

REGISTERED COMPANY NUMBER: 06706042 (England and Wales)

REGISTERED CHARITY NUMBER: 1163758

REGISTERED CHARITY NUMBER (SCOTLAND): SCO5670

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021
FOR
ACTION DEAFNESS**

Duncan & Toplis Limited, Statutory Auditor
3 Princes Court
Royal Way
Loughborough
Leicestershire
LE11 5XR



**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Page
Statement from Chair and Chief Executive	1 to 2
Report of the Trustees	3 to 14
Report of the Independent Auditors	15 to 18
Statement of Financial Activities	19 to 20
Balance Sheet	21
Cash Flow Statement	22
Notes to the Cash Flow Statement	23
Notes to the Financial Statements	24 to 42

ACTION DEAFNESS

STATEMENT FROM CHAIR AND CHIEF EXECUTIVE FOR THE YEAR ENDED 30 SEPTEMBER 2021

Emma Allen - Chair, Action Deafness

2020-2021 was devastating for many people affected by COVID. Despite tough conditions, we remained determined to continue making a difference; providing those services we were able to whilst launching new ones, like our Generation Communication project funded by DCMS/National Lottery.

We also welcomed a merger with Walsall Deaf Community Services in Autumn 2020 and achieved registered charity status in Scotland, which means Action Deafness continues to make a positive impact and support its communities in both our primary and wider secondary UK areas.


We were able to continue with much of our vital service delivery, such as Communications Interpreting, and actively assist the people we support, particularly those in community and care who were overwhelmed by the impact of the virus.

Our staff and management have been amazing, adapting what we do to ensure that we were able to provide support, in innovative ways, to the people who needed it most. I have been so proud of how the whole organisation has rallied, reimagining our services and never losing sight of what is important: creating a positive impact on the lives of those affected by what is a complex and difficult condition in normal times, let alone during an isolating, global pandemic.

Initially, in early 2020, there were fears that the pandemic would devastate our ability to provide services effectively. There was also a real need to prioritise our commitment to the financial sustainability of Action Deafness. Although our income has grown in 2020-2021, and despite it being higher than in previous years, the Board of Trustees acknowledges there will be reduced income for the year ahead due to changes in service contracts.

Post-pandemic projections indicate that a combination of modifying parts of our services, sharing knowledge and resources across our supported communities and the introduction of the tight financial controls now in place are necessary for our future. With this in mind, we aim to secure and maintain a strong financial position.

We still have much to do and, I fear, the impact of the virus on Action Deafness is far from over. However, the Board has great confidence in our #TeamAD which has delivered brilliantly through the most challenging of times. And in you, our stakeholders, supporters and those who receive our support and services – we could not have got through this year without you all. Thank you.



Mrs Emma Allen- Chair

Craig Crowley MBE, Chief Executive Officer

Never, in the whole of my life, have I witnessed or experienced anything comparable to working and living through a pandemic. I share our Chair, Emma's, pride in what we as #TeamAD were able to achieve, both on the frontline of service delivery and operationally, in the most complicated and often exhausting circumstances that confronted all Deaf, hard of hearing, deafened and Deafblind people, but especially our most vulnerable.

Covid19 proved deeply disruptive and traumatic, affecting individuals and families alike in attempts to access local amenities and public places. The resulting sense of overwhelming uncertainty and insecurity is likely to continue for some time to come.

We are incredibly proud of our amazing colleagues and stakeholders, here at Action Deafness, who came together and

united to successfully endure the unique and unforeseen challenges presented by 2020-21.

Our people are, without a doubt, Action Deafness' most precious resource. Going above and beyond in order to maintain delivery of our vital services. As the first lockdown began, we witnessed an unparalleled outpouring of generosity, self-sacrifice and creativity as our teams worked tirelessly to reach those who needed our help. It was truly amazing!

We are now beginning to look tentatively towards the next stages of a post-pandemic future as we seek to restore some sense of normality to the everyday experiences of Deaf people across the UK.

For Action Deafness, the challenge ahead is clear: our services have never been more needed, by so many, at a time when our income, like that of many other organisations, has taken such a significant hit. We know that the world has changed and that Action Deafness must continue to change with it.

Increasingly, Deaf people are facing significant and complex challenges. Support is required to manage and maintain mental health and wellbeing. It is important to ensure the safety and protection of our community's most vulnerable members as we continue to address issues of isolation and deliver interventions.

We have already begun building on vital knowledge acquired over recent months as we aim to ensure Action Deafness is in the best possible position to meet the challenges of tomorrow. This means fully embracing digitalisation to maximise the reach and effectiveness of our services; embedding accessibility, equality, diversity and inclusion into the heart of our charity and continuing on our journey towards becoming a truly re-booted organisation. It will also require us to harness the power of partnership working. Hub Connect will bring together local Deaf and hard of hearing communities, encouraging and supporting them to join forces with organisations from across the charity sector, a wide variety of businesses and Government departments, all with the aim of delivering the best possible outcomes for Deaf people.

By adopting a persistent focus on innovation and system change, and simultaneously utilising strategic partnerships and local delivery as part of Agreement Frameworks, such as the NHS Shared Business Services, all in conjunction with the British Sign Language Act 2022 and Health & Social Care policies, we will continue to evolve and respond to existing and emerging needs across the UK.

It is fundamentally important that, as we look forward to building on our experience with a continued commitment to Action Deafness' mission, purpose, vision and values, we lead the organisation as custodians of the charity's legacy; acknowledging the former charities of Leicester, Loughborough, Hereford, Worcester, Walsall and Oxford as we work to ensure a bright and sustainable future.

Finally, we are extremely grateful for #TeamAD and our Board of Trustees' unwavering support. We remain quietly optimistic as we enter this fresh new chapter, centred on the spirit of collaboration and partnership. We continue working with hope and an integral belief in Deaf, Hard of Hearing, Deafened and Deafblind people who will forever be at the heart of all we do.

A handwritten signature in black ink, reading 'Craig Crowley'.

Mr Craig Crowley MBE- CEO

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our Vision:

"A society where Deaf* people have informed choice, complete control of their lives, equal access to quality services and full communication when they need it."

(* Denotes Deaf, Deafened, Hard of Hearing and Deafblind people)

Our Values:

Caring - We care about Deaf, Hard of Hearing, Deafened and Deafblind people.

Accessible - We aim to make our services more accessible and help make the services provided by other organisations increasingly accessible.

Responsive - We always put our customers and service users FIRST.

Dynamic - We have a 'CAN-DO' attitude and will never give up until we get our services right.

Honest - We are open and communicate effectively with our clients. We are sensitive to our clients' needs.

Deaf-led - We lead by example. We are passionate and committed to our organisation and our service provision.

Our Core Values:

- People-centred.
- Empowering.
- Constructively challenging ways of thinking whilst encouraging a positive perspective of deafness (hearing loss).
- Transforming lives.
- Promoting independence and equality.
- Developing new ideas and opportunities.

Mission:

Action Deafness supports Deaf people, and people with hearing loss, to achieve increased access, independence, choice and control.

We do this by:

- Maximising opportunities for Deaf people to live the life they choose by providing Personal Assistants and offering Personal Care services.
- Promoting effective communication solutions to improve access to services.
- Ensuring organisational sustainability through growth, partnership and diversification.
- Being a leading provider of Communications Interpreting and Community & Care support.

Key Supporting Principles:

- Be Deaf-led.
- Be a catalyst for positive change, creating opportunity through partnerships.
- Use our knowledge and expertise to support provision in all areas.
- Risk-taking is an intrinsic element of growth and consolidation.

Firstly, as a service provider, we seek to offer creative and diverse services in response to those identified wishes, aspirations and requirements of the people we serve and support. With an understanding of real, lived, experiences along with local and surrounding communities' concerns, we actively promote participation in day-to-day life, opportunities and decision making.

Ultimately, our people-centred services are underpinned by a strong foundation that values and fosters all aspects relating to service users' personal development.

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

Secondly, we understand that our ability to deliver these ideals is inextricably linked to effective working partnerships with all stakeholders. This collaboration ensures continual improvement in the quality and value of services we provide.

We have recruited, and are constantly developing, a competent, motivated, sensitive and proactive staff team; responsive to users' needs whilst remaining focused on maintaining standards and achieving Action Deafness' objectives.

Significant activities

Action Deafness is a Deaf-led, national, charitable company with charitable objectives focused on a wide range of services delivered throughout the UK. Primary service delivery centres on both East and West Midlands, Oxfordshire whilst our service catchment areas are also situated in Hertfordshire, Brighton and Sussex.

Our main key services are:

- Communications Interpreting
- Community & Care
- Joint Ventures/Partnerships
- Equipment & Projects

We retain our charitable obligation to Leicester, Loughborough, Leicestershire, Rutland, Worcestershire, Herefordshire, Oxfordshire and Walsall. We continue, as a company limited by guarantee, to offer services that benefit Deaf, Hard of Hearing, Deafened and Deafblind communities throughout the UK.

Public benefit

As a charitable company, Action Deafness provides public benefit to Deaf, Hard of Hearing, Deafened and Deafblind beneficiaries through its provision of AD Communications Interpreting services; facilitating communication between the hearing and the non-hearing community. Trustee Directors have demonstrated due regard to the Charity Commission's guidance on public benefit.

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

ACHIEVEMENT AND PERFORMANCE HIGHLIGHTS OF ACHIEVEMENT AND PERFORMANCE

Achievements and Performance:

This review provides assurance that Action Deafness' strategic objectives are being delivered as per Action Deafness' Five Year Strategy 2018-2023 (approved by the Board of Trustees in September 2018).

These outcomes have also been measured against the departmental business operating plan 2020-2021.

Since the COVID-19 pandemic, and subsequent lockdowns, the charitable company undertook a decision to revert to hybrid working practices meaning that operations have been streamlined and now allow prominent management and operations staff to predominantly work remotely from home. This exercise proved successful. Oxford Deaf & Hard of Hearing Centre are building assets belonging to the organisation.

Our Five-Year Plan to 2023:

This year (2020/21) was the third year of our Five-Year Plan and excellent progress has been made with agreed milestones and targets across all three of our priority areas.

As would be expected in the fourth year of a five-year plan, many of these milestones relate to the development of proposals or preparation work in anticipation of new service launches, partnerships or areas of work to be implemented in the final two years of the plan.

The Big Picture in 2020/2021:

- Consolidated, streamlined and harmonised - by maintaining a robust and efficient organisational structure approved in the 2020/2021 Business Operating Plan.
- Maintained our flagship services (Communications Interpreting, Community & Care and Services) throughout 2020/2021.
- Concluded the partnership agreements with SignLive VRS and entered a formal partnership agreement with SignVideo VRS.
- Progressed new business development initiatives and undertook successful tender applications for NHS Shared Business Services. In formal partnership with RNID, Deaf Action and GDA, AD has become a leading SBS-approved provider for BSL Interpreting Services.
- Maintained our on-going agreement with Pembroke College (University of Oxford), with regards the proposed sale of Oxford Deaf & Hard of Hearing Centre, through the long stop extension agreement.
- Diversified income generation, service delivery and business activities to achieve year end income by September 2021.
- Successful stewardship of expenditure, achieving a surplus position (after grants/legacies/fundraising) despite COVID-19 implications and predicted recession.
- Successfully delivered activities of Community & Care Services, Communications Interpreting and AD Services complemented by Executive Office, Finance & Admin and Human Resources.
- Achieved, and successfully consolidated, a culture of organisational effectiveness through i) Care Quality Commission (CQC) registration, ii) ISO 9001 (Quality Management) and ISO27001 (Information and Security) iii) Cyber Essentials Plus re-accreditation as well as iv) compliance with policies and procedures in Risk Register, Business Continuity Plan (BCP), Safeguarding and GDPR.

Key Initiatives for 2020/2021 Period:

- Developed and implemented Action Kickstart (DWP Kickstart Scheme); a project recruiting trainees, aged 18-24, to be involved in work experience opportunities with Action Deafness and partnering Deaf charities throughout the UK – this project saw only partial success as a result of challenges in the DWP's recruitment system.

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

- Successfully developed Generation Communication; a project for older Deaf and Hard of Hearing people who were trained in IT by a team of GC officers. Funding achieved and delivered through the Department of Culture Media & Sport and The National Lottery's Coronavirus Grant.
- Re-established user consultation groups for Worcestershire/Herefordshire/Oxfordshire and West/East Midlands (Walsall/Derby) as part of the charity's objectives and merger agreements.
- Development of Digital and Equipment Services based in Leicester City, Worcestershire, Herefordshire and Oxfordshire with thanks to the financial support from Eveson Trust and Leicester City Council.
- Development of Community PA service in Herefordshire, Worcestershire and Oxfordshire - delayed due to COVID19 restrictions.
- Proposed sale of Oxford Deaf & Hard of Hearing Centre building to Pembroke College - further delayed due to COVID-19 and lockdown restrictions.
- Established and developed new initiatives in sensory, care and support provision. Also made several tender applications throughout the UK.
- Successfully acquired the NHS's Shared Business Services (SBS) agreement framework for Face-to-Face (F2F) and video relay service (VRS) for BSL interpreting.
- Successfully pursued and obtained Scottish charity registration status for the purposes of key initiatives in community care.
- Despite COVID-19 restrictions, further 24/7 Personal Care and ExtraCare Project research work was conducted. A feasibility report was produced and a considerably successful webinar on Open Space took place in May 2021.
- Care and support provision in Walsall was once again delayed due to COVID-19 restrictions.
- Revamped promotions and marketing initiatives with the development of a new website and new brand logo for Action Deafness which was launched in November 2020 to huge acclaim.
- Cyber Essentials Certificate and ISO 18841 Certificate in Interpreting has been obtained.

Other Key Achievements:

- Feedback Survey: 77% of Deaf & Hard of Hearing people reported that Action Deafness helped them to live their lives safely and independently.
- Feedback Survey: 81% of stakeholders stated that Action Deafness' services helped them to get through COVID-19 to September 2021.
- We achieved a new accreditation in ISO 18841 Interpreting - making the organisation a first Deaf-led interpreting unit in the UK to acquire this status.
- We successfully obtained ISO 9001 and 27001 accreditation in May 2021.
- Successfully obtained agreement framework status in NEPO (North East Procurement Organisation) and ESCC (East Sussex County Council).
- 35,000 hours of community and care support were provided during 2020-2021 - 3% increase compared with figures from 2019-2020.
- 11,000 assignments were covered by Communications Interpreting - despite a decrease of 1,000 in comparison to 2019-2020 owing to changes in contract with SignLive.
- Despite COVID19 restrictions, we still managed to achieve 75% of our Five Year Strategic 'Goals' through service provision and business development.

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

Stakeholders and Supporters:

We extend our appreciation to the following stakeholders, supporters and partners (in alphabetical order) for their assistance, collaboration and partnership during 2020-2021:

- Brighton and Hove Clinical Commissioning Group (CCG)
- Brighton & Sussex Universities Hospitals NHS
- CJ Interpreting (now Rare Rockets)
- DeafCOG
- Deaf and Hearing Trailblazers
- DeafKidz International
- Derby City Council
- Derbyshire County Council
- East Sussex County Council
- Eveson Trust
- Futures Housing Group
- Herefordshire County Council
- Herefordshire & Worcestershire Health & Care NHS
- Hertfordshire County Council
- Leicester City Council
- Leicestershire County Council
- Nottingham City Council
- Nottinghamshire County Council
- Oxford City Council
- Oxfordshire County Council
- RNID
- SignVideo VRS
- Splice Agency
- St Andrew's Healthcare Trust
- Sussex Partnership MH NHS
- University Hospitals of Leicester NHS
- Vision Links (Herefordshire)
- Walsall Deaf Community Services
- Warwickshire County Council
- Worcester City Council
- Worcestershire Acute Hospitals NHS
- Worcestershire County Council

We look forward to fostering strong partnerships and relationships with an increasing number of organisations / charities with the aim of creating a better future for Deaf communities across the UK.

Use of volunteers

The charity does not currently require any significant use of volunteers in its activities or operations.

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

FINANCIAL REVIEW

Financial position

Income for the 12 months amounted to £4,531,395 (2020: £3,744,297) and expenditure for the same period amounted to £4,090,121 (2020: £3,746,251). As a result, the surplus for the period (before other recognised gains and losses) was £443,441 (2020: £1,674 Loss).

The defined benefit scheme liability was settled during the year, while the present value of the deficit funding agreed on the multi-employer defined contribution pension scheme (TPT Retirement Solutions - The Growth Plan) of which the charitable company is a part, decreased to £8,732 (2020: £11,182).

Total funds on hand at the balance sheet amount to net assets of £579,396 (2020: £135,936) can only be realised through the sale of tangible fixed assets.

Funds on hand at the Balance Sheet date comprise restricted Funds of £339,155 (2020: £29,207) and designated funds (excluding the pension liability noted above) of £51,793 (2020: (£2,822)) - these comprise the charity's tangible fixed assets and fixed asset investments. Free Reserves, excluding the pension liability, amount to £197,180 (2020: £175,280).

Investment policy and objectives The Trustees have the power to invest in such assets as they see fit.

Reserves policy

It is the policy of the charitable company that unrestricted funds which have not been designated for a specific purpose should be maintained at a level equivalent to between three and six month's expenditure. The trustee directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

Over the past few years, due to the level of year end reserves (and in particular the pension liability), the level of reserves has been insufficient to maintain designated funds. However, due to the current year surplus, reserves are starting to be built back up again. The trustees recognise the importance of ensuring that a suitable level of reserves is maintained and the board is committed to monitoring the financial position of the organisation on an on-going basis.

Pension liability

The pension liability represents the present value of the deficit funding agreed for the multi-employer defined contribution pension scheme (TPT Retirement Solutions - the Growth Plan) of which the charitable company is a part.

Going concern

The Trustee Directors are confident that there are no material uncertainties about the charitable company's ability to continue as a going concern. They have approved a realistic (with break-even in mind) budget for 2021.2022. With appropriate budgetary controls, no significant pension liabilities (from April 2021) and even in the current difficult economic climate, Action Deafness will continue in operation and that it is only appropriate to prepare these financial statements on a going concern basis

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

FUTURE PLANS FOR 2021-2022

The Big Picture

- Aim to maintain a robust and efficient organisational structure which has been approved by the Board of Trustees in preparation for the 2021-2022 Business Operating Plan Pillars.
- Maintain the delivery of flagship services (Communications Interpreting and Community & Care) throughout 2021-2022.
- Establish new Memorandum of Understanding and formal partnership agreements with RNID, GDA and Deaf Action (for NHS SBS), SignVideo VRS (for supplying BSL Interpreters).
- Develop new initiatives and implement further new partnerships/joint ventures with Deaf charities, organisations and stakeholders.
- Establish new Memorandum of Understanding and formal partnership agreements with Deafkidz International for developing new initiatives in children and young people projects and Deaf & Hearing Trailblazers Training for joint hosting the inaugural UK Deaf Leadership Summit Live Webinars and developing new action-centred leadership approaches with AD staff.
- Maintain our relationship with Pembroke College (University of Oxford) through the long stop extension agreement leading to the eventual sale of Oxford Deaf & Hard of Hearing Centre by end of 2022.
- Diversify income generation, service delivery and business activities to achieve year end income by September 2022.
- Effect prudent stewardship of expenditure, achieving a breakeven position (after grants/legacies/fundraising) despite COVID-19 implications and a likely recession.
- Deliver activities of Community & Care Services, Communications Interpreting and AD Services complemented by Executive Office, Finance & Admin and Human Resources.
- Maintain and consolidate a culture of organisational effectiveness through i) Care Quality Commission (CQC) registration, ii) ISO 9001 (Quality Management), 18841 (Interpreting) and 27001 (Information and Security) accreditation as well as iii) compliance with policies and procedures in Risk Register, Business Continuation Plan, Safeguarding and GDPR.

Key Initiatives for 2021-2022

- Complete the Action Kickstart (DWP Kickstart Scheme) project with successful delivery of trainees aged 18-24 for work experience opportunities with Action Deafness and partnering Deaf charities throughout the UK.
- Complete the Department of Culture Media & Sport and The National Lottery's Coronavirus Grant Lottery funding of Generation Communication project for older Deaf and Hard of Hearing people and launch the new Hub Connect Project to focus on post-merger catchment areas.
- Re-establish User Consultation Groups for Worcestershire/Herefordshire/Oxfordshire and West/East Midlands (Walsall/Derby) as part of the charity's objectives and merger agreements.
- Deliver Digital and Equipment Services based in Leicester City, Worcestershire, Herefordshire and Oxfordshire with thanks to financial support from Eveson Trust and Leicester City Council.
- Re-establish and deliver Community PA service in Herefordshire, Worcestershire and Oxfordshire.
- Work towards the eventual sale of Oxford Deaf & Hard of Hearing Centre building to Pembroke College.
- Explore, develop new initiatives in deafblind, sensory, care & support provision.
- Establish and nurture new development opportunities by creating new Business Development and Innovation whilst targeting commissioners and contractors as part of our drive with NHS's Shared Business Services (SBS), NEPO (North East Procurement Organisation), ESCC (East Sussex County Council) agreement frameworks for Face-to-Face (F2F) and video relay service (VRS) for BSL interpreting.
- Explore further 24/7 Personal Care and/or ExtraCare Project.
- Explore new project initiatives involving Deaf children and Young People in partnership with Deafkidz International.
- Continue to explore new initiatives in digitalisation, external service and care management support via joint venture arrangements.
- Develop and establish new care & support provision in Walsall following recent merger with Action Deafness.
- Revamp promotions and marketing initiatives with the development of a new Fundraising Strategy and Delivery for Action Deafness.

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is constituted under a Memorandum of Association, dated June 2008 and revised in September 2015 (company number 06706042), with the registered charity number 1163758.

It is exempt from the use of the word "Limited" within its name.

Trustees

Trustees, elected and co-opted under the new and revised terms of the Articles of Association, are responsible for the Company's governance. Persons who served as Trustee during the year are listed within the Constitutional and Administrative Details section of this report. Following mergers with Deaf Direct and Walsall Deaf Community Services, and the retirement of Barry Ross as Joint Chair, and trustees Helen Foulkes and Andrew Freeman, the charitable company re-established its Trustee Board of 9 members. Subsequently, on 17th September 2021, Alison Lewis was elected as Joint Vice-Chair.

Induction and Training of New Trustees

As an organisation, Action Deafness relies upon guidance issued by the Charity Commission in relation to Trustees' induction and training.

Organisational structure

Day to day running of the charitable company is delegated to the Chief Executive Officer (CEO) who reports to the Board of Trustees. The CEO operates within a wide-ranging, assigned, remit. Policy states that, where individual Trustees have specific and useful expertise, the CEO and identified Trustees will work collaboratively.

Action Deafness' business is managed by a Board comprising of all the appointed Trustees. The Board meets formally at least four times a year and on additional occasions when decisions are necessary prior to the next formal meeting.

Trustees provide Action Deafness's CEO with the guidance and leadership required to conduct the day-to-day business working of the charity. The CEO attends and reports to each meeting of the Board.

Key management remuneration

Key management personnel of the charitable company includes Trustees and the Executive Leadership Team; comprising of CEO, Head of Finance, Head of Interpreting, Director of Finance & Operations, Service Manager, HR & Communications Manager and Community Business Manager. Between these groups, the organisation is governed and operated on a day-to-day basis.

All Trustees give of their time freely and no Trustee received any remuneration during the year.

Senior staff members' salaries are reviewed annually and normally increase in accordance with average earnings. Trustee Directors benchmark the CEO's salary against pay levels in other charitable organisations of similar size and nature.

All other salaries are determined by the Executive Leadership Team with consideration given to market forces and in-work performance benchmarks.

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Trustees have a duty to identify and review any risks to which the charitable company is exposed and to ensure appropriate controls are in place providing reasonable assurance against fraud and error.

Trustees use a risk register to manage risk which considers key areas of governance, operations, finance, environment and compliance.

Each area is reviewed for potential risk, potential risk impact and mitigation process.

Trustees, together with the CEO and the Executive Leadership Team, review all operations and update the risk register six-monthly and annually in conjunction with ISO 9001 Quality Management, ISO 27001 Information and Security, ISO 18841 Interpreting, Care Quality Commission (CQC) Cyber Essentials Plus and SORP regulations.

Financial risk and reserves are further managed using budgetary control and monthly management accounts reporting. Sources of both current and future income are considered during key performance and risk reviews.

Action Deafness subscribes to the Code of Fundraising Practice in all of its fundraising activities. The code is implemented through our HR and Fundraising processes. Every person involved in fundraising for Action Deafness, is trained and inducted on the expectations as set out in the code of practice.

We comply with all the GDPR legal requirements regarding donors' or fundraisers' personal data. No third-party organisations or consultants were used for raising funds for Action Deafness. There have been no breaches and complaints received with the application of this code and GDPR regulations in the reporting period.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

06706042 (England and Wales)

Registered Charity number

1163758

SC050670 (Scotland) (registered in January 2021)

Registered office

The Peepul Centre,
28 Orchardson Avenue
Leicester
Leicestershire
LE4 6DP

Principal address

University Science & Enterprise Park
5 Oakwood Drive
Loughborough
LE11 3QF

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mrs E S Allen
Mr R Grant (appointed 8.12.20)
Mr R F Hilton
Mrs P A Lenon
Mrs A Lewis
Mr W H Stavert
Mr B J A Stephens
Mrs L K Warnes
Mrs A Whyte (appointed 1.10.20)
Mrs H Foulkes (resigned 30.9.21)
Mr A Freeman (appointed 1.10.20) (resigned 30.9.21)
Mr B K Ross (resigned 30.9.21)

Company Secretary

Mr C A Crowley MBE

Auditors

Duncan & Toplis Limited, Statutory Auditor
3 Princes Court
Royal Way
Loughborough
Leicestershire
LE11 5XR

Bankers

NatWest
1 Granby Street
Leicester
LE1 6EJ

Solicitors

Russell-Cooke Solicitors
8 Bedford Row London
WC1R 4BX

Executive Leadership Team- 2020/2021 and current

Craig Crowley MBE
Jim Robertson

Karen Draper
Charlotte Jefferies
Nigel Cleaver
Mhairi Simpson

Jayne Oakes
Christopher Harrison

Chief Executive
Head of Finance (Retired September 2021)
Director, Finance & Operations (With effect from October 2021)
People Executive
Head of Communications Interpreting
Head of Community & Care
Head of Business & Innovation [With effect from February 2022)
Services Manager (Left November 2021)

ACTION DEAFNESS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 SEPTEMBER 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Action Deafness for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 24th May 2022 and signed on its behalf by:



.....
Mrs E S Allen - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ACTION DEAFNESS

Opinion

We have audited the financial statements of Action Deafness (the 'charitable company') for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2021 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.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ACTION DEAFNESS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees:

We have nothing to report in respect of the following matters where the Companies Act 2006 requires 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 trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ACTION DEAFNESS

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience, knowledge of the sector, a review of regulatory and legal correspondence and through discussions with Trustees and other key management obtained as part of the work required by auditing standards. We have also discussed with the Trustees and other key management the policies and procedures relating to compliance with laws and regulations. We communicated laws and regulations throughout the team and remained alert to any indications of non-compliance throughout the audit. The potential impact of different laws and regulations varies considerably.

Firstly, the charity is subject to laws and regulations that directly impact the financial statements (for example financial reporting legislation) and we have assessed the extent of compliance with such laws as part of our financial statements audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including risk of override of controls) and determined that the principal risks were related to management bias in judgemental areas of the financial statements such as income recognition, as well as the risk of inappropriate journal entries to manipulate the reported surplus. Audit procedures performed by the engagement team included testing the appropriateness of journal entries and other adjustments, and assessing whether judgements made in making accounting estimates are indicative of any potential bias. We reviewed financial statement disclosures and tested these to supporting documentation to assess compliance with laws and regulations, and we performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Secondly, the charity is subject to other laws and regulations where the consequence for non-compliance could have a material effect on the amounts or disclosures in the financial statements. We identified the following areas as those most likely to have such an effect: Compliance with the charitable objectives, public benefit, fundraising regulations, data protection, employment law and safeguarding. The company is subject to regular internal and external audits to ensure compliance with these areas.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other key management and inspection. This inspection included a review of the external audits conducted within the year for any evidence of non-compliance, reading minutes of meetings of those charged with governance, reviewing any reports made to regulators, in addition to an assessment of the charity's formal risk assessment. Through these procedures, if we became aware of any non-compliance, we considered the impact on the procedures performed on the related financial statement items.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. As with any audit, there is a greater risk of non-detection of irregularities as these may involve collusion, intentional omissions of the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ACTION DEAFNESS**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Duncan & Toplis Limited

Mr N A Kingsley ACA (Senior Statutory Auditor)
for and on behalf of Duncan & Toplis Limited, Statutory Auditor
3 Princes Court
Royal Way
Loughborough
Leicestershire
LE11 5XR

Date: 27th June 2022

ACTION DEAFNESS

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2021

		Unrestricted funds	Designated	Restricted funds	2021 Total funds	2020 Total funds as restated
	Notes	£	£	£	£	£
INCOME AND ENDOWMENTS FROM						
Donations and legacies	3	40,860	324,473	-	365,333	80,816
Charitable activities	6					
Communications		3,028,133	-	-	3,028,133	2,795,453
Community Support		747,614	-	-	747,614	602,442
Learning		7,685	-	-	7,685	3,652
Other Services		30,400	-	-	30,400	83,302
Books, DVDs and AD Tech		7,732	-	-	7,732	36,623
Kickstart Project		-	-	64,241	64,241	-
Generation Communication Project		-	-	95,000	95,000	-
Provision of Services		170,263	-	-	170,263	-
Other trading activities	4	6,200	-	-	6,200	73,014
Investment income	5	351	-	-	351	387
Other income		8,443	-	-	8,443	68,608
Total		4,047,681	324,473	159,241	4,531,395	3,744,297
EXPENDITURE ON						
Raising funds	7	10,033	-	-	10,033	27,856
Charitable activities	8					
Communications		2,721,496	-	-	2,721,496	2,976,311
Community Support		436,859	-	-	436,859	663,745
Learning		3,650	-	-	3,650	2,971
Other Services		94,830	-	-	94,830	19,656
Books, DVDs and AD Tech		9,053	-	-	9,053	35,179
Support for Social Groups		-	-	-	-	6,924
Business Development		78,573	-	-	78,573	11,691
Fundraising		6,461	-	-	6,461	1,918
Central Operational Costs		500,005	-	-	500,005	-
Professional Fees		75,279	-	-	75,279	-
Kickstart Project		-	-	53,087	53,087	-
Generation Communication Project		5,795	-	95,000	100,795	-
Total		3,942,034	-	148,087	4,090,121	3,746,251
Net gains on investments		2,167	-	-	2,167	280
NET INCOME/(EXPENDITURE)		107,815	324,473	11,153	443,441	(1,674)
Transfers between funds	20	25,678	-	(25,678)	-	-

The notes form part of these financial statements

ACTION DEAFNESS

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	2021 Total funds £	2020 Total funds as restated £
Other recognised gains/(losses)						
Gains on revaluation of Pension Scheme		-	-	-	-	190,100
Merger with Deaf Direct		-	-	-	-	(39,931)
Actuarial gains on defined benefit schemes		<u>20</u>	<u>-</u>	<u>-</u>	<u>20</u>	<u>838</u>
Net movement in funds		133,512	324,473	(14,525)	443,460	149,333
RECONCILIATION OF FUNDS						
Total funds brought forward as previously reported		106,729	-	1,039,207	1,145,936	(13,397)
Prior year adjustment- Removal of Oxford building		-	-	(1,010,000)	(1,010,000)	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS CARRIED FORWARD		<u>240,241</u>	<u>324,473</u>	<u>14,682</u>	<u>579,396</u>	<u>135,936</u>

The notes form part of these financial statements


ACTION DEAFNESS

BALANCE SHEET 30 SEPTEMBER 2021

		Unrestricted funds	Designated	Restricted funds	2021 Total funds	2020 Total funds as restated
	Notes	£	£	£	£	£
FIXED ASSETS						
Tangible assets	15	38,388	-	-	38,388	62,742
Investments	16	<u>11,516</u>	<u>-</u>	<u>-</u>	<u>11,516</u>	<u>11,905</u>
		49,904	-	-	49,904	74,647
CURRENT ASSETS						
Stocks	17	-	-	-	-	9,053
Debtors	18	539,358	-	12,718	552,076	737,228
Cash at bank		<u>243,236</u>	<u>324,473</u>	<u>2,568</u>	<u>570,277</u>	<u>291,753</u>
		782,594	324,473	15,286	1,122,353	1,038,034
CREDITORS						
Amounts falling due within one year	19	<u>(583,525)</u>	<u>-</u>	<u>(604)</u>	<u>(584,129)</u>	<u>(898,863)</u>
NET CURRENT ASSETS		<u>199,069</u>	<u>324,473</u>	<u>14,682</u>	<u>538,224</u>	<u>139,171</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		248,973	324,473	14,682	588,128	213,818
PENSION LIABILITY	21	-	-	-	-	(66,700)
RETIREMENT HEALTHCARE BENEFITS OBLIGATIONS	21	<u>(8,732)</u>	<u>-</u>	<u>-</u>	<u>(8,732)</u>	<u>(11,182)</u>
NET ASSETS/(LIABILITIES)		<u>240,241</u>	<u>324,473</u>	<u>14,682</u>	<u>579,396</u>	<u>135,936</u>
FUNDS	20					
Unrestricted funds					564,714	106,729
Restricted funds					<u>14,682</u>	<u>29,207</u>
TOTAL FUNDS					<u>579,396</u>	<u>135,936</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 24th May 2022 and were signed on its behalf by:



.....
Mrs E S Allen - Trustee

The notes form part of these financial statements

ACTION DEAFNESS

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2021

		2021	2020 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	<u>284,190</u>	<u>73,315</u>
Net cash provided by operating activities		<u>284,190</u>	<u>73,315</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(7,296)	(45,585)
Purchase of fixed asset investments		(318)	(325)
Sale of fixed asset investments		1,597	-
Interest received		33	63
Dividends received		<u>318</u>	<u>324</u>
Net cash used in investing activities		<u>(5,666)</u>	<u>(45,523)</u>
Change in cash and cash equivalents in the reporting period		278,524	27,792
Cash and cash equivalents at the beginning of the reporting period		<u>291,753</u>	<u>263,961</u>
Cash and cash equivalents at the end of the reporting period		<u>570,277</u>	<u>291,753</u>

The notes form part of these financial statements

ACTION DEAFNESS

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020 as restated
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	443,441	(1,674)
Adjustments for:		
Depreciation charges	10,128	18,035
Gain on investments	(2,167)	(280)
Loss on disposal of fixed assets	18,483	-
Interest received	(33)	(63)
Dividends received	(318)	(324)
Decrease/(increase) in stocks	9,053	(2,358)
Decrease/(increase) in debtors	185,152	(207,015)
(Decrease)/increase in creditors	(315,336)	381,886
Difference between pension charge and cash contributions	<u>(64,213)</u>	<u>(114,892)</u>
Net cash provided by operations	<u>284,190</u>	<u>73,315</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.20 £	Cash flow £	At 30.9.21 £
Net cash			
Cash at bank	<u>291,753</u>	<u>278,524</u>	<u>570,277</u>
	<u>291,753</u>	<u>278,524</u>	<u>570,277</u>
Total	<u>291,753</u>	<u>278,524</u>	<u>570,277</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

1. GENERAL INFORMATION

Action Deafness is a Private Charitable Company Limited by Guarantee, registered in England and Wales. The charity's registered number is 1163758 and the Company registration number is 06706042.

The registered office and principal place of business is The Peepul Centre, 28 Orchardson Avenue, Leicester, Leicestershire, LE4 6DP.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all years presented unless otherwise stated.

The financial statements cover the individual entity.

The entity constitutes a public benefit entity as defined by FRS 102.

There are no material uncertainties with going concern.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

The following specific policies are applied to particular categories of income:

-Donations and gifts are recognised in full in the Statement of Financial Activities when receivable.

-Legacies are recognised in full in the Statement of Financial Activities when the conditions of entitlement, certainty and measurement are satisfied.

-Grants are recognised in the Statement of Financial Activities when the conditions of receipt have been complied with as follows:

-Grants where entitlement is not conditional on delivery of a specific performance by the charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant.

-Revenue grants are carried forward to the extent that the grantor specifies that the grant is for expenditure in future accounting periods. Grants carried forward in this way are accounted for as deferred income.

-Grants from local governments and other agencies have been recognised as above and included as income from activities in furtherance of the charitable company's objects and have been allocated to the specific activity or project for which they were received.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Income

-Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers cannot be quantified and therefore has not been included in these accounts.

-Investment income is recognised when receivable.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Expenditure on raising funds comprises:

- the costs associated with attracting voluntary income
- the costs of fundraising
- the costs incurred in generating trading and other income

Charitable activities

Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities as well as costs of an indirect nature necessary to support them.

Support costs

Support costs largely comprise central running costs of the charity.

Allocation and apportionment of costs

All costs are allocated between the expenditure categories on the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to particular activities are allocated directly, others are apportioned on the basis of the use of the resources they generate.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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

Computer Equipment	20% on cost
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All assets transferred in from Deaf Direct on 1st October 2019 have been recognised as additions at their net book value at that date, however they continue to be depreciated at 20% of their original cost in order to write off their value over their estimated useful life.

Expenditure on fixed assets not exceeding £500 per asset is included as expenditure within the Statement of Financial Activities in the year in which the assets are purchased.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

2. ACCOUNTING POLICIES - continued

Taxation

The charitable company is registered with HMRC as a charity and a charitable company for tax purposes, in line with paragraph 1 of schedule 6 of the Finance Act 2010.

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are set up at the discretion of the Trustees.

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

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Investments

Fixed asset investments are measured at fair value if the shares are publicly traded or can otherwise be measured reliably. The fair value is represented by the bid price at the financial reporting date.

Realised and unrealised gains or losses on investments are accounted for in full within the particular fund of which the investment forms a part.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company is part of a multi-employer defined benefit scheme, which is treated as a defined benefit contribution scheme in accordance with FRS102. The charitable company has agreed deficit funding with the Scheme's administrator. The cost of employer deficit contributions and net interest are recognised in the Statement of Financial Activities; unrealised gains and losses are recognised within Other Comprehensive Income with the Statement of Financial Activities, and the net pension liability (equal to the present value of the agreed deficit funding) is recognised in the Balance Sheet.

The charitable company also contributes to a defined contribution pension scheme. Contributions payable to this scheme are charged to the Statement of Financial Activity in the period to which they relate.

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

3. DONATIONS AND LEGACIES

	2021	2020 as restated
	£	£
Donations	325,081	7,044
Legacies	<u>40,252</u>	<u>73,772</u>
	<u>365,333</u>	<u>80,816</u>

4. OTHER TRADING ACTIVITIES

	2021	2020 as restated
	£	£
Sale of stock	200	-
Provision of support to other	-	52,249
Commission	-	13,766
Business Development	<u>6,000</u>	<u>6,999</u>
	<u>6,200</u>	<u>73,014</u>

5. INVESTMENT INCOME

	2021	2020 as restated
	£	£
Dividends received	318	324
Deposit account interest	<u>33</u>	<u>63</u>
	<u>351</u>	<u>387</u>

6. INCOME FROM CHARITABLE ACTIVITIES

		2021	2020 as restated
	Activity	£	£
BSL interpreting	Communications	3,028,133	2,547,881
Deaf staff support income	Communications	-	247,572
Community support income	Community Support	747,614	602,442
Course fees	Learning	7,685	3,652
Grants	Other Services	30,400	83,302
Books, DVDs and AD Tech sales	Books, DVDs and AD Tech	7,732	36,623
Kickstart income	Kickstart Project	64,241	-
Grants	Generation Communication Project	95,000	-
Additional Services Income	Provision of Services	<u>170,263</u>	<u>-</u>
		<u>4,151,068</u>	<u>3,521,472</u>

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

6. INCOME FROM CHARITABLE ACTIVITIES - continued

Grants received, included in the above, are as follows:

	2021	2020 as restated
	£	£
Other charitable projects	<u>125,400</u>	<u>83,302</u>

Included within grants above are the following amounts, which are government grants as defined by the SORP:

- £7,120 (2020: £NIL) from Leicestershire County Council Covid Grants.

-£95,000 (2020: £NIL) from The National Lottery Community Fund towards the Generation Communication project.

-£64,241 (2020: £NIL) from The Department for Work and Pensions towards the Kickstart Project.

-£NIL (2020: £3,893) Covid-19 grant from Nottingham City Council.

-£NIL (2020: £25,000) Covid-19 grant from Oxford Council.

-£NIL (2020: £2,977) Covid-19 grant from Nottingham City Council.

7. RAISING FUNDS

Raising donations and legacies

	2021	2020 as restated
	£	£
Support costs	<u>-</u>	<u>14,986</u>

Other trading activities

	2021	2020 as restated
	£	£
Bad debts	1,365	2,199
Communication support	<u>8,668</u>	<u>10,671</u>
	<u>10,033</u>	<u>12,870</u>
Aggregate amounts	<u>10,033</u>	<u>27,856</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Communications	2,680,289	41,207	2,721,496
Community Support	436,859	-	436,859
Learning	3,650	-	3,650
Other Services	92,346	2,484	94,830
Books, DVDs and AD Tech	9,053	-	9,053
Business Development	52,050	26,523	78,573
Fundraising	-	6,461	6,461
Central Operational Costs	1,162	498,843	500,005
Professional Fees	11,695	63,584	75,279
Kickstart Project	53,087	-	53,087
Generation Communication Project	100,795	-	100,795
	<u>3,440,986</u>	<u>639,102</u>	<u>4,080,088</u>

9. SUPPORT COSTS

	Central Overheads £	Finance £	IT & Phones £
Communications	-	-	-
Other Services	2,484	-	-
Business Development	-	-	-
Fundraising	6,461	-	-
Central Operational Costs	329,937	72,198	83,496
Professional Fees	-	-	-
	<u>338,882</u>	<u>72,198</u>	<u>83,496</u>

	Professional fees £	Governance costs £	Totals £
Communications	-	41,207	41,207
Other Services	-	-	2,484
Business Development	26,523	-	26,523
Fundraising	-	-	6,461
Central Operational Costs	13,212	-	498,843
Professional Fees	<u>33,518</u>	<u>30,066</u>	<u>63,584</u>
	<u>73,253</u>	<u>71,273</u>	<u>639,102</u>

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020 as restated
	£	£
Auditors remuneration	8,656	6,013
Depreciation - owned assets	13,167	13,202
Other operating leases	42,311	45,911
Deficit on disposal of fixed assets	<u>18,483</u>	<u>-</u>

Auditors' fees of £8,656 (2020: £6,013) which are included within Central Operational Costs include costs for the preparation of the accounts.

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2021 nor for the year ended 30 September 2020.

Trustees' expenses

During the year, travel expenses of £140 (2020: £311) were reimbursed to trustees. No other remuneration, benefits or expenses were paid to trustees during either year.

12. STAFF COSTS

	2021	2020 as restated
	£	£
Wages and salaries	954,056	880,115
Social security costs	63,936	58,290
Other pension costs	<u>20,561</u>	<u>6,350</u>
	<u>1,038,553</u>	<u>944,755</u>

One employee had employee benefits between £60,000-£70,000 (2020: 1).

No other employees had employee benefits in excess of £60,000 (2020: Nil).

On a monthly basis there were 87 (2020: 79) staff spending most of their time on charitable activities.

Figures on a full-time equivalent basis was 26.8 (2020: 21.4).

At the end of the year there were 9 Trustees (2020: 12).

Action Deafness' key management personnel are the Senior Management Team. We use external salary surveys and other tools to enable us to benchmark our salaries against other charities when setting the rates of pay for the Senior Management Team.

These rates are approved by the Board of Trustees. Annual increases are normally awarded in October each year, taking into account the rate of inflation and organisational affordability. Annual increases are subject to approval by the Board of Trustees.

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

12. STAFF COSTS - continued

The total employment benefits of the key management personnel of the charity were £184,038 (2020: £207,374).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds	Designated funds	Restricted funds	Total funds as restated £
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies	80,816	-	-	80,816
Charitable activities				
Communications	2,795,453	-	-	2,795,453
Community Support	602,442	-	-	602,442
Learning	3,652	-	-	3,652
Other Services	83,302	-	-	83,302
Books, DVDs and AD Tech	36,623	-	-	36,623
Other trading activities	73,014	-	-	73,014
Investment income	387	-	-	387
Other income	68,608	-	-	68,608
Total	3,744,297	-	-	3,744,297
EXPENDITURE ON				
Raising funds	27,856	-	-	27,856
Charitable activities				
Communications	2,976,311	-	-	2,976,311
Community Support	645,213	-	18,532	663,745
Learning	2,971	-	-	2,971
Other Services	19,656	-	-	19,656
Books, DVDs and AD Tech	35,179	-	-	35,179
Support for Social Groups	6,924	-	-	6,924
Business Development	11,691	-	-	11,691
Fundraising	1,918	-	-	1,918
Total	3,727,719	-	18,532	3,746,251
Net gains on investments	280	-	-	280
NET INCOME/(EXPENDITURE)	16,858	-	(18,532)	(1,674)

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds	Designated funds	Restricted funds	Total funds as restated
	£	£	£	£
Other recognised gains/(losses)				
Gains on revaluation of fixed assets	105,959	-	44,210	150,169
Actuarial gains on defined benefit schemes	<u>838</u>	<u>-</u>	<u>-</u>	<u>838</u>
Net movement in funds	123,655	-	25,678	149,333
RECONCILIATION OF FUNDS				
Total funds brought forward	<u>(16,926)</u>	<u>-</u>	<u>3,529</u>	<u>(13,397)</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>106,729</u></u>	<u><u>-</u></u>	<u><u>29,207</u></u>	<u><u>135,936</u></u>

14. PRIOR YEAR ADJUSTMENT

Details of the prior year adjustment are shown in note 28.

15. TANGIBLE FIXED ASSETS

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 October 2020	14,954	89,610	104,564
Additions	-	7,296	7,296
Disposals	<u>-</u>	<u>(21,522)</u>	<u>(21,522)</u>
At 30 September 2021	<u>14,954</u>	<u>75,384</u>	<u>90,338</u>
DEPRECIATION			
At 1 October 2020	14,954	26,868	41,822
Charge for year	-	13,167	13,167
Eliminated on disposal	<u>-</u>	<u>(3,039)</u>	<u>(3,039)</u>
At 30 September 2021	<u>14,954</u>	<u>36,996</u>	<u>51,950</u>
NET BOOK VALUE			
At 30 September 2021	<u><u>-</u></u>	<u><u>38,388</u></u>	<u><u>38,388</u></u>
At 30 September 2020	<u><u>-</u></u>	<u><u>62,742</u></u>	<u><u>62,742</u></u>

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

16. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 October 2020	11,905
Additions	318
Disposals	(1,597)
Revaluations	<u>890</u>
At 30 September 2021	<u>11,516</u>
NET BOOK VALUE	
At 30 September 2021	<u>11,516</u>
At 30 September 2020	<u>11,905</u>

The investment assets are held:

	Listed investments £	Totals £
In the UK	11,517	11,517
	<u>11,517</u>	<u>11,517</u>

Cost or valuation at 30 September 2021 is represented by:

	Listed investments £
Valuation in 2021	<u>11,516</u>

17. STOCKS

	2021 £	2020 as restated £
Stocks	<u>-</u>	<u>9,053</u>

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020 as restated
	£	£
Trade debtors	507,058	693,762
Other debtors	6,847	14,210
Prepayments and accrued income	<u>38,171</u>	<u>29,256</u>
	<u>552,076</u>	<u>737,228</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020 as restated
	£	£
Trade creditors	205,902	519,645
Social security and other taxes	18,158	13,003
VAT	245,264	264,007
Other creditors	7,056	56,601
Accruals and deferred income	<u>107,749</u>	<u>45,607</u>
	<u>584,129</u>	<u>898,863</u>

Deferred income has arisen when the company has received income but does not have full entitlement at the balance sheet date.

The opening deferred income consisted of:

- £4,426 Course fee income
- £13,764 Legacy income
- £30,000 Grant income

The closing deferred income consists of:

- £9,900 Kickstart Project income
- £12,620 Covid Grant income from Leicestershire County Council
- £30,014 Community Support work income

These amounts have been deferred as performance conditions had not been met at the balance sheet date.

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

20. MOVEMENT IN FUNDS

	At 1.10.20 £	Net movement in funds £	Transfers between funds £	At 30.9.21 £
Unrestricted funds				
General fund	175,280	135,828	(113,927)	197,180
Fixed Assets	62,742	(31,651)	7,296	38,387
Fixed Assets Investment Fund	12,198	1,208	-	13,406
Pension Reserve	(77,882)	2,450	66,700	(8,732)
Deaf Direct Unrestricted Merger Reserve	(65,609)	-	65,609	-
Walsall Deaf Society	-	324,473	-	324,473
	106,729	432,308	25,678	564,714
Restricted funds				
Over 50's Club	3,529	-	-	3,529
Deaf Direct Merger Reserve	25,678	-	(25,678)	-
Kickstart Project	-	11,153	-	11,153
	29,207	11,153	(25,678)	14,682
TOTAL FUNDS	<u>135,936</u>	<u>443,461</u>	<u>-</u>	<u>579,396</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,047,364	(3,912,814)	1,277	135,827
Fixed Assets	-	(31,650)	-	(31,650)
Fixed Assets Investment Fund	318	-	890	1,208
Pension Reserve	-	2,430	20	2,450
Walsall Deaf Society	324,473	-	-	324,473
	4,372,155	(3,942,034)	2,187	432,308
Restricted funds				
Kickstart Project	64,240	(53,087)	-	11,153
Generation Communication Project	95,000	(95,000)	-	-
	159,240	(148,087)	-	11,153
TOTAL FUNDS	<u>4,531,395</u>	<u>(4,090,121)</u>	<u>2,187</u>	<u>443,461</u>

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.10.19 £	Net movement in funds £	Transfers between funds £	At 30.9.20 £
Unrestricted funds				
General fund	282,424	(60,468)	(112,285)	109,671
Fixed Assets	26,933	(9,776)	45,585	62,742
Fixed Assets Investment Fund	11,532	666	-	12,198
Pension Reserve	<u>(337,815)</u>	<u>193,233</u>	<u>66,700</u>	<u>(77,882)</u>
	(16,926)	123,655	-	106,729
Restricted funds				
Over 50's Club	3,529	-	-	3,529
Deaf Direct Merger Reserve	<u>-</u>	<u>25,678</u>	<u>-</u>	<u>25,678</u>
	<u>3,529</u>	<u>25,678</u>	<u>-</u>	<u>29,207</u>
TOTAL FUNDS	<u>(13,397)</u>	<u>149,333</u>	<u>-</u>	<u>135,936</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	3,743,912	(3,720,239)	(84,141)	(60,468)
Fixed Assets	(1)	(9,775)	-	(9,776)
Fixed Assets Investment Fund	386	-	280	666
Pension Reserve	<u>-</u>	<u>2,295</u>	<u>190,938</u>	<u>193,233</u>
	3,744,297	(3,727,719)	107,077	123,655
Restricted funds				
Deaf Direct Merger Reserve	<u>-</u>	<u>(18,532)</u>	<u>44,210</u>	<u>25,678</u>
TOTAL FUNDS	<u>3,744,297</u>	<u>(3,746,251)</u>	<u>151,287</u>	<u>149,333</u>

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

20. MOVEMENT IN FUNDS - continued

Designated funds

Walsall Deaf Society: This was created on the merger of Walsall Deaf Society. The purpose of this fund is to benefit the Deaf and Hard of Hearing in the Walsall Community.

Restricted funds

Over 50's club: Over 50s - This was a legacy received specifically to support the activities of an Over 50s Club, supported by Action Deafness.

Deaf Direct Merger Reserve: This fund relates to monies transferred from Deaf Direct to Action Deafness following the merger on 1st October 2019. This balance was made up of three specific grants received by Deaf Direct:

-Thursfields £12,000

-Gavin Livingstone memorial fund £8,678

-Screwfix £5,000

The trustees are satisfied that although these were restricted within Deaf Direct's accounts, the restrictions on these amounts did not extend to Action Deafness following the merger, and as such these amounts have been transferred to the general fund in the current year.

Kickstart Project: This fund relates to monies received from Department for Work and Pensions (DWP) towards the cost of employing 16-24 year olds who are at risk of long term unemployment.

Generation Communication: This relates to National Lottery Funding towards a project to teach elderly hard of hearing individuals how to use iPads to communicate with their loved ones, particularly during Covid-19.

21. EMPLOYEE BENEFIT OBLIGATIONS

Defined Benefit Scheme - Leicester & County Mission for Deaf People

Following the reorganisation in 2015, the charitable company took on the obligations relating to a defined benefit final earnings pension scheme (the Scheme) previously run by Leicester & County mission for Deaf People, which was closed to new members with effect from 1998.

The latest actuarial valuation of the Scheme was prepared as at 30 September 2020. The method used for this valuation was the projected unit credit method and the main assumptions are set out below.

Last year it was agreed that the pension scheme would close after an agreement to pay the sum of £133,400. Of this amount, £66,700 was paid during the year ended 30 September 2020 and the balance of £66,700 was paid during the year ended 30 September 2021 in order to close the Scheme.

The figures for this Scheme are disclosed under Defined Benefit Pension Plans below.

Multi-employer defined Benefits Scheme - TPT Retirement Solutions - The Growth Plan

The charity participates in the above scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit reduction contributions

From 1 April 2019 to 31 January 2025: £11,243,000 per annum, payable monthly and increasing by 3% each on 1 April.

Unless a concession has been agreed with the Trustees the term to 31 January 2025 applies. Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2016 to 30 September 2025: £12,945,440 per annum, payable monthly and increasing by 3% each on 1st April.

From 1 April 2016 to 30 September 2028: £54,560 per annum, payable monthly and increasing by 3% each on 1st April.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the charity has agreed to a deficit funding arrangement the charity recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

The figures for this Scheme are disclosed under Retirement Healthcare Benefits below.

ACTION DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 SEPTEMBER 2021

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the Statement of Financial Activities are as follows:

	Retirement healthcare benefits 2021	2020 as restated
	£	£
Current service cost	-	-
Net interest from net defined benefit asset/liability	57	119
Past service cost	-	-
Remeasurements – impact of an change in assumptions	(20)	95
	<u>37</u>	<u>214</u>
Actual return on plan assets	<u>-</u>	<u>-</u>

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

	Defined benefit pension plans		Retirement healthcare benefits	
	2021	2020 as restated	2021	2020 as restated
	£	£	£	£
Opening defined benefit obligation	66,700	66,700	11,182	13,382
Contributions by employer	-	-	(2,487)	(2,414)
Contributions by scheme participants	(66,700)	-	-	-
Interest cost	-	-	57	119
Oblig other remeasurement	-	-	(20)	95
	<u>-</u>	<u>66,700</u>	<u>8,732</u>	<u>11,182</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

21. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in other recognised gains and losses are as follows:

	Retirement healthcare benefits	
	2021	2020 as restated
	£	£
Oblig other remeasurement	<u>20</u>	<u>(95)</u>
	<u>20</u>	<u>(95)</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2021	2020 as restated
Discount rate	0.72%	0.58%

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the charity and the TPT Retirement Solutions scheme at each year-end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year	30 September 2021	30 September 2020
	£	£
Year 1	2,651	2,487
Year 2	2,638	2,561
Year 3	2,717	2,638
Year 4	919	2,717
Year 5	-	919

The charity must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the charity's balance sheet liability.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

22. OTHER FINANCIAL COMMITMENTS

The charitable company has the following operating lease commitments due as follows:

	2021 £	2020 £
In one year	<u>1,221</u>	<u>36,628</u>
	<u>1,221</u>	<u>36,628</u>

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2021.

24. FINANCIAL INSTRUMENTS

The carrying amount of the charity's financial instruments are as follows:

	2021 £	2020 £
Financial assets at fair value through income and expenditure		
Listed investments	11,516	11,905

The incomes, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:

	2021 £	2020 £
Net gains and losses (including changes in fair value)		
Financial assets measured at fair value through net income/expenditure	890	280

The total dividend income from financial assets that are measured at fair value through the income statement was £318 (2020 - £324).

25. CONTINGENT ASSETS

As at the reporting date, the charity has a contingent asset in respect of sale proceeds after professional and selling costs from the disposal of the building in Oxfordshire noted in the comparative information note. However the final amount receivable cannot be quantified at this time.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

26. LIMITED BY GUARANTEE

The charitable company is a private limited company limited by guarantee and consequently does not have share capital. Each member is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

27. BUSINESS COMBINATIONS

At 30th September 2019, Walsall Deaf Community Services (WDCS), known as Walsall Deaf Society, announced their intention to cease their operations and transfer them to Action Deafness.

WDCS sold all fixed assets and cleared all other assets and liabilities throughout 2020, and ultimately transferred the residual balance of their bank, £324,473 to Action Deafness in November 2020.

No other assets or liabilities were transferred to Action Deafness.

As the operations of WDCS have wholly ceased, the receipt of this balance has been treated as a designated donation to Action Deafness with the purpose of continuing to assist deaf and hard of hearing individuals in the Walsall area.

28. COMPARATIVE INFORMATION

In September 2019 Action Deafness merged with Deaf Direct (Charity No: 1105044). All assets of Deaf Direct, except for Deaf Direct's interest in a freehold property in Oxford, were transferred to Action Deafness. It was discovered that the financial statements for Action Deafness for the comparative year ended 30th September 2020 included this freehold property as an asset of Action Deafness in error. Therefore, the 2020 figures have been restated to remove this building from the comparative balance sheet retrospectively, which has resulted in the value of tangible fixed assets and overall funds reducing by £1,010,000 as at 30th September 2020. The prior year Statement of Financial Activities is not impacted by this adjustment.