

REGISTERED COMPANY NUMBER: 2692718
REGISTERED CHARITY NUMBER: 1015937

Report of the Trustees and
Financial Statements For The Year Ended 31 March 2012
for
The Gloucestershire Deaf Association

Kingscott Dix Limited
Chartered Accountants
and Registered Auditors
60 Kings Walk
Gloucester
GL1 1LA

The Gloucestershire Deaf Association

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For The Year Ended 31 March 2012

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The Gloucestershire Deaf Association

Report of the Trustees **For The Year Ended 31 March 2012**

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 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

2692718

Registered Charity number

1015937

Registered office

Centre for Deaf People
Colin Road
Barnwood
Gloucester
GL4 3JN

Trustees

T Randle	- appointed 14.5.12
Mrs M Westgate	- resigned 22.9.11
Mrs L Jones	- resigned 10.10.11
Mrs R Morgan	- resigned 1.11.11
M Underwood	- resigned 10.10.11
P Bryan	
C Averiss	
M Boon	- resigned 18.10.11
JP Davies	
Miss S Hawkins	- resigned 8.9.11
Mrs H J Gloyn	
M Law	- appointed 23.5.11
S.J. Yorke	- appointed 23.5.11
K Aiken	- appointed 14.5.12

Company Secretary

Mrs J Hopkins

Auditors

Kingscott Dix Limited
Chartered Accountants
and Registered Auditors
60 Kings Walk
Gloucester
GL1 1LA

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Gloucestershire Deaf Association as a company Limited by guarantee and therefore does not have a share capital. It is governed by its Memorandum and Articles of Association dated 2 March 1992. It is registered with the Charity Commission. The liability of each member is limited to their guaranteed amount of £1.

Recruitment and appointment of new trustees

The only members of the company during the year were the directors who were also the Council of Management. The number of members is unlimited and any person proposed and seconded by the Council of Management may become a member.

Induction and training of new trustees

New trustees attend an induction day when they are familiarised with the Charity's organisational structure. Their legal obligations under Charity and Company Law, as well as the Memorandum and articles of Association are explained. This is also an opportunity to meet key employees and other trustees.

The Gloucestershire Deaf Association

Report of the Trustees For The Year Ended 31 March 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Board of Trustees (also called the Council of Management) is responsible for the overall running of the charity. To ensure the effective operation of the charity, the Board has established an Operations Committee which meets approximately 10 times a year. The Operations Committee acts as both an advisory committee to the Board, as well as having Board-approved delegated powers to oversee the running of the charity. This Committee consists of the Chair of the Board, the Vice-Chair of the Board, who is Chair of the Operations Committee, and Trustees with responsibilities for buildings, finance and personnel. The Treasurer and Company Secretary attend the meeting in an advisory capacity.

Risk management

The trustees are aware of their exposure to risks associated with their position. Every effort is made to minimise possible risks through careful organisation and planning.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The principle activity of the charity in the year under review was that of supporting deaf and hard of hearing people within the county of Gloucestershire. This is achieved through the provision of social, spiritual, practical, and advisory assistance, to enable the hearing impaired or those with a mix of hearing and sight impairment, to lead more independent lives within the wider community.

Existing and future services rely on funding from Gloucestershire County Council and other awarding bodies, as well as from private sources including legacies, donations and fundraising events. Following a significant drop in public sector funding for the Third Sector, as well as reduced availability of grants, the charity has introduced charges on some of its hard of hearing work.

Most of the charity's resources are aimed at reaching out into the community to provide assistance to older people in their homes who have acquired hearing loss, as well as providing much needed interpreting skills for the deaf who use British Sign Language.

The work of the Association involves the use of unpaid volunteers for some aspects of its work.

ACHIEVEMENT AND PERFORMANCE

The year to March 2012 has been a mixed one for Gloucestershire Deaf Association. The organisation has continued to benefit from the funding boost of 2010/2011 provided by the legacy of Mrs Ruby Blackwell; at the same time, we are acutely aware how public sector cuts are starting to have a significant impact on GDA's funding base.

This year has seen the beginning of what undoubtedly will be a very challenging period for the voluntary and community sector; GDA has set its course to meet these challenges head on, to introduce additional small service charges, to continue our programme of new initiatives to improve and diversify income streams; and to be open to new partnership opportunities with other organisations that will give GDA the best possible chance of competing successfully for future contracts under new national procurement schemes.

We are one of four Gloucestershire charities that has set up the county's first User-Led-Organisation (ULO) consortium, Gloucestershire Choice Network, GDA is one of only a handful of charities in the whole of Gloucestershire which qualifies as a Disabled-People's-User-Led-Organisation (DPULO).

GDA's Communications Support Unit received a boost early in the year by winning an additional year's contract with Wiltshire Council for BSL face-to-face interpreting services. But there was disappointment later when, as part of an emerging pattern of new public sector contracts going to nationwide providers, GDA lost the Gloucestershire PCT interpreting contract to a private agency offering multiple-language translation and interpreting. GDA has since responded by working in partnership with the University of Bristol, SignWales and Deaf Access Cymru to pilot the MyFriend Network video relay interpreter service, which over time could prove a groundbreaking initiative in giving those working in adult social care and medicine unprecedented telecommunications access with their Deaf clients or patients. Despite the uncertainty surrounding future face to face interpreting contracts at present, GDA recognises that video relay interpreting is one area of communications support provision that is too important to ignore and deserves investment for the future.

The Gloucestershire Deaf Association

Report of the Trustees For The Year Ended 31 March 2012

ACHIEVEMENT AND PERFORMANCE

Income from room hire at the Gloucestershire Deaf Community Centre is at its highest level ever, justifying the investment GDA has made over the past two years in refurbishment. There are now 22 different groups which use the Centre regularly, from lip reading classes to Slimming World, Pilates to our Deaf Youth Club. The variety of interests has not only given a new vibrancy to the Colin Road site but has also reduced the financial risk, with GDA having made a deliberate move towards attracting multiple hirers rather than, as in previous years, relying on one. That the Community Centre and location is proving such an attractive venue for a wide range of local groups also bodes well for any future re-development on the existing site. Towards the end of the year GDA was also successful in applying for a grant of £10,455 from the Coney Hill Project Fund, to be used towards staffing costs for the caretaker, housekeeper and GDA administrator

Refurbishment work this year moved from the Community Centre to the front of the building and the GDA offices. GDA was delighted to welcome a team of volunteers from Young Gloucestershire to undertake repainting work. A short time later the desks, drawers and filing cabinets were updated with more modern and at the same time mostly recycled office furniture which had been locally sourced. Improving the appearance of the GDA offices is seen as essential in the continuing development of Colin Road as a centre for on-site services including equipment sales, hearing aid maintenance and drop-in advocacy.

Despite efforts to have GDA's award-winning hearing-aid maintenance service recognised and supported through public sector funding, to date any financial assistance has not been forthcoming. This has meant the service has only been able to continue due to money from the Ruby Blackwell legacy. On a more positive note, a grant from the Gloucestershire Community Foundation of £5,116 towards the end of the year has enabled the organisation to set up a year-long programme taking our clinics to care homes.

There continues to be a steady increase in sales of listening aid equipment, and whilst this remains a relatively insignificant revenue stream, the service complements many of GDA's other activities. We believe there is room for further growth in this area as new opportunities through Deaf Awareness Training are pursued next year

GDA's listening aid equipment work undertaken for Gloucestershire County Council's Sensory Services department is another success story. Having first been appointed back in November 2009 to take this on, a formal contract has recently been signed that secures the work until Spring 2013 before it goes out to tender.

In April 2011, GDA took over provision of the county's lip reading classes, after NHS Gloucestershire Hospitals Foundation Trust withdrew the service and funding. The first year has proved a difficult one in terms of anticipating income, and the number of people attending our five classes around the county has also varied considerably; however we have reasonable expectation that the second year will produce a steadier set of figures.

GDA's community activities continue to play an important part in the charity's work to support Deaf and hard of hearing people in Gloucestershire. Thanks again to the Ruby Blackwell legacy, funding has been secure for both Lunch Club and also Gloucestershire Deaf Youth Club this year, although the latter also benefited from a Gloucestershire County Council grant of £5,500 towards two short break residentials.

In April 2011, in a move to make GDA appear less Gloucester-centric and at the same time broaden the charity's appeal for donations, we opened Cirencester Deaf Children's Club under a new team of volunteers. The club attracts families from as far afield as Swindon to Gloucester, and as predicted there has been a noticeable increase in interest and donations from Cirencester as a result. In 2012, GDA also opened a Cirencester Hard of Hearing Club, which alongside the Cirencester Lip Reading class, has further strengthened the charity's presence in that town.

Behind all this activity, two topics have dominated Boardroom discussions: notably, a proposed re-development of the Colin Road site and the pension deficit issue.

With regard to re-development, following a strategic meeting in Summer 2011 at which the Board unanimously voted in favour of staying at Colin Road, interviews were held and a firm of architects was appointed to work with the Trustees on designing a new building that could incorporate all the existing activities and services the charity provides at present, and at the same time make room for facilities it will need for the future. Raising capital for this venture, whilst also keeping the charity financially viable on an operations front, is recognised by the Board as a huge undertaking that will require all of its energy, creativity and commitment over the next two years and more.

Finally, the ongoing issue of the local authority pension deficit re-surfaced during the year on publication of a new actuarial report. GDA continues to challenge the extent of its liability, and is cautiously optimistic the matter will come to a satisfactory resolution within the next six months.

The Gloucestershire Deaf Association

Report of the Trustees For The Year Ended 31 March 2012

ACHIEVEMENT AND PERFORMANCE

The Board recognises that the coming year will be challenging on a number of fronts. but GDA will continue to move forward with its focus firmly on ensuring that the organisation stays relevant for Gloucestershire's Deaf and hard of hearing communities today and also into the future.

FINANCIAL REVIEW

Reserves policy

Restricted funds can only be used for the purpose intended by the donor. These funds are shown separately in the accounts. We are committed to using such funds in accordance with the donor's requirements. However, for the avoidance of doubt, such funds may, on a pro rata basis, be used to offset core costs (administration and running costs of the centre) incurred by the activity for which it was intended by the donor.

Unrestricted funds (also called free reserves) represent funds arising from past operating results or unsolicited or unrestricted income from fund raising, legacies or donations.

To ensure the financial viability of the GDA and its ability to meet ongoing commitments, the charity trustees' policy is to maintain sufficient funds (restricted and unrestricted) to cover one year's expenditure (excluding subcontract services). For guidance of trustees, the "expenditure" figure is to be based on the average expenditure for the last three years (excluding subcontract services).

Action should be taken by the Directors should the value of free reserves exceed three times annual expenditure after accounting for restricted funds and liabilities or fall below six months' expenditure.

In addition, the directors may from time to time designate funds from free reserves to develop future projects where this conforms to the aims and objects of the charity. The need for designated funds should be reviewed on an annual basis.

FUTURE DEVELOPMENTS

Planned projects include:

- Investing in an online video interpreting service to expand our Communications Support Unit
- Developing the charity's fundraising events programme, notably through Friends of GDA
- Continuing to work in partnership with like-minded organisations to undertake joint projects
- Performing a 'whole charity' review of structure and governance.

The Gloucestershire Deaf Association

Report of the Trustees **For The Year Ended 31 March 2012**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Gloucestershire Deaf Association 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).

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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Kingscott Dix Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD :

C Averiss - Trustee

8 October 2012

Report of the Independent Auditors to the Members of The Gloucestershire Deaf Association

We have audited the financial statements of The Gloucestershire Deaf Association for the year ended 31 March 2012 on pages eight to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Qualified Opinion arising from Omission of FRS 17 Information

The Charity has not provided the disclosures in relation to the defined benefit pension scheme as required by FRS 17 due to the prohibitive cost of obtaining such information and also due to the limited value of the information that would be contained in view of the dispute with the administrator referred to below. In this respect the Financial Statements have not been prepared in accordance with 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 2012 and of its incoming resources and application of resources including its income and expenditure, for the year then ended;
- except for the matter described above in relation to the failure to provide FRS 17 information, 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.

Emphasis of Matter

We draw your attention to note 16 to the financial statements which describes the uncertainty related to the outcome of the legal dispute with the Charity's pension scheme administrator. A claim has been levied by the administrator on the Gloucestershire Deaf Association to fund the pension liabilities of members who were transferred under an earlier transfer of employment obligation. A provision has been made in the financial statements for a settlement figure of £228,000 but the administrator is claiming a further amount. There is dispute as to the legality of the demand and it is not possible to quantify the outcome of the potential liability until agreement has been reached. Our report is not qualified in this respect.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
The Gloucestershire Deaf Association**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.

Peter Morgan (Senior Statutory Auditor)
for and on behalf of Kingscott Dix Limited
Chartered Accountants
and Registered Auditors
60 Kings Walk
Gloucester
GL1 1LA

8 October 2012

The Gloucestershire Deaf Association

**Statement of Financial Activities
For The Year Ended 31 March 2012**

	Notes	Unrestricted funds £	Restricted funds £	31.3.12 Total funds £	31.3.11 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	15,179	72,830	88,009	205,171
Activities for generating funds	3	29,376	-	29,376	25,399
Investment income	4	6,130	-	6,130	3,601
Incoming resources from charitable activities					
General	5	165,414	-	165,414	173,191
Other incoming resources		866	-	866	2,087
Total incoming resources		<u>216,965</u>	<u>72,830</u>	<u>289,795</u>	<u>409,449</u>
 RESOURCES EXPENDED					
Charitable activities					
General	6	232,132	98,542	330,674	477,978
Governance costs	7	3,520	-	3,520	3,200
Other resources expended		14,791	-	14,791	12,270
Total resources expended		<u>250,443</u>	<u>98,542</u>	<u>348,985</u>	<u>493,448</u>
 NET INCOMING/(OUTGOING) RESOURCES					
		(33,478)	(25,712)	(59,190)	(83,999)
 Other recognised gains/losses					
Unrealised Gains/losses on investment assets		5,038	-	5,038	4,733
Net movement in funds		(28,440)	(25,712)	(54,152)	(79,266)
 RECONCILIATION OF FUNDS					
Total funds brought forward		476,096	94,093	570,189	649,455
TOTAL FUNDS CARRIED FORWARD		<u><u>447,656</u></u>	<u><u>68,381</u></u>	<u><u>516,037</u></u>	<u><u>570,189</u></u>

The notes form part of these financial statements

The Gloucestershire Deaf Association

Balance Sheet
At 31 March 2012

	Notes	Unrestricted funds £	Restricted funds £	31.3.12 Total funds £	31.3.11 Total funds £
FIXED ASSETS					
Tangible assets	11	296,106	-	296,106	308,983
Investments	12	315,923	-	315,923	306,858
		612,029	-	612,029	615,841
 CURRENT ASSETS					
Stocks		2,083	-	2,083	3,476
Debtors: amounts falling due within one year	13	39,684	-	39,684	44,638
Cash at bank and in hand		54,956	68,381	123,337	188,795
		96,723	68,381	165,104	236,909
 CREDITORS					
Amounts falling due within one year	14	(33,096)	-	(33,096)	(54,561)
 NET CURRENT ASSETS					
		63,627	68,381	132,008	182,348
 TOTAL ASSETS LESS CURRENT LIABILITIES					
		675,656	68,381	744,037	798,189
 PROVISIONS FOR LIABILITIES					
	15	(228,000)	-	(228,000)	(228,000)
 NET ASSETS					
		447,656	68,381	516,037	570,189
 FUNDS					
	17			447,656	476,096
Unrestricted funds				68,381	94,093
Restricted funds				516,037	570,189
 TOTAL FUNDS					
				516,037	570,189

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 8 October 2012 and were signed on its behalf by:

C Averiss -Trustee

Mrs H J Gloyn -Trustee

The notes form part of these financial statements

The Gloucestershire Deaf Association

Notes to the Financial Statements **For The Year Ended 31 March 2012**

1. ACCOUNTING POLICIES

Accounting convention

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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

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

Donations, legacies and other forms of voluntary income or defined benefit are included in the accounts when received.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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.

Pension costs and other post-retirement benefits

The Charity operates a defined benefit pension scheme for the benefit of one existing employee and a number of previous employees who have retired and are drawing pension entitlement from the scheme. Based on the latest Actuarial Report, the scheme is underfunded and the Charity must make contributions to clear the deficit. As documented in note 18 to the accounts there is an ongoing dispute with the scheme administrators as to the legal obligation of the Charity to make good the deficit.

The costs of obtaining the necessary FRS17 information for disclosure from the scheme administrators are prohibitive and would mean that charitable services would need to be curtailed to finance the provision of this information. In addition, in view of the ongoing dispute with the administrators of the fund, pension information disclosed in the accounts may be rendered meaningless depending on the outcome. As such the Trustees cannot justify the expenditure given the limited value of this information and the disclosure requirements of the FRS17 to have not been provided in the accounts.

The charity has recognised the additional deficit arising from the latest actuarial report as a provision in the financial statements in accordance with FRS17. The majority of the deficit relates to past service costs in respect of retired members and as such all the obligation has been charged to the Statement of Financial Activities in the year. Previous deficits have been charged to the Statement of Financial Activities as they have been identified and due provision reflected on the balance sheet.

The Charity operates a stakeholder pension provision for its current employees and contributions made in the year are charged to the Statement of Financial Activities.

The Gloucestershire Deaf Association

Notes to the Financial Statements - continued
For The Year Ended 31 March 2012

1. ACCOUNTING POLICIES - continued

DEPRECIATION

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold Land	No Deprecation
Freehold Buildings	2% on Cost
Motor Vehicles	20% on Cost
Fixtures and Equipment	10% - 25% on Cost
Computer Equipment	25% on cost

2. VOLUNTARY INCOME

	31.3.12	31.3.11
	£	£
Donations	5,186	4,650
Legacies	5,342	125,000
GIS for sheltered employment support	1,259	1,978
GCF Grant	5,116	-
Grant for Hard of Hearing	5,000	5,000
NHS: Equipment distribution	45,000	45,000
Employment grant	-	500
Fundraising activities	4,651	7,043
Children & young people	6,000	16,000
Coney Hill Centre upkeep	10,455	-
	<u>88,009</u>	<u>205,171</u>

3. ACTIVITIES FOR GENERATING FUNDS

	31.3.12	31.3.11
	£	£
Hiring out of facilities	<u>29,376</u>	<u>25,399</u>

4. INVESTMENT INCOME

	31.3.12	31.3.11
	£	£
Investment income and interest	<u>6,130</u>	<u>3,601</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

		31.3.12	31.3.11
		£	£
Interpreting Services	Activity		
	General	142,097	158,404
Activity income, equipment sales and course fees	General	<u>23,317</u>	<u>14,787</u>
		<u>165,414</u>	<u>173,191</u>

The Gloucestershire Deaf Association

Notes to the Financial Statements - continued
For The Year Ended 31 March 2012

6. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
General	330,674	330,674
	<u> </u>	<u> </u>

7. GOVERNANCE COSTS

	31.3.12	31.3.11
	£	£
Auditors remuneration	3,520	3,200
	<u> </u>	<u> </u>

8. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	31.3.12	31.3.11
	£	£
Depreciation - owned assets	14,791	12,270
	<u> </u>	<u> </u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2012 nor for the year ended 31 March 2011.

Trustees' Expenses

During the year travelling and other expenses of £55 (2011: £31) were reimbursed to a trustee.

10. STAFF COSTS

	31.3.12	31.3.11
	£	£
Wages and salaries	118,915	117,094
Social security costs	9,111	8,959
Other pension costs	3,226	109,108
	<u> </u>	<u> </u>
	131,252	235,161
	<u> </u>	<u> </u>

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

	31.3.12	31.3.11
Administration	8	8
	<u> </u>	<u> </u>

The Gloucestershire Deaf Association

**Notes to the Financial Statements - continued
For The Year Ended 31 March 2012**

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 April 2011	350,000	89,382	17,298	456,680
Additions	-	1,914	-	1,914
Disposals	-	(56,890)	-	(56,890)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	350,000	34,406	17,298	401,704
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
At 1 April 2011	78,000	63,977	5,720	147,697
Charge for year	6,000	4,466	4,325	14,791
Eliminated on disposal	-	(56,890)	-	(56,890)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2012	84,000	11,553	10,045	105,598
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 March 2012	<u>266,000</u>	<u>22,853</u>	<u>7,253</u>	<u>296,106</u>
At 31 March 2011	<u>272,000</u>	<u>25,405</u>	<u>11,578</u>	<u>308,983</u>

The historical cost of freehold land and buildings included above at an informal valuation, made in February 1998 by Bruton Knowles, of £350,000 was £532,033. Depreciation on an historical cost basis to date would have been £176,552 (2011: £167,911).

Fixed assets of £100 and above are capitalised at cost where appropriate.

The land and buildings have not been revalued professionally since February 1998. It is likely that the open market value of the land and buildings would have changed significantly since then. In view of the costs in obtaining such valuations, the trustees do not consider there to be sufficient benefit to the users of the accounts to justify the cost.

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2011	306,857
Additions	4,028
Revaluations	5,038
	<hr/>
At 31 March 2012	315,923
	<hr/>
NET BOOK VALUE	
At 31 March 2012	<u>315,923</u>
At 31 March 2011	<u>306,857</u>

There were no investment assets outside the UK.

At the year end the non cash element of this portfolio cost value was 309,882 (2011: £304,844).

The Gloucestershire Deaf Association

Notes to the Financial Statements - continued
For The Year Ended 31 March 2012

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.12	31.3.11
	£	£
Trade debtors	25,847	29,403
Other debtors	11,864	13,306
Prepayments and accrued income	1,973	1,929
	<u>39,684</u>	<u>44,638</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.12	31.3.11
	£	£
Bank loans and overdrafts	-	6,015
Trade creditors	8,065	12,485
Social security and other taxes	2,842	2,845
Other creditors	5,014	14,241
Accrued expenses	17,175	18,975
	<u>33,096</u>	<u>54,561</u>

15. PROVISIONS FOR LIABILITIES

	31.3.12	31.3.11
	£	£
Defined benefit pension scheme	<u>228,000</u>	<u>228,000</u>

16. PENSION COMMITMENTS

The Charity operated a defined benefit pension scheme for the benefit of its employees. The scheme is now closed to new members but has one member who is continuing to contribute. A provision has been made to reflect the outstanding liability, to which the charity is exposed.

The scheme to which the charity contributes is part of a larger scheme operated by Gloucestershire County Council (The Gloucestershire County Council Pension Fund). The Charity is in dispute with the County Council as to the legality of its perceived obligation to fund the pension liabilities of members who were transferred under a previous transfer of employment obligations when the original Gloucestershire Deaf Association was incorporated under the 1985 Companies Act.

The Charity previously had agreed to pay a sum of £31,000 per quarter to the scheme to clear a £124,000 deficit that was highlighted in an earlier Actuarial Report and subsequently a further £10,000 per annum in respect of the additional £104,000 highlighted by the Actuarial Report of 31 March 2010. Legal consultation has questioned the legality of the obligation to make these payments in their entirety and consequently payments to the scheme have been suspended until the legal dispute has been resolved.

The provisions included in the accounts of £228,000 to 31 March 2012 relate to the balance as per the triennial Actuarial Report in relation to the scheme as at 31 March 2010. This balance has not been adjusted to reflect any impact in terms of success or failure of the legal dispute with Gloucestershire County Council. The trustees consider this to be the only appropriate accounting treatment in view of the uncertainty of the outcome.

The Gloucestershire Deaf Association

Notes to the Financial Statements - continued
For The Year Ended 31 March 2012

17. MOVEMENT IN FUNDS

	At 1.4.11 £	Net movement in funds £	At 31.3.12 £
Unrestricted funds			
Fixed assets and Working Capital	446,096	(28,440)	417,656
Building Repairs	30,000	-	30,000
	<u>476,096</u>	<u>(28,440)</u>	<u>447,656</u>
Restricted funds			
Youth	10,478	1,949	12,427
Family Support	7,720	-	7,720
Hard Of Hearing	-	5,116	5,116
Needs Assessment	4,000	(3,600)	400
Ruby legacy	71,895	(37,500)	34,395
Communiity Centre Upkeep	-	8,323	8,323
	<u>94,093</u>	<u>(25,712)</u>	<u>68,381</u>
TOTAL FUNDS	<u><u>570,189</u></u>	<u><u>(54,152)</u></u>	<u><u>516,037</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Fixed assets and Working Capital	216,965	(250,443)	5,038	(28,440)
Restricted funds				
Youth	3,500	(1,551)	-	1,949
Hard Of Hearing	5,116	-	-	5,116
Other	53,759	(53,759)	-	-
Ruby legacy	-	(37,500)	-	(37,500)
Communiity Centre Upkeep	10,455	(2,132)	-	8,323
Needs Assessment	-	(3,600)	-	(3,600)
	<u>72,830</u>	<u>(98,542)</u>	<u>-</u>	<u>(25,712)</u>
TOTAL FUNDS	<u><u>289,795</u></u>	<u><u>(348,985)</u></u>	<u><u>5,038</u></u>	<u><u>(54,152)</u></u>

RESTRICTED FUNDS

All expenditure under each project has been paid out in accordance with the restrictions placed on the funds and there are sufficient resources held to enable the funds to be applied in accordance with the restrictions.

DESIGNATED FUND

The Council of Management have designated the following funds to finance future expenditure under each of the categories shown:

Fixed assets and working capital

Building repairs

The Gloucestershire Deaf Association

Notes to the Financial Statements - continued
For The Year Ended 31 March 2012

18. ULTIMATE CONTROLLING PARTY

The Company is controlled by the Council of Management.

19. LOCAL GOVERNMENT GRANTS

Local Government grants are credited to the income and expenditure account when the Association is unconditionally entitled to those grants. During the year grants amounted to £2,500 (2011: £16,000).

The Gloucestershire Deaf Association

Detailed Statement of Financial Activities
For The Year Ended 31 March 2012

	31.3.12 £	31.3.11 £
INCOMING RESOURCES		
Voluntary income		
Donations	5,186	4,650
Legacies	5,342	125,000
GIS for sheltered employment support	1,259	1,978
GCF Grant	5,116	-
Grant for Hard of Hearing	5,000	5,000
NHS: Equipment distribution	45,000	45,000
Employment grant	-	500
Fundraising activities	4,651	7,043
Children & young people	6,000	16,000
Coney Hill Centre upkeep	10,455	-
	88,009	205,171
Activities for generating funds		
Hiring out of facilities	29,376	25,399
Investment income		
Investment income and interest	6,130	3,601
Incoming resources from charitable activities		
Interpreting Services	142,097	158,404
Activity income, equipment sales and course fees	23,317	14,787
	165,414	173,191
Other incoming resources		
Other incoming resources	866	2,087
	289,795	409,449
RESOURCES EXPENDED		
Charitable activities		
Wages	118,915	117,094
Social security	9,111	8,959
Pensions	3,226	109,108
Lip reading tutors	5,045	-
Recruitment costs	581	-
Interpreting	99,737	118,078
Telephone and Advertising	5,254	6,012
Cleaning	7,000	3,130
Training	1,329	1,590
Printing, postage and Stationery	5,657	3,323
Equipment repairs & Maintenance	3,453	3,023
Travelling and Expenses	7,232	7,143
Subscriptions and Sundries	1,716	1,330
Heating and Lighting	10,011	9,788
Repairs and Renewals	5,318	38,050
Carried forward	283,585	426,628

This page does not form part of the statutory financial statements

The Gloucestershire Deaf Association

Detailed Statement of Financial Activities
For The Year Ended 31 March 2012

	31.3.12	31.3.11
	£	£
Charitable activities		
Brought forward	283,585	426,628
Rates and Insurance	4,931	4,510
Bank Charges	684	453
Bad and Doubtful Debts	-	(172)
Professional and Legal Fees	9,787	6,721
Accountancy and Bookkeeping	7,242	7,287
Activity and Course Costs	9,548	11,973
Fundraising Expenses	1,016	2,177
Equipment for resale	12,524	5,431
Website costs	1,357	12,970
	<hr/>	<hr/>
	330,674	477,978
Governance costs		
Auditors remuneration	3,520	3,200
Other resources expended		
Freehold property	6,000	6,000
Fixtures and fittings	4,466	1,945
Computer equipment	4,325	4,325
	<hr/>	<hr/>
	14,791	12,270
Total resources expended	<hr/>	<hr/>
	348,985	493,448
Net expenditure before gains and losses	<hr/>	<hr/>
	(59,190)	(83,999)
Realised recognised gains and losses		
Realised and unrealised gains / (losses) on investments	5,038	4,733
	<hr/>	<hr/>
Net expenditure	<hr/> <hr/>	<hr/> <hr/>
	(54,152)	(79,266)