

Company No. 3973353  
Charity No. 1081949

**The Royal Association for Deaf people  
(and subsidiary undertakings)  
Report & Financial Statements  
31 March 2018**

**The Royal Association for Deaf people  
(and subsidiary undertakings)**

**Legal and administrative details**

**For the year ended 31 March 2018**

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<b>Status</b>	<p>The Association was founded in 1841 and registered in accordance with the Charities Act 1960, with the registered number 207358. The activities, assets and liabilities of the Association were transferred to this charitable company with effect from 1 October 2000.</p> <p>The charitable company is limited by guarantee, incorporated on 11 April 2000 and registered as a charity on 9 August 2000, with the new registered number 1081949.</p>	
<b>Governing document</b>	<p>The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.</p>	
<b>Company number</b>	3973353	
<b>Charity number</b>	1081949	
<b>Registered office and operational address</b>	<p>Century House South Riverside Office Centre North Station Road Colchester Essex CO1 1RE</p>	
<b>Honorary Officers</b>	Mr Toby Burton Mr Thomas Mulloy Mr David Cattermole	Chairman Vice Chairman Honorary Treasurer
<b>Patrons and officers</b>	Her Majesty The Queen The Most Revd and Rt Hon Justin Welby Archbishop of Canterbury	Patron President
<b>Chief Executive</b>	Mr Craig Crowley	(resigned as at 6 July 2018)
<b>Executive Team</b>	Miss Sue Mountford Mrs Amanda Casson-Webb  Ms Lesley Frearson	Director of Services Director of Communication Services and Community Development Director of Finance and Administration
<b>Bankers</b>	<p>National Westminster Bank plc Park Royal Branch 1 Abbey Road London NW10 7RA</p>	

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<b>Insurers</b>	Arthur J. Gallagher Temple Point 7th Floor 1 Temple Row Birmingham B2 5LG
<b>Solicitors</b>	Fisher Jones Greenwood Charter Court Newcomen Way Severalls Business Park Colchester, Essex CO4 9YA
<b>Auditors</b>	Whittles Chartered Accountants The Old Exchange 64 West Stockwell Street Colchester Essex CO1 1HE

**The Royal Association for Deaf people  
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**Report of the trustees**

**For the year ended 31 March 2018**

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The trustees present their report and the audited financial statements for the year ended 31 March 2018. This report meets the requirements for a directors' report for Companies Act purposes.

The Legal and administrative information is set out on pages 1 and 2 and forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

**Objects of the Association for the public benefit**

The objects of the Association are to promote the social, spiritual and general welfare of profoundly Deaf people. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Association's aims and objectives and in planning future activities and setting the grant making policy for the year.

**Strategic Report**

**Organisational structure**

The Association is incorporated in England and Wales and is governed by a board of trustees who constitute the membership in terms of the Companies Act. Management is delegated to a Chief Executive who works with a team of three directors who are responsible for the full range of the Association's activities. We have an agreed scheme of delegation.

**Related parties and connected organisations**

The Association has a wholly owned trading subsidiary (tRADe Ltd) which as in the previous three years, provides the back office finance services to other Deaf organisations. During 2012/13 we incorporated RAD Deaf Legal Enterprise Community Interest Company, a 100% owned subsidiary. There was no activity in this company during the year.

**Review of activities**

RAD has experienced a challenging financial year in relation to most of our services and activities, this has led to some necessary changes and restructuring. RAD communication services has ceased the provision of interpreting services through ATW contracts which resulted in a reduction of income, redundancy of the staff interpreters and a period of uncertainty for the interpreting service.

Community Support endured a difficult period in the early part of the year due to staff sickness and challenges in recruitment. The management took decisive action, including a change to the sickness policy, which resulted in a return to higher levels of support hours being achieved and maintained.



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This financial year saw the recruitment of new Fundraising and Marketing & PR teams. These teams are respectively led by the newly appointed Head of Fundraising and Head of Marketing & PR. The recruitment was instigated following the "ideathon" in 2016 and a subsequent agreement by the Trustees in 2016/17 to invest in these, future facing, services. Both services are in their first year of operation and RAD looks forward to an increase in unrestricted income and wider exposure to new marketing strands and promotions.

RAD secured new funding in the form of the Money Mechanics project, Building Better Opportunities and several small funding streams.

As part of our 175 year anniversary celebrations, RAD held a successful service of Thanksgiving at St Paul's Cathedral, London.

Following the staff conference in 2017, wellbeing sessions and a new rewards and recognition scheme were established to support and value our hard working staff.

RAD has started to introduce our new vision and strategic ambitions for the next five years to our staff and teams and stakeholders following the launch of our new Strategic Plan (2017-2022).

**Financial**

The deficit for the year of £571,001 was the net effect of an operating loss of £248,072 combined with some significant expenditure from designated funds following a decision to invest in developing the organisation's fundraising and PR & Marketing functions. Both legacies and unrealised gains on investments were lower than the previous year where these had a significant positive impact on the overall deficit in 2017.

Income from donations and legacies decreased by £272,644 (55%), mainly due to higher legacy income that was significantly higher in the previous year. Investment income remained consistent with the previous year, with a slight decrease reflecting the usage and reduction of investments to support the deficit for the year.

Income from charitable activities (our operations) was lower than the previous year by £207,957 (9%) mainly due to changes made to our interpreting services from 1 April 2017 and a decision to cease Access to Work delivery. This reduction in income was offset partly by some new funding streams that started during the year. Within this, Interpreting fee income decreased by £277,099 (38%). Income from our Advice, Advocacy and Employment work decreased slightly by £26,381 (5%). Children, Youth and Families income increased significantly by £81,253 (75%) due to various new sources of funding achieved during the year. We saw further growth in our training income which increased by £23,080 (55%). Income from Community Support services increased this year following slight decreases over the previous two years by £71,841 (9%). Other services decrease mainly due to one-off funding in the previous year and the loss of one back office client in the current year.

Expenditure decreased by £118,771 (4%). A decrease would be expected due to the lower levels of income but, the overall income decrease is higher at 16% due to significant expenditure from designated funds

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**Report of the trustees**

**For the year ended 31 March 2018**

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**Governance**

At the end of the year we had eight trustees, five of whom are Deaf.

**Strategic Plan**

2017-2018 was the first year of the 2017 -2022 Strategic Plan

We retain four key ambitions in line with our strategic plan 2022. These are:

- **To deliver the services Deaf people want and need**
- **To support mainstream providers to be accessible to Deaf people**
- **To ensure financial sustainability**
- **To be an exemplary employer**

We have completed the first year of the five year breakeven plan and we continue to work towards financial sustainability. New funding opportunities have secured restricted and unrestricted income and a revised reserves policy should support fundraising further.

**Results in specific areas of operations**

**Deaf Community Development**

Our work in continuing to demonstrate RAD's Organisational Value and commitment to supporting and strengthening the Deaf Community has maintained an excellent momentum this year. Communication, trust and relationships with local Deaf communities has been exceptional.

We have supported and attended several community events this year – in addition to a strong organisation-wide presence at the City Lit Deaf Day, we promoted RAD at the UK Deaf 50+ (EDDJ) in Minehead and once again enjoyed the ability to connect with hundreds of Deaf people in one setting.

The annual Carol Service at Chelmsford Cathedral that we deliver in partnership with the Deaf Chaplaincy Team was a success. A total of ten schools from East London and Essex were in attendance, with the event raising a gross of £734.56, plus £500 corporate sponsorship towards costs, for RAD. (We were pleased to be able to work in close partnership with the Fundraising Team to achieve this).

We have continued to maintain our programme of regular scheduled and unscheduled visits to the Deaf Clubs in the region (and traditionally supported by RAD), in addition to supporting several people on an individual basis.

Of particular note - due to demography and social issues we have made concerted efforts to support Southend Deaf Club over the past year. As a team we endeavour to visit at least once a month; this has enabled us to work with committee members to address and issues as and when they arise. As part of RAD's commitment to supporting positive well-being (arising from the well-being policy for staff and volunteers) we made a very well received presentation on the topic to members at Southend – and will be rolling this out to all other Clubs.

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**For the year ended 31 March 2018**

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We are pleased to report that Medway Deaf Club continues to thrive. Membership is increasing year on year, with the Club enjoying the benefit of its new kitchen, funded by Awards for All. There are ongoing issues with Clapham Social Club that we continue to support on a wider organisational issue. Relations with St Johns Deaf Club at Green Lanes have been quiet in recent times but we have re-established connections and look forward to seeing this relationship improve over the coming year.

We were successful in securing funding from the Heritage Lottery Fund for an eighteen-month project that records and celebrates Deaf culture and heritage; and provides Deaf people with the opportunity to learn and develop new (transferable) skills. Work on this, the 'Deaf Detectives', project commenced in the summer of 2017.

Our work in increasing mainstream societal awareness continues to grow and develop, with increased income being generated from our Deaf Awareness Training courses, consultancy and Quality Marks.

**Information, Advice and Guidance (IAG)**

Our development strategy for IAG this year focussed on co-working with local Citizen's Advice (CAB) in an effort to secure non-local authority funding (where local authority funding was not available and/or partners were unwilling to co-bid/work). We have secured new contracts in the London Borough of Croydon and also Canterbury; funded in partnership with local CAB offices, by Awards for All and also through a local Brent fund, in partnership with Brent CAB.

Essex County Council has agreed a further five years' funding for our Essex Sensory Community Partnership, enabling us to continue delivering countywide IAG (desk and community based); four days per week.

Our Hearability partnership continues; securing a further five years' funding from Essex County Council to support Hearing Help Essex to deliver their valuable service to local residents. (This is a strategic partnership for RAD.)

Southend Borough Council awarded a new three year contract to us, through our partnership with the local CAB.

**Advocacy**

We have seen a decline in community advocacy this year due to the continued squeeze on local authority budgets and the introduction of an additional statutory strand (Care Act Advocacy). This has had an impact on our ability to generate non-statutory referrals. We have seen an increase in health complaints cases, though there is reasonable evidence to suggest that many Deaf people are still unaware of this statutory service and how it can support them to achieve a positive outcome. Our engagement and marketing efforts are critical to the ongoing awareness raising/promotion of this service in order to ensure people have proper access to healthcare and can effectively manage associated complaints.

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**For the year ended 31 March 2018**

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We completed the funding application process in Essex, submitting two partnership bids; 1. With Voiceability and 2. with seAp. We expect the outcome in late May/early June for a 1 July contract start date.

We secured a contract in Suffolk through our Voiceability partnership. We are currently servicing this contract via our existing Essex staff team and hope to see referrals increasing through ongoing promotion and engagement activity.

Two of our team members have achieved their children's advocacy qualification. We are seeing an increase in joined-up children/young people and adult commissioning; hence the importance of securing relevant qualifications. This will also support the ongoing development of our children's service.

We have supported 40 cases through our partnership work in the South West with seAp, 32 of which were health complaints cases (IHCA).

**Employment**

We received our first call-off under the DWP's Dynamic Purchasing System (DPS) for the Provision of Work Focused Activities across North London.

Whilst the DPS has replaced the previous Flexible Support Fund grants, many JCP offices have been unaware of the DPS framework and therefore increased promotion/engagement efforts on our part have been essential in order to secure associated funding in the future. JCP is working hard to educate and promote the framework internally and we have seen a steady increase in interest during the latter part of the year, particularly across South and West London. We are currently in early stage discussions with both, whilst at the same time fine-tuning our DPS offer to ensure the best chance of selection (through the internal DPS application process).

Pluss' secured the DWP's Work and Health Programme contract in the South of England. We are their preferred provider of services to Deaf people and are working closely with the Pluss team in order to ensure Deaf people are properly supported either via Pluss directly/VRS and/or through face:face specialist support. We are also part of their Expert Panel that will feed into the DWP; this is key in terms of providing a voice for Deaf people in relation to benefits and employment.

Our Deaf Achieve project has finished and we are currently finalising the external evaluation report which will provide valuable evidence-of-need. We were sadly unsuccessful in our application to Reaching Communities for further funding. Big Lottery has changed the Reaching Communities application process and also its priorities (x3). We are working with our previous Grants Officer in an effort to model a successful project that will attract funding later this year.

Our partnership with Sight for Surrey continues to develop. The team secured funding, directly from Sight for Surrey, to develop and deliver a pilot employability programme, for one year.

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After initial challenges our Building Better Opportunities programme continues to develop; supporting people who live in Essex and Stoke/Staffordshire into employment, in partnership with Ixion and Papworth. The team has worked tirelessly to understand and manage the excessive and convoluted European monitoring requirements associated with this funding, not helped by staffing changes at Ixion and Papworth.

**Interpreting and Communication Services**

2017/18 was a year of significant change for Communication Services. Our cessation of Access to Work (AtW) service delivery and resulting action in making the entire staff team of interpreters and one Booking Coordinator redundant concluded in late spring.

Our position was not unique and across the country the sector saw a number of agencies make similarly difficult decisions.

Morale of the remaining staff was badly affected, with the team needing time to recover, re-group and assimilate to a new business and service delivery model. This was achieved via open and honest management and within a healthy timescale, with the team moving to a more commercial approach and strategy to sales and service delivery.

The team works to and is monitored against Key Performance Indicators that focus on both financial and quality-based outcomes. These KPIs were discussed and created with input from all team members, with progress measured, reviewed and recorded in all supervisions.

In 2017/18 we provided communication services for 2326 bookings across a wide variety of community-based domains and, in addition to the income generating communication services, as part of our charitable services for Deaf people continued to provide interpreters for personal events such as funerals, without charge/ agency fee. This marks a decrease of 1144 income generating bookings in 2016/17; and is attributable to the loss of AtW income and staff interpreters, without whom there is less flexibility and ease with which to manage longer term bookings on certain contracts.

We were successful in our tender for the Central North West London (CNWL) NHS Foundation Trust, with delivery commencing at the end of 2017. Further, we received notice to extend our contracts in Kent and Camden – and the sale of our interpreting database to Deaf Action in Edinburgh.

Our growth and development in providing translation services continues to thrive and we are pleased to report continued success in this area of the business. With concerted marketing and promotion we are delivering this service across a wide variety of domains including local authorities and statutory services; and across a wider geographical spread (than Communication Services has traditionally worked in).



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Ensuring that the service is aware of and responsive to the needs of Deaf people and overlapping with the work of colleagues in Community Development, we have spent time promoting the service in Deaf Clubs via the Interpreting Roadshows. Further, in recognition of the work we do in liaising with the Deaf Community we were approached by the National Registers of Communication Professionals working with Deaf and Deafblind people (NRCPD) to support them reach the Community and educate and encourage more Deaf people to feel able to make complaints.

**Social Care/Community Support**

We have seen a 20% increase in CSS hours during 2017/18, compared to 2016/17; providing a total of 33,250 face to face hours.

Having experienced staffing challenges during 2017/18, specifically associated to sick pay and difficulties with recruitment (particularly in Surrey) we have made great progress towards achieving 100% of our contracted support hours. At the end of October 2017 the average support hours were 584 compared to a budgeted figure of 628. By 31 March 2018 this had increased to 616; 98% of budgeted support hours.

This has been helped by the introduction of a revised Sickness and Absence policy which has reduced absences and contributed to increased motivation levels amongst the team.

Our deregistration from CQC hasn't adversely affected referral levels, however it has inhibited application opportunities; most Local Authority CSS frameworks require CQC registration. Though this isn't a requirement where there are no regulated activities being conducted, commissioners are more frequently combining non-regulated and regulated activities into a single commission/framework which then eliminates non-registered providers. This is under constant review.

**Children, Family and Transition Services**

Through our Essex advocacy partnership, we have signed an MOU with Barnardo's and continue to explore opportunities to work together.

We undertook consultation, with 35 schools under our Money Mechanics project and identified 430 children/young people who could benefit from this programme. We have already engaged with 93 students, across 12 schools.

We completed consultation with 35 schools, under our Money Mechanics project and identified 430 children/young people who could benefit from this programme. We have already engaged with 93 students, across 12 schools; students, parents and teachers are extremely positive about the programme and the early results.

Our bespoke befriending and in-school support services are developing. Agreements already in place with Frank Barnes and Oak Lodge and we are in discussion with four additional schools.

**The Royal Association for Deaf people  
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**Report of the trustees**

**For the year ended 31 March 2018**

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Exec level discussions are underway with NDCS in relation to the development of a national young persons' careers advice service and joint family support services.

We secured £30k to deliver a healthy living project over three years in The London Borough of Croydon (LBC). This is focussed on families and will include a series of workshops/activities to improve health and wellbeing within the family. (Funded by LBC.)

Over 100 children (including sibling/family members) attended our annual Christmas party. Boots (the retailer) donated Christmas gifts (for the children) and the food for the event. We also carried out a fundraising event; raising money from shoppers pre-Christmas.

We recruited a Youth Mentor to work with our team under the current Talent Match (London) programme (London Youth partnership). She is focussing on outreach in an effort to engage hidden clients so that we can successfully achieve our project targets/outcomes.

Our befriending model continues to result in success; most recently in The London Borough of Waltham Forest. This service can be used on an individual basis where it is identified that a young person would benefit from a befriender. We continue to sell this service to local authorities for both adults and young people.

Two of our team are in the process of working towards their Professional Careers qualification (level 4). We are doing this in partnership with City Lit; who are funding the training. We are providing a one day/week careers advice service at the college where our staff are being well supported/mentored as they progress towards achieving their qualification.

Since the Intergr8 project ended we have developed and branded our own Intergr8 model; supporting children who are disengaged and/or at risk of exclusion (from school) to re-engage and achieve. This support is being purchased directly by schools.

We have also developed a befriending service model which has been purchased by The London Borough of Waltham Forest; 10 young people so far and we will continue to promote this service more widely now it has been tried and tested.

**Fundraising activity**

Fundraising activity during the year was undertaken without the use of a professional fundraiser. All fundraising was undertaken by RAD staff and we received no complaints about our fundraising activity during the year ended 31 March 2018.

## The Royal Association for Deaf people (and subsidiary undertakings)

### Report of the trustees

For the year ended 31 March 2018

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#### Plans for the future

The Trustees plan for the foreseeable future to continue the work in the operational areas with a view to creating a better, more accessible future together with Deaf people.

#### Reserves policy

The total reserves of the charitable group at 31 March 2018 were £6,411,628 (see the balance sheet on page 18). Included in **Total Reserves** were **Restricted Funds** of £126,109, which can only be spent in accordance with the wishes of the original funders and donors (see note 19 to the financial statements). The remaining unrestricted funds are also subject to designations as follows:

- As recognised by the Charity Commission's definition of free reserves an amount of £559,048 is set aside to represent the net book value of freehold property (**Tangible Fixed Assets**) essential for the running of key charity functions;
- Commitments made to local Deaf groups (**Restricted Funds**) totalling £18,426;
- Future spending commitments for specific projects made by the board of trustees totalling £730,905.

The remaining unrestricted funds amounted to £4,977,140 at 31 March 2018. The trustees recognise that £2m is currently required to support existing services which are not currently fully funded (**Designated Funds**). This is subject to a further funds designation leaving a balance of General Funds of £2,977,140.

The reserves policy of the Board of Trustees for the **General Fund** is, as far as prudently possible, to commit all the funds that are raised by the charity having regard to cover a normal level of working capital (the minimum level set for reserves). A working capital level allows the charity to meet its contractual obligations and respond to short-term financial challenges.

This policy was reviewed by the trustees in the year under review and the resultant policy was to set the minimum level for reserves at a figure approximately representing four months of future organisational expenditure equating to £1,041,480 [calculated as 2018/19 budgeted expenditure of £3,124,441 x 4/12].

The level of our current free reserves is therefore above our agreed minimum and we do not consider it to be excessive.

This policy will be reviewed again in 2019.

#### Investment policy and performance

The investment policy is determined by the Trustees, with the benefit of external advice, after considering income requirements, risk profile and stock market prospects in the short and medium term. Social, environmental or ethical considerations are not considered as a priority when the Trustees make investment decisions.

In view of the persisting low interest rates we continue to review our cash management policies on a regular basis to take advantage of the best rates offered by financial institutions. Some stocks which were inherited are being held until the price improves before disposal.



**The Royal Association for Deaf people  
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**Report of the trustees**

**For the year ended 31 March 2018**

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**Grant making policy**

From time to time, when resources and other commitments permit, the trustees make small grants (usually not more than £250) to groups of Deaf people to encourage and develop community activities.

**Risk management**

The trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that RAD faces
- The establishment of policies, systems and procedures to mitigate these risks. This includes the use of external expertise where appropriate

We continue to feel the effects of public expenditure controls. These are expected to intensify over the forthcoming years. Bearing these factors in mind the major risks facing RAD are as follows:

- a) Failure of all services to achieve budgeted income targets especially in a period of reduced and more tightly controlled public expenditure
- b) Failure to achieve legacy income targets
- c) Failure to reach fundraising targets

**Pay policy for senior staff**

Annual pay increases for all staff are agreed by the Trustees as part of the budget setting process for the following year. The salary of the Chief Executive is agreed by the Trustees. Any changes to salary levels of the Chief Executive over and above the annual agreed pay increase are agreed by the Trustees.

**Responsibilities of the trustees**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the trustees should follow best practice and:

- ☐ select suitable accounting policies and then apply them consistently
- ☐ make judgements and estimates that are reasonable and prudent
- ☐ observe the methods and principles of the Charities SORP
- ☐ state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

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**Report of the trustees**

**For the year ended 31 March 2018**

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- ☐ prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis

The trustees are responsible for keeping 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.

The trustees 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.

**The trustees**

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Thomas Mulloy  
Margaret Joachim  
Sarah Reed  
David Cattermole  
Shana Weinbaum

Patrick Sheill  
Toby Burton  
Eoin Heffernan (resigned 7 March 2018)  
Mark Napier

Five of the trustees listed above are Deaf

**Appointment of trustees**

Trustees are appointed for a three year term at an AGM and are allowed to stand for a second consecutive term (subject to invitation from the Chair). Trustees can stand subsequently for re-appointment but must leave the board for a period of one year. When new trustees are needed, members of the existing board are reviewed and any skills gap identified.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2018 was 9 (2017 - 11). The trustees have no beneficial interest in the charitable company.

**Statement of disclosure of information to auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements, as set out above, each confirm as far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware;
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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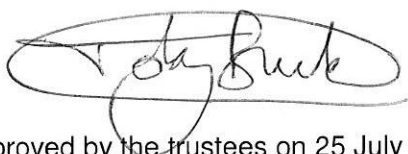
**Report of the trustees**

**For the year ended 31 March 2018**

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Whittles were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies exemption.

A handwritten signature in black ink, appearing to read 'Toby Burton', enclosed within a large, loopy oval shape.

Approved by the trustees on 25 July 2018 and signed on their behalf by

**Mr Toby Burton – Chairman**

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**Independent Auditor's report**

**For the year ended 31 March 2018**

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**Opinion**

We have audited the financial statements of The Royal Association for Deaf people (and subsidiary undertakings) (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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**Independent Auditor's report**

**For the year ended 31 March 2018**

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

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

**Michael Greene BSc FCCA (Senior Statutory Auditor)**  
**for and on behalf of Whittles**  
**Chartered Accountants**  
**Statutory Auditor**



25 July 2018

Whittle & Partners LLP  
The Old Exchange  
64 West Stockwell Street  
Colchester  
Essex  
CO1 1HE

Whittles is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

**The Royal Association for Deaf people  
(and subsidiary undertakings)**  
**Consolidated Statement of financial activities  
(incorporating an income and expenditure account)**  
**For the year ended 31 March 2018**

Income	Note	2018		2017		Total
		Restricted £	Unrestricted £	Restricted £	Unrestricted £	
Donations and legacies	2	-	224,468	224,468	-	497,112
Investment income	3	-	129,492	129,492	-	137,058
		-	353,960	353,960	-	634,170
<i>Income from charitable activities</i>						
Advice, advocacy, and employment	4	394,832	105,999	500,831	397,212	130,000
Community Support Services	4	10,000	887,476	897,476	-	825,635
Children, youth and families	4	166,951	22,208	189,159	85,512	22,394
Education and training	4	42,550	22,344	64,894	-	41,814
Interpreting fees	4	26,374	433,207	459,581	17,700	718,980
Other services	4	26,107	42,621	68,728	83,281	66,023
		666,814	1,513,855	2,180,669	583,705	1,804,846
<b>Other income</b>						
Gain on the disposal of fixed assets		-	-	-	-	-
<b>Total income</b>		666,814	1,867,815	2,534,629	583,705	2,439,016
<b>Expenditure</b>						
<i>Costs of raising funds</i>						
Fundraising		-	260,565	260,565	-	40,109
<i>Charitable expenditure</i>						
Deaf Centres and Community Development		21,129	136,105	157,234	6,290	173,867
Advice, advocacy, and employment		435,972	364,104	800,076	383,017	396,488
Community Support Services		10,000	1,035,683	1,045,683	3,432	1,021,362
Children, youth and families		174,184	56,193	230,377	72,444	96,412
Interpreting		26,374	589,248	615,622	17,700	978,395
Training and other services		26,107	6,931	33,038	57,773	14,033
		693,766	2,448,829	3,142,595	540,656	2,720,666
<b>Total expenditure</b>		693,766	2,448,829	3,142,595	540,656	3,261,322
<b>Net gains/(losses) on investments</b>	10	-	36,965	36,965	-	311,059
<b>Net income/(expenditure)</b>	6	(26,952)	(544,049)	(571,001)	43,049	29,409
<b>Transfers</b>		-	-	-	-	-
<b>Net movement in funds</b>		(26,952)	(544,049)	(571,001)	43,049	29,409
<b>Funds at 1 April 2017</b>		153,061	6,829,568	6,982,629	110,012	6,800,159
<b>Funds at 31 March 2018</b>		126,109	6,285,519	6,411,628	153,061	6,285,519

The company has not prepared a separate income and expenditure account. The deficit for the year was £571,001 (2017: £72,458 surplus)

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the financial statements.

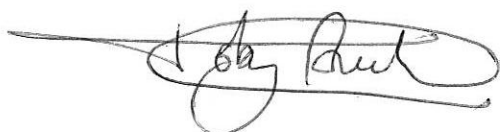
**The Royal Association for Deaf people (Limited by guarantee)**  
**(and subsidiary undertakings)**  
**Company number 3973353**

**Balance sheet**

**As at 31 March 2018**

		<b>Group</b>		<b>Company</b>	
		<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Note</b>		<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible Fixed assets	9	<b>559,048</b>	569,221	<b>559,048</b>	569,221
Investments	10	<b>57,163</b>	59,830	<b>57,166</b>	59,833
Fixed asset investment	10	<b>5,488,782</b>	6,122,940	<b>6,122,940</b>	6,122,940
		<b>6,104,993</b>	6,751,991	<b>6,739,154</b>	6,751,994
<b>Current assets</b>					
Debtors	12	<b>530,181</b>	480,054	<b>575,939</b>	487,517
Cash at bank and in hand		<b>45,223</b>	7,330	<b>389</b>	272
		<b>575,404</b>	487,384	<b>576,328</b>	487,789
<b>Creditors: amounts falling due within one year</b>					
	13	<b>268,769</b>	256,746	<b>268,769</b>	256,746
<b>Net current assets</b>					
		<b>306,635</b>	230,638	<b>307,559</b>	231,043
<b>Net assets</b>					
	15	<b>6,411,628</b>	6,982,629	<b>7,046,713</b>	6,983,037
<b>Funds</b>					
Restricted funds		<b>126,109</b>	153,061	<b>126,109</b>	153,061
Unrestricted funds					
Designated funds		<b>5,824,895</b>	6,077,044	<b>5,824,895</b>	6,077,044
General funds		<b>460,624</b>	752,524	<b>461,551</b>	752,932
		<b>6,285,519</b>	6,829,568	<b>6,286,446</b>	6,829,976
<b>Total funds</b>					
	19	<b>6,411,628</b>	6,982,629	<b>6,412,555</b>	6,983,037

The approved statements on pages 17 to 33 were approved and authorised for issue by the trustees on 25 July 2018 and signed on their behalf by:



Mr Toby Burton - Chairman



**The Royal Association for Deaf people  
(and subsidiary undertakings)**

**Statement of Cash Flows**

**For the year ended 31 March 2018**

	2018		2017
	£	£	£
<b>Cash used in operating activities</b>		(731,655)	342,641
<b>Cashflows from investing activities</b>			
Interest received	108,644		115,521
Investment proceeds on disposal	-		-
Dividends received	343		245
Acquisition of tangible fixed assets	(13,229)		(3,246)
Sale of tangible fixed assets	-		-
<b>Cash provided by investing activities</b>		95,758	112,520
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<u>(635,897)</u>	<u>455,161</u>

**Notes to the cashflow statement**

**1. Reconciliation of net income to net cash flow from operating activities**

	2018	2017
	£	£
<b>Net income/(expenditure) for the year</b>	(571,001)	72,458
Interest received	(108,644)	(115,521)
Dividends received	(343)	(245)
Loss/(profit) on sale of tangible fixed assets	-	-
Loss/(gain) on investments	(36,965)	(311,059)
(Increase)/decrease in debtors	(50,127)	658,788
Increase/(decrease) in creditors	12,022	17,449
Depreciation and amortisation of goodwill	23,403	20,771
Rounding	-	-
<b>Net cash flow from operating activities</b>	<u>(731,655)</u>	<u>342,641</u>

**2. Analysis of changes in cash and current asset investment during the year**

	March 2016	Cashflow	At 31 March 2017	Cashflow	At 31 March 2018
	£	£	£	£	£
Cash at bank and in hand	123,260	(115,930)	7,330	37,893	45,223
Fixed asset cash investments (cost)	<u>5,281,278</u>	<u>571,091</u>	<u>5,852,369</u>	<u>(673,790)</u>	<u>5,178,579</u>
	<u>5,404,538</u>	<u>455,161</u>	<u>5,859,699</u>	<u>(635,897)</u>	<u>5,223,802</u>



**The Royal Association for Deaf people  
(and subsidiary undertakings)**

**Notes to the financial statements**

**For the year ended 31 March 2018**

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**1. Accounting policies**

**Charity information**

The Royal Association for Deaf people is a private company limited by guarantee incorporated in England and Wales. The registered office and principal place of business is Century House South, Riverside Office Centre, North Station Road, Colchester, Essex, CO1 1RE.

- a) These financial statements have been prepared in accordance with 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) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Companies Act 2006.

The Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are prepared in sterling, which is the functional currency of the entity.

- b) At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.
- c) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.
- d) Grants are recognised in full in the statement of financial activities in the year in which they are receivable, unless these relate to a specific future period in which case they are deferred.
- e) Legacy income is recognised when entitlement to the income is probable. Receipt of legacy income, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.
- f) Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

Redundancy costs are charged to the income statement in the year in which an irrevocable commitment is made to incur the costs.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the direct cost of the activity.

Other expenditure represents those items not falling into any other heading.

- g) Freehold properties other than investment properties are shown at trustees' valuation made in 1952 together with the cost of subsequent additions. Fixed assets (other than freehold properties) are stated at historical cost less aggregate depreciation.

**The Royal Association for Deaf people  
(and subsidiary undertakings)**

**Notes to the financial statements**

**For the year ended 31 March 2018**

---

**1. Accounting policies (continued)**

- h) Depreciation is provided at rates calculated to write off the cost (or valuation) of each asset over its expected useful life. The depreciation rates in use are as follows:

Freehold property	2% straight line basis (excluding land)
Leasehold property	Evenly over the shorter of the outstanding portion of the lease or 50 years
Furniture fittings and equipment	20% straight line basis
Computer and office equipment	33% straight line basis

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

- i) Investment properties are stated at market value based on the trustees' valuation. This is based on annual rental income over a 10 year period. It is the Association's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising.
- j) Listed and current asset investments are stated at market value at the balance sheet date. The gain or loss for the period is taken to the statement of financial activities.
- k) Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.
- l) Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes, deferred income and provisions.
- m) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and administration costs.
- n) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- o) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- p) The costs of generating funds relate to the costs incurred by the charitable company in raising funds for the charitable work.
- q) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.
- r) The Association has a group personal pension plan that is available to all employees. During the year the association also participated in a multi-employer money purchase pension scheme. Contributions to this scheme ceased during the year with no active members remaining in the scheme. Defined contributions are paid into the scheme on a monthly basis. All pension costs are charged to the statement of financial activities as incurred.

In accordance with FRS 102 the Association accounts for pension costs on the basis of contributions to the Scheme in the year.

**The Royal Association for Deaf people  
(and subsidiary undertakings)**

**Notes to the financial statements**

**For the year ended 31 March 2018**

**2. Donations and legacies**

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Legacies	-	191,941	<b>191,941</b>	460,310
Donations, appeals, gifts and collections	-	32,527	<b>32,527</b>	36,802
<b>Total</b>	<b>-</b>	<b>224,468</b>	<b>224,468</b>	<b>497,112</b>

**3. Investment income**

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
Dividends	-	343	<b>343</b>	245
Bank deposit interest	-	108,644	<b>108,644</b>	115,521
Rental income	-	20,505	<b>20,505</b>	21,292
<b>Total</b>	<b>-</b>	<b>129,492</b>	<b>129,492</b>	<b>137,058</b>

**4. Income from Charitable activities**

	Restricted £	Unrestricted £	2018 Total £	2017 Total £
<b>Grants and contract income - Advice advocacy, and employment</b>				
Local Authority Agency Grants	105,058	2,946	<b>108,004</b>	114,649
Local Education and Health	-	-	<b>-</b>	11,473
Big Lottery/European Social Fund	49,271	-	<b>49,271</b>	-
Integr8	-	-	<b>-</b>	802
City Lit London	15,455	-	<b>15,455</b>	-
HMRC	23,605	-	<b>23,605</b>	27,653
MOPAC	7,470	-	<b>7,470</b>	29,875
Hearability Sensory grant	49,655	-	<b>49,655</b>	49,981
DWP - employment work and assessments	-	30,425	<b>30,425</b>	36,823
<b>Total - Statutory Sources</b>	<b>250,514</b>	<b>33,371</b>	<b>283,885</b>	<b>271,256</b>
Big Lottery - Talent Match	39,080	-	<b>39,080</b>	39,770
Big Lottery - Deaf Achieve	105,238	-	<b>105,238</b>	137,348
Other incoming resources	-	72,628	<b>72,628</b>	78,838
<b>Total</b>	<b>394,832</b>	<b>105,999</b>	<b>500,831</b>	<b>527,212</b>

**The Royal Association for Deaf people  
(and subsidiary undertakings)**

**Notes to the financial statements**

**For the year ended 31 March 2018**

**4. Income from Charitable activities (continued)**

	Restricted	Unrestricted	2018 Total	2017 Total
	£	£	£	£
<b>Grants and contract income - Community Support Services</b>				
Local Authority Agency Grants	-	7,162	<b>7,162</b>	33,957
Awards for all	10,000	-	<b>10,000</b>	-
Total - Statutory Sources	10,000	7,162	<b>17,162</b>	33,957
Other incoming resources	-	880,314	<b>880,314</b>	791,678
	10,000	887,476	<b>897,476</b>	825,635
<b>Grants and contract income - Children, youth and families</b>				
Local Authority Agency Grants	5,713	-	<b>5,713</b>	-
Essex County Council/Action for				
Children short breaks 12-18	7,708	-	<b>7,708</b>	18,373
Trust Funding	3,000	-	<b>3,000</b>	3,000
Befriending funding	27,138	-	<b>27,138</b>	36,983
Frank Barnes	13,712	-	<b>13,712</b>	11,117
Postcode Lottery	82,063	-	<b>82,063</b>	-
IWill/Deaf Inspired	14,965	-	<b>14,965</b>	-
Sight for Surrey	2,471	-	<b>2,471</b>	-
Essex County Council/Action for				
Children short breaks 6-11	10,181	-	<b>10,181</b>	16,039
Total - Statutory Sources	166,951	-	<b>166,951</b>	85,512
Other incoming resources	-	22,208	<b>22,208</b>	22,394
	166,951	22,208	<b>189,159</b>	107,906
<b>Contract income - Education and training</b>				
Heritage Lottery Fund	42,550	-	<b>42,550</b>	-
Other incoming resources	-	22,344	<b>22,344</b>	41,814
	42,550	22,344	<b>64,894</b>	41,814
<b>Income - Interpreting</b>				
Income - Statutory Sources - HMRC	26,374	-	<b>26,374</b>	17,700
Other incoming resources	-	433,207	<b>433,207</b>	718,980
	26,374	433,207	<b>459,581</b>	736,680
<b>Income - Other services</b>				
Provision of back office support to				
other deaf organisations	-	32,541	<b>32,541</b>	59,795
HMRC	26,107	-	<b>26,107</b>	37,609
Big Potential	-	-	-	45,672
Other income	-	10,080	<b>10,080</b>	6,228
	26,107	42,621	<b>68,728</b>	149,304

Unsolicited unrestricted grants are treated as donations. Restricted grants, above, are for activities in furtherance of the charity's objects.

The Royal Association for Deaf people  
(and subsidiary undertakings)

Notes to the financial statements

For the year ended 31 March 2018

5. Expenditure on Charitable activities

	Fundraising	Deaf Centres and Community Development	Advice Service	Community Support services	Children youth and families	Training and other Services	Interpreting	Support costs apportioned	Total 2018	2017
	£	£	£	£	£	£	£	£	£	£
Staff costs (note 7)	138,515	40,887	498,075	707,866	124,154	-	445,499	478,652	2,433,648	2,500,679
Caretaking and cleaning	-	3,921	25	-	-	-	-	3,922	7,868	8,842
Rent, rates, heating, lighting	-	2,865	14,291	11,641	2,476	-	352	62,468	94,093	103,606
Depreciation and amortisation	-	23,403	-	-	-	-	-	-	23,403	20,771
Repairs, maintenance, insurance	-	12,767	252	242	-	-	-	15,824	29,085	33,209
Postage and telephones	1,302	759	9,833	12,671	2,074	-	7,207	13,623	47,469	48,516
Printing and stationery	331	116	1,297	1,175	474	-	291	5,930	9,614	13,027
Transport and subsistence	2,452	3,614	29,186	60,612	4,428	-	5,128	12,513	117,933	166,357
Professional fees	-	1,039	1,980	-	-	-	953	33,316	37,288	29,660
Fundraising and publicity direct costs	33,861	-	-	-	-	-	-	-	33,861	32,563
Fundraising database purchase	13,414	-	-	-	-	-	-	-	13,414	15,639
University of Manchester research project	-	-	-	-	-	-	-	-	-	-
Governance review	-	8,524	-	-	-	-	-	-	8,524	-
Expenditure from Future Development fund	-	19,386	-	-	-	-	-	-	19,386	30,192
Ideathon and preparation of business cases	-	-	-	-	-	-	-	-	-	15,039
Outsourced IT support and expenditure	-	-	-	-	-	-	-	-	-	-
Office equipment, repairs, maintenance and hire	2,486	1,708	3,510	21,338	1,297	-	7,707	96,958	96,958	92,328
General expenses	206	4,827	16,859	2,015	9,349	-	5,336	1,178	39,224	26,211
Payments to partner organisations	-	-	45,255	-	27,406	-	-	18,991	57,583	81,056
Apportionment of shared premises and office costs	13,334	432	11,666	8,750	10,388	-	14,000	(57,986)	72,661	43,108
Allocation of support costs relating to restricted funds	-	-	-	-	-	-	-	(26,107)	584	519
Total direct costs	205,901	124,248	632,229	826,310	182,046	26,107	486,473	659,282	3,142,596	3,261,322
Support costs apportioned based on direct costs	54,664	32,986	167,847	219,373	48,331	6,931	129,149	(659,281)	-	-
	260,565	157,234	800,076	1,045,683	230,377	33,038	615,622	1	3,142,596	3,261,322

**The Royal Association for Deaf people  
(and subsidiary undertakings)**

**Notes to the financial statements**

**For the year ended 31 March 2018**

**6. Net incoming resources for the year**

This is stated after charging :

	<b>2018</b>	2017
	<b>£</b>	£
Depreciation	<b>23,403</b>	20,771
Trustees' remuneration	<b>Nil</b>	Nil
Trustees' reimbursed expenses	<b>281</b>	183
Auditors' remuneration:		
▪ Audit fee current year	<b>9,000</b>	9,594
▪ Audit fee prior year over accrued	<b>(406)</b>	-
▪ Non-audit services	<b>-</b>	-
Operating lease rentals:		
▪ Property	<b>34,419</b>	37,371
▪ Other	<b>-</b>	-
	<b><u>23,403</u></b>	<u>20,771</u>

Expenses reimbursed to trustees represent the reimbursement of travel and subsistence costs to 3 (2017-3) trustees relating to attendance at trustee meetings. These expenses, are subject to the charity's processes of internal controls.

As in previous years, all the trustees worked honorarily for the Association and accordingly received no remuneration for their services. No directors were paid for other paid work during the year (2017 £nil).

**7. Staff costs and numbers**

Staff costs were as follows:

	<b>2018</b>	2017
	<b>£</b>	£
Salaries and wages	<b>1,814,278</b>	1,876,973
Social security costs	<b>142,749</b>	147,676
Pension contributions	<b>100,243</b>	130,074
	<b><u>2,057,270</u></b>	<u>2,154,723</u>
Freelance, temp and agency staff, training and recruitment	<b>376,378</b>	345,956
	<b><u>2,433,648</u></b>	<u>2,500,679</u>

The following number of employees earned in excess of £60,000 (including pension contributions)

£60,000 - £70,000      2      (2017 £60,000 - £70,000      2)

The key management personnel of the Company and its subsidiaries are the Chief Executive, the Director of Services, the Director of Communication and Community Development and the Director of Finance and Administration whose employee benefits total £288,807

**The Royal Association for Deaf people  
(and subsidiary undertakings)**

**Notes to the financial statements**

**For the year ended 31 March 2018**

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**7. Staff costs and numbers (continued)**

The average weekly number of employees (full-time equivalent) during the year was as follows:

	<b>2018 No.</b>	<b>2017 No.</b>
Deaf Centres and Community Development	<b>1</b>	1
Advice, advocacy and employment	<b>11</b>	12
Children, Youth and Families	<b>8</b>	8
Community Support Services	<b>34</b>	36
Interpreting	<b>3</b>	10
Governance	<b>1</b>	1
Fundraising and Publicity	<b>4</b>	2
	<b><u>62</u></b>	<b><u>70</u></b>

At 31 March 2018 there were 102 individuals (2017: 97 employed on a full and part-time basis).

**8. Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The Royal Association for Deaf people  
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Notes to the financial statements

For the period ended 31 March 2018

9. Tangible fixed assets

	Freehold properties* £	Furniture, fittings, plant and equipment £	Totals £
<b>COST</b>			
At 1 April 2017	612,712	174,643	787,355
Additions in year	-	13,229	13,229
Disposals in year	-	-	-
At 31 March 2018	612,712	187,872	800,584
<b>DEPRECIATION</b>			
At 1 April 2017	58,454	159,680	218,134
Depreciation on disposals	-	-	-
Charge for the year	4,029	19,373	23,402
At 31 March 2018	62,483	179,053	241,536
<b>NET BOOK VALUE</b>			
At 31 March 2018	550,229	8,819	559,048
At 31 March 2017	554,258	14,963	569,221

All property and equipment are held in furtherance of the Association's charitable objectives.

\* Freehold properties are shown at trustees' valuation made in 1952 together with the cost of subsequent additions.

The Charity's Freehold Properties are mainly used for charitable purposes and therefore no valuation has been carried out.

The Green Lanes property which is included within Freehold Properties was seriously damaged by fire; it has not been written off as its net book value is lower than any proceeds which would be received from its sale.



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**Notes to the financial statements**

**For the year ended 31 March 2018**

**10. Fixed asset investments**

	2018	2017
	£	£
a) Investment in subsidiary undertakings	<u>3</u>	<u>3</u>

At 31 March 2018 the Association owned 100% of the share capital (2 x £1 ordinary shares) of tRADe Limited (company number 2693994) which was established to undertake the commercial activities of the Association. At 31st March 2018 the aggregate of the share capital and reserves of tRADe Limited was £(781) (2017 £(263)), turnover of £32,540 (2017 59,795), administrative expenses of £33,059 (2017 £59,720), the deficit for the year then ended was £519 (2017 £75 surplus).

At 31 March 2018 the Association owned 100% of the share capital (1 x £1 ordinary shares) of RAD Deaf Legal Enterprise Community Interest Company (company number 8203500) which was formed to establish a legal service for Deaf people. At 31st March 2018 the aggregate of the share capital and reserves of RAD Deaf Legal Enterprises CIC was £(145) (2017 £145) and the deficit for the year then ended was £nil (2017 £nil). The company was dormant throughout the year.

b) Listed investments:	£	
At 1 April 2017	59,830	
Investment proceeds on disposal	-	
Net unrealised gain/(loss) for the year	<u>(2,667)</u>	
At 31 March 2018	<u>57,163</u>	
Historical cost at 31 March 2018	<u>12,580</u>	
Net unrealised investment gains	<u>44,583</u>	
This is represented by:	£	
Sainsbury PLC (formerly Home Retail Group ordinary shares)	1,977	
Experian Group ordinary shares	39,668	
Burberry Group ordinary shares	15,518	
	<u>57,163</u>	57,163

c) Unlisted Investments		
DNUK Limited - historical cost at 1 April 2017	10,000	
Unrealised loss recognised in previous year	<u>(10,000)</u>	
	<u>-</u>	<u>57,166</u>

During 2011/12, the trustees agreed to invest £10,000 in DNUK Limited, a company established to co-ordinate the implementation of Video Relay Service for the member Deaf organisations. £5,000 had been invested at 31 March 2012 with a further £5,000 investment made in April 2012. During the year to 31 March 2014, the trustees decided to write down the carrying value of these shares to nil due to uncertainty of any future returns.

d) Other Investments	2018	2017
	£	£
COIF Charities Investment Fund	2,500,000	2,000,000
Unrealised Gain/(Loss) on COIF Investment Fund	<u>310,203</u>	<u>270,571</u>
	<u>2,810,203</u>	<u>2,270,571</u>
Fixed asset cash investments	<u>2,678,579</u>	<u>3,852,369</u>
	<u>5,488,782</u>	<u>6,122,940</u>

**The Royal Association for Deaf people  
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**Notes to the financial statements**

**For the year ended 31 March 2018**

<b>11. Financial instruments</b>	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	<u>245,046</u>	<u>294,200</u>	<u>290,804</u>	<u>301,663</u>
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	<u>190,868</u>	<u>196,568</u>	<u>190,868</u>	<u>196,568</u>

<b>12. Debtors</b>	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	241,796	290,435	240,046	283,388
Other debtors	3,250	3,765	3,250	3,765
tRADe Limited	-	-	47,364	14,366
RAD Deaf Legal Enterprises CIC	-	-	144	144
Prepayments and accrued income	<u>285,135</u>	<u>185,854</u>	<u>285,135</u>	<u>185,854</u>
	<u>530,181</u>	<u>480,054</u>	<u>575,939</u>	<u>487,517</u>

<b>13. Creditors: amounts falling due within one year</b>	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	79,137	52,435	79,137	52,435
Taxation and social security	35,427	36,021	35,427	36,021
Accruals	83,799	114,385	83,799	114,385
Deferred income (see note 14)	42,474	24,157	42,474	24,157
Other creditors	<u>27,932</u>	<u>29,748</u>	<u>27,932</u>	<u>29,748</u>
	<u>268,769</u>	<u>256,746</u>	<u>268,769</u>	<u>256,746</u>

**14. Deferred Income**

Deferred income comprises income received or invoiced in advance of work carried out

	<b>2018</b>
	<b>£</b>
Balance as at 1 April 2017	24,157
Amount released to incoming resources	(10,352)
Amount deferred in year	<u>28,669</u>
<b>Balance as at 31 March 2018</b>	<b><u>42,474</u></b>

**15. Analysis of net assets between funds**

	<b>Restricted funds</b>	<b>Designated funds</b>	<b>General funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	-	559,048	-	<b>559,048</b>
Long term investments	-	-	57,163	<b>57,163</b>
Fixed asset investments	126,109	5,265,847	96,826	<b>5,488,782</b>
Cash	-	-	45,223	<b>45,223</b>
Net debtors less creditors	-	-	261,412	<b>261,412</b>
<b>Net assets at 31 March 2018</b>	<b><u>126,109</u></b>	<b><u>5,824,895</u></b>	<b><u>460,624</u></b>	<b><u>6,411,628</u></b>

**The Royal Association for Deaf people  
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**Notes to the financial statements**

**For the year ended 31 March 2018**

**16 Retirement benefit contributions**

The charge to profit or loss in respect of defined contribution schemes was £100,243 (£130,074).

**17. Related Party Transactions**

The group has taken advantage of the exemption that transactions entered into between two or more members of a group, do not need to be disclosed, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

During the year ended 31 March 2012, the Charity's Chief Executive became a Director (as The Charity's representative) of Deaf Network UK Limited, a company in which the charity has invested. The Chief Executive left the company in November 2017

**18. Operating lease commitments**

The charitable company had annual commitments under operating leases expiring as follows:

Leasee:	Property		Equipment	
	2018 £	2017 £	2018 £	2017 £
1 year	33,020	43,392	-	-
2-5 years	65,000	115,728	-	-
over 5 years	-	-	-	-
	<u>98,020</u>	<u>159,120</u>	<u>-</u>	<u>-</u>
Lessor:	Property		Equipment	
	2018 £	2017 £	2018 £	2017 £
1 year	15,434	15,000	-	-
2-5 years	38,063	53,063	-	-
over 5 years	-	-	-	-
	<u>53,497</u>	<u>68,063</u>	<u>-</u>	<u>-</u>

**19. Movements in funds**

	At 1 April 2017 £	Incoming resources £	Outgoing resources £	Transfers & Investment Gains £	At 31 March 2018 £
<b>Restricted funds:</b>					
London Borough of Lambeth	-	9,222	(9,222)	-	-
Croydon Community Fund	-	5,713	(4,922)	-	791
London Borough of Camden	11,090	13,000	(24,090)	-	-
Southend Borough Council	-	10,000	(10,000)	-	-
London Borough of Brent	-	8,684	(8,684)	-	-
Croydon CAB	-	1,582	(1,582)	-	-
Peterborough CAB	-	4,800	(4,800)	-	-
Royal Borough of Kensington and Chelsea	-	6,800	(6,800)	-	-
Essex County Council/Action for Children Short Breaks 12-18	-	7,708	(7,708)	-	-
Essex County Council - Sensory grants	9,219	37,325	(37,213)	-	9,331
Essex County Council/Action for Children Short Breaks 6-11	-	10,181	(10,181)	-	-
Plymouth advocacy	2,099	13,646	(12,596)	-	3,149
Befriending funding	13,968	27,138	(41,106)	-	-
Frank Barnes	3,025	13,712	(13,179)	-	3,558
MOPAC Victims Fund grant	2,490	7,470	(9,960)	-	-
HMRC	-	76,086	(76,086)	-	-
Hearability Sensory Grant	12,495	49,655	(49,736)	-	12,414
Big Lottery - Talent Match	2,769	39,080	(41,849)	-	-
<b>Total restricted funds carried forward</b>	<b>57,155</b>	<b>341,802</b>	<b>(369,714)</b>	<b>-</b>	<b>29,243</b>

**The Royal Association for Deaf people  
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**Notes to the financial statements**

**For the year ended 31 March 2018**

**19. Movements in funds (continued)**

	At 1 April 2017 £	Incoming resources £	Outgoing resources £	Transfers & Investment Gains £	At 31 March 2018 £
<b>Total restricted funds brought forward</b>	<b>57,155</b>	<b>341,802</b>	<b>(369,714)</b>	<b>-</b>	<b>29,243</b>
Big Lottery - Deaf Achieve	34,100	105,238	(137,495)	-	1,843
Big Potential	25,507	-	-	-	25,507
The Drapers Company	2,591	-	-	-	2,591
BBC Children in Need	5,457	-	(5,457)	-	-
City Lit London	-	15,455	(15,455)	-	-
Big Lottery/European Social fund	-	49,271	(45,655)	-	3,616
Postcode Lottery	-	82,063	(72,583)	-	9,480
iWILL/Deaf Inspired	-	14,965	(10,808)	-	4,157
Sight for Surrey	-	2,471	(2,471)	-	-
Heritage Lottery Fund	-	42,550	(21,122)	-	21,428
Colchester Building Fund	7	-	(7)	-	-
Trust funding Children and Family Awards for all	1,500	3,000	(3,000)	-	1,500
John Came Charity	5,447	10,000	(10,000)	-	5,447
Catalyst Respite	289	-	-	-	289
Holiday Fund	326	-	-	-	326
Catalyst Equipment Pool Fund	332	-	-	-	332
Legal Advice Interpreting	3,140	-	-	-	3,140
Mid Surrey Valuing People Projects	1,192	-	-	-	1,192
London Client Holiday	5,300	-	-	-	5,300
Surrey Client Holiday	783	-	-	-	783
Southend IT training project	1,000	-	-	-	1,000
Clapham Modification fees	8,935	-	-	-	8,935
<b>Total restricted funds carried forward</b>	<b>153,061</b>	<b>666,815</b>	<b>(693,767)</b>	<b>-</b>	<b>126,109</b>
<b>Unrestricted funds:</b>					
<i>Designated funds:</i>					
Property and Equipment Fund	569,221	-	(4,406)	(5,767)	559,048
Property Refurbishment Fund	17,140	-	(6,542)	-	10,598
RAD IT Infrastructure	9,411	-	(18,997)	19,448	9,862
Interpreting database and processing software	4,448	-	-	(4,448)	-
Future development fund	4,525,040	-	(8,524)	-	4,516,516
Fundraising, PR & Marketing development fund	912,917	-	(202,472)	-	710,445
Colchester and North Essex fund	11,250	-	(1,055)	-	10,195
Deaf club relocation fund	27,617	-	(19,386)	-	8,231
<i>Total designated funds</i>	<i>6,077,044</i>	<i>-</i>	<i>(261,382)</i>	<i>9,233</i>	<i>5,824,895</i>
<b>General funds</b>	<b>752,524</b>	<b>1,904,780</b>	<b>(2,187,447)</b>	<b>(9,233)</b>	<b>460,624</b>
<b>Total unrestricted funds</b>	<b>6,829,568</b>	<b>1,904,780</b>	<b>(2,448,829)</b>	<b>-</b>	<b>6,285,519</b>
<b>Total funds</b>	<b>6,982,629</b>	<b>2,571,595</b>	<b>(3,142,596)</b>	<b>-</b>	<b>6,411,628</b>

**The Royal Association for Deaf people  
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**Notes to the financial statements**

**For the year ended 31 March 2018**

**19. Movements in funds (continued)**

**Purposes of restricted funds**

The London Borough of Lambeth, London Borough of Camden, Royal Borough of Kensington and Chelsea, Essex County Council, Croydon CAB, Peterborough CAB, London Borough of Brent, and Southend Borough Council provide for an information and advice service to Deaf people in the respective boroughs.

Essex County Council provides short breaks funding through Action for Children

Plymouth advocacy provides for the delivery of advocacy services in the Plymouth area.

HMRC funding provides accessible information, advice and video interpreting, which enables Deaf people to understand and manage their tax and tax credits.

Befriending funding is provided by various local authorities to provide befriending support to adults and young people.

Frank Barnes provides funding to support families and to be provide liaison work with the school

MOPAC victims fund grant provides funds to work with victims of Hate crime. This funding ended early in 2017/18.

Hearability Sensory Grant provides funding for three organisations to provide sensory support. RAD provide management support for this contract to their partner organisations

The Big Lottery Fund provided funds to deliver the Talent Match programme to help young people in 11 boroughs into careers.

The Big Lottery fund - Deaf Achieve is a Reaching Communities project to work with isolated Deaf people in London and Essex, helping them into learning, volunteering and work opportunities.

Funding was received from the Drapers Company towards a project for IT training for Deaf elderly people. Some expenditure on equipment was made during the year and this will be followed with training next year.

BBC Children in Need made a grant towards helping deaf children in Essex attend mainstream social and leisure activities, plus "taster" sessions and family events.

City Lit London provided funding for both an Information, advice and guidance service for Deaf students and careers for Deaf people.

Big Lottery/European Social Fund provides funding for the Building Better Opportunities project where RAD worked in partnership with the Papworth Trust in Essex and Ixion in Essex and Stoke and Staffordshire. The project supports those furthest from the workplace to gain skills and employment.

IWILL, funded by London Community Foundation and /Deaf Inspired, funded by the Diana Tinson Fund (via Essex Community Foundation, provided funding to train deaf people as mentors for younger Deaf people in London and Essex respectively.

Sight for Surrey funded the project "Job Sense - Work My Way" which provides workshops and employability support for Deaf people in Surrey.

Heritage Lottery fund provides funding for the "Deaf Detective" project. This project supports Deaf people to research Deaf history and present it in a multi-media format.

The Scouloudi foundation provides funding to support the activities of the Children, Family and Transition team.

The holiday fund is to be used in the following way:

- (a) one part of the maintenance of the fabric of St Francis Church & Institute at Redhill.
- (b) one part distributed in gifts of £10 to deserving old age Deaf pensioners of Redhill.
- (c) the remaining third for providing holidays to Deafblind of Redhill district.

John Came Charity represents donations to selected Deaf people.

The Catalyst Respite fund is for the provision of respite for carers in North East Essex.

The Colchester Fund represents donations used to provide meeting facilities for Colchester Deaf Club.

The Catalyst Equipment Pool represents funds to maintain a pool of equipment available to anyone in North East Essex to borrow free of charge.

Legal Advice Interpreting provides funds to cover interpreting for advice clients receiving legal advice

Mid Surrey Valuing People Projects is funding for several projects run for Surrey County Council

**The Royal Association for Deaf people  
(and subsidiary undertakings)**

**Notes to the financial statements**

**For the year ended 31 March 2018**

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**19. Movements in funds (continued)**

**Purposes of restricted funds**

London Client Holiday is a fund to provide communication support to Learning Disability clients in the London area for holidays and outings

Surrey Client Holiday is a fund to provide communication support to Learning Disability clients in the Surrey area for holidays and outings

The Southend IT training project is a grant received from The Rosca Trust towards an IT training project for elderly Deaf people.

Clapham Modification fees relates to donations given for the provision of premises for the Deaf clubs meeting at St Bede's.

**Designated funds**

The property and equipment fund represents the net book value of tangible fixed assets, less those financed by restricted funds.

Property Refurbishment Fund includes funds set aside towards the estimated cost of property maintenance and refurbishment required over the next few years.

Investment Property Fund represents the balance sheet value of Investment Properties.

RAD IT Infrastructure and Interpreting database and processing software represents funds set aside to upgrade the Associations infrastructure, notably in relation to IT upgrades. The trustees set aside a further £15,000 during the year for future IT infrastructure upgrades.

Future development fund represents the profit on the sale of the organisations property. These proceeds are to be ring-fenced for the future development of services.

Fundraising PR & Marketing represents funds designated from the Future Development fund to staff a team for a three year period to grow the RAD's fundraising activity with a view to increasing unrestricted reserves. This is an essential part of the organisation's five year breakeven plan.

Colchester and North Essex fund represents funds set aside from the sale of the Colchester centre to provide support to Deaf organisations in Colchester and North Essex.

General funds include funds held as part of the reserves policy of 4 months.