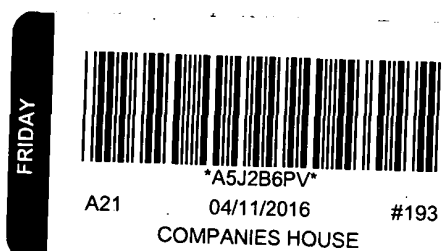


Charity Registration No. 1045617

Office of Scottish Charity Regulator No. SCO39170

Company Registration No. 03036802 (England and Wales)

**AFASIC**  
**TRUSTEES' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**



# AFASIC

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

A Canas  
C Hamer  
M Scales  
M Sharp  
S White  
V Wilton-Middlemass

**Corporate Management Team**

L Lascelles (Chief Executive)  
A Curtis (Director England)  
J Carr (Director Cymru)  
M Thompson (Director Fundraising & Support Services)  
A Patterson (Director Scotland)  
M Wright (Director N.Ireland) (Retired 30 September 2015)

**Secretary**

L Lascelles (Chief Executive)

**Charity number**

1045617

**OSCR number**

SC039170

**Company number**

03036802

**Principal address**

1st Floor  
20 Bowling Green Lane  
London  
EC1R 0BD

**Registered office**

1st Floor  
20 Bowling Green Lane  
London  
EC1R 0BD

**Auditors**

Lee, Dicketts & Co  
3 East Point  
High Street  
Seal  
Sevenoaks  
Kent  
TN15 0EG

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# AFASIC

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# **AFASIC**

## **TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2016**

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The trustees present their report and accounts for the year ended 31 March 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

### **Structure, governance and management**

#### **Governing Document:**

The organisation is a registered charity and a company limited by guarantee. The organisation was registered as a charity on 4 July 1968, and incorporated on 23 March 1995. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association, as amended to allow for current governance arrangements on 6 November 2004. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The organisation was registered with the Office of the Scottish Charity Regulator on 17 January 2008 under number SC039170.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

M Clifford	(Resigned 5 December 2015)
A Canas	
C Hamer	
M Scales	
M Sharp	
S White	
P Foley	(Resigned 30 July 2015)
S Hardman-Moore	(Resigned 19 September 2015)
V Wilton-Middlemass	(Appointed 2 April 2016)

#### **Recruitment and appointment of trustees:**

The trustees are all volunteers. The Board of Trustees comprises both elected and co-opted members. In addition to the Honorary Officers, up to six board members can be elected at the AGM.

To ensure that the work of the charity is informed by a mix of business, financial and technical advice, the Board of Trustees also has four co-opted places designated for individuals with an interest in and the potential to offer valuable contribution to the effectiveness of the organisation. The Chair and Vice Chair must be parents of a child with a speech and language impairment. All members are circulated with invitations to nominate trustees and Honorary Officers prior to the AGM, along with details and nomination forms.

At our AGM in December 2015 our Chair, Mike Clifford, stepped down after 15 years of service. Everyone at Afasic would like to thank him for his commitment to Afasic over the years and wish him well for the future. The new Chair is Matthew Scales (previously Treasurer), with Steve White becoming Treasurer and Angela Canas Vice Chair. All three are parents of a child affected by SLCN and as such will have personal experience of what many of our users and members are facing every day.

# AFASIC

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

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### **Trustee induction and training:**

Each new trustee receives induction from the Chair and / or Chief Executive as to their role and responsibilities and the work of the organisation. They are provided with a copy of "The Good Trustee Guide" published by NCVO, along with a copy of the Memorandum and Articles of Association, latest audited accounts and annual review, strategic and business plans, and details of major projects and services.

Trustees are encouraged to attend appropriate external training events where this will help them in their role, in addition to internal training provided by staff and trustees.

### **Organisational structure:**

The Board of Trustees, which can have a maximum of 13 members, administers the charity and meets on at least a quarterly basis. The day-to-day management of the organisation is in the hands of the Chief Executive, supported by a Director in each of the 4 Nations, along with the Director of Fundraising & Support Services.

### **Risk management:**

The Board of Trustees adopted a risk management policy in December 2004 and established a risk register, both of which are reviewed and updated as necessary on at least an annual basis. The policy and register have identified the major risks to which the organisation is exposed and outline strategies, systems and procedures to manage these.

Afasic has policies in place including a health and safety policy, child protection policy, equal opportunities policy, and data protection policy as well as procedures laid down in a staff handbook to ensure that all staff and volunteers comply with these.

Financial risk management is an integral part of the operational framework of the business and strategic planning, project management and financial reporting procedures are in place.

### **Objectives and activities**

Afasic is a UK wide charity, established in 1968, that helps and represents children and young people, up to the age of 25, with speech, language and communication needs (SLCN), and supports their parents and carers. Over one million children and young people across the UK are affected by this hidden disability – that's an average of 2 in every classroom!

Afasic's vision is a society where every child and young person has the skills to communicate.

Afasic's mission is to empower parents to support their children and young people's speech, language and communication so that they have the resilience to participate in society and achieve their aspirations.

### **Achievements and performance**

We are pleased to report on progress towards the key strategic goals of the organisation over the past year as follows:

#### ***To empower parents to advocate for their child and access services through providing information and working in partnership with professionals***

The Afasic parent support service has continued to offer a vital source of help, information and advice for parents, which provides them with one to one support at key points in their child's life. Enquiries received are often fairly complex and changes to legislation and the 'code of practice' have added to this.

We now aim to conclude most phone queries with three standard questions. Not all of them are applicable to every call, but where they were, the feedback was as follows:

## AFASIC

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

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*As a result of our conversation, do you now feel you:*

- 1. have a better understanding of your child's speech and language difficulties: 92% of parents said Yes.*
- 2. have a better understanding of the SEND system and your legal rights: 98% said Yes*
- 3. are clear on your next steps and feel confident about taking them: 90% said Yes.*

*"Thank you so much. I am sure I will need to contact you again. The phone was answered immediately where often with helplines you cannot even get through."*

During the year Afasic organised training events for parents, carers and professionals that were attended by over 1,700 people. These aim to increase the skills and knowledge of those attending so that they are better able to support and advocate for children and young people with communication difficulties.

*"This was, without doubt, the most useful course I have attended in terms of helping me take power to help my son, and our family, and to more clearly understand that his needs are his rights and not just "a nice thing to have" – so thank you."*

*"I feel that I have been given a voice, how to support my child, and where and how to make contact about my concerns."*

#### ***To support and develop communication, social and life skills of children and young people with speech, language and communication needs***

The Afasic specialist youth clubs have continued to provide a place for young people to meet their peers and take part in a wide range of activities that they help to choose. We have also organised fun activity days, social skills courses and self-advocacy courses for children and young people. These all aim to reduce the social isolation that these children and young people so often face, give them the opportunity to take part in activities that they would otherwise struggle to access, and help develop their communication, social and life skills. Over 1,200 children and young people benefited from these activities across the country during the year.

*"I have fun coming and doing all the activities. I would not do these anywhere else and I would not be happy anywhere else."*

*"I can chill out and have fun, meet new people and learn new skills."*

Over the summer of 2015 we ran a total of 18 specialist courses supporting children facing the key move from Primary to Secondary School benefiting 164 children. Since 2011 we have run a total of 101 courses across England, Wales & N. Ireland that have supported 1,115 children at this vital stage of their education. From January 2016 we have a new course co-ordinator who is looking to widen the reach of these courses into new areas that have not as yet run one to demonstrate the benefits they can provide to those attending.

*"I believe one of the main reasons I have a happy and settled son one week after starting secondary school is in no small measure a result of your course."*

#### ***To extend and sustain local networks, including parents, volunteers and professionals, to support parents and young people***

We now have 5 part time Family Support Workers, each with a defined geographical area providing a local source of knowledge, and one to one support for families, promoting peer support groups and providing training and social events. We hope this pilot work will result in a template of parental support that can be replicated elsewhere.

*"I was also able to join a local parent's group and meet other parents experiencing the same thing."*

## **AFASIC**

### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016**

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In August a 'Family Day' was held at Bodelwyddan Castle, funded by the Arts Council & Daytrippers. The day was attended by approx. 500 people; families from across North Wales and beyond participated in workshops facilitated by local artists who offered them experiences in different art formats from around the world in the extensive Castle grounds. Families were also entertained by a free film showing and a birds of prey demonstration which proved to be very popular, with other agencies also invited to offer advice and support to families on the day.

With real regret we had to end our projects in Northern Ireland at the end of September 2015. We are extremely disappointed that we were not able to secure further funding to sustain the services that Afasic staff have worked so hard to develop during the 15 years that we have had a presence in the province. Families there still have access to our membership services, helpline and online resources and we continue to try and access funding that will enable us to restart our direct work in the future.

Also, as a result of a proposal informed by feedback from families supported across Scotland, the trustees have agreed to transfer the current team and work at Afasic Scotland to a new independent charity based in Scotland – the Speech, Language & Communication Company.

In order to fulfil the charity objectives in Scotland it was thought it could be delivered best as an independent Scottish charity and the transfer of the work in Scotland was formally concluded in April 2016. Families in Scotland will continue to have access to our membership services, helpline and online resources.

#### ***To disseminate information, raising awareness of speech, language and communication needs***

There were a total of over 170,000 unique visitors to our UK website for the 12 months, an average of more than 14,000 a month. The site has been made easier to navigate using a mobile phone, new videos of young people and parents telling their stories have been added.

Our factsheets produced last year about the new SEND system have now been downloaded more than 14,000 times.

*"Your leaflets are very informative."*

We continue to develop our use of social media to raise awareness and disseminate information and at the end of the year had 3,217 Facebook likes (508 in January '15) and 5,253 followers on Twitter (2,818 in January '15).

None of the above would be possible without the support and hard work of our volunteers who are involved with our parents' helpline, youth clubs, transition courses, local groups and points of contact, fundraising events, and activities with children and young people. We are truly grateful for the dedication and hard work that they put in and the inspiration they provide to us all.

#### ***Impact***

In terms of what positive impact our work can have on the lives of those affected by this hidden disability, a couple of examples are given below:

A mother gave a talk at a recent event about her experiences and her son's struggles with language. Afasic provided them with a lifeline, made a huge difference to their lives and helped her son fulfil his potential. Afasic empowered her to get her son a statement of special educational needs, access a language unit and subsequently a specialist school. As a result he passed an 'A' level, went to university and achieved a degree in illustration. He is now married, living in Australia and working as an art director with an advertising company, a real success story!

In December 2015, three young people who have benefited from the work of the organisation led our Christmas Carol Concert with confidence and humour – and what a brilliant job they did! Encouraging over 200 guests to join in, the hosts provided reason for laughter and applause throughout the night, which featured Sir Derek Jacobi and Rt. Hon. John Bercow MP, Speaker of the House of Commons.

# AFASIC

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

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### Financial review

It was another challenging year for the organisation in terms of income and overall total income saw a reduction of 14% to £881,959.

Within this there was unrestricted income of £239,076 (a reduction of 11.5% on 2015) and restricted income of £642,883 (a reduction of 15% on 2015). Restricted income was particularly affected by the ending of the Big Lottery Fund grant for our work in N. Ireland that came to a close in October 2015.

Total expenditure for the year is £1,016,272, a reduction of 7.5% on 2015. Within this the unrestricted expenditure has increased by 22% to £314,101. The main reasons behind this are a planned increase in fundraising costs to diversify income and deliver longer term sustainability; one off legal fees amounting to £11,650 related to the transfer of our Scotland work into a new independent charity; increased premises costs; and redundancy costs of £10,687 related to staff in N. Ireland.

Direct charitable expenditure through restricted funds was £702,171, a reduction of 16.5% largely related to the winding down of our work in N. Ireland and two other projects coming to an end during the year.

Overall there is net expenditure for the year of £134,313 (2015 - £72,850) with reduction in the value of investments of £11,993 (2015 – gain of £21,398) increasing the total overall reduction in fund balances for the year to £146,306 (2015 - £51,452).

In response to the reducing balance held in unrestricted funds, the trustees took the decision to close the designated fund and return the balance in this to unrestricted funds and so strengthen our level of free reserves.

The unrestricted reserves of the organisation have reduced by 34.3% to £166,095 but remain within the levels required to meet the trustees reserve policy (see below). The reduction in unrestricted funds is an area of focus for the trustees and plans are already in place to boost the level of unrestricted income and ensure a sufficient level of free reserves for the future operation of the organisation.

### Reserves policy:

The trustees have an agreed reserves policy that takes into account the main risks to the organisation highlighted through the risk management policy.

The policy of the trustees is to maintain unrestricted reserves at a level sufficient to support the core activities of the organisation for a minimum of six months and up to twelve months. This level of reserves is deemed prudent by the trustees, to ensure that the work and services of the organisation can be planned with some certainty. This policy is reviewed by the trustees on an annual basis.

At the year-end unrestricted reserves provided 6.8 months cover for budgeted expenditure (previous year 9 months). This is within the level of cover required by the trustees under this policy.

The trustees will continue to monitor the reserves position closely over the coming year.



# **AFASIC**

## **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016**

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### **Principal funding sources:**

We are very grateful to all those individuals who have contributed through membership fees, individual donations and taking part in events.

We are also very grateful for other major funding contributions and significant grants that have been received during the year from:

Awards for All (Scotland), BBC Children in Need (England & Scotland), Big Lottery Fund (England, N. Ireland & Wales), Boshier-Hinton Foundation, Clara E Burgess Charity, Evan Cornish Foundation, Donald Forrester Trust, Garfield Weston Foundation, John Laing Charitable Trust, Morgan Foundation, G & E Pollitzer Charitable Settlement, Rayne Foundation, Robertson Trust, Ruffield Charitable Trust, Peter Storrs Trust, and the Sobell Foundation.

The Ark Group, Barclays Stockbrokers Charitable Trust, Barloworld plc, Evans Property Group, Goldman Sachs, the Morrisons Foundation, Thales Charitable Trust, and Waitrose.

The Arts Council for Wales, Scottish Government, Conwy CBC, Denbighshire CC, and Flintshire CC.

The trustees would like to thank all of our supporters who have contributed towards our work during the year, this is greatly appreciated.

### **Investments policy:**

The Memorandum and Articles of Association give the charity the power to invest money not immediately required for its purposes as it sees fit. The Board of Trustees agreed an investment policy in December 2004 that states:

- An amount of cash for working capital of up to £150k is to be maintained in the organisation's current and accessible deposit accounts at any one time.
- Balances above this figure that are not required to cover short / medium term liabilities are to be available for investment.
- Investments have been made through the 'COIF Charities Investment Fund', a common investment fund managed by CCLA Investment Management Ltd, and the performance of this is to be reviewed on a six monthly basis by the Board of Trustees.

### **Plans for the future**

Afasic will continue to offer information, help and support to families across the country who are struggling to cope with the impact of speech, language and communication disabilities; they are often isolated, bewildered and feeling very much alone in what they are facing.

In particular, we will be looking to:

- Continue to provide a vital parents' helpline & support service
- Overhaul and re-launch the Afasic website to ensure that it is as informative and accessible as possible and meets the needs of our members, parents, young people and professionals.
- Continue to develop our use of social media with the aim of reaching more parents and enabling them to share knowledge and experiences and to provide peer support.
- Increase the number of youth projects, transition courses and activity days for children and young people to meet growing demand for these, as funding allows.
- Continue work on building the financial stability and viability of Afasic to ensure it can continue to meet its aims and objectives in the short, medium and long term.
- Feedback from our members and users of our services will be key to driving how the organisation develops over the coming years.

### **Disclosure of information to auditors**

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

## AFASIC

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

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#### Auditors

A resolution proposing that Lee, Dicketts & Co be reappointed as auditors of the company will be put to the members.

On behalf of the Board of Trustees



M Scales

Trustee

Dated: 24 October 2016

# AFASIC

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The trustees, who are also the directors of Afasic for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity 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 charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

# AFASIC

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF AFASIC

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We have audited the financial statements of Afasic for the year ended 31 March 2016 which comprise the Statement of Financial Activities, Balance Sheet and the 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).

### **Respective responsibilities of trustees and auditors**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of Afasic for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Act 2011 rather than with the Companies Act 2006. Accordingly we have been appointed as auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and section 144 of the Charities Act 2011 and report in accordance with those Acts.

Our responsibility is to audit and express an opinion on the accounts 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 Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

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

### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## AFASIC

### INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE TRUSTEES OF AFASIC

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

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) and Charities Act 2011 requires us to report to you if, in our opinion:

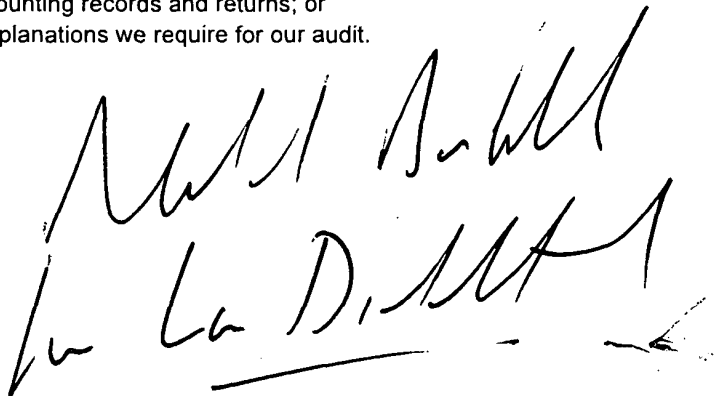
- the information given in the Trustees' Report is inconsistent in any material respect with the accounts; or
- the charitable company has not kept adequate accounting records; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Michael Bushell (Senior Statutory Auditor)**  
for and on behalf of Lee, Dicketts & Co

**Chartered Certified Accountants**  
**Statutory Auditor**  
3 East Point  
High Street  
Seal  
Sevenoaks  
Kent  
TN15 0EG

Dated: 17/11/16

Lee, Dicketts & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



# AFASIC

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<b><u>Incoming resources from generated funds</u></b>					
Donations and legacies	2	77,340	16,832	94,172	194,614
Investment income	3	10,503	-	10,503	12,167
		87,843	16,832	104,675	206,781
Activities in furtherance of the charity's objects	4	149,922	623,358	773,280	814,267
Other incoming resources	5	1,311	2,693	4,004	4,410
<b>Total incoming resources</b>		<b>239,076</b>	<b>642,883</b>	<b>881,959</b>	<b>1,025,458</b>
<b><u>Resources expended</u></b>					
<b>Costs of generating funds</b>					
Fundraising and publicity costs	6	77,046	341	77,387	43,693
<b>Net incoming resources available</b>		<b>162,030</b>	<b>642,542</b>	<b>804,572</b>	<b>981,765</b>
<b>Charitable activities</b>					
Direct charitable expenditure		63,553	701,830	765,383	913,361
Governance costs		173,502	-	173,502	141,254
<b>Total resources expended</b>		<b>314,101</b>	<b>702,171</b>	<b>1,016,272</b>	<b>1,098,308</b>
<b>Net outgoing resources before transfers</b>		<b>(75,025)</b>	<b>(59,288)</b>	<b>(134,313)</b>	<b>(72,850)</b>
Gross transfers between funds		294	(294)	-	-
<b>Net expenditure for the year/ Net outgoing resources</b>		<b>(74,731)</b>	<b>(59,582)</b>	<b>(134,313)</b>	<b>(72,850)</b>
<b>Other recognised gains and losses</b>					
(Losses)/gains on investment assets		(11,993)	-	(11,993)	21,398
<b>Net movement in funds</b>		<b>(86,724)</b>	<b>(59,582)</b>	<b>(146,306)</b>	<b>(51,452)</b>
Fund balances at 1 April 2015		252,819	351,391	604,210	655,662
<b>Fund balances at 31 March 2016</b>		<b>166,095</b>	<b>291,809</b>	<b>457,904</b>	<b>604,210</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# AFASIC

## BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	9	10,136		12,421	
Investments	10	144,222		246,205	
		<u>154,358</u>		<u>258,626</u>	
<b>Current assets</b>					
Debtors	11	137,847		130,269	
Cash at bank and in hand		216,460		274,749	
		<u>354,307</u>		<u>405,018</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(50,761)</u>		<u>(59,434)</u>	
<b>Net current assets</b>		<u>303,546</u>		<u>345,584</u>	
<b>Total assets less current liabilities</b>		<u>457,904</u>		<u>604,210</u>	
<b>Income funds</b>					
Restricted funds	14	291,809		351,391	
Unrestricted funds:					
Designated funds	15	-		34,056	
Other charitable funds		166,095		218,763	
		<u>457,904</u>		<u>604,210</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2016, although an audit has been carried out under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Companies Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

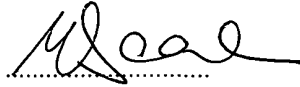
# AFASIC

## BALANCE SHEET (CONTINUED)

**AS AT 31 MARCH 2016**

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The accounts were approved by the Board on ~~24~~ 24 October 2016



M Scales  
Trustee



S White  
Trustee

Company Registration No. 03036802



# AFASIC

## NOTES TO THE ACCOUNTS

### FOR THE YEAR ENDED 31 MARCH 2016

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#### 1 Accounting policies

##### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

##### 1.2 Incoming resources

Legacies are recognised as income where the donor is deceased before the year-end, the amount of the legacy is known, and known conditions of entitlement have been met.

Income is accounted for as and when received, with the exception of certain income which is recognised in the period specified by the donor. The accruals basis is applied to all expenditure.

Where it is clear that the donor has specified a grant to be related to a fixed period for a specified use, these funds will be treated as deferred income and released to the Statement of Financial Activities to match the related expenditure.

Donations and subscriptions include income received together with the tax recoverable.

##### 1.3 Resources expended

Expenditure has been allocated according to the Statement of Recommended Practice "Accounting and Reporting by Charities" and is shown under the appropriate sub-heading. Items of expenditure which involve more than one cost category, such as salaries and printing, are allocated appropriately between the cost categories involved on the basis of estimates made by the charity's management.

##### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	10 years straight line
Computer equipment	33% reducing balance
Fixtures, fittings & equipment	25% reducing balance/33.3% reducing balance

##### 1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

##### 1.6 Investments

Fixed asset investments are stated at market value.

Realised gains and losses are recognised on the disposal of investments. Unrealised gains and losses are recognised on the market value of investments at the balance sheet date. All gains and losses are taken to the Statement of Financial Activities.

# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

### 1 Accounting policies

(Continued)

#### 1.7 Pensions

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

#### 1.8 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in note 15 to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in note 16 to the accounts.

### 2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Donations and gifts	73,446	16,832	90,278	91,214
Legacies receivable	3,894	-	3,894	103,400
	<u>77,340</u>	<u>16,832</u>	<u>94,172</u>	<u>194,614</u>

### 3 Investment income

	2016 £	2015 £
Income from listed investments	8,955	9,013
Interest receivable	1,548	3,154
	<u>10,503</u>	<u>12,167</u>

# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 4 Activities in furtherance of the charity's objects

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Grants receivable for charitable activities	125,400	585,493	710,893	769,165
Literature	3,562	-	3,562	4,231
Events	20,760	3,148	23,908	25,665
Inservice training, conferences and activity weeks	200	34,717	34,917	15,206
	<u>149,922</u>	<u>623,358</u>	<u>773,280</u>	<u>814,267</u>

### 5 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Management and administration services	452	2,608	3,060	3,640
Royalties	859	85	944	770
	<u>1,311</u>	<u>2,693</u>	<u>4,004</u>	<u>4,410</u>

### 6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Rent and utilities £	Total 2016 £	Total 2015 £
<b>Costs of generating funds</b>						
Fundraising and publicity costs	64,118	-	13,269	-	77,387	43,693
<b>Charitable activities</b>						
Direct charitable expenditure	364,311	5,218	358,297	37,557	765,383	913,361
<b>Governance costs</b>						
Management and administration	85,899	918	26,207	63,158	173,502	141,254
	<u>514,328</u>	<u>6,136</u>	<u>397,773</u>	<u>98,035</u>	<u>1,016,272</u>	<u>1,098,308</u>

# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2016

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#### 6 Total resources expended

(Continued)

Management and administration costs include charges for audit fees of £8,144 (2015 - £8,316) and non-audit fees of £1,110 (2015 - £1,148). Costs also include trustees' and AGM expenses of £2,473 (2015 - £2,207) together with legal and professional fees of £11,650 (2015 - £nil).

Direct charitable expenditure comprises the costs of supporting and training professionals, parents, children and young people.

#### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but they were reimbursed a total of £2,275 for travelling and other expenses (2015 - £2,169).

# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

		2016 Number	2015 Number
Chief Executive	*	1	1
Office Manager and Fundraiser	*	1	1
Director of England	*	1	1
Director of Scotland	*	1	1
Development Officers - England		-	3
Website Assistant		1	1
Administration Assistants		2	2
Bookkeeper		1	1
Helpline Managers		1	1
Helpline Assistant		1	1
Director of Wales	*	1	1
Director of Northern Ireland (Appointment to October '15)		1	1
Development Officer - North Wales	*	1	1
Project Officers - Northern Ireland (Appointment to October '15)		2	2
Project Officer - Scotland		1	1
Policy Officer - Wales		1	1
PA to Chief Executive (Appointment to January '16)		1	1
Family Support Worker - Wales		5	1
Individual Giving Officer	*	1	1
Fundraising Assistant		1	1
Youth Club Assistants - Scotland		2	2
Transition Course Co-Ordinator		1	-
Wales Administration Officer		1	-
		<u>29</u>	<u>26</u>

#### Employment costs

	2016 £	2015 £
Wages and salaries	471,811	514,679
Social security costs	35,212	42,269
Other staff costs	7,305	7,884
	<u>514,328</u>	<u>564,832</u>

Of the 29 staff employed by Afasic during the year, there are seven full time (as marked \* in the above list), with the remainder being part time.

Wages and salaries include redundancy payments totalling £13,418 (2015 - £7,041).

There were no employees whose annual emoluments were £60,000 or more.

# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

### 9 Tangible fixed assets

	Leasehold improvements £	Computer equipment £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>				
At 1 April 2015	8,448	31,816	36,688	76,952
Additions	-	5,673	133	5,806
Disposals	-	(2,108)	(874)	(2,982)
Transfers	-	(5,361)	(1,015)	(6,376)
<b>At 31 March 2016</b>	<b>8,448</b>	<b>30,020</b>	<b>34,932</b>	<b>73,400</b>
<b>Depreciation</b>				
At 1 April 2015	6,760	23,847	33,924	64,531
On disposals	-	(1,292)	(450)	(1,742)
Charge for the year	845	3,766	585	5,196
Transfers	-	(3,839)	(882)	(4,721)
<b>At 31 March 2016</b>	<b>7,605</b>	<b>22,482</b>	<b>33,177</b>	<b>63,264</b>
<b>Net book value</b>				
<b>At 31 March 2016</b>	<b>843</b>	<b>7,538</b>	<b>1,755</b>	<b>10,136</b>
At 31 March 2015	1,688	7,969	2,764	12,421

### 10 Fixed asset investments

	UK quoted investments £
Market value at 1 April 2015	246,205
Disposals at opening book value	(90,000)
Acquisitions at cost	10
Change in value in the year	(11,993)
<b>Market value at 31 March 2016</b>	<b>144,222</b>
Historical cost:	
At 31 March 2016	101,481
At 31 March 2015	165,756
Analysis of investments	
Cash or cash equivalents	2,122
Listed investments	142,100
	<b>144,222</b>

# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2016

<b>11 Debtors</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Rent deposits	<b>11,952</b>	11,952
Income tax recoverable	<b>5,817</b>	5,833
Other debtors	<b>1,254</b>	4,871
Prepayments and accrued income	<b>118,824</b>	107,613
	<b>137,847</b>	130,269

Amounts falling due after more than one year and included in the debtors above are:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Rent deposits	<b>11,952</b>	11,952

<b>12 Creditors: amounts falling due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors and provisions for outstanding charges	<b>38,898</b>	44,066
Taxes and social security costs	<b>9,531</b>	12,164
Other creditors	<b>2,332</b>	3,204
	<b>50,761</b>	59,434

### **13 Pension and other post-retirement benefit commitments**

#### **Defined contribution**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £1,078 (2015 - £1,950) were payable to the fund at the year-end and are included in creditors.

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	<b>7,305</b>	7,884

# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2016

#### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 April 2015	Incoming resources	Resources expended	Transfers	Balance at 31 March 2016
	£	£	£	£	£
<b>Work across the nations</b>					
Scotland	21,958	131,757	(133,096)	-	20,619
CYMRU	91,561	245,191	(268,857)	-	67,895
Northern Ireland	35,172	44,205	(73,743)	-	5,634
NDO	826	-	976	-	1,802
Voice for Life	42,577	102,947	(102,579)		42,945
<b>Supporting parents and professionals</b>					
Parent Support Service	5,761	49,622	(35,145)		20,238
Local Groups	34,669	6,270	(7,432)	(294)	33,213
<b>Supporting children and young people</b>					
Development Officer (N.E. London)	4,987	-	(728)		4,259
Summer School	57,169	50,201	(46,798)		60,572
RALLI	19,397	135	(12,857)		6,675
ARK Schools	4,736	12,100	(13,581)		3,255
Volunteer Network	21,881	(60)	(7,875)	-	13,946
Bryony Walker Fund	5,562	515	-		6,077
West Midlands	5,135	-	(456)		4,679
	<u>351,391</u>	<u>642,883</u>	<u>(702,171)</u>	<u>(294)</u>	<u>291,809</u>



# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

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### 15 Restricted funds

(Continued)

Details of certain restricted funds, including income from grants and donations are as follows:

#### Work across the nations:

##### Scotland

The core and project work in Scotland was supported by grants received during the year of £86,050 from the Scottish Government Third Sector Early Intervention Fund. There was also a grant from Children in Need of £10,000, the Robertson Trust £15,000, the RS McDonald Trust £5,000, and Awards for All £9,550; with additional income seen being that generated within the region covered.

##### CYMRU

The work in Wales has been funded by a grant from the Big Lottery Fund, totalling £426,323 over 3 years, of which £136,760 was received during this financial year. Other income seen is that generated from within the region covered; including grants from the Morgan Foundation £14,583, Arts Council for Wales £12,780, Conwy CBC £20,000, Flintshire CC £10,050, and Denbighshire CC £7,722.

##### Northern Ireland

A grant from the Big Lottery Fund totalling £382,021 over 3 years (subsequently extended) was agreed towards the end of 2011 to fund our work with young people in Northern Ireland. A further £40,225 was also agreed by the Big Lottery this year, and grants of £3,000 from the Lloyds Foundation and £1,000 from the Enkalon Foundation received.

##### NDO (England)

For general development work across England, with income seen being generated from that work

##### RALLI

This is a campaign being run by a group of leading academics to "Raise Awareness of Language Learning Impairments" (RALLI). This was launched with support from Afasic, the Waterloo Foundation, and the Economic and Social Research Council (ESRC). It is sharing video stories based on people's experiences of language impairments and what can be done to help those affected.

##### Volunteer Network

A project fully funded by the Monument Trust that has developed a team of volunteers across England to raise awareness, act as local points of contact, campaign / lobby, fundraise and generally increase the capacity and reach of the organisation.

#### Supporting parents and professionals:

##### Parent Support Service

Provides support to parents through a telephone helpline, production and distribution of literature and publications and development of the Afasic website. This service has been funded by a grant of £25,000 from the MariaMarina Foundation; £9,600 from the Garfield Weston Foundation, £5,000 from the John Laing Charitable Trust, £5,000 from the Sobell Foundation, and £2,500 from the Clara Burgess Charity.

##### Local Groups

Members who come together to form groups at local level to provide mutual support, organise activities for children and young people and work in partnership with local authorities.

# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2016

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#### 15 Restricted funds

(Continued)

##### **Voice for Life**

A 3 year project that is developing new resources, information and training aimed mainly at parents across England to reflect major changes to legislation that took place in 2014. Funding is from a 3 year Big Lottery grant totalling £298,926 (of which £102,928 was received during this financial year) as well as previous one-off donations from the John Laing Charitable Trust £25,000, Steel Charitable Trust £4,000 and the Baily Thomas Charitable fund £5,000.

##### **Supporting children and young people:**

##### **Development Office (North East London)**

Afasic has a development officer in North East London who has developed a number of innovative projects for children and young people affected by this disability and who provides support for parents and carers.

##### **Transition Summer Schools**

This is a programme of innovative courses for children facing the move from primary to secondary school. These week long courses aim to prepare the children for this move, arm them with strategies for dealing with things like bullying, and develop their social and language skills. Main funders during the year include: BBC Children in Need £34,930 (of which £24,451 received in year), the Rayne Foundation £15k, Evans Property Group £5,750, and the Boshier Hinton Foundation £5,000.

##### **ARK Schools**

Part of a 3 year partnership project with ARK Academy schools and other organisations to improve attendance rates, reduce exclusions and avoid drop out at secondary schools in disadvantaged areas of London. Our part is to improve the transfer from primary to secondary by running our transition groups so that pupils with SLCN get the best possible start at the new secondary school. Our work on this project is fully funded by the ARK Group.

##### **West Midlands Funds**

Funds to be used for our work in the West Midlands areas.

##### **Bryony Walker Fund**

A fund set up with donations made in memory of our Trustee and Vice Chair Bryony Walker who sadly passed away in 2014 to be used for work with young people.

**Afasic is very grateful to all the donors mentioned above for their support of our work during this period.**

# AFASIC

## NOTES TO THE ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2016

#### 15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Balance at 1 April 2015	Incoming resources	Resources expended	Transfers
	£	£	£	£
Capital	1,440	-	(1,425)	(15)
Project development	11,366	-	-	(11,366)
Helpline	13,475	-	-	(13,475)
Strategic development	7,775	-	(1,414)	(6,361)
	<u>34,056</u>	<u>-</u>	<u>(2,839)</u>	<u>(31,217)</u>
				<u>-</u>

In response to the reducing balance held in unrestricted funds, the trustees took the decision to close the designated fund and return the balance in this to unrestricted funds and so strengthen the level of free reserves.

#### 16 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 March 2016 are represented by:			
Tangible fixed assets	4,334	5,802	10,136
Investments	144,222	-	144,222
Current assets	47,775	306,532	354,307
Creditors: amounts falling due within one year	(30,236)	(20,525)	(50,761)
	<u>166,095</u>	<u>291,809</u>	<u>457,904</u>

## AFASIC

### NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2016

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#### 17 Commitments under operating leases

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2016	2015	2016	2015
	£	£	£	£
Expiry date:				
Within one year	9,385	13,224	768	-
Between two and five years	46,354	39,600	2,054	2,822
In over five years	-	-	-	233
	<u>55,739</u>	<u>52,824</u>	<u>2,822</u>	<u>3,055</u>

#### 18 Auditors' Ethical Standards

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standard - Provisions Available for Small Entities are that, in common with many charities of our size and nature we use our auditors to assist with the preparation of the accounts.