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

# REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015 FOR DEAFINITELY INDEPENDENT

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

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### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2015

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 2015. 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

Dr C Essex Doctor - resigned 1.12.15

Mrs M James Retired

Mr M Fry Retired

Mr C J Sutton Banker - appointed 1.8.15

#### **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 H M 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 2015

#### 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 compromises:

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 2015

#### **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 2015. 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 Learnington 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 Learnington 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 2015

#### **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 £485,832.

#### **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 2015

#### **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 £40,088 (2014 - £9,649), comprising total incoming resources of £768,800 (2014 - £783,484) and total resources expended of £768,800 (2014 - £793,133).

Total funds decreased from £625,920 to £585,832. Cash at bank and in hand decreased in the year to £527,517 from £553,526 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 23 September 2016 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 2015 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

28 September 2016

# STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

		2015 Unrestricted funds	2014 Total funds
	Notes	£	£
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income		804	582
Investment income	2	248	231
Incoming resources from charitable activities			
Rents		767,748	782,671
Total incoming resources		768,800	783,484
RESOURCES EXPENDED Charitable activities Costs of charitable activities		808,888	793,133
NET INCOMING/(OUTGOING) RESOURCES		(40,088)	(9,649)
RECONCILIATION OF FUNDS			
Total funds brought forward		625,920	635,569
TOTAL FUNDS CARRIED FORWARD		<u>585,832</u>	625,920

The notes form part of these financial statements

#### BALANCE SHEET AT 31 DECEMBER 2015

	Notes	£	2015 Unrestricted funds £	2014 Total funds £
FIXED ASSETS Tangible assets	6		90,716	112,744
CURRENT ASSETS Debtors Cash at bank and in hand	7		25,002 527,517 552,519	50,342 553,827 604,169
CREDITORS Amounts falling due within one year	8		(57,403)	(90,993)
NET CURRENT ASSETS			495,116	513,176
TOTAL ASSETS LESS CURRENT LIABILITIES	S		585,832	625,920
NET ASSETS			585,832	625,920
FUNDS Unrestricted funds	10		585,832	625,920
TOTAL FUNDS			585,832	625,920

The notes form part of these financial statements

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#### BALANCE SHEET - CONTINUED AT 31 DECEMBER 2015

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2015 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 23 September 2016 and were signed on its behalf by:

Mrs S Cox MBE -Trustee

The notes form part of these financial statements

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

#### 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

	2013	2014
	£	£
Bank interest receivable	248	231
	<del></del>	

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2015

#### 3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2015	2014
	£	£
Depreciation - owned assets	24,086	31,769
Hire of plant and machinery	1,635	796
Other operating leases	129,116	129,500
Deficit on disposal of fixed asset	-	390
Accountancy remuneration	2,889	2,889

#### 4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2015 nor for the year ended 31 December 2014.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2015 nor for the year ended 31 December 2014.

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#### 5. STAFF COSTS

	2015 £	2014 £
Wages and salaries	394,123	393,499
Social security costs	30,704	27,872
	424,827	421,371
	<del></del>	<u> </u>
The average monthly number of employees during the year was as follows:		
	2015	2014
Direct charitable services	22	22

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

# NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2015

6.	TANGIBLE FIXED ASSETS					
		Long	Fixtures and	Motor	Computer	
		leasehold	fittings	vehicles	equipment	Totals
		£	£	£	£	£
	COST	050 004	050 477	04.057	07.075	505 440
	At 1 January 2015	256,031	250,477	21,857	37,075	565,440
	Additions	-	400	-	1,658	2,058
	Disposals		(5,000)		(4,758)	(9,758)
	At 31 December 2015	256,031	245,877	21,857	33,975	557,740
	DEPRECIATION					
	At 1 January 2015	160,039	245,143	11,797	35,717	452,696
	Charge for year	17,514	3,073	2,516	983	24,086
	Eliminated on disposal	-	(5,000)	2,310	(4,758)	(9,758)
	At 31 December 2015	177,553	243,216	14,313	31,942	467,024
	ACOT DOGGINGOI 2010					
	NET BOOK VALUE					
	At 31 December 2015	78,478	2,661	7,544	2,033	90,716
	At 31 December 2014	95,992	5,334	10,060	1,358	112,744
7.	DEBTORS: AMOUNTS FALLING	3 DUE WITHI	N ONE YEAR			
					2015	2014
					£	£
	Trade debtors				8,102	3,785
	Other debtors				137	1,500
	Prepayments and accrued income	е			16,763	45,057
					25,002	50,342
8.	CREDITORS: AMOUNTS FALLI	NG DUE WIT	HIN ONE YEAR			
					2015	2014
					£	£
	Trade creditors				5,030	36,655
	Social security and other taxes				6,717	8,176
	Accruals and deferred income				45,656	46,162
					57,403	90,993

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 DECEMBER 2015

#### 9. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2015 £	2014 £
Expiring: Between one and five years	<del>-</del>	129,500

#### 10. MOVEMENT IN FUNDS

		Net movement in	Transfers between	
	At 1.1.15	funds	funds	At 31.12.15
Unrestricted funds	£	£	£	£
General fund	625,920	(40,088)	(100,000)	485,832
Designated funds		<u> </u>	100,000	100,000
	625,920	(40,088)	-	585,832
TOTAL FUNDS	625,920	(40,088)	<u>-</u>	585,832

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds General fund	768,800	(88,888)	(40,088)
TOTAL FUNDS	768,800	(808,888)	(40,088)

#### 11. 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.

# DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £	2014 £
INCOMING RESOURCES		
Voluntary income Donations	804	582
Investment income Bank interest receivable	248	231
Incoming resources from charitable activities County Councils and DSS	767,748	782,671
Total incoming resources	768,800	783,484
RESOURCES EXPENDED		
Charitable activities Wages Social security Hire of plant and machinery Other operating leases - rent Rates and water Insurance Light and heat Staff welfare, recruitment and training Residents and housekeeping Residents holiday costs Refurbishment and relocation Travelling and motor expenses Freelance careworkers Registration fees Health and safety Programme and social support Household and cleaning	394,123 30,704 1,635 129,116 7,463 7,138 19,894 19,805 42,476 15,091 6,457 14,056 9,299 8,539 18,754 18,496 21,460	393,499 27,872 796 129,500 8,423 6,809 20,351 8,693 47,550 16,993 9,354 18,465 5,926 6,983 9,464 5,876 20,899
Sundry expenses Telephone Bank charges Postage and stationery Accountancy fees Legal and professional Improvements to property Fixtures and fittings Motor vehicles Carried forward	151 4,161 104 5,597 2,889 7,394 17,514 3,073 2,516 807,905	318 7,473 109 5,570 3,448 6,603 20,756 5,510 3,354 790,594

This page does not form part of the statutory financial statements

# DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 £	2014 £
Charitable activities		
Brought forward	807,905	790,594
Computer equipment	983	2,149
Loss on sale of tangible fixed assets	<u> </u>	390
	808,888	793,133
Total resources expended	808,888	793,133
Net expenditure	(40,088)	(9,649)

This page does not form part of the statutory financial statements