.
- There was further development of the Siblings Group and they made a collaborative 'wishing tree' for the Listen 2 Me 4 event.
- A number of birthday parties and other events were held for service users and families in the courtyard space of TouchBase.
- We have supported 11 service users in employment with Sense Scotland. The work ranges from administration and TouchBase reception duties to working in the café or leading drama workshops.
- The service user consultation group continues to meet on a monthly basis. Over 80 service users attended the October 2008 service user conference.

We will actively promote a culture of high standards and quality

- We received funding from the Scottish Government Voluntary Sector Development Fund to continue the SVQ training programme with a view to supporting staff to qualification and SSSC registration.
- We supported 2,714 staff through 44 different training events. These ranged from first aid, administering medications, report writing and more specialist opportunities such as communication and sensory awareness.
- We achieved SSSC recognition for the Deafblind Studies course.
- Six staff are ready to graduate from the Diploma in Deafblind Studies having met all course requirements.
- Five staff are currently studying on the Diploma Deafblind studies programme.
- The continuous professional development programme continues for all staff. Progress has not been as quick as we would like due to the need to reduce internal training because of lack of resources. Nevertheless progress is ongoing.

Sense Scotland SQA Centre

- Thirteen staff are working towards their SVQ level 3 in Health and Social Care (Adults)

- One staff member is working towards SVQ level 3 Health and Social Care (Children and Young People).
- Five staff have completed and achieved their SVQ level 3 Health and Social Care (Adults).

Other Qualifications – in partnership with colleges

- 18 x SVQ level 3 (adult) awards;
 - 8 x A1 assessor awards (which will increase capacity of our own SQA Centre for 2009-10);
 - 4 x SVQ level 4 management level awards;
 - 2 x combined Managers awards; and
 - 1 x Registered managers award.
-
- We have established specialist links in other fields (e.g. autism, learning disability) similar to the existing links with Dbl in the field of deafblindness.
 - Membership of Scottish Autism Network.
 - Delivery of presentation to a psychiatric learning disability conference.
 - Delivery on Additional Support needs course at Strathclyde University.
 - Contact with Scottish Consortium for Learning Disability.
 - Regular joint working with Common Knowledge in the area of learning disability.
 - We undertook a review of operational structures (November 08) partly driven by the need to make financial savings but also required to improve clarity of roles and reporting structures. The new structure will be complete by June 2009.
 - We will continue to work with the consultation group to develop ways to measure quality.

We will promote an efficient and effective organisation at all levels

The focus on staff recruitment and retention continued.

- There were a number of positive indicators including a decrease in annual rate of sickness absence from 4.5% in January 08 to just under 4% in January 09. Staff turnover was down to 16% compared to 18% for the same period last year. It is less than the sector average of 18%. Lower turnover meant greater staff retention and reduced recruitment costs. Payroll figures have increased because of increase in staff, however additional hours worked by individual staff were down on previous years.
- We reviewed processes and materials resulting in new policies and a new application form.

- We have not been able to monitor and report on the range of diversity of applicants largely due to lack of resources.
- We improved communication across the organisation with better dissemination of core information from Trustees SMG, Finance Group etc. This included Online Communication including access for Trustees.
- Administration supported by other departments extended the opening hours of head office functions and TouchBase. Weekend and evening working, functions and services are now a regular occurrence. This extends business and income generating opportunities as well as offering flexible service opportunities for families.
- We continued to pursue best prices for equipment including computer software, presentation equipment, phones etc. We changed our mobile phone contract over the course of the year and achieved savings.
- Administration supported savings through central purchasing of stationery and other administration goods. A list of permitted items was drawn up for purchase at local level and better stocktaking systems were introduced. This remains a programme for continuous improvement.
- We continue to strive to strengthen the technology base of the organisation and a significant grant application was prepared and submitted. Future development is subject to the success of this application.
- We continued to improve shop functions with the introduction of new tills, finance and stock taking systems are now in place.
- We have established a financial investment group comprising senior staff and Trustees. A reserves policy is in place and the restructure of operations is one of the first initiatives targeted to achieve reserves.
- We undertook a number of audits over the course of the year. These included aspects of performance in the shops, management of petty cash and service user finances, rota and absence management and the central finance department itself.
- The café has generated opportunities by increasing community involvement and generating a minimum of £5,000 in the first full year of operation. Over 1,000 visits per month are recorded and the business centre is generating income.
- We will continue to work towards new pension arrangements in preparation for the new legislation in 2011.

Fundraising Performance

Although Sense Scotland receives fees for providing services we rely on the generosity of others whether running marathons, putting money in collecting cans or sending us cheques.

The objectives set for fundraising continue to be to generate charitable income from as many sources as possible. We work with trusts and corporations; we apply for grants from a number of sources, for example, the Big Lottery fund; we make regular

appeals to our supporters via regular updates and newsletters (direct mail); we organise fundraising events, for example, the annual zip slide; and we strive to increase our donor base by encouraging regular donations by standing order or direct debit (committed giving).

Despite all these achievements, there is still much to do. The Trustees therefore remain committed to investment in fundraising opportunities and will continue to develop a range of income generation activities. This funding supports innovative services that can make huge differences to the lives of individuals.

In 2008-09 the fundraising team generated £1.79 million revenue and capital funding, showing an increase of £230,000 (15%) from the prior year. This is an excellent achievement, which the Trustees wish to acknowledge. With the exception of the year when we had the major Capital Campaign to raise funds to build TouchBase, this is the most we have ever raised. The Trustees also record their thanks to all the funding agencies and individual supporters who made this possible.

Our fundraising team continue to improve performance with an increase in donations of £138,000, an increase in legacies of £38,000 and committed giving increase of £44,000. Foundations and Grants contributed towards this increase. Our charity shops sales generated £864,000, an increase of over £2,000.

The costs of generating funds increased by £65,000 (11%) excluding shops. This reflected a decision by trustees to significantly increase investment in donor recruitment campaigns compared to the previous financial year. Within fundraising expenditure for 2008-09, £287,000 was spent on new donor recruitment campaigns which will increase regular committed giving in each future year. The increase in regular committed giving will boost financial security and assist us to plan and budget. Our shops expenditure of £828,000 is reduced compared with the previous year of £831,000. The climate has been difficult on the high street however we have a tight management focus on costs relating to shops and anticipate an increased profit from shops in the next financial year. The Trustees acknowledge the contribution of the volunteers who work tirelessly in our shops.

We will support and promote service users and families to drive forward change.

Sense Scotland wants to engage more effectively with families in responding to government consultations. Real time consultation does not often take place – timescales are usually too short, families' priorities need to be balanced with care of their sons and daughters and, inevitably 'consultation fatigue' can creep in. Instead, Sense Scotland staff often responded to consultations on behalf of families. We aim to change that, not only because the organisation has limited scope to offer a policy and representation function, but also to allow the richness of family experiences to be represented.

At the same time we want to encourage opportunities for service users to participate in leading the kind of life they want to lead, and let others know about it too. With a new context centred on user and carer directed services it is important to anticipate these opportunities.

- A Trustee with family interests now sits on the public policy group and contributes a great deal of information from a family perspective.

- Work is underway with service users aiming to support them to use Information Communication Technology to communicate directly about their aspirations, likes and dislikes to service planning and decision making events.
- A development bid has been submitted to the BIG Lottery. If successful, this will enable more communication and response with families and service users.
- In the year 08-09 it became clear that £34m to improve services to disabled children in Scotland would not be ring-fenced but go into GAE.
- Sense Scotland is part of For Scotland's Disabled Children (FSDC), a consortium of around 25 voluntary organisations. FSDC aims to improve access to and the range of short breaks, respite and leisure services as well as improving transition experiences of young people. Two of FSDC five Steering Group members are parents, one of whom is a Sense Scotland parent. Supported by Sense Scotland up to 30 families became involved in consultation with Scottish Government officials.
- Clear lines of communication now exist between families, advisory services, policy and quality, and Scottish Government. Reports and discussions feed into Branching Out. This offers a template on which to build in other areas.
- We continue to strengthen the Trustee Board.
- We are still working towards increasing the members of the company from one to three.
- A number of staff presented at the 2008 Deafblind International (DbI) Communication conference held in Leeds.
- We developed (in collaboration with other voluntary organisations) a DVD on the human aspects of re tendering front line services. This was presented at the Community Care Providers Conference.
- We developed a tenancy DVD to support service users to understand the responsibilities of being a tenant.
- A target from the previous year was to raise our profile. The media coverage we achieved reached a combined circulation across Scotland of over 650,000. The cost equivalent for coverage space from recent advertising space costs over £31,000. We featured in a range of publications including: Third Force News, The Glaswegian Press and Journal, The Herald, Evening Times, Inverness Courier, Govan Press, Local Southside News and Talking Sense.
- We responded to a number of consultations on a range of issues:
 - Disability Equalities Strategy, Scottish Government (discussion event)
 - Towards a Mentally Flourishing Scotland
 - Draft National Minimum Information Standards for all adults in Scotland (etc)
 - Adults with Incapacity Act (intromission with funds – forms)
 - Scottish Law Commission Report on rape and serious sexual offences

- MACS (Mobility and Access Committee Scotland) merger with Scottish Public Transport Users Committee
- Draft Code of Practice for Adult Support and Protection (Scotland) Act
- Local Healthcare (Scotland) Bill
- Draft quality standards on adult hearing rehabilitation services
- Scottish Broadcasting Commission (discussion attended)
- Code of Practice: Station Infrastructure to meet the needs of Disabled People
- Consultation on revision of How to write your disabled persons' protection policy: a guide for train and station operators
- Review of the ASL Act: placing requests, tribunals and other matters
- Apprenticeship (Scotland) Bill
- Housing (Scotland) Act 2006: guidance and regulations
- Taking forward the Government Economic Strategy: a discussion paper on tackling poverty (in conjunction with Disability Agenda Scotland)
- Balance of Care Enquiry (evidence to Scottish Parliament Health and Sport Committee)
- Draft BS 8300: Design of buildings and their approaches to meet the needs of disabled people: Code of Practice
- Adult Support and Protection Committees (in conjunction with Disability Agenda Scotland)
- Sexual Offences (Scotland) Bill (evidence to the Scottish Parliament Justice Committee)
- Wheelchair and seating modernisation: draft action plan
- Next generation of qualifications in Scotland
- Scottish Social Services Council proposed registration dates for social care workers
- (Recovery of expenditure on social care) Ordinary residence
- Improving protection from discrimination: UK Equality Bill
- Scottish Parliament member's Bill on Palliative Care
- Scottish Parliament member's Bill on End of Life Choices
- Scottish Parliament member's Bill on Bus regulation, noting eligibility for concessionary fares
- Householder permitted development rights
- Equipment and adaptations (independent living)
- Improving the lives of children – are we there yet?

- Response to proposed member's, committee and Government amendments to the ASL Bill

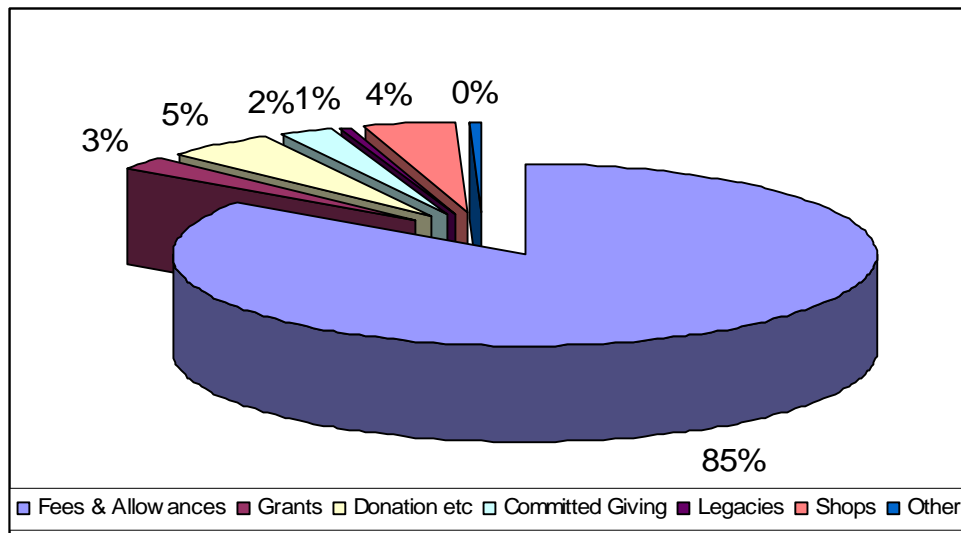
Financial Review

The accounts of Sense Scotland are consolidated within those of Sense, formerly the National Deafblind and Rubella Association, by virtue of it being a subsidiary as explained in Note 23 to these Accounts.

The Sense Scotland accounts relate to activities throughout Scotland, some of which are on a contracted basis and, therefore, funded through local authorities. Other activities are funded through charitable income and statutory grants.

Income and funding:

In 2008/09 total income was £20.5 million, up by £2.6 million (14.6%) on the previous year. Fees and allowances increased by £2.4 million and other income increased by £145K (4.8%). Much of this is attributable to the generous donations and gifts which have exceed £1 million.



The increase in fees reflects the growth in services during the year. The main areas for growth include:

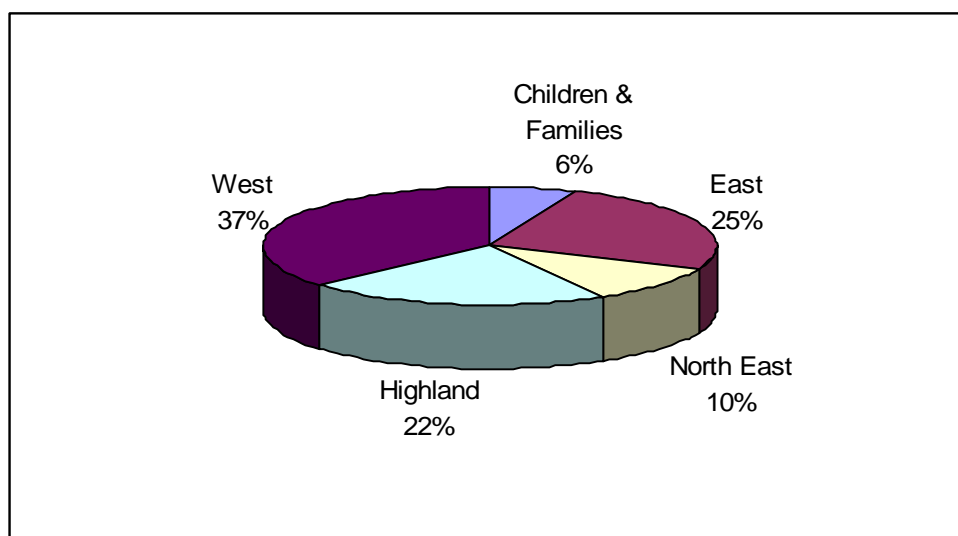
- New services provided in the Highland Region, along with the full year affect of services that commenced in 2007/08 has resulted in an increase of £1.8 million (91%)
- Increased support services in the West Region, mainly provided from our TouchBase centre, had provided an increase of £448k (7%)
- Increased support services provided to children and young people, mainly provided from our TouchBase centre, had provided an increase of £90k (9%)

Grant funding were received to meet the costs of some added value services including Advisory Services, Getting Together Project and Creative Arts projects.

Our shops income of £864K has remain consistent with the previous year of £861K.

Fee and allowances accounted for 85% of all our income in 2008/09. An analysis of

the regional split of fees and allowances during 2008/09 is illustrated below:



Major grants received are identified in note 2 to the accounts. In addition, substantial donations have been received from the following:

- Abbey Trust
- Charities Aid
- Gannochy Trust
- Leng Charitable Trust
- Lintel Trust
- Margaret J Stephen's Charitable Trust
- Moffat Charitable Trust
- R S MacDonald
- ITV
- The Robertson Trust
- Wooden Spoon

The Trustees are indebted to all donors for their support, both financial and otherwise, without which it would not have been possible to achieve all that we did.

The Trustees wish to note the continued support of the Scottish Government in respect of Section 10 funding; and the Scottish Government Health Department for the Section 16B grant. The Trustees also wish to note the local authorities, health boards and other statutory agencies who have continued to support Sense Scotland through grant and other funding.

Expenditure

Expenditure increased by £2.4 million (13.7%) from the previous year. This reflects the increase in income as detailed above. All residential and family services are fully funded by statutory funders, including social work and supporting people funding.

Sixteen Scottish local authorities now fund services. An increasing number of users of our services are funded fully or in part by The Independent Living Fund (ILF).

Salary costs remain our principal area of expenditure accounting for 82% of the total expenditure (£16.3 million). There is a continuing pressure to ensure that salary scales remain competitive to support the recruitment and retention of staff.

Other main areas of expenditure are subject to regular best value reviews. We are also members of the Authorities Buying Consortium (ABC) whose members include 12 local authorities and over 150 other organisations. This membership allows us to benefit from low contracted pricing across a broad product range and choice of suppliers.

Reserves and investments

The Trustees have set a target of 12 weeks operating costs as a desired level of reserves, which is reviewed annually, having taken into account the nature of the client group which the charity is entrusted to provide care and support. As of 31 March 2009, the charitable company has managed to achieve a reserve level of 4 weeks working capital.

The Trustees policy with regard to surplus funds or reserves is to invest such funds in low risk interest bearing accounts.

Business Risks and Uncertainties

As a company established under the Companies Act 1985, we are required to report on the business risks and uncertainties that may affect the charity as a business.

In general terms, as 82% of our total income is derived from contracted services with local authorities and other statutory bodies, we have a very low risk in terms of the core of the charity's work. The nature of our client group's support needs, long term physical, sensory and learning difficulties, means that we will be offering such services to local authorities and other statutory bodies over a long term period.

As we are dealing with large statutory authority purchasers of our services, the risk of non-payment of our fees is also very low. The main potential risk to the charity may arise from changes in central government funding of local authorities, or future local government reorganisation that could impact on the charity's cash flow position from delays in payments of fees.

In common with all charities, we do face the uncertainty on a yearly basis about the level of fundraised income for our added value services or special projects. However, such uncertainties are minimised with our strategy to increase the level of committed regular donors. We received £501,000 from such donors during the year. This is expected to rise to £550,000 in future years.

In addition, we obtain specific grant funding for special projects thus ensuring our costs are fully funded.

Whilst our ten shops provide the charity with a year on year stable level of charitable income, there is the potential risk of such income falling due to competition and/or changes in consumer spending patterns. Whilst poorly performing shops are closed where possible, there are lease commitments which the charity may need to honour if the lease is not able to be reassigned.

Future plans

As described earlier the charity has a rolling 3-year strategic plan from which an operational plan for the forthcoming year 2009-2010. The operational plan takes the form of key themes, which the organisation plans to pursue in that year. These key themes or objectives are:

1. We will support and develop positive health for service users and staff.
2. We will develop opportunities for service users, families and staff.
3. We will actively promote a culture of high standards and quality.
4. We will promote an efficient and effective organisation at all levels.
5. We will support and promote service users and families to drive forward change.

In detail future targets for 2009-2010 are:

We will support and develop positive health for service users and staff

- The Trustees reported last year that improving attendance at work by reducing sickness absence, managing annual leave and improving rota management showed positive indicators and this continues to be an ongoing target.
- We will continue to improve our understanding of the range of support needs our service users have. This will feed in to staff training, practice and the organisation's promotional materials. In this respect we will continue to promote the use of the 'Working with me' approach to gathering and recording information on people's support needs.
- We will continue the healthy living functions by reaching more staff and up to 80% of service users. Staff and service users will receive information on a range of healthy living choices and participate in healthy activities. This target is ongoing and supported by the outdoor education programme and the 'Good Enough to Eat' project.
- We will develop service user led health improvement work.
- We will undertake more collaborative work with others in Community Health Partnerships (CHPs) and CHSCP.
- We will contribute to UK practitioner weekend focusing on health and (congenital rubella syndrome) CRS.
- We will continue to develop enhanced healthy living support.

We will develop opportunities for service users, families and staff

- Increase TouchBase usage by children from other organisations including local nurseries, schools, Hazelwood and other special needs schools. A minimum of two external organisations a week.
- Establish a six week programme of day support for children in the East over the summer holiday period.

- Run the holiday programme for 30+ children.
- Develop a range of information material aimed at families and local authorities and agree a marketing strategy.
- Consider a family advisory role in the North in order to build up knowledge.
- Establish development meetings in Highland to review unmet need.
- Run an adult holiday in the North/ North East to generate interest for enabler services.
- Produce information materials, including development guidance materials.
- Continue to develop added value services such as the story telling and arts programmes. As a minimum establish one full time worker in the North.
- Establish a family/parents forum to assist in driving forward change.
- Increase external networks.
- New services being planned in the East at Kelttyhill for 8/9 service users and in the West at Craigton for 11 people

We will actively promote a culture of high standards and quality

- The new operational structure will be fully implemented in June 2009. We will develop staff into their new roles through the development of development plans for individual staff and restructuring of communication and reporting functions between SMG and the middle tier of management.
- We will strive to get 50% of our staff qualified. Our target over three years is 75%.
- We will increase the available qualification opportunities for staff by beginning to offer an SVQ 2 in health and social care - adults and children and the practice unit of the deafblind diploma through our SQA Centre.
- We will increase the number of SVQ assessors through the introduction of the practitioner posts and as a result will increase the number of internal SVQ places available to staff.
- We aim over the next 3 years to be in a position to provide an internal placement for all staff requiring to undertake an SVQ in health and social care.
- We will introduce an apprenticeship scheme to allow people with no previous care experience to enter the social care workforce and gain the required qualifications.
- We will introduce a range of achievement awards and a scholarship scheme to support continuing professional development and best practice.

We will promote an efficient and effective organisation at all levels

- Continue to develop the 10 charity shops with a view to increasing net profit and the charity's profile. This will include revising policies to do with expenditure and the collections of donated goods.

- Strengthen the Trustee Board to further develop a balanced board reflecting gender and culture. A Governance working group will be established.
- Strengthen the Trustee agenda to give more time for discussion and presentations on key organisational areas. The aim being to continuously improve the knowledge of the board.
- Income generation activities will be further developed with rental and lease opportunities at TouchBase. A minimum of £25,000 will be achieved.
- Develop promotional materials and organisation messages. These will be developed to reflect the organisation's vision and culture and should be consistent Scotland wide.
- The Trustees introduced 'dashboard reporting' for finance and Human Resources key performance Indicators. We will extend this approach to central functions, TouchBase business centre and qualitative reporting for operations.
- We did not reach our technical targets for last year and so the development of e-learning modules such as recruitment and absence management remains a target. This approach will add value to training sessions to offer a blended approach of onsite and online learning to develop smarter ways of working.
- More fundraising income is to be tied to local fundraising campaigns, to be spent in areas where it is raised.
- Research spending charitable income as pump priming to assist with start up funding for innovative services. This will involve feasibility and business planning around any proposal.
- Utilise expertise in music and arts to offer something more than just respite care. We will develop holidays with outdoor activities, or arts weekends.
- Investment in communications functions could bring people together. Video link for example would negate travelling, saving money. Skype technology provides free video phones. The working group has developed a plan and submitted a funding application. The speed of these developments is dependent on resource availability.

We will support and promote service users and families to drive forward change

- Pathways, albeit fragile, are now in place for us to build on. Family experiences (positive and negative) have the chance to feed directly into Scottish Government. Advisory services support families to attend, continuous dialogue takes place with families, feedback is provided through Branching Out.
- Scottish Government officials will provide draft briefing document on the way forward to Sense Scotland families for comment (the only organisation whose families will be consulted directly). The model of consultation also represents an effective way to increase our involvement with external networks For Scotland's Disabled Children (FSDC 25+ organisations; through families to their own networks of support).

- We will support family responses to key questions on the ASL Amendment Bill which will be considered by Scottish Parliament Education Committee during Stage 2 and 3 of the Bill.
- We will invite families to hear about ICT at the Family Forum events. This presents a way of keeping communication open, identifying issues that affect families and building on these, with one parent seconded to Sense Scotland to write materials for other parents, based on what worked for others.
- We will continue to support the work of our consultation group in identifying improvements for the organisation and for public services. Group representatives will take the work of the group to local areas, involving more people using services. A continuous theme is supporting the development of confidence and capacity amongst members of the group.
- To promote improvements in public policy, consultation group members will be supported to engage with decision makers and those who deliver public services.
- We will continue to make comments on relevant public consultations, take part in committees and consultation events, and advance joint work with Disability Agenda Scotland.

Statement on disclosure of information to the auditors

The Trustees confirm and are confident that all relevant audit information has been provided to the charitable company's auditors, and are not aware of any audit information that has not been provided to or given access to the auditors.

Each Trustee has taken all the steps required by the Trustee's duty to exercise due care, skill and diligence and that he or she ought to have taken in his or her duty as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Statement of Trustees' responsibilities in respect of the Annual Report and the financial statements

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Trustees are responsible for preparing financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company and of the net result of the charitable company for that period. In preparing those 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees confirm that they have complied with the above requirements in preparing the financial statements.

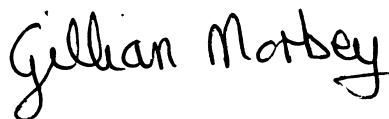
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985, the Statement of Recommended Practice 'Accounting and Reporting by Charities 2005' and the governing document. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditors

In accordance with Section 384 of the Companies Act 1985 a resolution proposing the re-appointment of PricewaterhouseCoopers LLP as auditors to the charity will be put to the Annual General Meeting.

By Order of the Trustees



Gillian Morbey OBE
17th September 2009

Independent auditors' report to the Trustees and Members of Sense Scotland

We have audited the financial statements of Sense Scotland for the year ended 31 March 2009 which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, and the related notes. The financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 1985 and report to you in accordance with those acts.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985, and to the charity's trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and whether the information given in the Trustees' Annual Report is consistent with those financial statements.

We also report to you if, in our opinion, the company has not kept proper accounting records, if the company's financial statements are not in agreement with these accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial

statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure and cash flows, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Trustees' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

Eligible to act as an auditor in terms of section 25 of the Companies Act 1989

Chartered Accountants and Registered Auditors

Glasgow

Date: 7th October 2009

Income and expenditure account for the year ended 31 March 2009

Income	Notes	2009	2008
Fees and allowances	1	17,355,569	14,887,054
Grants receivable	1, 2, 3	404,092	535,361
Big Lottery Fund – Grant	1, 2, 3	132,045	137,517
Donations, events and trading	3	1,040,119	901,562
Legacies receivable	3	127,588	89,393
Committed giving campaigns	3	501,837	458,124
Income from shops	3	864,157	861,895
Income from TouchBase Business Centre	3	69,908	0
Interest receivable and similar income	4	21,452	32,828
		20,516,767	17,903,734
Expenditure			
Residential and community services	5	17,163,834	15,014,858
Individual and family services	5	279,141	268,181
Health education	5	62,222	45,954
Policy, development and resources	5	827,864	726,989
Fundraising and publicity	6	387,311	327,412
Committed giving campaigns	6	287,074	282,005
Shop costs	6	828,064	831,305
TouchBase Business Centre costs	6	70,179	0
Governance costs	8	16,420	16,000
		19,922,109	17,512,704
Surplus for the year (Total Funds)		594,658	391,030
Relating to Restricted and Designated Funds		-297,785	-355,995
Net Income/(Deficit) to General Funds		296,873	35,035
Transfer to Project (Capital) Fund from Legacies Fund		-956,143	0
Transfer to General Funds from Spent Funds - Depreciation		0	81,351
Net Movement in General Unrestricted Funds		-659,270	116,386

All results relate to continuing activities.

Statement of financial activities for the year ended 31 March 2009

	Notes	Unrestricted funds £	Designated funds £	TouchBase Capital fund £	Restricted funds £	Total 2009 £	Total 2008 £
Incoming Resources							
Incoming resources from charitable activities							
Fees and allowances	1	17,144,235			211,334	17,355,569	14,887,054
Grants receivable	1,2	31,625		27,811	476,701	536,137	672,878
Incoming resources from generated funds							
Voluntary Income	3	867,074	311,501	32,665	252,224	1,463,464	1,301,809
Activities for generating funds	3	1,140,145				1,140,145	1,009,165
Interest receivable	4	21,452				21,452	32,828
Total incoming resources		19,204,531	311,501	60,476	940,259	20,516,767	17,903,734
Resources Expended							
Costs of charitable activities							
Residential and community services	5	16,441,288			722,546	17,163,834	15,014,858
Individual and family services	5	133,103			146,038	279,141	268,181
Health Education	5	62,222				62,222	45,954
Policy, development and resources	5	776,645	14,094	7,320	29,805	827,864	726,989
Costs of generating funds							
Costs of generating voluntary income	6	306,496	221,237			527,733	498,942
Costs of activities for generating funds	6	1,043,895	1,000			1,044,895	941,780
Governance costs	8	16,420				16,420	16,000
Total resources expended		18,780,069	236,331	7,320	898,389	19,922,109	17,512,704

Statement of financial activities (continued)

Net Incoming resources before transfers		424,462	75,170	53,156	41,870	594,658	391,030
Transfer between funds	18	-1,083,731		940,963	142,768	0	0
Net movement in funds		-659,269	75,170	994,119	184,638	594,658	391,030
Total Funds at 1 April 2008		1,757,781	167,890	2,904,472	2,059,647	6,889,790	6,498,760
Total funds at 31 March 2009		1,098,512	243,060	3,898,591	2,244,285	7,484,448	6,889,790

All incoming resources and resources expended are derived from continuing activities. The results above are reported on a historical basis.

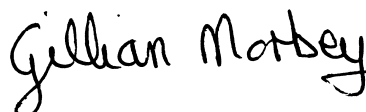
Balance sheet as at 31 March 2009

	Notes	2009 £	2009 £	2008 £	2008 £
Fixed assets					
Tangible assets	13		6,389,099		6,560,704
Current assets					
Stock		1,400		0	
Debtors	14	2,431,290		1,835,708	
Investments	15	1,682		1,682	
Cash at bank and in hand		451,640		377,941	
			2,886,012		2,215,331
Creditors: amounts falling due within one year	16		-930,229		-989,446
Net current assets			1,955,783		1,225,885
Total assets less current liabilities			8,344,882		7,786,589
Creditors: amounts falling due after more than one year	17		-860,434		-896,799
Net assets			7,484,448		6,889,790
Fund balances					
Restricted funds	18		2,244,285		2,059,647
TouchBase Capital fund	18		3,898,591		2,904,472
Designated funds	18		243,060		167,890
General funds	18		1,098,512		1,757,781
Total funds			7,484,448		6,889,790

Approved by the Trustees on the 17th September 2009.



R Cox
Chairman



G Morbey
Secretary

Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards and with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005).

The company has taken advantage of the exemption from the requirement to prepare a cash flow statement under Financial Reporting Standard 1 (revised), as it is a wholly owned subsidiary undertaking and is included in the ultimate parent undertaking's consolidated cash flow statement.

Particulars of the significant accounting policies of the charitable company are given below.

Basis for recognition of incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Incoming resources from charitable activities

Fees and allowances represent income earned in respect of contracted services with local authorities, health boards and other statutory agencies and are recognised when the services are performed.

Grants income are recognised on a receivable basis and when the charity is unconditionally entitled to the grant. Where entitlement is conditional upon the delivery of a specific performance by the charity grant income is not recognised until these conditions have been fulfilled.

Incoming resources from generated funds

Voluntary income consisting of donations, committed giving and legacies are accounted for when receivable. Non-cash donations, other than goods donated for sale through our shops, are valued at an estimate of their value to the charity. Volunteer services are not quantified nor included in the financial statements.

Incoming resources from activities for generating funds

Income from our shops, through the sale of donated goods, and from the sale of Christmas cards and merchandise are accounted for on a receivable basis.

Income generated from events is similarly accounted for on a receivable basis.

Deferred income

Fees, grants or donations received in a financial year in advance of related services, or events to be performed in a later financial year, are treated as deferred income.

Resources expended

Resources expended are recognised in the period to which they relate and when a liability is incurred. Expenditure is reported inclusive of irrecoverable value added tax.

The activities classifications within Costs of Charitable Activities consist of direct costs specific to these activities together with apportioned indirect support costs attributable to each activity category.

Costs of generating funds within the Statement of Financial Activities (SoFA) are those incurred in seeking voluntary contributions from individuals, organisations, trusts and corporations in furtherance of the charity's objects. Costs of activities for generating funds consist of direct shops' expenditure, costs of fundraising events and costs of cards and merchandise purchased for resale. An apportionment of general fundraising costs and indirect support costs are also included within the expenditure reported in the SoFA.

Support Costs

Support costs consisting of the head office functions of finance, human resources, ICT, general administration and management are apportioned across charitable activities and costs of generated funds on the basis of staff costs.

Governance costs

Governance costs are those incurred in connection with the constitutional and statutory requirements of the charity, and includes the audit fee and costs associated with the strategic management of the charity.

Fixed assets and depreciation

Using the following methods, depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful economic lives:

In equal annual instalments:

- Freehold buildings - 50 years
- Short leasehold properties and leasehold improvements - over the remaining life of the lease
- Leasehold improvements (shops) - over 6 years
- Equipment - over 4 years
- Motor vehicles - over 4 years
- Equipment, furniture, fixtures and fittings - over 4 years

Purchases of fixed assets valued at £500 and computer hardware valued at £300 and above are capitalised, otherwise they are expensed to the SoFA and Income and Expenditure Account.

Investments

Investments are valued at cost unless their market value is less than cost.

Leases

Assets acquired under finance leases and hire purchase contracts are included under fixed assets in the balance sheet. The related liability is included in creditors. Operating lease rentals are charged to the income and expenditure account in the period in which they are incurred.

Pension costs

Pension benefits are funded over the employees' periods of service. The company's annual contributions are based on actuarial advice and are charged to the income and expenditure

account in the period to which they relate. Refer to note 12.

Taxation

The company is recognised as a charity by the Inland Revenue for the purposes of Section 505 of the Income and Corporation Taxes Act 1988 and is exempt from Corporation Tax.

Fund accounting

General funds comprise those funds which may be used towards meeting the charitable objectives of the company at the discretion of the Trustees.

Designated Funds are those funds which have been set aside for a specific purpose, out of General Funds, by the Trustees. Note 18 to these financial statements describe the nature of each designated fund.

Restricted funds comprise donations and grants subject to donor imposed conditions.

Transfers between funds are determined on an annual basis as part of the charity's budgetary process. The charity determines the level of funds which are required to be set aside in designated funds, from unrestricted funds, to pay for planned expenditure.

Notes to the financial statements for the year ended 31 March 2009

1. Incoming resources from Charitable Activities

	Fees and Allowances	Grants receivable	Total 2009 £	Total 2008 £
Residential and Community Services				
Care homes	1,709,921	4,566	1,714,487	1,654,078
Housing support services	12,308,954	27,396	12,336,350	10,344,523
Respite and day services	3,273,996	170,672	3,444,668	3,250,736
Total income from Residential and Community Services	17,292,871	202,634	17,495,505	15,249,337
Individual and family services	665	142,345	143,010	31,200
Health education	0	0	0	0
Policy, development and resources	62,033	163,347	225,380	263,377
TouchBase Resource Centre	0	27,811	27,811	16,018
Total income from charitable activities	17,355,569	536,137	17,891,706	15,559,932

2. Grants received from statutory authorities and other organisations

	2009	2008
	£	£
Scottish Executive (Malawi Project)	34,937	0
Scottish Local Authorities and Health Boards (towards services)	26,925	35,620
Scottish Executive (VSDF Award for 06/07 & 07/08)	30,000	130,000
Scottish Executive (Children, Young People & Social Care Group Unified Vol. Sector Fund)	66,785	87,066
Scottish Executive (Training and Awareness)	4,700	0
Scottish Arts Council (National Lottery Grant)	0	7,750
European Union – ERDF (TouchBase)	27,811	0
Paths to Health	9,100	0
Scottish Arts Council (National Lottery Grant) – TouchBase	0	9,761
Scottish Arts Council (National Lottery Grant) – Threads & Partners	5,318	7,140
Scottish Arts Council (National Lottery Grant) – Access All Areas	27,000	0
Scottish Arts Council (National Lottery Grant) – Youth Music Initiate	0	21,638
Scottish Arts Council (National Lottery Grant) – Found in Translation	0	17,365
Big Lottery Fund (TouchBase)	0	6,250
Big Lottery Fund (towards advisory services)	0	21,200
Big Lottery Fund (Active Futures)	48,450	48,449
Big Lottery Fund (Reaching Out)	83,595	61,618
Tayside NHS	10,300	10,000
NHS Greater Glasgow (Innovation projects)	156,974	153,896
West Dunbartonshire Council (towards services)	0	49,000
Glasgow City Council (Threads)	4,000	3,500
Others	242	2,625
Total grants received for the year	536,137	672,878

Trustees' Report and Accounts
For the year ended 31 March 2009

3. Incoming resources from generated funds

	Unrestricted Funds £	Designated Funds £	TouchBase Fund £	Restricted Funds £	Total 2009 £	Total 2008 £
Voluntary Income						
Donations	423,848	125,302	32,665	252,224	834,039	754,291
Committed giving campaigns	315,638	186,199	0	0	501,837	458,125
Legacies receivable	127,588	0	0	0	127,588	89,393
Total Voluntary Income	867,074	311,501	32,665	252,224	1,463,464	1,301,808
Activities for Generating						
Income from shops	864,157	0	0	0	864,157	861,895
Income from TouchBase Business Centre	69,908	0	0	0	69,908	0
Trading	11,849	0	0	0	11,849	10,641
Fundraising events	194,231	0	0	0	194,231	136,629
Total Income from Activities for Generating Funds	1,140,145	0	0	0	1,140,145	1,009,165

4. Interest receivable and similar income

	2009 £	2008 £
Interest receivable	21,452	32,828

5. Costs of charitable activities

	Staff Costs £	Other Direct Costs £	Support Costs £	Total 2009 £	Total 2008 £
Residential and Community Services					
Care Homes	1,371,501	297,642	86,255	1,755,398	1,751,422
Housing Support Projects	10,203,316	1,481,189	641,695	12,326,200	10,170,562
Respite and Day Services	2,893,379	6,890	181,967	3,082,236	3,092,874
Total Residential and Community Services Costs	14,468,196	1,785,721	909,917	17,163,834	15,014,858
Individual and Family Services					
Individual and Family Services	153,350	116,147	9,644	279,141	268,181
Health Education	39,737	19,986	2,499	62,222	45,954
Policy, Development and Resources	1,242,569	-492,851	78,146	827,864	726,989
Total Costs of Charitable Activities	15,903,852	1,429,003	1,000,206	18,333,061	16,055,981

6. Costs of Generated Funds

	Staff & other Direct Costs £	Support Costs £	Total 2009 £	Total 2008 £
Costs of Generating Voluntary				
Donations	219,812	8,262	228,074	195,015
Committed giving campaigns	283,940	3,134	287,074	282,005
Legacies receivable	11,498	1,087	12,585	11,779
TouchBase Resource Centre	0	0	0	10,143
Total Costs of Generating Funds	515,250	12,483	527,733	498,942
Costs of Activities for				
Shops	806,082	21,982	828,064	831,305
Trading	11,341	270	11,611	10,234
Fundraising Events	132,313	2,728	135,041	100,241
TouchBase Business Centre	70,053	126	70,179	0
Total Costs of Activities for Generating Funds	1,019,789	25,106	1,044,895	941,780
Total Costs of Generated funds	1,535,039	37,589	1,572,628	1,440,722

Trustees' Report and Accounts
For the year ended 31 March 2009

7. Support Costs

	Finance £	Human Resources £	Information Technology £	Management & Administration £	Total 2009 £	Total 2008 £
Residential and Community services						
Care Homes	14,621	19,277	4,594	47,763	86,255	81,315
Housing Support Projects	108,771	143,412	34,177	355,335	641,695	487,725
Respite and Day Services	30,844	40,668	9,692	100,763	181,967	173,901
Total Residential and Community Support Costs	154,236	203,357	48,463	503,861	909,917	742,941
<hr/>						
Individual and Family services	1,635	2,155	514	5,340	9,644	11,827
Health Education	423	559	133	1,384	2,499	2,236
Policy, Development and Resources	13,246	17,465	4,162	43,273	78,146	67,891
Activities for generating voluntary income	2,116	2,790	665	6,912	12,483	11,979
Activities for generated funds	4,256	5,611	1,337	13,902	25,106	23,106
Total Support Costs	175,912	231,937	55,274	574,672	1,037,795	859,980

8. Governance Costs

	2009 £	2008 £
Strategic management costs	5,500	5,500
Auditors' remuneration - audit services	10,920	10,500
Quality Audits	0	0
	16,420	16,000

9. Operating surplus

	2009 £	2008 £
Operating surplus is stated after charging:		
Depreciation - owned assets	265,536	225,434
Operating lease rentals – property & equipment	415,619	423,046
Loss on disposal of fixed assets	0	0

10. Staff costs

	2009	2008
	£	£
Wages and salaries	14,870,457	12,794,555
Social security costs	1,128,041	988,807
Other pension costs	363,949	341,845
	16,362,447	14,125,207

The average number of persons employed by the company was 738 (2008: 720).

Four employees received remuneration greater than £40,000 per annum, in the following range:

- One employee earned between £40,001 and £50,000
- One employee earned between £50,001 and £60,000
- One employee earned between £60,001 and £70,000
- One employee earned between £70,001 and £80,000

The average number of employees can be analysed as follows:

	2009	2008
	Number	Number
Direct services	656	636
Added Value services	23	23
Fundraising and shops	27	28
Central services	32	33
	738	720

11. Trustees' remuneration

Trustees received no remuneration during the financial year (2008: £Nil). Travelling expenses totalling £170 were paid to Trustees during the year (2008: £54).

12. Pensions

Sense Scotland participates in the London Pension Funds Authority Superannuation Scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the participating employers, being invested in equity investments and Government Securities. Contributions to the scheme are charged to the income and expenditure account and SOFA so as to spread the cost of pensions over employees' working lives with the charitable company. The contributions are determined by qualified actuaries using the projected unit method. The last actuarial valuation was performed at 31 March 2007.

The pension charge for the year was £363,949 (2008: £341,845). It has not been possible to separate the pension assets and liabilities for Sense Scotland from the Sense group assets and liabilities. The disclosure included in the Sense, National Deafblind & Rubella Association's consolidated financial statements provides the disclosure for the defined benefit scheme, for FRS 17 purposes, for the Group. Sense Scotland has accounted for its pension costs as if it were a defined contribution scheme.

13. Tangible assets

	Freehold property	Long leasehold Improvement	Short leasehold Improvement	Equipment, furniture and fittings	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2008	5,970,282	577,338	379,997	920,076	289,906	8,137,599
Additions	42,891	0	0	47,239	3,801	93,931
Disposals	0	0	0	0	0	0
At 31 March 2009	6,013,173	577,338	379,997	967,315	293,707	8,231,530
Depreciation						
At 1 April 2008	66,556	163,271	369,661	692,013	285,394	1,576,895
Charge for the year	121,771	15,987	7,744	118,030	2,004	265,536
Disposals	0	0	0	0	0	0
At 31 March 2009	188,327	179,258	377,405	810,043	287,398	1,842,431
Net Book Values						
At 31 March 2009	5,824,846	398,080	2,592	157,272	6,309	6,389,099
At 31 March 2008	5,903,726	414,067	10,336	228,063	4,512	6,560,704

14. Debtors

	2009	2008
	£	£
Fee debtors	2,340,611	1,722,216
Other debtors	13,223	38,856
Amounts owed by group undertakings	0	0
Prepayments	77,456	74,636
	2,431,290	1,835,708

No amounts included above fall due after more than one year.

15. Investments

Current asset investments of £1,682 represent 280 units in the Equities Investment Fund for Charities.

16. Creditors – Amounts falling due within one year

	2009	2008
	£	£
Bank loan payable	37,666	35,479
Other creditors	201,633	280,456
Taxation and social security	316,229	303,543
Accrued charges	303,246	267,232
Amounts owing to group undertakings	41,455	43,661
Deferred income	30,000	59,075
	930,229	989,446

17. Creditors – Amounts falling due after more than one year

	2009	2008
	£	£
Secured Bank loan	860,434	896,799
Property loan	0	0
	860,434	896,799

The secured Bank loan is in respect of 43 Middlesex Street, Glasgow which was provided by HBOS who have first charge on the properties. The loan is payable in equal instalments over 20 years and the interest charge is fixed at 6%.

Total loans > 1 year are payable as follows:

	2009	2008
	£	£
Between one and two years	39,987	37,666
Between two and five years	135,364	127,506
In five or more years	685,083	731,627
	860,434	896,799

Trustees' Report and Accounts
For the year ended 31 March 2009

18. Analysis of funds

	Total Funds 1 April 2008	Income	Transfers	Expenditure	Total Funds 31 March 2009	Spent Funds (Fixed Assets)	Unspent Funds (Net Current Assets)
	£	£	£	£	£	£	£
Restricted funds							
Arts development	36,622	27,362	0	-13,114	50,870	1,215	49,655
General development	22,891	14,215	0	0	37,106	22,891	14,215
Respite centre	841,006	17,096	142,768	-19,610	981,260	903,638	77,622
Day services	102,677	40	0	0	102,717	101,930	787
Residential and community services	807,066	446,883	0	-465,310	788,639	181,527	607,112
International fund	35,904	11,278	0	-29,970	17,212	0	17,212
Motor vehicles	4,096	0	0	0	4,096	4,096	0
Families & Carers fund	69,545	123,332	0	-157,109	35,768	1,038	34,730
Other funds	139,840	300,054	0	-213,277	226,617	0	226,617
Total	2,059,647	940,260	142,768	-898,390	2,244,285	1,216,335	1,027,950
Project (Capital) funds							
TouchBase Fund	2,904,472	60,476	940,963	-7,320	3,898,591	5,301,486	-1,402,895
Total	2,904,472	60,476	940,963	-7,320	3,898,591	5,301,486	-1,402,895
Designated funds							
Shops development	52,322	0	0	-1,000	51,322	52,322	-1,000
Asset replacement fund	10,765	0	0	0	10,765	10,765	0
Motor vehicles	45,929	0	0	0	45,929	45,929	0
Residential and community services	264,181	125,302	0	-14,094	375,389	-101,025	476,414
General development	63,682	0	0	0	63,682	25,460	38,222
Community resource and head office	-180,033	0	0	0	-180,033	-180,033	0
Fundraising campaigns	-155,683	186,199	0	-221,237	-190,721	-4	-190,717
Property maintenance	66,727	0	0	0	66,727	17,864	48,863
Total	167,890	311,501	0	-236,331	243,060	-128,722	371,782
General funds							
Legacies	956,143	127,588	-1,083,731	0	0	0	0
Unrestricted general funds	801,638	19,076,943		-18,780,069	1,098,512		1,098,512
Total	1,757,781	19,204,531	-1,083,731	-18,780,069	1,098,512	0	1,098,512

19. Analysis of net assets balances between funds

	Fixed assets	Other net assets	Long Term Liabilities	Total funds 2009	Total Funds 2008
	£	£	£	£	£
Restricted funds	1,216,335	1,027,950	0	2,244,285	2,059,647
Designated funds	-128,722	371,782	0	243,060	167,890
Project (capital) funds	5,301,486	-542,461	-860,434	3,898,591	2,904,472
General funds	0	1,098,512	0	1,098,512	1,757,781
Total	6,389,099	1,955,783	-860,434	7,484,448	6,889,790

20. Funds transfer

During the course of the year, it was approved that the total accumulated Legacies (General Fund) of £1,083,731 should be transferred to Capital Project Fund.

21. Capital commitments

Capital expenditure authorised and contracted for but not provided for amounted to £65,000 (2007/08: £164,000) in respect of future building works at 43 Middlesex Street, Glasgow (TouchBase Community Resource Centre).

22. Operating lease commitments

	2009			2008		
	Land and buildings	Equipment	Total	Land & building	Equipment	Total
	£	£	£	£	£	£
Operating leases which expire:						
Within one year	108,027	9,003	117,030	55,627	9,003	64,630
Second to fifth year (inclusive)	88,355	0	88,355	142,495	0	142,495
After five years	156,825	0	156,825	156,825	0	156,825
	353,207	9,003	362,210	354,947	9,003	363,950

23. Company limited by guarantee

The company has no share capital. The liability of the sole member, Sense, the National Deafblind and Rubella Association, is limited by guarantee. Sense, the National Deafblind and Rubella Association, has undertaken to contribute such amount not exceeding one pound as may be required in the event of the company being wound up.

Sense, the National Deafblind & Rubella Association, is for accounting purposes the parent company of Sense Scotland whose financial statements are therefore consolidated into their Financial Statements.

The Registered Office of Sense, the National Deafblind & Rubella Association, is 101 Pentonville Road, London, N1 9LG

24. Related Party Transactions

As Sense Scotland is, for accounting purposes, a wholly owned subsidiary of Sense, the National Deafblind and Rubella Association, the company has taken advantage of exemptions under FRS 8 with regards to the requirement to disclose related party transactions. No disclosures have therefore been made as the accounts of Sense Scotland are consolidated within those of Sense, the National Deafblind and Rubella Association.