

REGISTERED COMPANY NUMBER: 02852695 (England and Wales)
REGISTERED CHARITY NUMBER: 1027567

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2016
FOR
DEAFINITELY INDEPENDENT**

TGFP
Chartered Accountants
Fulford House
Newbold Terrace
Leamington Spa
Warwickshire
CV32 4EA

DEAFINITELY INDEPENDENT
CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Page
Report of the Trustees	1 to 5
Independent Examiner's Report	6 to 7
Statement of Financial Activities	8
Balance Sheet	9 to 10
Notes to the Financial Statements	11 to 14
Detailed Statement of Financial Activities	15 to 16

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016

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 31 December 2016. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02852695 (England and Wales)

Registered Charity number

1027567

Registered office

Beech Lodge
28 Warwick New Road
Leamington Spa
Warwickshire
CV32 5JJ

Trustees

Mrs S Cox MBE	Retired
Mr D Perkins	Retired
Mr P Clow	Retired
Mrs M James	Retired
Mr M Fry	Retired
Mr C J Sutton	Banker

Company Secretary

Mrs S Cox MBE

Independent examiner

TGFP
Chartered Accountants
Fulford House
Newbold Terrace
Leamington Spa
Warwickshire
CV32 4EA

Bankers

Lloyds Bank plc
73 Parade
Leamington Spa
Warwickshire
CV32 4BB

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is registered as a charity by the Charity Commissioners (No 1027567) and is recognised as such by HM Revenue and Customs. The charity is governed by its Memorandum and Articles of Association (incorporated 13 September 1993 and amended by special resolution dated 7 August 2011).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment of new trustees

Appointment of trustees is governed by the deed of the charity. The Board of Trustees is authorised to appoint new Trustees at any time to fill a casual vacancy or as an addition to the existing Trustees.

Induction and training of new trustees

New trustees undergo an orientation process to brief them on their legal obligations under charity law, the charity's governing documents, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction process they meet key employees and other trustees, Trustees are encouraged to attend appropriate external and internal training events which will assist them to carry out their role.

Organisational structure

The board of trustees administers the charity. The board meets on average six times a year.

The trustees delegate the day to day responsibility for all routine financial matters, staff selection, development and supervision, residents' and staff safety and compliance with all necessary legislation to the C.E.O.

Risk management

The trustees have a risk management strategy which comprises:

An annual review of the risks the charity may face.

The establishment of systems and procedures to mitigate those risks identified.

The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable trust is constituted by a Trust Deed and its objects are to:

Promote the relief of persons with learning, physical and/or dual sensory disabilities of all ages who are deaf and to provide learning experiences for such persons so as to encourage them to take responsibility for their own welfare as far as they are able and to provide residential accommodation, counselling, education and training in furtherance of these objects.

The main objective of the charitable trust continues to be to provide a quality service appropriate to the needs of current users and to seek additional finance and support to meet the needs presented by existing and potential beneficiaries.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity continues to consolidate its activities within the two existing and adjoining homes, at 83% capacity through much of 2016. Of primary consideration and at the centre of daily operation and organisation is to provide a safe home for life with an opportunity-rich environment for each resident, entirely compliant with the Care Homes Regulations and National Minimum Standards and aimed at opportunities for independence in thought and action. The service is registered with the Care Quality Commission and therefore has been subject over the last period to unannounced inspections; the service remains rated as 'Good'.

Our residents attend in-house classes that include English, numeracy, pottery, painting, gardening and flower arranging. The academic threads are followed in two levels of ability. Classes are delivered by external tutors with signing support as required. Enrichment activities further include horse-riding and swimming off-site, sewing & textiles, visits & holidays, supported preparation of daily meals including picnics for visits out. The activities mentioned above and in the following are indicative and not exclusive.

Holidays and short/day visits have taken our residents to many diverse places including Blackpool, Butlins at Bognor Regis, Clywd, Coventry, India, Minehead, Paris, Portugal, Stratford-upon-Avon and Victoria Gardens. Some have taken holidays with family supported by our care staff; others have enjoyed group holidays, always supported in compliant ratio by our care staff. Some have enjoyed adventure holidays, others relaxing on a beach or being thrilled at Disney.

Deafinitely Independent has been more visible within the local community of Leamington Spa and plans to be even more so in the future, to include an Open Day, entering Asda's local supported charity competition and work placement opportunities with us for participants in The Prince's Trust scheme. The gardening group has greatly improved our gardens and plans to refurbish garden boxes at Leamington Fire Station, enter the local village show at Leek Wootton and elsewhere with potted plants, vegetable exhibits. Bottled preserves are also entered at local shows, all with pleasing degrees of success. Favourites include pickled shallots, Jam made from strawberries, raspberries and blackberries plus rhubarb & ginger chutney.

The Prince's Trust scheme supports young people looking for opportunities to enter work. In association with Deafinitely Independent these young participants in the local scheme have opportunities to meet and engage with deaf and vulnerable adults, often encountering the care industry for their first time; some significant bonding and appreciation has occurred. Staff and residents at Deafinitely Independent pass on some basic signing and communication skills along with a week's work placement; in return the young people of the Prince's Trust engage jointly in group activities with Deafinitely Independent such as refurbishment of a resident's accommodation.

Two of our residents are regular participants in a Riding for the Disabled group. Their participation in competitive events has won them many accolades for their proficiency. A group regularly attends Coventry Deaf Church and a smaller group additionally attends another local church.

Social activities are accompanied and independent, as appropriate to the individual needs of the residents. They might be dining out at local restaurants to join friends for birthdays, or just popping into a fast food franchise for a tasty snack. On visits to our local parks we all enjoy feeding the birds with the left-overs from our picnics and bread bin. Similarly, visits to local shops or just enjoying a stroll along The Parade may be undertaken independently or supervised, as is the case for visits to the family home. Some residents are able and confident to cycle whilst others walk, use their wheel chair or are taken out in one of our cars.

When eating at home the pattern is that our residents have their lunch and evening meals together. Breakfasts can be a more protracted affair. Diets are appropriate to individual needs and carefully thought out, delegated to our care staff but chosen in advance by each resident from the house menu. Residents work together with staff support to prepare lunch and evening meals. They prepare vegetables, bake and decorate cakes, make puddings, drinks and sandwiches.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Provision of our quality of service demands well-qualified staff, both in Care and Administration. All of our staff are supported most generously in their professional development. Since it is our expectation that each will attain the British Sign Language qualification at Level 2, or further if they choose, at least level 3 GNVQ in Health & Social Care, also food hygiene, environmental health, first aid and others as needs arise these are 100% funded by Deafinitely Independent.

Families and friends are welcomed into Deafinitely Independent. A family room is often available where family members require overnight accommodation. Regular communication with families is achieved through our newsletter, email and telephone including text-supported calls. Each resident has a key-worker known to the families, someone whom they can approach from time to time.

The work of Deafinitely Independent is always in its infancy because of national Social Policy changes and to remain viable Deafinitely Independent changes with it. Deafinitely Independent has a Strategic Development Plan to relocate to accommodation that is more appropriate to the needs of a community that each year grows older and seeks to adjust to mobility and the other issues of age.

FINANCIAL REVIEW

Reserves policy

This organisation exists to provide services to adults who are known to be vulnerable due to the nature of their disabilities and difficulties.

General Reserves

The trustees declared financial reserves policy has been to ensure not only financial viability but also service level stability.

The trustees reviewed this policy during 2012 and revised their aim in respect of keeping sufficient "liquid" reserves to meet at least three months revenue expenditure at all times. All revenue income comes from Central and Local Government.

The organisation has in place tight financial control systems to ensure it can meet all revenue expenditure within revenue income.

The organisation operates within a framework of Minimum Standards of Service which is determined by legislation and has a declared policy of seeking additional finance and support to meet the varying needs presented by existing and potential beneficiaries.

The level of reserves that were held at the year end was £513,713.

Designated Funds

It was decided to set aside funds into a designated fund. At the year end £100,000 was designated specifically for future property acquisition and relocation costs.

Investment powers

The Trust Deed authorises the trustees to make and hold investments using the general funds of the charity, but no such investments are presently held.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2016**

FINANCIAL REVIEW

The trust has managed all its activities within income generated, donations received and fund balances brought forward, these are set out in the Statement of Financial Activities.

The net deficit for the year on unrestricted funds was £72,119 (2015 - £40,088), comprising total incoming resources of £701,052 (2015 - £768,800) and total resources expended of £773,171 (2015 - £808,888).

Total funds decreased from £585,832 to £513,713. Cash at bank and in hand decreased in the year to £455,011 from £527,517 in the previous year.

FUTURE DEVELOPMENTS

The organisation will continue to monitor standards and financial stability. Throughout the coming year essential renovation work will take place at Chestnut Lodge to continue the focus on high quality provision of accommodation available to beneficiaries. The Trustees will continue to build reserves, above the standard policy level. The purchase of an appropriate building will be considered when the financial climate becomes more stable.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 16 June 2017 and signed on its behalf by:

Mrs S Cox MBE - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DEAFINITELY INDEPENDENT (REGISTERED NUMBER: 02852695)**

I report on the accounts for the year ended 31 December 2016 set out on pages eight to fourteen.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of FCA.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DEAFINITELY INDEPENDENT (REGISTERED NUMBER: 02852695)**

Benjamin Reynolds
FCA
TGFP
Chartered Accountants
Fulford House
Newbold Terrace
Leamington Spa
Warwickshire
CV32 4EA

16 June 2017

DEAFINITELY INDEPENDENT
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 Unrestricted funds £	2015 Total funds £
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income		2,219	804
Investment income	2	211	248
Incoming resources from charitable activities			
Rents		698,622	767,748
Total incoming resources		<u>701,052</u>	<u>768,800</u>
 RESOURCES EXPENDED			
Charitable activities			
Costs of charitable activities		773,171	808,888
NET INCOMING/(OUTGOING) RESOURCES		(72,119)	(40,088)
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>585,832</u>	<u>625,920</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>513,713</u></u>	<u><u>585,832</u></u>

The notes form part of these financial statements

DEAFINITELY INDEPENDENT (REGISTERED NUMBER: 02852695)

BALANCE SHEET
AT 31 DECEMBER 2016

	Notes	2016 Unrestricted funds £	2015 Total funds £
FIXED ASSETS			
Tangible assets	6	89,844	90,716
CURRENT ASSETS			
Debtors	7	54,537	25,002
Cash at bank and in hand		455,012	527,517
		<u>509,549</u>	<u>552,519</u>
CREDITORS			
Amounts falling due within one year	8	(85,680)	(57,403)
NET CURRENT ASSETS		<u>423,869</u>	<u>495,116</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>513,713</u>	<u>585,832</u>
NET ASSETS		<u>513,713</u>	<u>585,832</u>
FUNDS			
Unrestricted funds	9	513,713	585,832
TOTAL FUNDS		<u>513,713</u>	<u>585,832</u>

The notes form part of these financial statements

DEAFINITELY INDEPENDENT (REGISTERED NUMBER: 02852695)

**BALANCE SHEET - CONTINUED
AT 31 DECEMBER 2016**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 16 June 2017 and were signed on its behalf by:

Mrs S Cox MBE -Trustee

The notes form part of these financial statements

DEAFINITELY INDEPENDENT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

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

Resources expended

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.

Tangible fixed assets

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

Long leasehold	- in accordance with the lease
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on cost

Taxation

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.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

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.

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

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.

2. INVESTMENT INCOME

	2016	2015
	£	£
Bank interest receivable	211	248

DEAFINITELY INDEPENDENT

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016

3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2016	2015
	£	£
Depreciation - owned assets	23,675	24,086
Hire of plant and machinery	1,635	1,635
Other operating leases	129,500	129,116
Accountancy remuneration	687	2,889
	<u> </u>	<u> </u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015 .

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2016 nor for the year ended 31 December 2015 .

5. STAFF COSTS

	2016	2015
	£	£
Wages and salaries	389,752	394,123
Social security costs	26,432	30,704
	<u> </u>	<u> </u>
	<u>416,184</u>	<u>424,827</u>

The average monthly number of employees during the year was as follows:

	2016	2015
Direct charitable services	22	22
	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

DEAFINITELY INDEPENDENT

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2016	256,031	245,877	21,857	33,975	557,740
Additions	22,803	-	-	-	22,803
At 31 December 2016	<u>278,834</u>	<u>245,877</u>	<u>21,857</u>	<u>33,975</u>	<u>580,543</u>
DEPRECIATION					
At 1 January 2016	177,553	243,216	14,313	31,942	467,024
Charge for year	18,835	2,291	1,887	662	23,675
At 31 December 2016	<u>196,388</u>	<u>245,507</u>	<u>16,200</u>	<u>32,604</u>	<u>490,699</u>
NET BOOK VALUE					
At 31 December 2016	<u>82,446</u>	<u>370</u>	<u>5,657</u>	<u>1,371</u>	<u>89,844</u>
At 31 December 2015	<u>78,478</u>	<u>2,661</u>	<u>7,544</u>	<u>2,033</u>	<u>90,716</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade debtors	-	8,102
Other debtors	-	137
Prepayments and accrued income	<u>54,537</u>	<u>16,763</u>
	<u>54,537</u>	<u>25,002</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	44,499	5,030
Social security and other taxes	6,499	6,717
Accruals and deferred income	<u>34,682</u>	<u>45,656</u>
	<u>85,680</u>	<u>57,403</u>

DEAFINITELY INDEPENDENT

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2016**

9. MOVEMENT IN FUNDS

	At 1.1.16 £	Net movement in funds £	Transfers between funds £	At 31.12.16 £
Unrestricted funds				
General fund	585,832	(72,119)	(100,000)	413,713
Designated funds	-	-	100,000	100,000
	<u>585,832</u>	<u>(72,119)</u>	<u>-</u>	<u>513,713</u>
TOTAL FUNDS	<u><u>585,832</u></u>	<u><u>(72,119)</u></u>	<u><u>-</u></u>	<u><u>513,713</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	701,052	(773,171)	(72,119)
	<u>701,052</u>	<u>(773,171)</u>	<u>(72,119)</u>
TOTAL FUNDS	<u><u>701,052</u></u>	<u><u>(773,171)</u></u>	<u><u>(72,119)</u></u>

10. MEMBERS LIABILITY

The company is limited by guarantee and does not have share capital. Each member of the company undertakes to contribute to the assets of the company in the event of the same being wound up while they are a member, or within one year after they cease to be a member, for payment of debts and liabilities of the company contracted before they cease to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding twenty pounds.

DEAFINITELY INDEPENDENT

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 £	2015 £
INCOMING RESOURCES		
Voluntary income		
Donations	2,219	804
Investment income		
Bank interest receivable	211	248
Incoming resources from charitable activities		
County Councils and DSS	698,622	767,748
Total incoming resources	701,052	768,800
 RESOURCES EXPENDED		
Charitable activities		
Wages	389,752	394,123
Social security	26,432	30,704
Hire of plant and machinery	1,635	1,635
Other operating leases - rent	129,500	129,116
Rates and water	7,250	7,463
Insurance	7,754	7,138
Light and heat	19,182	19,894
Staff welfare, recruitment and training	7,473	19,805
Residents and housekeeping	37,134	42,476
Residents holiday costs	8,750	15,091
Refurbishment and relocation	7,253	6,457
Travelling and motor expenses	15,144	14,056
Freelance careworkers	670	9,299
Registration fees	8,553	8,539
Health and safety	17,405	18,754
Programme and social support	23,012	18,496
Household and cleaning	22,055	21,460
Sundry expenses	136	151
Telephone	3,917	4,161
Bank charges	54	104
Postage and stationery	5,927	5,597
Accountancy fees	687	2,889
Legal and professional	6,904	7,394
Staff settlements	2,917	-
Improvements to property	18,835	17,514
Fixtures and fittings	2,291	3,073
Carried forward	770,622	805,389

This page does not form part of the statutory financial statements

DEAFINITELY INDEPENDENT

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £	2015 £
Charitable activities		
Brought forward	770,622	805,389
Motor vehicles	1,887	2,516
Computer equipment	662	983
	<u>773,171</u>	<u>808,888</u>
Total resources expended	773,171	808,888
Net expenditure	<u>(72,119)</u>	<u>(40,088)</u>

This page does not form part of the statutory financial statements