

REGISTERED COMPANY NUMBER: 04243198 (England and Wales)  
REGISTERED CHARITY NUMBER: 1089918

**REPORT OF THE TRUSTEES AND**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017**  
**FOR**  
**DEAFWAY**

**DEAFWAY**

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**for the Year Ended 31 March 2017**

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**REPORT OF THE TRUSTEES**  
**for the Year Ended 31 March 2017**

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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 March 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

**OBJECTIVES AND ACTIVITIES**

**Objectives and activities**

Deafway is established for:-

'...the relief of people who are D/deaf\* or who suffer from communication disorders. Firstly for those resident in Lancashire and secondly those resident in the rest of the United Kingdom and elsewhere, in particular by assisting and supporting their equal access to and participation in all aspects of society'.

Put another way, Deafway exists to do all that we can to ensure that D/deaf people get the same opportunities in all aspects of life that hearing people do. Our base is, and always has been, in Lancashire. However our work has a national and international focus and reach. Deafway is therefore a local, national and international charity.

The 'strap-line' on our logo currently reads 'Services from a Culture'. Behind this is our commitment to ensuring that at the core of all of our work is an understanding of and respect for Deaf culture and heritage, BSL (British Sign Language) and the other sign languages of the world.

We continue to also use the words 'Sign Language, Culture, Arts, Heritage, Care' in our literature. This expresses our belief in the vital importance of sign language and Deaf culture to Deaf people across the world; that Deaf Arts should be strongly encouraged and made accessible to hearing people; that Deaf Heritage should be preserved, shared and celebrated and that all of these should inform our provision of Care to those Deaf people who are in need of it.

There continues to be a very real need for all of the work which we undertake, locally, nationally and internationally. It is unfortunately still the case that the needs of the majority of D/deaf people across the world and of many D/deaf people in the UK are ignored or misunderstood with disastrous consequences for those D/deaf people. The Deaf person in the UK who needs a specialist Deaf residential placement because of their Autistic Spectrum Disorder, mental health problem or other issue - placed inappropriately in a hearing setting with no Deaf peer group and with staff who have at best a smattering of sign language; the child born profoundly deaf in Nepal or Uganda, never being given the chance to acquire sign language or go to school.

Given the necessary financial resources - we could do so much more both by promoting and campaigning for real understanding of the relevant issues and by providing real life-changing services to so many more people - from Preston to Kathmandu.

In Nepal for example our aim remains that:- 'Every Deaf Child will Learn to Sign and Go to School.'

In the UK, one of our aims is that:- 'Every Deaf person in need of Residential Care or Support will have the real choice of receiving this in a Deaf environment.'

If you are in a position to help us to do more - please do get in touch.

**Philosophy:**

At the centre of everything we do is a positive view of sign language, Deaf Culture and the Deaf community.

We believe passionately that every D/deaf child, wherever they live in the world, should have a right of access to sign language (as well as access to the written and spoken languages of their country and to the hearing community) - and we know that an untold amount of damage has been, and continues to be, caused to the lives of D/deaf people around the world by Governments and 'professionals' not understanding and accepting this.

\*We have followed the convention of using an uppercase 'D' in the word in the Deaf to indicate 'Culturally Deaf' and a lower case 'd' to simply indicate hearing loss.

**OBJECTIVES AND ACTIVITIES (continued)**

This damage ranges from social isolation, lack of equal access and increasingly poor service provision (which ignores cultural and linguistic needs) in the UK to often non-existent provision in Nepal, Uganda and many other parts of the developing world resulting in D/deaf children being denied that most important defining characteristic of being human - possession and fluent use of a language (in this case a signed language).

At Deafway we do not believe that these situations are acceptable.

We also believe strongly that Deaf culture and the sign languages of the world have so much that is positive to contribute to society in general - and that they should therefore be celebrated and shared in all of the ways that the hearing cultures and the spoken languages of the world are.

**Public benefit**

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our objectives and activities and in planning our future activities. In particular the trustees consider how planned activities, through the use of our funds, will contribute to the aims and objectives we have set, and we are satisfied that the criteria for public benefit are comprehensively achieved.

**ACHIEVEMENT AND PERFORMANCE**

**Achievements during the year**

The activities that we have carried out during the year to meet our objectives and to carry out our aims for public benefit.

During the year we have:-

**Care and Support Services**

- o Continued to provide long term specialist residential care, shorter term respite care and other vital support services, including day-to-day therapeutic activities, to Deaf people with a range of complex needs which mean that they cannot currently live independently in the community.
- o Provided residential care for a number of Deaf people who require a significantly higher level of staffing due to their more complex and 'challenging' needs.
- o Continued to maintain the accommodation we provide for our residents to the high standards they deserve and to improve and refurbish this on an ongoing basis.
- o Continued to provide our residents with a range of amazing experiences through our 'Dream activities' programme which is funded entirely by donations from individuals, organisations, and grant-making trusts and foundations.
- o Continued to assert our very clear belief that to place a Deaf person who uses BSL (British Sign Language) and who needs residential care, in a 'hearing' establishment is abusive.

**Cultural Services and Facilities**

- o Continued to provide premises for Deaf people to meet in Preston.
- o Continued to provide premises for Deaf people to meet in Lancaster.
- o Started our research under the Equal Rights Equal Lives project with the aim of producing an evidence-based report on the needs of the D/deaf community following the reduction in provision for equal access and opportunity.

**Sign Language and Deaf Awareness Training**

- o Maintained our policy that all Deafway staff, unless they are already fluent in BSL, will undertake an intensive in-house BSL Level 1 course as part of their paid induction training before starting work at Deafway - and that they will also undertake an intensive in-house BSL Level 2 course in work time around six months after their appointment.
- o Continued to provide BSL (British Sign Language) and Deaf Awareness training to hearing individuals and organisations in Lancashire.

**Overseas Projects**

- o Continued our long-running support for the Navajyoti primary school for Deaf children in Sindhuli, Nepal.
- o Continued our support for the 'Older Deaf and Vulnerable Persons' project in Kathmandu and the nearby town of Kirtipur.



## **DEAFWAY**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 March 2017**

- o Raised the necessary funds to rebuild classrooms, hostel and other buildings severely damaged by the earthquake of 2015 at the Shree Navajyoti school in Sindhuli, Nepal.
- o Continued to provide vital support to St. Anthony's School for Deaf children in Nkozi Uganda.
- o In partnership with VSO-UK, VSO Jitolee and the Kenyan National Association of the Deaf, setup and completed the first all Deaf International Citizenship Programme which involved British Deaf young people working with Kenyan Deaf young people for three months in Kenya. This in turn is leading to further projects with the Deaf Community in Yala, Kenya.

#### **Arts and Heritage Projects and Activities**

- o Continued the development of our work in the fields of Deaf Arts and Heritage.
- o Imagined and created our 'Representations of BSL' project, formed an initial partnership with the Harris Museum and Arts Gallery in Preston and achieved funding for the project from Arts Council England, The Zachonis Charitable Trust, Preston City Council, Harris Museum.
- o Completed our innovative 'Signed Voices' project, funded by the Heritage Lottery Fund, with a view to extending this project in the next 1-2 years.

## **FINANCIAL REVIEW**

### **Performance**

The statement of financial activities for the year is set out on page 9. The charity has net incoming resources this year of £33,726 (2016: net outgoing resources of £13,766). The realised movement between the funds is summarised below:

	General funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Total income	1,957,917	538	118,436	2,076,891
Total expenditure	(1,930,130)	(31,688)	(127,475)	(2,089,293)
Gains/(losses) on investments	10,370	-	10,758	21,128
Gain/(losses) on revaluations	-	25,000	-	25,000
Transfers	(27,000)	27,000	-	-
	-----	-----	-----	-----
Net income/(expenditure)	11,157	20,850	1,719	33,726
	=====	=====	=====	=====

### **Fixed assets**

The fixed assets are all used for direct charitable purposes. The movements in fixed assets during the year are shown in note 9 to the accounts.

A professional valuation of the property at Brockholes Brow, Preston, was undertaken in June 2017 by Garside Waddingham, Chartered Surveyors. The valuation for reinstatement purposes and insured value is £3,500,000. The property is shown in the accounts at its open market valuation of £625,000 valued by Garside Waddingham, Chartered Surveyors, also in July 2017.

### **Investment performance**

At 31 March 2017 investments held had a market value of £173,054. Details are shown in note 10 to the accounts. £108,300 of the investments represents the Richard Bannister Trust, which is a fund invested to support activities for young deaf persons in relation to sports.

### **Investment policy and objectives**

Under the Trustees Act 2000, the trustees have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled thereto. Current investments held are invested through Charities Official Investment Fund and an investment portfolio for the Richard Bannister Trust.

### **Reserves policy**

The trustees review the charity's requirements for reserves annually, in the light of the major risks facing the charity. The trustees consider that in order to ensure the continuous provision of the charity's services, they require to maintain a contingency reserve equivalent to three months running costs.

At the year end this reserve stood at £406,817 which represents 2.3 months budgeted expenditure.

## **DEAFWAY**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 March 2017**

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#### **FUTURE PLANS**

At the time of writing this, in addition to the above, we have also:-

- o Taken forward further support opportunities, working with the Deaf community in Yala, Kenya and started to achieve the funding required.
- o Re-established support with the Srijana Deaf Secondary school in Pokhara, Nepal.
- o Identified support opportunities with the Shree Jana Jyoti Namuna school in Nawalparasi, Nepal.
- o Raised funds for an International Signed Voices Project which will run in the summer of 2018 working with young Deaf people from the UK, Italy, Poland, Slovakia and Greece.
- o Commenced discussions with other charities in order to initiate and expand on Partnership Working/Service Provision.
- o Completed our very successful Equal Rights Equal Lives project and started working with service providers in Lancashire to remove the barriers faced by D/deaf people in achieving equal access and opportunity.
- o Employed a Business Development Manager (Jan 2017) to increase the volume and variety of services we provide and improve future financial stability.
- o Started a programme of attracting volunteers to support the work of the organisation.
- o Employed our first ever apprentice, within the administration department, with the aim providing further apprenticeship opportunities in the future.
- o Employed a Deaf Community Liaison Officer to run our 'Representations of BSL' project.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Organisational structure**

The Trustees who have served during the year are set out on page 5 and they have been appointed in accordance with our Memorandum and Articles of Association.

Trustees nominate and have power of appointment of future Trustees, who serve for a period of three years following appointment and may be re-appointed at the end of the term of office.

We believe that our Board of Trustees should be made up of a variety of people who bring a range of different visions, knowledge, experience and skills to the role. We are proud of the fact that a significant number of our Trustees are either themselves Deaf or have strong personal connections to the D/deaf community. We believe and state that all of our Trustees must understand and share Deafway's values, have the skills to contribute to Deafway in the role of Trustee and must also take an interest in our full range of work.

Management accounts and monthly reports from each department/service leader, and from the Chief Executive, are submitted to and discussed at our monthly Trustee meetings.

The day to day running of Deafway is entrusted to the Chief Executive and his leadership team. This team meets formally each month and informally each week.

The smaller strategic leadership team meets as and when necessary to discuss specific strategic issues.

The Chief Executive line manages the Care and Support Services manager, the Fundraising manager, the Business Development manager, the Finance manager, the HR manager and the Maintenance manager, holding one-to-one supervision sessions with them each month. There are similar supervision arrangements in place within each service for all other managers and staff.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees retain Peninsula Business Services Limited to provide 24 hour advice in respect of all employment law and health and safety matters. In addition, this contract provides indemnity in respect of Employment Law claims.

Financial sustainability is a major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the charity.

## **DEAFWAY**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 March 2017**

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Attention has also been focussed on non-financial risks arising from fire, health and safety of residents, management of staff and food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness training for staff working in these operational areas.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

04243198 (England and Wales)

##### **Registered Charity number**

1089918

##### **Registered office**

Brockholes Brow

Preston

Lancashire

PR2 5AL

##### **Trustees**

T Reynolds

C P Mingay

H F Bentley

H J Gigg

B S Donnelly

J J Ward

M C Sumner

- Resigned 03.11.16 (Vice Chairperson up to this point)
- Vice Chairperson from 03.11.16 to 23.11.16
- Chairperson (Joint Chairperson from 23.11.16 to 30.09.17)
- Resigned 01.10.17 (Joint Chairperson from 23.11.16 until resignation)

L Hodson

##### **Chief Executive and Company Secretary**

D J Hynes – resigned as both Chief Executive and Company Secretary on 12.08.16

M J Greer – appointed as Company Secretary on 12.08.16 and as Chief Executive on 17.10.16

##### **Finance Manager**

M Donnelly – appointed 17.10.16

##### **Auditors**

Cowgill Holloway LLP, Statutory Auditor

Regency House

45-53 Chorley New Road

Bolton

BL1 4QR

##### **Bankers**

National Westminster Bank plc

35 Fishergate

Preston

PR1 2AD

##### **Insurance brokers**

Arthur J. Gallagher & Co.

Temple Point

7th Floor

1 Temple Row

Birmingham

B2 5YB

##### **Investment brokers**

Hedley & Co

13b Winckley Square

Preston

PR1 3JJ

## **DEAFWAY**

### **REPORT OF THE TRUSTEES** **for the Year Ended 31 March 2017**

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#### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Deafway for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Including 'FRS102 The Financial Reporting Standard' applicable in the UK and Republic of Ireland.'

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

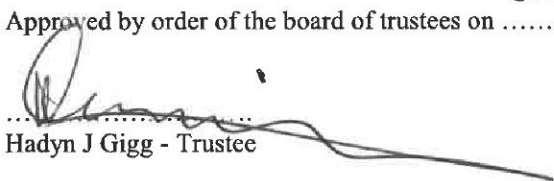
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, Cowgill Holloway LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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 06-11-17 and signed on its behalf by:

  
Hadyn J Gigg - Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DEAFWAY**

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We have audited the financial statements of Deafway for the year ended 31 March 2017 on pages nine to twenty nine. 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 'FRS102 The Financial Reporting Standard' applicable in the UK and Republic of Ireland.'

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

As explained more fully in the Statement of Trustees Responsibilities set out on page six, 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 FRC's Ethical Standard 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 Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit, the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Trustees' Report have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
DEAFWAY**

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

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

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 or in preparing the Report of the Trustees.

Alex Hesketh (Senior Statutory Auditor)  
for and on behalf of Cowgill Holloway LLP, Statutory Auditor  
Regency House  
45-53 Chorley New Road  
Bolton  
BL1 4QR

Date: ..06/11/17

# DEAFWAY

## STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 General Funds £	2017 Designated Funds £	2017 Restricted Funds £	2017 Total Funds £	2016 Total Funds £
<b>INCOME AND ENDOWMENTS FROM:</b>						
Charitable activities						
- Services to D/deaf people		1,955,435	-	-	1,955,435	1,782,123
Donations and legacies:						
- Fundraising and appeals		-	-	114,039	114,039	143,193
- Use of facilities		288	-	-	288	600
- Legacies		-	-	-	-	-
- Donations	2	561	446	-	1,007	50,448
Investments	3	1,633	92	4,397	6,122	6,312
<b>Total</b>		<b>1,957,917</b>	<b>538</b>	<b>118,436</b>	<b>2,076,891</b>	<b>1,982,676</b>
<b>EXPENDITURE ON:</b>						
Charitable activities						
Fundraising costs		21,810	-	-	21,810	25,225
Use of facilities		3,475	-	-	3,475	3,750
Project expenditure and development costs		-	-	127,475	127,475	85,411
Services to D/deaf people		1,857,973	31,688	-	1,889,661	1,827,521
Governance costs		46,872	-	-	46,872	48,133
<b>Total</b>		<b>1,930,130</b>	<b>31,688</b>	<b>127,475</b>	<b>2,089,293</b>	<b>1,990,040</b>
Net gains/(losses) on investments		10,370	-	10,758	21,128	(6,402)
<b>Net income/(expenditure)</b>		<b>38,157</b>	<b>(31,150)</b>	<b>1,719</b>	<b>8,726</b>	<b>(13,766)</b>
Transfers between funds		(27,000)	27,000	-	-	-
<b>Net movement in funds for the year before other recognised gains/(losses)</b>		<b>11,157</b>	<b>(4,150)</b>	<b>1,719</b>	<b>8,726</b>	<b>(13,766)</b>
Other recognised gains and losses:						
Gains/(losses) on revaluation of:						
Land and buildings		-	25,000	-	25,000	-
<b>Net movement in fund for the year</b>		<b>11,157</b>	<b>20,850</b>	<b>1,719</b>	<b>33,726</b>	<b>(13,766)</b>
Total funds brought forward 1st April 2016		230,992	1,278,376	367,380	1,876,748	1,890,514
<b>Total funds carried forward 31st March 2017</b>		<b>242,149</b>	<b>1,299,226</b>	<b>369,099</b>	<b>1,910,474</b>	<b>1,876,748</b>

### CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

# DEAFWAY

## STATEMENT OF FINANCIAL ACTIVITIES - RESTRICTED FUNDS FOR THE YEAR ENDED 31 MARCH 2017

### INCOME AND ENDOWMENTS FROM:

	Specific Development Projects £	Specific Appeals Projects £	Assets in Use Funds £	Property Repair Fund £	Richard Bannister Fund £	Restricted Funds 2017 £	Restricted Funds 2016 £
Donations and legacies	-	-	-	-	-	-	-
Development Projects	-	-	-	-	-	-	-
Appeals funding	-	114,039	-	-	-	114,039	143,193
Legacies	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Investment income and interest received	4,256	49	-	-	92	4,397	4,445
<b>Total</b>	<b>4,256</b>	<b>114,088</b>	<b>-</b>	<b>-</b>	<b>92</b>	<b>118,436</b>	<b>147,638</b>

### EXPENDITURE ON:

Charitable projects and development	3,566	121,347	2,154	-	408	127,475	85,211
Fundraising costs	-	-	-	-	-	-	-
Proportion of central management charge	-	-	-	-	-	-	-
<b>Total</b>	<b>3,566</b>	<b>121,347</b>	<b>2,154</b>	<b>-</b>	<b>408</b>	<b>127,475</b>	<b>85,211</b>

Net gains/(losses) on investments

	-	-	-	-	10,758	10,758	(6,657)
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**Net income/(expenditure)**

	690	(7,259)	(2,154)	-	10,442	1,719	55,770
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Transfers between funds

	-	-	-	-	-	-	15,227
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**Net movement in fund for the year**

	690	(7,259)	(2,154)	-	10,442	1,719	70,997
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Fund balances brought forward 1 April 2016

	32,913	191,528	-	42,558	100,381	367,380	296,383
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**Fund balances carried forward 31 March 2017**

	<b>33,603</b>	<b>184,269</b>	<b>(2,154)</b>	<b>42,558</b>	<b>110,823</b>	<b>369,099</b>	<b>367,380</b>
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# DEAFWAY

## STATEMENT OF FINANCIAL ACTIVITIES - DESIGNATED FUNDS FOR THE YEAR ENDED 31 MARCH 2017

	Property £	Contingency Reserve £	Specific Development Projects £	Designated Funds 2017 £	Designated Funds 2016 £
<b>INCOME AND ENDOWMENTS FROM:</b>					
Donations and Legacies: Legacies	-	-	-	-	-
Donations	-	-	446	446	11,231
Investments	-	-	92	92	118
<b>Total</b>	-	-	538	538	11,349
<b>EXPENDITURE ON:</b>					
<b>Charitable activities</b>					
Services to D/deaf people	-	-	31,688	31,688	61,960
Fundraising	-	-	-	-	25,225
Development Costs	-	-	-	-	200
Governance Costs	-	-	-	-	-
Use of facilities	-	-	-	-	-
Proportion of central management charge	-	-	-	-	-
<b>Total</b>	-	-	31,688	31,688	87,385
<b>Net income/(expenditure)</b>	-	-	(31,150)	(31,150)	(76,036)
Transfers between funds	-	-	27,000	27,000	(8,789)
<b>Net movement in fund for the year before other recognised gains/(losses)</b>	-	-	(4,150)	(4,150)	(84,825)
Other recognised gains/(losses):					
Gains/(losses) on revaluation of:					
Land and buildings	25,000	-	-	25,000	-
<b>Net movement in fund for the year</b>	25,000	-	(4,150)	20,850	(84,825)
Fund balances brought forward 1 April 2016	700,000	406,817	171,559	1,278,376	1,363,201
<b>Fund balances carried forward 31 March 2017</b>	725,000	406,817	167,409	1,299,226	1,278,376

**STATEMENT OF FINANCIAL ACTIVITIES - GENERAL FUNDS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

Page 12

# DEAFWAY

## STATEMENT OF FINANCIAL ACTIVITIES - GENERAL FUNDS FOR THE YEAR ENDED 31 MARCH 2017

	Fundraising Costs £	Governance Costs £	Support Costs £	Services to D/deaf people £	General Funds 2017 £	General Funds 2016 £
<b>EXPENDITURE ON:</b>						
Services to D/deaf people:						
Employment costs	19,259	-	248,243	1,134,868	1,402,370	1,308,019
Sign language interpreting costs	-	-	-	262	262	145
Property and maintenance expenses	-	-	67,281	31,981	99,262	105,462
Loss on disposal of tangible fixed assets	-	-	2,750	-	2,750	-
Care costs	-	-	-	160,776	160,776	150,057
Cost of sales	-	-	-	12,614	12,614	12,802
Vehicle expenses	-	-	3,351	6,936	10,287	10,114
Development costs	-	-	-	620	620	2,267
Administration expenses	1,931	-	59,546	129,365	190,842	176,695
<b>Total</b>	<b>21,190</b>	<b>-</b>	<b>381,171</b>	<b>1,477,422</b>	<b>1,879,783</b>	<b>1,765,561</b>
<b>Governance costs:</b>						
Employment costs	-	-	27,844	-	27,844	30,316
Management and administration	-	-	19,028	-	19,028	17,817
<b>Total</b>	<b>-</b>	<b>-</b>	<b>46,872</b>	<b>-</b>	<b>46,872</b>	<b>48,133</b>
<b>Use of facilities:</b>						
Employment costs:	-	-	-	1,635	1,635	1,625
Property and maintenance costs	-	-	-	1,181	1,181	1,427
Cost of sales	-	-	-	-	-	-
Management and administration	-	-	-	659	659	698
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,475</b>	<b>3,475</b>	<b>3,750</b>

# DEAFWAY

## SPECIAL PROJECTS

FOR THE YEAR ENDED 31 MARCH 2017

Dept:	Project:	Balance at 01.04.16	Incoming Resources	Resources Expended	Project Transfers	Transfer from General	Transfer to Appcalls	Balance at 31.03.17
General	Social club refurbishment	181	-	(668)	487	-	-	-
	Nepal Trek 2001 UK element	452	-	-	-	-	-	452
	Nepal Trek 2004 UK element	326	-	-	-	-	-	326
	Nepal Trek 2007 UK element	904	-	-	-	-	-	904
	Nepal Trek 2010 UK element	2,625	-	-	-	-	-	2,625
Development	Development - Deafway	190	-	-	-	-	-	190
	Embassy Development (pre-build)	-	-	-	417	-	-	417
	Embassy - Building donations	440	-	-	-	-	-	440
	Animateur	2,219	-	-	-	-	-	2,219
	Fundraising Post 2016	2,775	-	(1,377)	-	7,000	-	8,398
	Arts Projects - was SPIT (Signed Performance in Theatre)	3,000	-	-	-	-	-	3,000
	BSL Level 3 course -staff training	5,000	-	-	-	-	-	5,000
	Lancashire Museum Exhibition	317	-	-	-	-	-	317
	Interest Received	2,485	92	-	(487)	-	-	2,090
	Donations & Legacies	1,732	-	-	-	-	-	1,732
	IT Projects	1,850	-	(1,525)	-	-	-	325
Community	Children of Morecambe & Lancaster	1,333	-	-	-	-	-	1,333
	Youth Residential Feb-Mar 11	2,121	-	-	-	-	-	2,121
Nepal	Nepal General	4,088	250	-	-	-	-	4,338
Uganda	Uganda funds for Appcalls	-	-	-	-	-	-	-
Residential Care	Marketing Costs	-	-	-	-	-	-	-
	Stephen Bannister House Future Years Reserves	53,308	-	(2,149)	-	-	-	51,159
	Activities Co-ordinator 2014-15	4,575	-	-	-	-	-	4,575
	Sensory Room	412	-	-	-	-	-	412
Sports	Sports Investment Legacy	29,019	4,256	(3,566)	-	-	-	29,709
General	Give As You Earn	1,533	196	(1,490)	-	-	-	239
General Repairs	Building Repairs	83,587	-	(24,479)	(417)	15,000	-	73,691
	Car Park Upgrade	-	-	-	-	5,000	-	5,000
Totals:		204,472	4,794	35,254	-	27,000	-	201,012

\* Restricted

**DEAFWAY**  
**APPEALS FUNDS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

	Project:	Balance at 01.04.16	Incoming Resources	Resources Expended	Contribution to cost of Fundraising	Project Transfers	Funds Transfers	Balance at 31.03.17
Community	Youth Development Officer	10,520	-	(1,500)	-	-	-	9,020
	BSL Theatre project	150	-	-	-	-	-	150
	Youth Activities	5,980	-	-	-	-	-	5,980
	Edinburgh Fringe Festival	2,791	-	-	-	-	-	2,791
	BSL Bursary	889	-	-	-	-	-	889
	Signed Voices Project	811	21,883	(22,694)	-	-	-	-
	Representations of BSL	5,000	20,882	(92)	-	-	-	25,790
	Equal Rights, Equal Lives	9,934	-	(4,219)	-	-	-	5,715
	Community Drop-In Sessions	-	6,638	(1,772)	(737)	-	-	4,129
	Lancashire Encounters	-	875	(610)	(97)	-	-	168
RCU	RCU General	-	1,005	(603)	(117)	(30)	-	255
	Residents IT Equipment	5	-	-	-	-	-	5
	Air Conditioning Units	628	-	-	-	-	-	628
	Bathroom Upgrade	219	-	(219)	-	-	-	-
	Dream Activities	5,690	4,215	(3,628)	(468)	-	-	5,809
	Art Room (St George's Day Event)	1,609	-	-	-	-	-	1,609
	Clients Holiday	694	-	-	-	-	-	694
	Sensory Room	-	-	-	-	-	-	-
	Second Sensory Room	-	-	-	-	-	-	-
	Wooden Gazebo	-	1,700	-	(189)	-	-	1,511
General	Resident's Barcelona Holiday	-	4,750	-	(527)	-	-	4,223
	General Use funds	11,245	4,843	-	(17)	-	-	16,071
	General - for Fundraising Events	592	-	-	-	-	-	592
	Interest Received	2,336	49	-	-	-	-	2,385
	Ice Climbing Challenge	-	-	-	-	-	-	-
	Nepal General	10,344	74	(24)	(2)	(3,495)	-	6,897
	Older Persons Project	74	5,473	(16,226)	(607)	11,286	-	-
	Kathmandu Staff	1,978	750	-	(83)	-	-	2,645
	Pokhara School - Teachers Salaries	12,209	-	(1,011)	-	-	-	11,198
	NSL / NLP (8 regions project 2)	6,487	-	-	-	-	-	6,487
International	Sindhuli School - 2nd project Year	23,630	5,116	(13,986)	(568)	-	-	14,192
	Sindhuli School Classrooms	1,849	-	(174)	-	-	-	1,675
	Student Sponsorship	461	-	-	-	-	-	461
	Nepal Earthquake Appeal	12,491	300	(5,000)	-	(7,791)	-	-
	Nepal Earthquake Appeal - Schools	41,533	-	(19,680)	-	-	-	21,853
	Pokhara 1st floor of Hostel	1,096	-	-	-	-	-	1,096
	Sindhuli Kitchen or Playground	-	1,000	-	(111)	-	-	889
	School running costs	9,978	27,177	(16,283)	(3,017)	-	-	17,855
	Uganda School vehicle	1,860	-	-	-	-	-	1,860
	Uganda Marathon fundraising	1,353	7,058	(1,009)	(780)	-	-	6,622
Uganda	Swimming pool roof	1,487	-	-	-	-	-	1,487
	Other improvements	-	300	(296)	(34)	30	-	-
Site	Contribution towards salary costs	5,605	-	(12,321)	7,354	-	-	638
	Totals:	191,528	114,088	(121,347)	-	-	-	184,269

It is Deafway policy that, if any project is overfunded, we will use excess funds to provide other services to D/deaf people in the UK and Overseas.

## DEAFWAY

### APPEALS FUNDS - DONATIONS

#### FOR THE YEAR ENDED 31ST MARCH 2017

Income during the year can be analysed by donor as follows:

	<u>£</u>
Heritage Lottery Fund	21,883
Arts Council England	20,882
The Chrysalis Trust	10,848
The Casey Trust	7,500
Uganda Marathon Fundraising Event	7,041
United Utilities Lancashire Community Fund	6,638
The Bisgood Charitable Trust	5,000
Trustees of Dorothy Marsden	4,688
Rotary Club of Preston Guild	4,059
The Souter Charitable Trust	4,000
The Zochonis Charitable Trust	4,000
Reverend S P Wright	2,610
Leyland Trucks - Helping Hands	2,000
Yorkshire Building Society	1,700
Anonymous	1,500
Rotary Club of Preston	1,251
Lancashire County Council	1,125
Sue & Keith Cameron	1,050
Preston City Council	875
The Sir Jules Thorn Charitable Trust	750
The Fulmer Charitable Trust	750
Douglas Arter Foundation	500
Deafway Bowling Event	386
Waitrose Ltd	300
Donations under £300	2,612
Add: Gift Aid recovered on appeals income	139
Total Income for the year	<u><u>114,088</u></u>

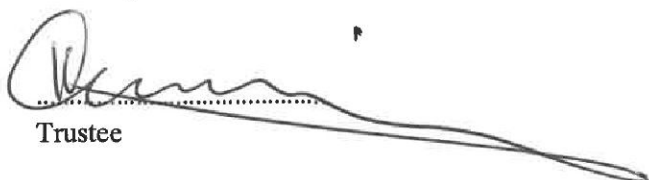
**DEAFWAY (COMPANY NUMBER: 04243198)****BALANCE SHEET**

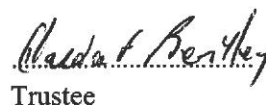
As at 31 March 2017

		Unrestricted funds	Designated funds	Restricted funds	31.3.17 Total funds	31.3.16 Total funds
	Notes	£	£	£	£	£
<b>FIXED ASSETS</b>						
Tangible assets	9	148,167	725,000	12,199	885,366	857,868
Investments	10	14,145	-	158,909	173,054	151,427
		162,312	725,000	171,108	1,058,420	1,009,295
<b>CURRENT ASSETS</b>						
Stocks	11	1,948	-	-	1,948	1,552
Debtors: amounts falling due within one year	12	159,581	-	-	159,581	221,136
Cash at bank		150,564	745,217		895,781	874,212
		312,093	745,217	-	1,057,310	1,096,900
<b>CREDITORS</b>						
Amounts falling due within one year	13	(205,256)	-	-	(205,256)	(229,447)
<b>NET CURRENT ASSETS</b>		106,837	745,217	-	852,054	867,453
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		269,149	1,470,217	171,108	1,910,474	1,876,748
<b>NET ASSETS</b>		269,149	1,470,217	171,108	1,910,474	1,876,748
<b>FUNDS</b>						
Unrestricted funds					242,149	230,992
Designated funds					1,299,226	1,278,376
Restricted funds					369,099	367,380
<b>TOTAL FUNDS</b>	15				1,910,474	1,876,748

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.

The financial statements were approved by the Board of Trustees on 06-11-17 and were signed on its behalf by:

  
Trustee

  
Trustee

**DEAFWAY****CASH FLOW STATEMENT**  
**for the Year Ended 31 March 2017**

---

	Notes	31.3.17 £	31.3.16 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>32,305</u>	<u>26,601</u>
<b>Net cash provided by (used in) operating activities</b>		<u>32,305</u>	<u>26,601</u>
<b>Cash flows from investing activities:</b>			
Purchase of fixed asset investments		(500)	(500)
Purchase of fixed assets		(16,266)	-
Interest received		1,687	1,832
Dividends received		<u>4,343</u>	<u>4,378</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(10,736)</u>	<u>5,710</u>
<b>Change in cash and cash equivalents in the reporting period</b>		21,569	32,311
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>874,212</u>	<u>841,901</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>895,781</u>	<u>874,212</u>

The notes form part of these financial statements



**NOTES TO THE CASH FLOW STATEMENT  
for the Year Ended 31 March 2017**

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

	31.3.17 £	31.3.16 £
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	33,726	(13,766)
<b>Adjustments for:</b>		
Depreciation charges	13,768	16,177
Losses/(gain) on investments	(21,127)	6,402
Revaluation of fixed assets	(25,000)	-
Interest received	(1,687)	(1,832)
Dividends received	(4,343)	(4,378)
(Increase)/decrease in stocks	(396)	(128)
(Increase)/decrease in debtors	61,555	(25,318)
Increase/(decrease) in creditors	(24,191)	49,444
<b>Net cash provided by (used in) operating activities</b>	<u>32,305</u>	<u>26,601</u>

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

**Assessment of going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Major income streams from residential care placements are expected to be maintained at their current level in future accounting periods while strong expenditure controls remain in place and the charity's cash flow continues to be healthy.

**Income**

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

Income (including grants) is included on an accruals basis with the exception of legacies and donations, which are only accounted for when they are received.

Trading income is shown net of value added tax as appropriate.

**Expenditure**

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

Where appropriate, irrecoverable VAT is shown in the SOFA.

Governance costs include legal and professional expenses, salary costs in respect of governance activities and expenses relating to Trustees.

The central overheads at Brockholes Brow have been allocated to divisions as shown on the individual statements of financial activities.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 March 2017**

---

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

Freehold property – Brockholes Brow	- not provided
Short leasehold – Lancaster	- not provided
Equipment and fittings	- 20% on cost and 6.66% on cost
Motor vehicles	- 20% on cost

All expenditure during the year on assets of material value held for use on a continuing basis in the charity's activities are capitalised and classified as fixed assets.

Depreciation has not been provided for on properties as it is the charity's policy to record properties at open market value. Properties are reviewed annually for any indication of impairment and it is the charity's practice to maintain these assets in a continual state of sound repair and to extend and make improvements thereto from time to time and, accordingly, the directors consider that the lives of these assets are so long, and residual values so high, that their depreciation is insignificant.

**Investments**

Investments held as fixed assets are included at closing mid-market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities. Investment income is shown gross.

**Stocks**

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

**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.

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.

**Revaluation gains and losses**

Where properties are revalued in the year, the gain is included within the property fund.

**Repairs**

Repairs and maintenance costs are written off in the appropriate department's Income and Expenditure Account in the year they are incurred unless specifically funded for, where they are charged to the project fund.

## **DEAFWAY**

### **NOTES TO THE FINANCIAL STATEMENTS - CONTINUED** **for the Year Ended 31 March 2017**

---

#### **1. ACCOUNTING POLICIES - continued**

##### **Pensions**

The charity operates the Deafway Workplace Pension Scheme, an Auto-Enrolment scheme, the assets of which are held separately from those of the charity in Aviva plc. The costs of providing pension and related benefits is charged to the SOFA.

##### **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.

##### **Financial instruments**

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors and fixed asset investments.

Trade debtors and trade creditors are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Fixed asset investments are measured in accordance with the policy detailed previously.

##### **Company status**

The charity is a company limited by guarantee. The members of the company are the trustees named on page 5. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

#### **2. DONATIONS**

	31.3.17	31.3.16
	£	£
Face to face	335	335
Sundry donations and GAYE	<u>672</u>	<u>50,113</u>
	<u>1,007</u>	<u>50,448</u>

#### **3. INVESTMENT INCOME**

	31.3.17	31.3.16
	£	£
Dividends	4,343	4,378
Interest on cash deposits	<u>1,779</u>	<u>1,934</u>
	<u>6,122</u>	<u>6,312</u>

#### **4. SERVICE LEVEL AGREEMENTS**

	31.3.17	31.3.16
	£	£
Over 55s group	<u>1,464</u>	<u>1,587</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 March 2017****5. NET INCOME/(EXPENDITURE)**

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

	31.3.17	31.3.16
	£	£
Depreciation - owned assets	16,266	16,178
Auditors' remuneration	<u>6,500</u>	<u>7,800</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2017 nor for the year ended 31 March 2016.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2017 nor for the year ended 31 March 2016.

The cost of insurance to indemnify the trustees against the consequences of any neglect or default on their part amounted to £825 (2016: £795).

**7. STAFF COSTS**

	31.3.17	31.3.16
	£	£
Wages	1,435,332	1,358,297
Employer's National Insurance	89,792	95,829
Pension	<u>37,682</u>	<u>43,937</u>
	<u>1,562,806</u>	<u>1,498,063</u>

No member of staff (2016: one) received gross emoluments in excess of £60,000 during the year. No members of staff received gross emoluments in excess of £70,000 during the current or previous year.

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

	31.3.17	31.3.16
Full time permanent	35	41
Part time permanent	15	13
Sessional	<u>20</u>	<u>18</u>
	<u>70</u>	<u>72</u>

The key management personnel of the charity comprise the Chief Executive, Finance manager, HR manager and Residential Care manager. The total remuneration of the key management personnel of the charity was £172,442 (2016: £168,822).

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 March 2017****8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted and designated funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM:</b>			
<b>Charitable activities</b>			
Services to D/deaf people	1,782,123	-	1,782,123
Donations and legacies	39,817	154,424	194,241
Investments	1,749	4,563	6,312
<b>Total</b>	<b>1,823,689</b>	<b>158,987</b>	<b>1,982,676</b>
<b>EXPENDITURE ON:</b>			
<b>Charitable activities</b>			
Fundraising costs	25,225	-	25,225
Use of facilities	3,750	-	3,750
Project expenditure and development costs	-	85,411	85,411
Services to D/deaf people	1,740,336	87,185	1,827,521
Governance costs	48,133	-	48,133
<b>Total</b>	<b>1,817,444</b>	<b>172,596</b>	<b>1,990,040</b>
<b>Net gains/(losses) on investments</b>	<b>255</b>	<b>(6,657)</b>	<b>(6,402)</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>6,500</b>	<b>(20,266)</b>	<b>(13,766)</b>
<b>Transfers between funds</b>	<b>(6,438)</b>	<b>6,438</b>	<b>-</b>
<b>Net movement in funds</b>	<b>62</b>	<b>(13,828)</b>	<b>(13,766)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>230,930</b>	<b>1,659,584</b>	<b>1,890,514</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>230,992</b>	<b>1,645,756</b>	<b>1,876,748</b>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 March 2017**

**9. TANGIBLE FIXED ASSETS**

	Brockholes Brow property £	Lancaster property £	Improvements to property £
<b>COST OR VALUATION</b>			
At 1 April 2016	600,000	100,000	76,766
Revaluations	25,000	-	-
Additions	-	-	-
As at 31 March 2017	<u>625,000</u>	<u>100,000</u>	<u>76,766</u>
<b>DEPRECIATION</b>			
At 1 April 2016	-	-	-
Charge for year	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2017	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET BOOK VALUE</b>			
At 31 March 2017	<u>625,000</u>	<u>100,000</u>	<u>76,766</u>
At 31 March 2016	<u>600,000</u>	<u>100,000</u>	<u>76,766</u>
	Equipment and fittings £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>			
At 1 April 2016	164,379	60,781	1,001,926
Revaluations	-	-	25,000
Additions	16,266	-	16,266
As at 31 March 2017	<u>180,645</u>	<u>60,781</u>	<u>1,043,192</u>
<b>DEPRECIATION</b>			
At 1 April 2016	89,023	55,035	144,058
Charge for year	<u>9,365</u>	<u>4,403</u>	<u>13,768</u>
At 31 March 2017	<u>98,388</u>	<u>59,438</u>	<u>157,826</u>
<b>NET BOOK VALUE</b>			
At 31 March 2017	<u>82,257</u>	<u>1,343</u>	<u>885,366</u>
At 31 March 2016	<u>75,356</u>	<u>5,746</u>	<u>857,868</u>

The leasehold property known as Brockholes Brow was revalued in July 2017 by Garside Waddingham, Chartered Surveyors, at £625,000. This valuation was an open market valuation with the benefit of vacant possession. The Trustees are not aware of any change in the valuation as at the balance sheet date.

The property at Lancaster houses the Lancaster Social Club. The property is held under a long lease dated January 2005 for a term of 999 years.

The properties are all used for direct charitable purposes, or for purposes incidental to the proper working and effective carrying on of the charity's objects and activities.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 March 2017**

**10. FIXED ASSET INVESTMENTS**

	Market value 2017 £	Cost 2017 £	Market value 2016 £	Cost 2016 £
<b>UK Listed:</b>				
<b>General fund</b>				
COIF 52.18 income units	729	230	633	230
HBOS Ordinary £1 shares	129	2,284	133	2,284
COIF 93.72 accumulation shares	13,287	9,500	10,694	9,000
<b>Restricted fund</b>				
COIF 356.97 accumulation shares	50,609	5,250	42,425	5,250
Richard Bannister Trust portfolio	<u>108,300</u>	<u>81,862</u>	<u>97,542</u>	<u>81,862</u>
	<u>173,054</u>	<u>99,126</u>	<u>151,427</u>	<u>98,626</u>
	Market value 1.4.16 £	Additions / (disposals) £	Gain/(loss) £	Market value 31.3.17 £
<b>UK Listed:</b>				
<b>General fund</b>				
COIF 52.18 income units	633	-	96	729
HBOS Ordinary £1 shares	133	-	(4)	129
COIF 93.72 accumulation shares	10,694	500	2,093	13,287
<b>Restricted fund</b>				
COIF 356.97 accumulation shares	42,425	-	8,184	50,609
Richard Bannister Trust portfolio	<u>97,542</u>	<u>-</u>	<u>10,758</u>	<u>108,300</u>
	<u>151,427</u>	<u>500</u>	<u>21,127</u>	<u>173,054</u>

**11. STOCKS**

	31.3.17 £	31.3.16 £
Stocks	<u>1,948</u>	<u>1,552</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.17 £	31.3.16 £
Trade debtors	126,177	162,298
Prepayments and accrued income	<u>33,404</u>	<u>58,838</u>
	<u>159,581</u>	<u>221,136</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.17 £	31.3.16 £
Trade creditors	54,108	36,568
Social security and other taxes	21,590	22,484
Revenue and fees paid in advance	35,513	79,270
Accrued expenses	<u>94,045</u>	<u>91,125</u>
	<u>205,256</u>	<u>229,447</u>



**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 March 2017**

**14. OPERATING LEASE COMMITMENTS**

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

	Other operating leases	
	31.3.17	31.3.16
	£	£
Expiring:		
Within one year	420	-
Between one and five years	4,123	2,436
In more than five years	-	2,408
	<u>4,543</u>	<u>4,844</u>

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.17	31.3.16
	£	£
Within one year	4,543	4,844
Between one and five years	7,508	12,052
In more than five years	-	-
	<u>12,051</u>	<u>16,896</u>

**15. MOVEMENT IN FUNDS**

	At 1.4.16	Net movement	Transfers	At 31.3.17
	£	in funds	between funds	£
		£	£	
<b>Unrestricted funds</b>				
General fund	230,992	38,157	(27,000)	242,149
<b>Designated funds</b>				
Property fund	700,000	25,000	-	725,000
Contingency reserve	406,817	-	-	406,817
Specific development projects fund	171,559	(31,150)	27,000	167,409
<b>TOTAL FUNDS</b>	<u>1,278,376</u>	<u>(6,150)</u>	<u>-</u>	<u>1,299,226</u>
<b>Restricted funds</b>				
Specific development projects fund	32,913	690	-	33,603
Appeals fund	191,528	(7,259)	-	184,269
Assets in use	-	(2,154)	-	(2,154)
Richard Bannister project	100,381	10,442	-	110,823
Emergency property repair fund	42,558	-	-	42,558
	<u>367,380</u>	<u>1,719</u>	<u>-</u>	<u>369,099</u>
<b>TOTAL FUNDS</b>	<u>1,876,748</u>	<u>33,726</u>	<u>-</u>	<u>1,910,474</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 March 2017**

**15. MOVEMENT IN FUNDS - continued**

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

	Income	Expenditure	Gains/(losses) on investments or revaluation of land & buildings	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	1,957,917	(1,930,130)	10,370	38,157
<b>Designated funds</b>				
Property fund	-	-	25,000	25,000
Contingency reserve	-	-	-	-
Specific development projects fund	538	(31,688)	-	(31,150)
	538	(31,688)	25,000	(6,150)
<b>Restricted funds</b>				
Specific development projects fund	4,256	(3,566)	-	690
Appeals fund	114,088	(121,347)	-	(7,259)
Assets in use	-	(2,154)	-	(2,154)
Richard Bannister project	92	(408)	10,758	10,442
Emergency property repair fund	-	-	-	-
	118,436	(127,475)	10,758	1,719
<b>TOTAL FUNDS</b>	<u>2,076,891</u>	<u>(2,089,293)</u>	<u>46,128</u>	<u>33,726</u>

**Designated Funds**

These funds have been set up to assist in identifying those funds that are not free funds and comprise the following:

**Property Fund**

This fund represents the charity's interest in the Property known as Brockholes Brow as included in Tangible Fixed Assets and also a lease on a property in Lancaster.

**Contingency Reserve**

This fund represents the charity's commitment to build up an operating reserve fund equivalent to three months running costs in order to effectively manage/take advantage of any unforeseen circumstances that may arise in the future, without adversely affecting its service provision.

**Development Projects Fund**

This fund represents the charity's commitment to both specific and general future development of the organisation and the services provided. This fund is made up of numerous projects.

**General Funds**

Comprise those funds which the trustees are free to use in accordance with the charitable objects, which are not designated for particular purposes.

**Restricted Funds**

Comprise funds which have been given for particular purposes and projects.

**16. CAPITAL COMMITMENTS**

	31.3.17 £	31.3.16 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>14,135</u>

At the previous year's balance sheet date, the charity had committed to purchasing a significant upgrade to its IT server and accounting software.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the Year Ended 31 March 2017**

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**17. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2017.

**18. ULTIMATE CONTROLLING PARTY**

The charity was controlled by the Board of Trustees throughout the year under review