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**Report of the Trustees and  
Financial Statements  
for the Year Ended 31 March 2012**

**for**

**The Leeds Society for Deaf and Blind People**

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**The Leeds Society for Deaf and Blind People**

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for the Year Ended 31 March 2012**

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**The Leeds Society for Deaf and Blind People**

**Society Information  
for the Year Ended 31 March 2012**

<b>PRESIDENT:</b>	Vacant
<b>CHAIR:</b>	Hon Ald Martin J Dodgson M B E J P
<b>VICE CHAIR:</b>	Vacant
<b>TREASURER:</b>	Vacant
<b>TRUSTEES:</b>	Anne Beilby Thomas Bonner Diane Colville Jason Hixon Andrew Holmes Sallie Holmes Julie Lambert John Lockwood Shirley Lockwood Craig Moxon Barry Naylor Janet Pearson Christine Roche Martin C A Smith J P Alison Spear Duncan Wood Maureen Wood
<b>REGISTERED OFFICE</b>	Centenary House North Street Leeds West Yorkshire LS2 8JS
<b>CHARITY REGISTRATION NUMBER</b>	227169
<b>COMPANY REGISTRATION NUMBER:</b>	00146281 (England and Wales)
<b>AUDITORS:</b>	Malcolm Jones & Co Limited Statutory Auditors Accountants and Business Advisers West Hill House Allerton Hill Chapel Allerton Leeds LS7 3QB
<b>BANKERS:</b>	Yorkshire Bank Plc 8 Kirkgate Leeds LS1 6BZ

## **The Leeds Society for Deaf and Blind People**

### **Report of the Trustees for the Year Ended 31 March 2012**

The Leeds Society for Deaf and Blind People is a registered charity (registered number 227169) and a private company limited by guarantee (company number 146281) Its governing documents are the Memorandum and Articles of Association

#### **Trustees**

The Board of Trustees (known as the Management Committee) is elected annually by the Members present at the Annual General Meeting (AGM) The following Trustees were elected at the 2010 AGM and served in the financial year 2011-2012 Unless otherwise indicated, they were Trustees on the date that this report was approved

Mr Michael GERWAT (Vice Chairman and Acting Treasurer) (resigned 26<sup>th</sup> July 2012)

Mr Stephen GOULDING MBE (resigned 26<sup>th</sup> July 2012)

Mr Andy PRESTON (resigned 26<sup>th</sup> July 2012)

Mr Kenton ROBBINS (resigned 15<sup>th</sup> August 2012)

Mr Simon SPEAR (resigned 27<sup>th</sup> June 2011)

The Management Committee elects its Chair, annually, from amongst its members At the Management Committee held in March 2011, Kenton Robbins was elected as Chair Samantha Green was elected as President and Michael Gerwat was elected as Vice President Michael Gerwat was appointed as Treasurer

#### **Structure, Governance & Management**

The Society is governed by the Board of Trustees which meets approximately six times a year (and not less than quarterly) Its role is to confirm the strategy and set the direction of the Society for the CEO to implement It is responsible for monitoring achievements and actual outcomes against its planned objectives

As at 31 March 2012, there were five Trustees of whom three (60%) have a sensory loss (Deaf, Blind and DeafBlind)

Finance and Administrative issues are overseen by the Chair, Vice Chair/Acting Treasurer and CEO Professional management is the responsibility of the CEO Rob Young was appointed as CEO in June 2008 and continued in office until his dismissal in October 2012

As detailed above all the trustees who were in office at 31 March 2012 and throughout the current reporting year have subsequently resigned As a result, the current trustees are unable to comment in detail on governance and management matters pertaining to the year to 31 March 2012

#### **Risk Assessments**

The current Trustees (see page 1) are in the process of reviewing the major strategic, business and operational risks which the Society faces and the systems in place to mitigate the Society's exposure to these risks

## **The Leeds Society for Deaf and Blind People**

### **Report of the Trustees for the Year Ended 31 March 2012**

#### **Objectives, Activities and Plans for the Future**

The principal objective of the Society is to meet the expressed needs of sensory impaired people so as to enable each person to have the opportunity to achieve their full potential. The overriding ethos is to foster independence rather than engender dependence. This objective is enhanced through consultation with user groups and representation of sensory impaired people within the structure of the Society. Aims, objectives and activities are reviewed annually to ensure they remain focused on the Society's principal objectives, with reference to the Charity Commission's general guidance on public benefit when undertaking this review process.

As none of the current Trustees were in office at any time during the year to 31 March 2012 they, as the management committee, are unable to record in detail the activities, achievements and performance of the Society for the year, except to provide brief summaries of certain matters including a short financial review, as detailed below, and the following two trustee statements.

#### **Hon. Ald. Martin J. Dodgson M.B.E. J.P. - Chair of Trustees**

In January 2011 the Society was advised it had not been successful in its tenders to Leeds City Council, Adult Social Care Department, for services to Hearing Impaired People and Visually Impaired People. By mutual agreement the Service Level Agreements in place were extended to 10<sup>th</sup> June 2011. The loss of these contracts together with the withholding of £288,000.00 from the previous year (outlined in the Trustees' Report last year) has had the most serious effect upon the Society.

Services for Hearing Impaired People had been based in Centenary House, a freehold property owned by the Society.

Services for Visually Impaired People had been based in Shire View on a Lease-hold agreement with the City Council. This Lease was terminated on 30<sup>th</sup> June 2011.

A major part of the Society's staff were transferred to the new providers of services. The final outcome being a reduction in staff from 58 to the level at the present date of 12 members of staff, including 6 qualified Sign Language Interpreters.

The Service Level Agreement for Hearing Impaired People met a considerable proportion of the overhead costs of Centenary House together with Rental Income.

The financial constraints on the Society being considerable the Trustees took the decision to sell Centenary House and in order to reduce overheads and meet potential cash flow problems closed all but minimum office space in the building.

The several groups of Sensory Impaired People who had been meeting at Centenary House and Shire View were enforced to find alternative facilities in Leeds to enable them to continue to meet.

In July 2011 the Trustees decided to revise the Society's Constitution. The revised Constitution (Memorandum and Articles of Association) were adopted at an Annual General Meeting held on April 18<sup>th</sup> 2012.

In May 2012 the validity of the meeting held on April 18<sup>th</sup> was challenged in part due to the fact that notice of that meeting had not been authorised in accordance with the Articles of Association, that is in not less than two Leeds Newspapers.

## **The Leeds Society for Deaf and Blind People**

### **Report of the Trustees for the Year Ended 31 March 2012**

On July 11<sup>th</sup> 2012, in accordance with the Articles of Association, 18 members requested a Special General Meeting to consider a Resolution expressing 'no confidence in the Officers of the Committee (Trustees), they be removed with immediate effect and an immediate election of Officers of the Society take place'

The Special General Meeting was convened in the Student Union at Leeds University on August 15<sup>th</sup> 2012. Prior to this meeting four of the five Trustees had resigned and at the meeting, prior to the vote of no confidence, the remaining Trustee, Kenton Robbins (Chairman), resigned.

The members present invited Martin Dodgson to act as Chairman and a new Board of Trustees was elected. A meeting of these newly elected Trustees followed immediately at which a decision was taken to suspend the CEO and subsequently Mr Young was dismissed following a disciplinary hearing, this decision is currently the subject of an appeal by Mr Young. The members also confirmed Martin Dodgson as Chairman.

The Society is currently negotiating the sale of Centenary House. The Society is also in the process of litigation regarding the withdrawal of the £288,000.00 from the funding of the Service Level Agreements in 2010-11. This sum is related to the Leeds Sign Language Interpreting Service.

We owe a debt of gratitude to those Trustees who in 1975 had the wisdom and foresight to purchase the freehold of Centenary House. The present situation is regrettable but the opportunities are considerable. The Trustees elected for 2012-13 will have great responsibility for planning for the future both in terms of a building and to embrace the expressed intentions of both Visually and Hearing Impaired People. An exciting prospect which, if wisely thought through, will ensure that our great organisation will survive well into the next century.

#### **Martin C. A. Smith J.P. M.A. Trustee (Principal of the Centre for Deaf People 1966 – 1991)**

### **DOWN BUT NOT OUT**

Some 35 years ago I wrote a paper for the Annual Report of the Leeds Incorporated Institution for the Blind and the Deaf and Dumb entitled "A centre on the move".

The Leeds Centre for Deaf people under its old title was moving to Centenary House North Street.

There was much criticism of the size of the building but the size allowed for huge expansions of activity and service. The Centre became a focus point for many different groups of people who had a secure base for their Social, Spiritual, Social care and leisure activities. It served about 1,000 people per week in some form or other. It was recognised nationally and was used as a model for the development of services and provision.

The circumstances under which Centenary House and its 'sister' building Shire View and the services provided have disappeared cannot be discussed at this time. The reaction of the clients, the deaf and blind people can.

A huge surge of feeling has swept through the city at all levels and communities. Previous carers were appalled at what has happened and once an opportunity to show their feelings occurred people have flocked to sign up for a new future.

## **The Leeds Society for Deaf and Blind People**

### **Report of the Trustees for the Year Ended 31 March 2012**

What needs to be preserved? Above all else the ethos of buildings where communication was dominant Where any one who entered the buildings could feel valued Where deaf people could be both employed and work as volunteers where blind professionals could design comfort strategies for sensory impaired people These precious aspects found nowhere else in the City have to be recreated

The Society has lost its Local Authority funding but it has a remit made clear at a defining and inspirational meeting in the Civic Hall

A night to remember when peoples' critical needs were expressed Every element of the deaf and blind communities, unrehearsed, stated what they were missing when Centenary House and Shire View closed their doors to them Young people, old people, Hard of Hearing people, people with learning disabilities, blind and partially sighted people

They set out their needs, which were lost during the events of the last two years

The actions of the community at further meetings and in other ways have demonstrated power and determination Leeds requires the reinstating of a Centre of excellence for its sensory impaired people

At the forthcoming properly organised AGM Trustees will be elected in an open and transparent manner

There is so much to be done and so much excitement with the new possibilities The same spirit is being generated that swept us into the warmth and grandeur of Centenary House and later was prevalent at shire View It was such a success

The good will is there It is the effort to adapt to change and to innovate that is required

#### **Volunteers**

The Society is highly appreciative of the significant contribution that Volunteers continue to make to the Society in the delivery of services to its beneficiaries

#### **Reserves Policy**

The Society aims to maintain reserves which meet the needs of the Society for approximately six months in the event of a loss of material income streams

#### **Investment Policy**

In order to maintain and enhance the value of its assets the Trustees invest the Society's reserves in a balanced portfolio of equities, fixed income stocks and cash which is professionally managed to give appropriate returns for medium level risk Investment decisions do not necessarily take into account social, environmental or ethical considerations

#### **Investment Performance**

The value of the equity portfolio was reduced from £357,802 to £229,257 due to investments being realised to provide liquid funds to meet the current and previous years operating deficits Lower dividends/interest rates impacted on returns generally

## **The Leeds Society for Deaf and Blind People**

### **Report of the Trustees for the Year Ended 31 March 2012**

#### **Financial Review**

- Due to the loss of the Local Authority Service Level Agreement there was a reduction in total incoming resources of 54%, accompanied by a 48% reduction in resources expended
- There was a deficit for the year, before other recognised gains and losses, on unrestricted funds of £136,853 compared to a surplus in the previous year of £59,689, with a small surplus on restricted funds of £1,300
- There was an unrealised surplus on the investments portfolio of £16,248 and on the property revaluation of £913,134
- The Pension Fund produced an Actuary deficit of £482,000 compared with a gain of £624,000 in 2010/2011 This "swing" of over £1 1M again illustrates the volatile nature of this figure over which the Society, in common with all other members of the WYPF, has no control
- At 31 March 2012 unrestricted funds carried forward had increased by £310,529 from the previous year to £405,154, restricted funds had increased by £1,300 to £82,955 and Endowment Funds remained unchanged at £18,081, total funds being £506,190
- There are no other financial commitments, guarantees or contingent liabilities not provided for or disclosed in the financial statements

#### **Statement as to disclosure of information to auditors**

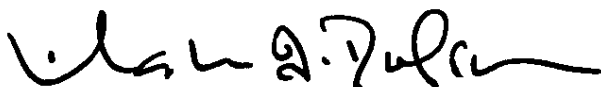
So far as the Management Committee are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each member has taken all the steps that he or she ought to have taken as a member in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

#### **Auditors**

The auditors Malcolm Jones and Co Limited, are deemed to be re-appointed in accordance with Section 487(2) of the Companies Act 2006

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies The trustees also confirm that they have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission

#### **ON BEHALF OF THE TRUSTEES:**



Hon Ald M J Dodgson M B E J P - Chair

Dated 12 November 2012



## **The Leeds Society for Deaf and Blind People**

### **Report of the Independent Auditors to the Members of The Leeds Society for Deaf and Blind People**

We have audited the financial statements of The Leeds Society For Deaf and Blind People for the year ended 31<sup>st</sup> March 2012 which comprise a Statement of Financial Activities, Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

#### **Respective responsibilities of Management Committee and auditors**

Company law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for that year. In preparing those financial statements, the Management Committee is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. It is 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditing.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the management committee, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**The Leeds Society for Deaf and Blind People**

**Report of the Independent Auditors to the Members of  
The Leeds Society for Deaf and Blind People**

**Opinion on Financial Statements**

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with the Companies Act 2006, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees Report for the financial year for which the financial statements are prepared is consistent with the financial statements

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the Management Committee were not entitled to prepare the financial statements and the Report of the Management Committee in accordance with the Small Companies regime

Martin Smith (Senior Statutory Auditor)  
for and on behalf of Malcolm Jones & Co Limited  
Statutory Auditors  
Accountants and Business Advisors  
West Hill House  
Allerton Hill  
Chapel Allerton  
Leeds  
LS7 3QB

Dated 12 November 2012



**The Leeds Society for Deaf and Blind People**

**Statement of Financial Activities  
(including Income and Expenditure Account and  
Statement of Total Recognised Gains and Losses)  
for the Year Ended 31 March 2012**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	31 03 2012 Total Funds £	31 03 2011 Total Funds £
<b>Incoming resources</b>						
Incoming resources from generated funds						
Voluntary income	2	80,369	111,783	-	192,152	255,155
Investment income and interest	3	16,024	-	-	16,024	14,335
Expected return on scheme assets	13	246,000	-	-	246,000	197,000
Rental Income		23,802	-	-	23,802	93,897
Incoming resources from charitable activities	4	360,893	187,256	-	548,149	1,669,276
<b>Total incoming resources</b>		<u>727,088</u>	<u>299,039</u>	<u>-</u>	<u>1,026,127</u>	<u>2,229,663</u>
<b>Resources expended</b>						
Charitable activities	5	563,525	298,033	-	861,558	1,876,813
Fundraising costs		22,702	-	-	22,702	48,142
Governance costs	6	73,420	-	-	73,420	88,309
Defined benefit interest cost	13	204,000	-	-	204,000	201,000
<b>Total resources expended (before exceptional items)</b>	7	<u>863,647</u>	<u>298,033</u>	<u>-</u>	<u>1,161,680</u>	<u>2,214,264</u>
Net incoming /(outgoing) resources before transfers		(136,559)	1,006	-	(135,553)	15,399
Transfers between funds	8	(294)	294	-	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		<u>(136,853)</u>	<u>1,300</u>	<u>-</u>	<u>(135,553)</u>	<u>15,399</u>
<b>Other recognised gains and losses</b>						
Freehold property revaluation	9	913,134			913,134	-
Gains (losses) on investments						
Unrealised	10	16,248	-	-	16,248	19,389
Actuarial and past service gains and (losses)	13	(482,000)	-	-	(482,000)	624,000
<b>Net movement in funds</b>		<u>310,529</u>	<u>1,300</u>	<u>-</u>	<u>311,829</u>	<u>658,788</u>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 April 2011		94,625	81,655	18,081	194,361	(464,427)
<b>Total Funds carried forward at 31 March 2012</b>		<u>405,154</u>	<u>82,955</u>	<u>18,081</u>	<u>506,190</u>	<u>194,361</u>

All of the above results are derived from continuing activities

**The Leeds Society for Deaf and Blind People**

**Balance Sheet  
31 March 2012**

		31 03 2012		31 03 2011	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	9		1,270,000		389,251
Investments	10		229,257		357,802
			<u>1,499,257</u>		<u>747,053</u>
<b>CURRENT ASSETS:</b>					
Debtors	11	63,917		333,805	
Cash at bank and in hand		13,764		29,732	
		<u>77,681</u>		<u>363,537</u>	
<b>CREDITORS:</b>					
Amounts falling due within one year	12	(35,748)		(343,229)	
<b>NET CURRENT ASSETS (LIABILITIES):</b>			41,933		20,308
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>1,541,190</u>		<u>767,361</u>
<b>NON-CURRENT LIABILITIES</b>					
Employee Benefits	13	(1,035,000)		(573,000)	
<b>TOTAL NET ASSETS</b>			<u>506,190</u>		<u>194,361</u>
<b>FUNDS:</b>					
Unrestricted funds	16	405,154		94,625	
Restricted funds	14	82,955		81,655	
Endowment funds	15	18,081		18,081	
	16	<u>506,190</u>		<u>194,361</u>	

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

**ON BEHALF OF THE BOARD:**

A Holmes - Trustee

*A.M. Holmes*

C Roche - Trustee

*Christine Roche*

Approved by the Management Committee on 12 November 2012

## **The Leeds Society for Deaf and Blind People**

### **Notes to the Financial Statements for the Year Ended 31 March 2012**

#### **1. ACCOUNTING POLICIES**

##### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain assets), are in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities', SORP 2005, and applicable Accounting Standards

The company has availed itself of paragraph 3(3) of Schedule 4 of the Companies Act formats to reflect the special nature of the company's activities

##### **Company and Charitable Status**

The Leeds Society for Deaf and Blind People is a company limited by guarantee, the liability of each member of the company not exceeding £1, and a charity registered under the Charities Act

##### **Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company

##### **Fund Accounting**

Funds held by the charity are either

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees

Restricted funds – these are funds that can only be used for particular restricted purposes specified by donors of the funds

Endowment funds – permanent endowment funds are funds which must generally be held indefinitely as trustees do not have the power to convert the capital into income

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements

##### **Incoming Resources**

Incoming resources comprises all incoming resources becoming available to the company during the year and includes income from all sources regardless of its source or of the purpose to which it is applied. Where applicable income is recognised where all conditions for receipt have been met and there is reasonable assurance of receipt

All income is reported gross with no setting off of costs or expenses

##### **Resources Expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to specific activities or categories. Costs of charitable activities comprises all expenditure directly relating to the objects of the charity including costs incurred in supporting charitable activities and projects

Governance costs comprise costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. Where appropriate costs are apportioned between charitable activities and governance expenditure by the trustees on a reasonable and consistent basis

##### **Operating Leases**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

# **The Leeds Society for Deaf and Blind People**

## **Notes to the Financial Statements for the Year Ended 31 March 2012**

### **1 ACCOUNTING POLICIES continued**

#### **Tangible Fixed Assets**

Tangible fixed assets are capitalised at cost including any incidental expenses of acquisition

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property - not depreciated  
Fixtures and equipment - 20% on cost

The Society's Freehold Property has been put on the market for sale and has been revalued in the accounts at its market value

#### **Investments**

Investment assets are revalued to market value at the Balance Sheet date and any gains or losses on revaluation are reported in the 'other recognised gains and losses' section of the Statement of Financial Activities

#### **Pensions**

The society participates in a multiple employer defined benefit scheme, The West Yorkshire Pension Fund. Note 13 explains how the scheme is presented within the financial statements and the bases and assumptions used in valuing scheme assets and liabilities

### **2. VOLUNTARY INCOME**

	Unrestricted Funds	Restricted Funds	Endowment Funds	31 03 2012 Total Funds	31 03 2011 Total Funds
	£	£	£	£	£
Children in Need	-	9,720	-	9,720	18,980
Donations, appeals and fundraising events	60,936	5,948	-	66,884	60,953
Legacies	19,433	96,115	-	115,548	175,222
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	80,369	111,783	-	192,152	255,155
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### **3. INVESTMENT INCOME AND INTEREST**

	Unrestricted Funds	Restricted Funds	Endowment Funds	31 03 2012 Total Funds	31 03 2011 Total Funds
	£	£	£	£	£
Dividends – UK equities	14,117	-	-	14,117	11,456
Interest – UK fixed interest securities	1,694	-	-	1,694	1,657
Interest on bank and building society deposits	213	-	-	213	1,222
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	16,024	-	-	16,024	14,335
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	31 03 2012 Total Funds £	31 03 2011 Total Funds £
Local Authority service level agreement grants	24,000	181,574	-	205,574	1,018,093
Shire View rent sponsorship	-	-	-	-	111,000
Fees income	336,893	5,682	-	342,575	540,183
	<u>360,893</u>	<u>187,256</u>	<u>-</u>	<u>548,149</u>	<u>1,669,276</u>

**5. CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	31 03 2012 Total Funds £	31 03 2011 Total Funds £
Direct services and grants payable	10,428	15,834	-	26,262	182,799
Indirect services and support costs					
Enterprise and Education	6,230	-	-	6,230	56,814
Other	276,314	-	-	276,314	150,756
Local Authority service level agreement funds	-	171,716	-	171,716	1,050,574
Interpreting Service	252,627	-	-	252,627	291,188
Braille and Large Print	17,926	-	-	17,926	19,149
Other Funds	-	110,483	-	110,483	125,533
31 03 2012	<u>563,525</u>	<u>298,033</u>	<u>-</u>	<u>861,558</u>	
31 03 2011	<u>664,492</u>	<u>1,212,321</u>	<u>-</u>		<u>1,876,813</u>

**6. GOVERNANCE COSTS**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	31 03 2012 Total Funds £	31 03 2011 Total Funds £
Salaries	28,293	-	-	28,293	31,972
Premises	4,800	-	-	4,800	5,586
Audit fees	5,000	-	-	5,000	7,000
Professional fees	29,833	-	-	29,833	31,501
Stationery, postage and telephone	2,857	-	-	2,857	3,520
Sundry expenses	1,672	-	-	1,672	1,466
Depreciation	965	-	-	965	7,264
31 03 2012	<u>73,420</u>	<u>-</u>	<u>-</u>	<u>73,420</u>	
31 03 2011	<u>88,309</u>	<u>-</u>	<u>-</u>		<u>88,309</u>

**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**7. TOTAL RESOURCES EXPENDED**

	Staff Costs	Depreciation & Fixtures Revaluation Adjustment	Other Costs	31 3 2012 Total	31 3 2011 Total
	£	£	£	£	£
Charitable activities	540,320	31,420	289,818	861,558	1,876,813
Governance	28,293	965	44,162	73,420	88,309
Fundraising	7,772	-	14,930	22,702	48,142
Defined benefit interest cost	-	-	204,000	204,000	201,000
31 3 2012	<u>576,385</u>	<u>32,385</u>	<u>552,910</u>	<u>1,161,680</u>	
31 3 2011	<u>1,210,626</u>	<u>30,416</u>	<u>973,222</u>		<u>2,214,264</u>

	31 3 2012 £	31 3 2011 £
Other costs		
Premises	26,439	214,470
Repairs	71,184	61,679
Direct services and allowances	26,262	182,799
Defined benefit interest cost	204,000	201,000
Others	225,025	313,274
	<u>552,910</u>	<u>973,222</u>

31 3 2012      31 3 2011

The average number of employees of the Society during the year was

Social work team	1	3
Deafblind unit	2	7
Hard of hearing unit	1	3
Communications unit	2	6
Interpreting service	9	11
House management	2	2
Administration	3	4
Shire View	2	5
Enterprise and Education	1	1
Fundraising	1	1
Youth Development	1	3
	<u>—</u>	<u>—</u>
	25	46
	<u>—</u>	<u>—</u>



**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**7. TOTAL RESOURCES EXPENDED continued**

	31 3 2012	31 3 2011
	£	£
Staff costs include		
Current Pension Service cost	60,000	93,000
Employers National Insurance contributions	33,278	72,874

One employee received emoluments in excess of £60,000 (2011 – One) in the band £60,001 - £70,000 (2011 - £70,001 to £80,000)

**8. TRANSFERS BETWEEN FUNDS**

During the current and previous years overspends arose on the Local Authority Service Level Agreements which are considered to be irrecoverable and have been transferred to be absorbed into general reserves

**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
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**9. TANGIBLE FIXED ASSETS**

	Freehold Property	Fixtures and Equipment	Totals
<b>COST:</b>	£	£	£
At 1 April 2011	336,866	406,200	743,066
Additions	-	-	-
Revaluation adjustment	913,134	(386,200)	526,934
At 31 March 2012	1,250,000	20,000	1,270,000
<b>DEPRECIATION:</b>			
At 1 April 2011	-	353,815	353,815
Charge for year	-	10,477	10,477
Revaluation adjustment	-	(364,292)	(364,292)
At 31 March 2012	-	-	-
<b>NET BOOK VALUE:</b>			
At 31 March 2012	1,250,000	20,000	1,270,000
At 31 March 2011	336,866	52,385	389,251

**10. FIXED ASSET INVESTMENTS**

	£
Market value at 1 April 2011	357,802
Additions	24,461
Disposals	(169,254)
Net unrealised surplus	16,248
Market value at 31 March 2012	229,257
Historical cost at 31 March 2012	166,644
Investments held comprise	
Equity investments listed on recognised stock exchange	222,882
Debt and other fixed income securities listed on recognised stock exchange	6,375
	229,257

**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 03 2012	31 03 2011
	£	£
Grants receivable	-	205,574
Fees receivable	57,138	95,746
Other debtors and prepayments	6,779	32,485
	<u>63,917</u>	<u>333,805</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31 03 2012	31 03 2011
	£	£
Bank overdraft	-	2,653
Grants in advance	-	205,574
Other creditors and accruals	24,940	105,151
Leeds Hard of Hearing Club	-	1,536
Other Taxes and Social Security	10,808	28,315
	<u>35,748</u>	<u>343,229</u>

**13. DEFINED BENEFIT PENSION SCHEME**

Pensions to employees are provided through a defined benefit plan.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and salary

The liability recognised in the balance sheet for defined benefit pension plans is the present value of the defined benefit obligation (DBO) at the balance sheet date less the realisable value of plan assets, together with adjustments for past service costs. The DBO is calculated annually by independent actuaries using the projected unit credit method. The present value of the DBO is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised immediately and in full in the statement of financial activities. Past service costs are recognised in the statement of financial activities over the period until the benefits vest. If the benefits vest immediately, the past service cost is recognised immediately.

The basis used to determine the overall expected rate of return on assets is expressed as a weighted average, determined by the value of, and expected return from, the types of assets held by the plan at the beginning of the period.

**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**13. DEFINED BENEFIT PENSION SCHEME continued**

The last actuarial valuation date was 31 March 2010

13 1 The amounts recognised in the balance sheet are as follows

	31 03.2012	31 03 2011
	£	£
Present value of benefit obligations	(4,305,000)	(3,831,000)
Realisable value of plan assets	3,270,000	3,258,000
Net liability	<u>(1,035,000)</u>	<u>(573,000)</u>

13 2 The amounts recognised in the statement of financial activities are as follows

	31 03 2012	31 03.2011
	£	£
Current service cost	60,000	93,000
Interest cost	204,000	201,000
Expected return on plan assets	(246,000)	(197,000)
Net income resources before other recognised gains and losses	<u>18,000</u>	<u>97,000</u>
Actuarial (gains)/losses	482,000	(181,000)
Past service cost	2,000	(443,000)
Net (income) charge	<u>502,000</u>	<u>(527,000)</u>

13 3 Changes in the present value of the defined benefit obligation are as follows

	31 03 2012	31 03 2011
	£	£
Opening defined benefit obligation	3,831,000	3,937,000
Service cost	60,000	93,000
Member contributions	21,000	41,000
Interest cost	204,000	201,000
Benefits paid	(107,000)	(108,000)
Actuarial losses (gains)	296,000	(333,000)
Closing defined benefit obligation	<u>4,305,000</u>	<u>3,831,000</u>

**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**13. DEFINED BENEFIT PENSION SCHEME continued**

**13 4 Changes in the fair value of plan assets are as follows**

	31 03 2012	31 03 2011
	£	£
Opening realisable value of plan assets	3,258,000	2,768,000
Expected return on plan assets	246,000	197,000
Actuarial gains (losses)	(186,000)	291,000
Benefits paid	(107,000)	(108,000)
Employer contribution	38,000	69,000
Member contribution	21,000	41,000
Closing realisable value of plan assets	<u>3,270,000</u>	<u>3,258,000</u>

**13 5 Analysis of realisable value of plan assets between asset categories is as follows**

	31 03 2012	31 03 2011
	£	£
Equities	2,325,000	2,382,000
Government bonds	412,000	371,000
Other bonds	177,000	127,000
Property	118,000	117,000
Cash/liquidity	91,000	75,000
Other	147,000	186,000
Total	<u>3,270,000</u>	<u>3,258,000</u>

**13 6 The actual return on plan assets is as follows**

	31 03 2012	31 03 2011
	£	£
Actual return on plan assets	<u>60,000</u>	<u>488,000</u>

**13 7 Amounts for the current period and previous periods are as follows**

	31 03 2012	31 03 2011
	£	£
Present value of funded obligations	(4,305,000)	(3,831,000)
Realisable value of plan assets	3,270,000	3,258,000
Deficit	(1,035,000)	(573,000)
Experience gains/(losses) on plan liabilities	(15,000)	351,000
(as a percentage of scheme liabilities)	(0.4%)	9.20%
Experience gains (losses) on assets	(186,000)	291,000
(as a percentage of plan assets)	(5.70%)	8.90%

**13 8 Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)**

	31 03 2012	31 03 2011
Discount rate	4.80%	5.40%
Rate of salary increase	5.10%	5.30%
Rate of inflation	2.60%	2.90%
Rate of pension increase	2.60%	2.90%
Expected return on plan assets	7.00%	7.60%

**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**14. RESTRICTED FUNDS**

	Balance 1 April 2011 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance 31 March 2012 £
Local Authority Service Level Agreement Fund	-	187,256	(187,550)	294	-
Leeds Voluntary Committee Fund	16,755	-	(15,333)	-	1,422
K Foster Legacy	18,021	-	(18,021)	-	-
Healthy Living Workshop	95	-	(95)	-	-
Aiming High	75	-	(75)	-	-
Children In Need	6,327	9,720	(16,047)	-	-
The Butler Project	40,382	102,063	(60,912)	-	81,533
	<u>81,655</u>	<u>299,039</u>	<u>(298,033)</u>	<u>294</u>	<u>82,955</u>

Local Authority Service Level Agreement Fund represents grant income and expenditure in respect of an agreement with Leeds City Council to provide, specialist services for deaf/hard of hearing and deaf/blind people, and their carers, a specialist Communication Unit for People with learning disabilities, and facilities to enable blind and partially sighted to have a higher level of rehabilitation, improved social confidence and integration within the wider community. Leeds City Council terminated the agreement from 31 March 2007. It subsequently negotiated an extension of the Service Level Agreement, with the Society, for a further two years from 1 April 2007 and then again annually from 1 April 2009 through to 31 March 2011. A further (and final) extension of the agreement was agreed for the period 1 April 2011 to 13 June 2011, when all services under the agreement ceased.

The Leeds Voluntary Committee Fund comprises an initial receipt of the assets of the Leeds Voluntary Committee for the Welfare of the Blind following it ceasing to operate. The funds are restricted so as to be used exclusively for the benefit of visually impaired people.

**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**14. RESTRICTED FUNDS continued**

The K Foster Legacy represents an amount received from the estate of Kathleen Foster which has been earmarked and used for a number of projects, including, to fund a Social Worker to study the effectiveness and performance of the Social Work Department, to fund a Consultant Accountant to carry out a comprehensive review of the charity's accounting and reporting systems, to fund a Human Resources Consultant to assess the Society's adherence to government policy for the Deaf and Blind

The Healthy Living Workshop Fund represents a grant received from Leeds Primary Care Trust to enable the Society to deliver activity workshops that focus on health issues affecting young people

Aiming High represents a grant received from Leeds City Council on behalf of Leeds Children's Services to enable the Society to offer short breaks to young people with a variety of sensory impairments

The Children In Need Fund represents a three year grant to fund 2 youth development workers. Total grants receivable over the three years was £56,951

The Butler Project funded by a legacy from the late Mr H S Butler, is the research, analysis and funding of an Enterprise Division to establish the provision of Sensory Awareness Training (SAT) to organizations and businesses as the basis to improve on the services given to people with a sensory impairment as well as raising overall awareness of sensory impaired issues

Other Funds comprise donations and grants received which are designated for capital improvements, repairs to buildings and to deliver other benefits to sensory impaired people

**15. ENDOWMENT FUNDS**

	Balance 1 April 2011	Incoming Resources	Outgoing Resources	Balance 31 March 2012
	£	£	£	£
Permanent Endowments				
F W Spruce Charity Fund	18,081	-	-	18,081
	<hr/>	<hr/>	<hr/>	<hr/>

This represents a permanent endowment which must be invested in trust for that charity. Income derived from the relevant assets is available for the general purposes of the Society

**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible Fixed Assets	Investment s	Net Current Assets	Non Current Liabilities	31 3 2012 Total	31 3 2011 Total
	£	£	£	£	£	£
Endowment Funds	-	-	18,081	-	18,081	18,081
Restricted Funds						
Centre for the Deaf Fund	-	-	-	-	-	-
Communications Unit Fund	-	-	-	-	-	-
Leeds Voluntary Committee Fund	-	-	1,422	-	1,422	16,755
Shire View	-	-	-	-	-	-
K Foster Legacy	-	-	-	-	-	18,021
LCC – Healthy Living Workshop	-	-	-	-	-	95
Aiming High	-	-	-	-	-	75
Children In Need	-	-	-	-	-	6,327
The Butler Project	-	-	81,533	-	81,533	40,382
Other Funds	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>82,955</u>	<u>-</u>	<u>82,955</u>	<u>81,655</u>
Unrestricted Funds						
General fund	1,270,000	229,257	(59,103)	(1,035,000)	405,154	94,625
	<u>1,270,000</u>	<u>229,257</u>	<u>41,933</u>	<u>(1,035,000)</u>	<u>506,190</u>	<u>194,361</u>

**17. RECONCILIATION OF MOVEMENTS IN FUNDS**

	31 03 2012 £	31 03 2011 £
Surplus (Deficit) for the financial year	(135,553)	15,399
Freehold Property Revaluation	913,134	-
Unrealised surplus (Deficit) on investments	16,248	19,389
Actuarial gains and (losses)	(482,000)	624,000
<b>NET ADDITION (REDUCTION) TO FUNDS</b>	<u>311,829</u>	<u>658,788</u>
Opening funds	194,361	(464,427)
<b>CLOSING FUNDS (DEFICIT)</b>	<u>506,190</u>	<u>194,361</u>
<b>REALISED FUNDS</b>	565,443	643,041
<b>PENSION SCHEME DEFICIT</b>	(1,035,000)	(573,000)
<b>UNREALISED FUNDS</b>	975,747	124,320
	<u>506,190</u>	<u>194,361</u>



**The Leeds Society for Deaf and Blind People**

**Notes to the Financial Statements  
for the Year Ended 31 March 2012**

**18. RELATED PARTIES**

The trustees of the Society are considered to be related parties as defined by Financial Reporting Standard 8

No disclosures arise in respect of transactions with trustees and no trustees received remuneration or expenses during the year ended 31st March 2012 from the Society

**19. APB ETHICAL STANDARD – PROVISIONS AVAILABLE FOR SMALL ENTITIES**

In common with many other charities of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements