

Breakthrough (Deaf-Hearing Integration)
(Company Limited by Guarantee)

Working Names:



Report and Accounts
31 March 2016

Registered Charity Number: 1073468
(Charity Registered in England & Wales)

Registered Company Number: 03680467
(Company Registered in England & Wales)

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

CONTENTS

	Page
Legal and Administrative Details	3
Annual Report	4 - 13
Independent Auditors Report	14 - 15
Balance Sheet	16
Statement of Financial Activities	17
Statement of Cash Flows	18
Notes to the Accounts	19 - 29

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

Company Information

Directors (Trustees)

Kevin Powell	Chair
David Packham	Treasurer
James Watson-O'Neill	(Resigned 20 th August 2015)
Sheila Gibson	Vice Chair
Angela Walker	
Sally Reynolds	(Resigned March 9 th 2016)
Thomas Lichy	(Appointed 17 th June 2015)
David Connolly	(Appointed 1st January 2016)

Company Secretary

Stephen Buntu-Bwona	(Appointed 28 th October 2015, resigned 9th June 2016)
Gary Williams	(Appointed 9 th December 2016)

Auditors

Knox Cropper
Chartered Accounts & Registered Auditors
8/9 Well Court
London
EC4M 9DN

Registered office

Trinity Centre
Key Close
Whitechapel
London
E1 4HG

Registered Charity number

1073468

Registered Company number

03680467

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

STRUCTURE GOVERNANCE AND MANAGEMENT

The charity is managed by a Board of Trustees who set and oversee the strategy for the management and development of the organisation.

The Board meets a minimum of 4 times per year and individual trustees, in particular the Chair, meet and communicate with key staff on a regular basis to ensure that the strategy is being implemented.

OBJECTIVES AND ACTIVITIES

deafPLUS (also known as Breakthrough Deaf-Hearing Integration) was set up 45 years ago with the objective of deaf and hearing people working together to achieve equality. During our lifetime we have introduced many new concepts to benefit deaf people in the UK, including deaf awareness training, digital inclusion training, and textphones. We continue to innovate, and have recently launched groundbreaking BSL video helplines, allowing deaf people to access our information and advice service from any part of the country, and our employment support service across the Home Counties.

The work of the charity has four key objectives:

Promoting independence: Helping deaf and visually impaired people to choose equipment that will help them in their daily routines, and also help keep them safe. Providing information, advocacy and advice that facilitates their full engagement with and participation in society. Not being able to access information that the rest of the world both takes for granted and assumes everyone can access is one of the greatest barriers to full participation and equality in society.

Developing potential: Supporting clients into employment / their own businesses, and helping them to prosper once they are there; providing skills training and volunteering opportunities.

Promoting Wellbeing: Providing social and cultural opportunities to overcome isolation. Providing health workshops and materials.

Promoting Change and Understanding: Working to improve awareness of deaf and visually impaired people's needs. Working with key decision makers to ensure that barriers to the achievement of social and economic potential are dismantled.

Our staff are all appropriately qualified and/or experienced in Information, Advice, Guidance and Advocacy. 68% of our team have a sensory loss themselves which gives us the ability to empathise with our client group, having had personal experience of many of the issues our clients face.

The Charitable Company, which is limited by guarantee, was incorporated on 8 December 1998 under registration number 3680467 and is governed by its Memorandum and Articles of Association. The Company was registered with the Charity Commission on 25 January 1999 and given the number 1073468.

The Trustees delegate the day to day running of the company to the Chief Executive, supported by the staff team and volunteers, meeting and communicating on a regular basis to monitor the financial and administrative progress of the charity, and ensure adherence of the charity's activities to the objects stated above.

None of the Trustees/Directors have any beneficial interest in the company.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

There are no connected entities, this report and financial statements embraces all the activities of the Charity.

PUBLIC BENEFIT

The Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

The charity's aims to promote and maintain "positive" and "inclusive" role model practice between deaf, hearing, visually impaired and sighted people within deafPLUS/visionPLUS and to train and support people outside deafPLUS/VisionPLUS in achieving equal status and recognition.

Our aims and objectives of the charity are embodied in the services we provide, namely:

- Information, Advice, Guidance
- Advocacy
- Employment
- Sensory Loss Rehabilitation
- Equipment Demonstration, Assessment and Installation
- Education on Lip reading and Sensory Loss Issues
- Art, Leisure, Personal Development and Social Activities
- Working to raise understanding

deafPLUS, through its programmes, works to improve the lives of deaf and visually impaired people, helping them to overcome problems and make the most of opportunities. We also raise public awareness of both deafness and visual impairment.

QUALITY ACCREDITATION

deafPLUS has been successfully reaccredited under Matrix, the Advice Quality Standard (AQS) and Positive about Disability. Supported by our quality assurance system, funders and users can maintain their confidence in the services we provide across the country. We are also registered Living Wage Employer.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

ACHIEVEMENTS AND PERFORMANCE

In 2015-16:

- deafPLUS supported 4,958 people across the country, helping them with 6,453 enquiries via 7,803 interactions.
- Our Mobile Advisory Service teams continued to reach out to isolated, mainly rural communities, providing 1,841 deaf people across Hampshire and Somerset with practical advice on deafness, including equipment that will support their hearing in the home, and raising awareness among the general public about deafness and how to communicate with deaf people. Our MAS teams dealt with 4,280 enquiries in total.
- Our visionPLUS teams continued to support those with visual impairment in Bath & North East Somerset and Ealing.
- Our Money and Debt pilot BSL video helpline supported 139 people with 258 separate cases during the year. These were people throughout England and Wales, most of whom were beyond the geographic reach of our regional centres.
- We responded to 2,022 enquiries about assistive / adaptive equipment.
- Our Information, advice and advocacy service dealt with 6,363 cases in total, breaking down as follows:

734 Health and medical issues
715 Welfare benefits
497 Housing issues
367 Translation
293 Debt / money advice
149 Transport
106 Legal matters
163 People were signposted to other services

We delivered 370 'Living With a Hearing Loss' classes, attended by 2,978 people.

We deliver 359 Deaf Awareness Training workshops

856 home visits were made to people who are not able to travel to our Centres.

INFORMATION, ADVICE AND GUIDANCE

Those with a sensory loss have some specific needs that differ considerably from those of the general population. Those who are Deaf, for example, do not pick up verbalised incidental information.

Deaf people who use sign language leave school with an average reading age of nine. Many are dependent throughout life on others to translate written information for them. Such day-to-day activities as accessing benefits, sorting out money problems or writing job applications can require significant support.

People who have lost their hearing or sight will need to access guidance on adapting to life with such a major change in circumstances. This may include the use of new equipment or how to access support.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

deafPLUS / visionPLUS delivers in-person information, advice and guidance services to meet the needs of our clients in Bath & North East Somerset, Birmingham, Ealing, Hammersmith & Fulham, Hackney, Hampshire, Somerset, and Tower Hamlets.

During the year delivered our innovative new national British Sign Language (BSL) money and debt advice helpline, funded initially by the Money Advice Trust. This is now available, and easily accessed, through deafplus.org. Clients speak directly to an advisor who is a native BSL user. We have harnessing the power of Skype, Facetime and Oovoo— allowing clients to use popular services which they already enjoy, rather than requiring the download of yet another app. Since the initial pilot phase, we have widened the service to deliver a more general information and advice service, in line with the broad range of enquiries our information and advice teams receive.

Across the country our staff continued to support clients by providing advice and support on issues ranging from adaptive equipment to tax credits, housing and utility issues, benefit changes, access to interpreters and debt agreements.

Our two Mobile Advisory Service (MAS) vehicles, fitted with a selection of equipment of particular benefit to those affected by hearing loss assisted 1,841 people with 4,280 enquiries. These range from advising on telephones, door bells and smoke alarms that meet the needs of those who cannot hear standard items, to TV devices that enable an individual with hearing loss to enjoy television with their family at a level of sound acceptable to all. MAS staff also assisted with basic hearing aid maintenance including retubing and provision of batteries.

ADVOCACY

Worry about financial, family, health and housing issues can lead to significant stress, and lead to difficulties relating to emotional and mental wellbeing. Deaf people can often feel significantly isolated, not knowing who to turn to with a problem.

Advocacy can help individuals through improved involvement in decision making, allowing informed choices and facilitating better access to the services they need.

Deaf people sometimes need independent advocacy in health, mental health, education, employment and social care services so as to ensure that each individual can fully participate in any assessment which is being made on their behalf, and participate in discussion about services they need to access, making informed choices. Such advocacy should be provided by specialist officers with appropriate credentials and expertise in supporting deaf people. This is precisely what we deliver.

Our advocacy services support Deaf and hard of hearing clients to realise their legal and civil rights, responsibilities and entitlements, and generally assist people in their day to day journeys through the bureaucratic maze.

Where necessary, our officers help with negotiations with third parties and act for clients who are unable to do so themselves, communicating with our clients in British Sign Language if that is their preferred method of communication.

Benefits, housing, legal and community interaction continue to dominate the support clients need assistance with and clearly demonstrate the ongoing need of such services.

Advocacy interactions are very personalised and range from one or two hours through to many hours over a number of months.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

Staff not only support clients with matters they bring to our advocates' attention but advocates also promote self advocacy; sign posting or referring clients to workshops and training that will enable them to develop their self advocacy skills, and pathways to improving their lives through employment or volunteering.

EMPLOYMENT

We continued to work across London to improve the job prospects of our deaf clients. We negotiated job placements, helped prepare applicant's CVs, build their confidence about the interview process and help them to work on their own employability 'soft skills', such as time keeping.

We assist employers by preparing our clients for the realities and 'rules' of work, including time-keeping, attitude and knowledge of health & safety.

As part of our commitment to both our client and their employer, we continue to support the client and employer with any issues that arise whilst a work placement is in place or during the early months of employment.

Deaf Awareness sessions were provided for employers and our officers were able to help employers understand how they could make reasonable adjustments which would enable them to both support, and get the most out of their new staff member.

Employers and employees were also provided with information and assistance on how Access To Work can support their staff member, and how to book British Sign Language Interpreters in necessary.

EDUCATION, TRAINING & LIFESKILLS

Hearing loss affects one in six of the UK population and 55% of people over 60. The effects of hearing loss are profound for many people and include becoming cut off from family and friends, increasing social isolation, inability to live independently and, in more extreme cases, mental health problems affecting whole families. We were able to provide 370 Living With Hearing Loss classes, attended by 2,978 people.

Deaf people need accessible services and activities to support their social, emotional and psychological well being and to reduce their social isolation and loneliness, thus enhancing their self-esteem and reducing impact on their mental health.

deafPLUS provide a variety of opportunities for Deaf and hard of hearing people to enhance their skills, personal wellbeing sense of self-worth. These range from talks at coffee mornings, through to bingo clubs, workshops, sports and leisure activities and skills training.

We also provide Deaf Awareness training and information to many organisations including Councils, Employers, Housing Associations and other interested parties.

Centres also hold events to gain feedback and understand what clients are finding difficult in the wider community, in order that our services continue to respond to changing needs.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

PARTNERSHIPS THAT HAVE ENHANCED OUR WORK

During the year we were hard at work building new consortia and alliances, through which we can deliver our work in future. These will help to secure and further improve our services, as well as enabling us to expand geographically.

We thank London Borough of Tower Hamlets for the provision of premises in Whitechapel and Rushmoor Borough Council for office accommodation in Aldershot.

Ashurst LLP has, again provided pro bono legal advice and support during the year for which we are most grateful.

Rushmoor Borough Council continues to process all CRB checks for our staff and volunteers as well as providing information and represent us on national policy and legislation.

Pertemps in Newton Shopping Centre, Birmingham kindly provide venues for drop in venues in the city.

Additionally deafPLUS has been supported by many volunteers and expert contacts who have given freely of their time and knowledge to support all areas of the organisation ranging from the teams in the regions to advising the Board of Trustee/Directors.

We would like to thank all our partners and volunteers. Their support in assisting us to run an organisation as diverse as deafPLUS and visionPLUS is invaluable.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

We would like to thank the following funders for their philanthropic investment in our services:

The Lillie Johnson Charitable Trust
Baron Davenport's Charity
The Ingram Trust
The Kobler Trust
R S Brownless Charitable Trust
Sir Jules Thorn Charitable Trust
Francis Winham Foundation
The Eveson Charitable Trust
Elizabeth Kate Harding Charitable Trust
The Ruffield Charitable Trust
The Peacock Charitable Trust
The D'oyly Carte Charitable Trust
Provincial Grand Lodge of Warwickshire
Ted & Dorothy Banfield Trust
Richard Kilcuppe Charity
Money Advice Trust
The Albert Hunt Trust
The Blgrave Trust
The ACT Foundation
Zurich Community Trust
Roger Vere Foundation
Day Lewis PLC
The Clothworkers' Foundation
The Hamamelis Trust

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

FINANCIAL REVIEW & FUTURE PLANS

The charity has continued to adapt to a rapidly changing funding landscape, building partnerships with other organisations and working to create dynamic new consortia through which we can bid for local grants and contracts, and also deliver important new services. New alliances will also help us to develop innovative new services, as well as expand geographically in the coming year.

deafPLUS, as with all charities, continues to face financial challenges, not least as a result of continuing pressure on Council funding. We have therefore increased our efforts to broaden our funding base, investing in fundraising and developing new income generation streams in order to reduce reliance upon local authority funding where possible.

We have also begun to develop new national projects and activities, which will help us to raise our national profile whilst also diversifying our funding base, allowing us to pursue grants which are targeted at country-wide work. In doing so, we are able to respond to demand for our services beyond our existing 'highstreet' locations.

RESERVES POLICY

Trustees policy is to retain a prudent level of reserves from unrestricted income to;

- Ensure that the charity can continue to provide a stable and high quality service to our beneficiaries.
- Provide sufficient working capital for the planned activities for the following year.
- Meet unexpected costs such as loss of key personnel, staff cover for illness, maternity or paternity leave, or the legal costs defending the charities interest.
- Invest in organisational development to support long-term stability and sustainability
- Take into account all contractual liabilities, and in the event of closure have provision set aside for redundancy costs, liabilities to creditors and any existing current lease commitments.
- Replace equipment as it wears out and which is not funded by restricted funds.

The Trustees estimate that a prudent level of unrestricted reserves required for the charity to comply with its reserves policy is two to three months of total expenditure

Redundancy Reserve will be used only to meet the potential cost of redundancy in the unfortunate event of termination of employment contract due to contract cessation for existing staff. The designated fund balance at 31 March 2016 was £43,256.

deafPLUS has achieved a surplus during the current year on unrestricted funds of £142k. The balance on unrestricted funds at the year end stands at £150k which includes the negative pension reserve of £279k. This reserve represents the contractual amount that deafPLUS have agreed to pay to the Pensions Trust over the next 9 years.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

RISK MANAGEMENT

Each year, and as necessary, the trustees undertake a comprehensive Risk Assessment to enable them to keep under review the systems and practices that we have in place to manage major strategic, business and operational risks to which the Charity is exposed.

Additionally, the trustees keep in focus their statutory obligations, including considering the strategy for the organisation and its financial probity.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' 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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to
- prepare the financial statements on the going concern basis unless it is inappropriate

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2016

DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the Trustee/Directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware.

They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is
- 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 auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf:



D Packham
Treasurer, 15 December 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BREAKTHROUGH (DEAF-HEARING INTEGRATION)

We have audited the financial statements of Breakthrough (Deaf-Hearing Integration) for the year ended 31st March 2016 which comprises the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including the small entity provisions of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's 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 Charity and the Charity's members as a body, for our audit work, for this report or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Directors' 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.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report (Trustees' Annual Report) for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 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 prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

8/9 Well Court
London
EC4M 9DN

Kevin Lally (Senior Statutory Auditor)
For and on behalf of Knox Cropper
Chartered Accountants, Statutory Auditor

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

BALANCE SHEET AS AT 31 MARCH 2016

	Note	2016	2015
		£	£
FIXED ASSETS			
Tangible Fixed Assets	9	<u>53,958</u>	<u>-</u>
CURRENT ASSETS			
Stock		14,286	12,362
Debtors	10	195,303	77,534
Cash At Bank and In Hand		<u>605,270</u>	<u>573,416</u>
		814,859	663,312
CREDITORS:			
Amounts falling due within one year	11	<u>(123,070)</u>	<u>(166,063)</u>
NET CURRENT ASSETS		691,789	497,249
CREDITORS:			
Amounts falling due more than one year	12	(247,000)	(234,000)
TOTAL NET ASSETS		<u>498,746</u>	<u>263,249</u>
FUNDS	15		
Restricted		252,697	159,425
Designated		95,380	93,256
Unrestricted		150,669	10,568
TOTAL FUNDS		<u>498,746</u>	<u>263,249</u>

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.

These financial statements were approved by the Board of Trustees on 15 Dec 2016 and were signed on its behalf by:



D Packham - Treasurer

Registered Company No.: 03680467

Registered Charity No.: 1073468

The Notes on pages 18 to 28 form part of these financial statements

BREAKTHROUGH (DEAF-HEARING INTEGRATION

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted	Restricted	Total 2016	Total 2015
		£	£	£	£
Income and Endowments:					
Donations and Legacies	2	67,699		67,699	78,810
Investment Income		4,108		4,108	3,419
Amounts from Deaf Access		106,331	26,496	132,827	-
Charitable Activities	3	25,356	730,076	755,431	725,450
Total Income		203,494	756,572	960,066	807,679
Expenditure:					
Costs of Raising Funds		(393)	(3,458)	(3,851)	(22,744)
Charitable Activities		(118,926)	(601,792)	(720,718)	(655,078)
Total Expenditure		(119,319)	(605,250)	(724,569)	(677,822)
Net Income/(Expenditure)		84,175	151,322	235,497	129,857
Transfers between Funds		58,050	(58,050)	-	-
Net Movement in Funds		142,225	93,272	235,497	129,857
Total Funds Brought Forward		103,824	159,425	263,249	133,392
Total Funds Carried Forward		246,049	252,697	498,746	263,249

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £	2015 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net cash provided by (used in) operating activities	19	<u>105,456</u>	<u>134,640</u>
CASH FLOWS FROM INVESTING ACTIVITIES :			
Purchase of property, plant and equipment		(73,602)	-
Net cash provided by (used in) investing activities		<u>(73,602)</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		31,854	134,640
Cash and cash equivalents at the beginning of the reporting period		<u>573,416</u>	<u>438,776</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD		<u>605,270</u>	<u>573,416</u>

BREAKTHROUGH (DEAF-HEARING INTEGRATION)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

1. Accounting Policies

1.1 Basis of preparation of Accounts

The financial statements are prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), applicable UK accounting standards and the Companies Act 2006. The implementation of FRS 102 has given rise to changes in accounting policy which requires a prior year adjustment. This is set out in note 20. The principal accounting policies adopted in the preparation of the financial statements are set out below:

1.2 Incoming resources

Incoming resources are accounted for on a receivable basis

All grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Legacies are recorded when they can be quantified and have been confirmed by a third party.

Rental income is included in the income and expenditure account net of collection charges on a receivable basis.

Bank Interest received is included on an actual receipts basis.

1.3 Deferred income

In accordance with the Statement of Recommended Practice for Accounting and Reporting (FRS 102) issued by the Charity Commissioners for England & Wales, grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

1.4 Recognition of liabilities

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Statement of Recommended Practice for Accounting and Reporting (FRS 102) issued by the Charity Commissioners for England & Wales

1.5 Pensions

The charity operates a scheme to contribute a defined amount to individual employees' pension schemes and the pension charge represents the amounts payable by the charity to the pensions schemes in respect of the year. Contributions payable in respect of past service deficits are fully provided for.

1.6 Tangible Fixed Assets

All tangible fixed assets are stated at historical cost less depreciation.

Depreciation has been provided at the following rates in order to write off the assets (less their estimated residual value) over their estimated useful economic lives.

Motor Vehicles	25% straight line
Fixtures & Equipment	33% straight line

BREAKTHROUGH (DEAF-HEARING INTEGRATION)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

1.7 Funds

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above.

2. GRANTS AND DONATIONS

	2016	2015
	£	£
Donations	67,699	33,810
Legacies	-	45,000
	67,699	78,810

3. ANALYSIS OF CHARITABLE INCOME

	2016	2015
	£	£
Statutory Grant Funding for Charitable Activities	732,220	595,421
MAS Van Appeal	-	66,300
Access to Work	3,864	12,127
Rental Income	10,271	7,191
Equipment Sales	6,203	10,311
Other Income	1,497	24,037
Notional Rent	1,375	10,063
	755,431	725,450

4. GOVERNANCE COSTS

	2016	2015
	£	£
Audit & Accountancy Fees	5,424	5,183
Trustees Expenses:		
Travel & Subsistence	657	438
Staff Costs	10,108	10,784
	16,189	16,405

BREAKTHROUGH (DEAF-HEARING INTEGRATION)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

5. CHARITABLE ACTIVITIES

	-----2016-----			
	Direct	Support	Total	Total
	£	£	£	£
Information & Advice	213,163	65,469	278,632	316,852
Advocacy	15,036	4,166	19,202	145,955
Employment	46,852	13,935	60,787	50,024
Education, Wellbeing, Reablement & Lifeskills	294,144	67,952	362,096	142,247
	<u>569,196</u>	<u>151,522</u>	<u>720,718</u>	<u>655,078</u>

6. SUPPORT COSTS

	Information & Advice	Advocacy	Employment	Education, Wellbeing, Reablement & Lifeskills	Total 2016	Total 2015
	£	£	£	£	£	£
Staff	12,932	823	2,753	13,423	29,931	30,057
Premises	27,067	1,722	5,761	28,094	62,644	60,982
Administration	18,475	1,176	3,932	19,175	42,758	27,442
Governance	6,995	445	1,489	7,260	16,189	16,405
	<u>65,469</u>	<u>4,166</u>	<u>13,935</u>	<u>67,952</u>	<u>151,522</u>	<u>134,886</u>

Unrestricted expenditure is allocated against charitable activities based on the percentage of income received for each.

7. NET INCOMING RESOURCES

	2016	2015
	£	£
The net incoming resources is stated after charging:		
Depreciation of Tangible Fixed Assets	19,645	1,050
Operating Lease rentals - hire of equipment	919	2,869
Audit Fees	5,424	5,183
	<u>25,988</u>	<u>9,102</u>

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

8. STAFF COSTS AND KEY MANAGEMENT PERSONNEL

No remuneration was paid to directors during the year. Expenses reimbursed to them in the year in their capacity as directors amounted to £657 (2015: £670). The staff costs were:

	2016	2015
	£	£
Wages and Salaries	390,020	368,861
Social Security Costs	24,068	23,376
Pension Costs	31,196	32,519
	<u>445,284</u>	<u>424,756</u>
	Nos.	Nos.
Full Time Staff Equivalent	<u>21</u>	<u>14</u>

Total emoluments paid to key management personnel during the year amounted to £40,900. No employee received remuneration of more than £60,000 (2015: Nil).

9. TANGIBLE FIXED ASSETS

	Fixtures and Equipment	Motor Vehicles	Total 2016	Total 2015
	£	£	£	£
Cost:				
At 1 st April 2015	178,873	60,514	239,387	239,387
Additions	15,552	58,051	73,603	-
Disposals	-	-	-	-
At 31st March 2016	<u>194,425</u>	<u>118,565</u>	<u>312,990</u>	<u>239,387</u>
Accumulated Depreciation				
At 1 st April 2015	178,873	60,514	239,387	238,337
Charge for the period	5,132	14,513	19,645	1,050
Disposals	-	-	-	-
At 31st March 2016	<u>184,005</u>	<u>75,027</u>	<u>259,032</u>	<u>239,387</u>
Net Book Values				
At 31st March 2016	<u>10,420</u>	<u>43,538</u>	<u>53,958</u>	<u>-</u>
At 31st March 2015	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

10. DEBTORS

	2016	2015
	£	£
Trade debtors	183,970	48,527
Other debtors	6,272	7,051
Prepayments and Accrued Income	5,062	21,956
	<u>195,303</u>	<u>77,534</u>

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade Creditors	32,279	46,696
Accruals and Deferred Income	32,814	76,078
Other Creditors	6,335	50
Taxation and Social Security	19,642	11,239
Pension Liability	32,000	32,000
	123,070	166,063

12. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2016	2015
	£	£
Pension Liability	247,000	234,000
	247,000	234,000

13. PENSION TRUST GROWTH PLAN

deafPLUS participates in The Pensions Trust's Growth Plan (the Plan). The Plan is funded and is not contracted-out of the State scheme. The Plan is a multi-employer pension plan.

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity. The rules of the Plan allow for the declaration of bonuses and/or investment credits if this is within the financial capacity of the Plan assessed on a prudent basis. Bonuses/investment credits are not guaranteed and are declared at the discretion of the Plan's Trustee.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The Pension Trust Trustees have exercised its power to require employers to pay additional contributions over 10 years. The additional contributions paid by deafPLUS during the year is £31,196 (2014-15: £30,287), this figure will increase by 3% per annum.

deafPLUS paid contributions at the rate of 3% during the accounting period. Members paid contributions at the rate of 0-1% during the accounting period. As at the balance sheet date there were 3 active members of the Plan employed by deafPLUS.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

13. PENSION TRUST GROWTH PLAN CONTINUED

It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan is a multi-employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of the Plan's total assets. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS 102, in relation to current service, represents the employer contribution payable.

The valuation results at 30 September 2011 were completed in 2012 and have been formalised. The valuation of the Plan was performed by a professionally qualified Actuary using the Projected Unit Method. The market value of the Plan's assets at the valuation date was £780 million and the Plan's Technical Provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84%. Under FRS 102 full provision is made for the contributions payable in respect of the past service deficit.

This plan is now closed, future contributions will be paid to the Pension Trust defined contribution scheme which is available to all staff.

14. OPERATING LEASE COMMITMENTS

As at 31 March 2016 the Charity had the following annual commitments under non-cancellable operating leases:

	2016	2015
	£	£
Property Leases		
Within one year	24,440	11,500
Between two to five years	51,760	-
More than five years	38,820	-
	<u>115,020</u>	<u>11,500</u>

BREAKTHROUGH (DEAF-HEARING INTEGRATION)**NOTES TO THE ACCOUNTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2016****15. FUNDS**

	Balance B/F £	Incoming Resources £	Expenditure £	Transfers £	Balance C/F £
Restricted Funds					
Information & Guidance	22,780	315,447	(237,561)	-	100,666
Advocacy	10,378	20,073	(17,085)	-	13,366
Employment	16,397	67,144	(50,805)	-	32,736
Education, Wellbeing, Reablement & Lifeskills	10,956	327,413	(294,239)	-	44,130
MAS Van Appeal	67,104	-	-	(58,050)	9,054
Restricted Legacy	26,571	-	-	-	26,571
Restricted Small Grants	5,239	-	(1,728)	-	3,511
Deaf Access	-	26,496	(3,831)	-	22,665
	159,425	756,573	(605,249)	(58,050)	252,699
Designated Funds					
Asset Repairs & Renewal	50,000	-	-	-	50,000
Redundancy Reserve	43,256	-	-	-	43,256
Bromley Xmas Appeal	-	2,124	-	-	2,124
	93,256	2,124	-	-	95,380
Unrestricted Funds					
General Reserves	276,568	201,370	(119,319)	71,050	429,669
Pension Liability	(266,000)	-	-	(13,000)	(279,000)
	10,568	201,370	(119,319)	58,050	150,669
Total Reserves	263,249	960,067	(724,568)	-	498,746

Information & Advice

Funding provided to enable deafPLUS to support deaf and visually impaired clients with improved access to information helping service users realise their legal and civil rights, responsibilities and entitlements. The funding is used to provide drop-in sessions and pre-arranged appointments where advisors can provide confidential information, advice and guidance to service users. Information provided is on all aspects of deafness including equipment, tips and advice and where necessary, who to contact for further advice and guidance. Information is also produced in other community languages to meet the needs of people from non-English speaking BME backgrounds.

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

15. FUNDS CONTINUED

Advocacy Services

Funding received provides deaf and hard of hearing people with advice and support, such as:

- Guidance with Applications, for example Income Support, Disability Living Allowance (DLA) and Attendance Allowance (AA)
- Housing advice, including Housing Benefit
- Council Tax Benefit and applying for housing.
- Advice on access to council services
- Access to legal services
- Providing support at meetings with other agencies

Employment

The funding is to provide deaf and hard of hearing service users with basic Employment Support such as assisting them into employment and training opportunities, encourage client participation in vocational training courses and work placements as well as provide advice on the Access to Work programme. deafPLUS also supports prospective employers with advice on all aspects of deafness including deaf awareness and work-based BSL training. This service helps remove barriers faced by deaf and hard of hearing people when trying to access the labour market by providing support and communication in a way they that meets their needs such as having documents translated into a form that deaf people with low level English literacy skills can access and providing communication in BSL or clear spoken English.

Education, Wellbeing, Reablement and Lifeskills

Funding received to provide Lipreading classes where a qualified lip reading tutor provides the service users with some structured support to improve their lip reading skills. Funding is also used to provide other activities and workshops, such as opportunity for users to participate in drama workshops, deaf clubs for BME groups and elderly clients, event volunteering, training in deaf awareness, Health & Safety, First Aid and IT.

MAS Van Fund Appeal

This appeal seeks to raise funds to replace the existing two vans which are over ten years old now.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets	Net Current Assets	Long Term Creditors	Total
	£	£		£
Restricted Funds	-	252,697	-	252,697
Designated Funds	-	95,380	-	95,380
Unrestricted Funds	53,957	343,712	(247,000)	150,669
	53,957	691,789	(247,000)	498,748

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

17. TAXATION

The company is a registered charity and no provision is considered necessary for taxation.

18. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year

19. NOTES TO THE CASH FLOW STATEMENT

	2016 £	2015 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds for the reporting period (as per the statement of financial activities)	235,497	129,857
Adjustments for:		
Depreciation charges	19,645	1,050
(Increase)/decrease in stock	(1,924)	(3,536)
(Increase)/decrease in debtors	(117,769)	(46,785)
Increase/(decrease) in creditors	(29,993)	54,054
Net cash provided by (used in) operating activities	<u>105,456</u>	<u>134,640</u>
Analysis of cash and cash equivalents		
Cash in hand	605,270	438,776
Notice deposits (less than 30 days)	-	-
Total cash and cash equivalent	<u>605,270</u>	<u>438,776</u>

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

20. PRIOR YEAR ADJUSTMENT

Adjustments following the adoption of FRS 102:

1) Pension liability

There is a contractual agreement between the managers of the defined benefit multi-employer scheme and deafPLUS to pay additional deficit payments until 2025. Additional deficit contributions of £31,196 per annum started in 2015 and are due to increase by 3% each year over the next 10 years to 2025. As such, FRS 102 requires these contributions to be reflected as a liability in the Balance Sheet and the resulting expense in the Statement of Financial Activities. This liability is reviewed annually by the schemes actuary.

2) Reconciliation of prior year adjustment:

Reconciliation of surplus for the year ended 31 March 2015

	At 31 March 2015
	£
As previously reported	116,857
Increase/(Deficit) in pension deficit provision	13,000
As reported under FRS102	129,857

Reconciliation of capital and reserves	At 31 March 2014	At 31 March 2015
	£	£
As previously reported	412,392	529,249
Recognition of pension deficit provision	(279,000)	(266,000)
As reported under FRS102	133,392	263,249

BREAKTHROUGH (DEAF-HEARING INTEGRATION)

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

21. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted £	Restricted £	Total 2015 £
Income and Endowments:				
Donations and Legacies		33,810	45,001	78,811
Investment Income		3,419	-	3,419
Charitable Activities		232,735	492,714	725,449
Total Income		269,964	537,715	807,679
Expenditure:				
Costs of Raising Funds		7,297	15,447	22,744
Charitable Activities		236,773	418,305	655,078
Total Expenditure		244,070	433,752	677,822
Net Income/(Expenditure)		25,894	103,963	129,857
Transfers between Funds		-	-	-
Net Movement in Funds		25,894	103,963	129,857
Total Funds Brought Forward		77,930	55,462	133,392
Total Funds Carried Forward		103,824	159,425	263,249

22. TRANSFER OF ASSETS

On 1st January 2016, the net assets of Deaf Access were transferred to DeafPLUS. The total transferred amounted to £132,827.