

REGISTERED COMPANY NUMBER: 2692718  
REGISTERED CHARITY NUMBER: 1015937

**Report of the Trustees and**  
**Financial Statements For The Year Ended 31 March 2013**  
**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 2013**

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## The Gloucestershire Deaf Association

### Report of the Trustees For The Year Ended 31 March 2013

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 2013. 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**

Mr P Bryan	
Mr C Averiss	
Mr JP Davies	
Mrs H J Gloyn	
Mr M Law	- resigned 8.10.12
Mr S.J. Yorke	- resigned 3.12.12
Mrs K Aiken	- appointed 14.5.12
Mrs T Randle	- appointed 14.5.12
	- resigned 11.12.12
Mr R Fletcher	- appointed 10.1.13
Mr RT Busby	- appointed 10.1.13
Mr GG Howell	- appointed 10.1.13
Mr J Close	- appointed 4.2.13

##### **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 2013

#### **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**

It would be easy to think of this financial year as one that has been dominated by a single issue, which is Gloucestershire Deaf Association's dispute with the Local Government Scheme Pension provider over the size of GDA's pension deficit. However the year needs also to be remembered for a number of other events.

GDA's core services have all continued steadily this year: the drop in income from the communications support department was anticipated and in fact has proved less significant than feared twelve months ago; on the other hand, increases in income from equipment sales and other activities is better than expected; revenue from room hire also continues to rise. The organisation was pleased to have contracts with Wiltshire Council and Gloucestershire County Council renewed.

GDA's club activities have continued steadily. There has been a small but noticeable drop in numbers for both GDSSC and Lunch Club this year, whilst Lip Reading and Gloucestershire Deaf Youth Club have remained strong in membership; number of families at Cirencester Deaf Children's Club's regular sessions has been less predictable, although there has been excellent attendance at its bigger events such as Christmas and Halloween parties.

The year has seen GDA making further moves towards adding new funding streams in an effort to become less reliant on public sector funding.

GDA continues to work in collaboration with the University of Bristol's Deaf Studies Trust, Sign Wales, Deaf Access Cymru and North Wales Deaf Association on the myFriend Network video relay service for Deaf sign language users. The six month pilot, which ran in the first six months of 2012 proved a great success in terms of recruiting more than 2,000 users; unfortunately, the timing of the pilot could not have been worse, coinciding as it has with the huge cutbacks going on in the public sector. Despite much enthusiasm for myFriend Network being expressed by a great many people, it hasn't been matched by investment, and as a result the excitement over the pilot has been followed by some uncertainty over the future sustainability of this service. However, for the time being at least, the GDA Board believes it has enormous potential and is still worth the time, energy and money being invested in it.

## **The Gloucestershire Deaf Association**

### **Report of the Trustees** **For The Year Ended 31 March 2013**

#### **ACHIEVEMENT AND PERFORMANCE**

In Autumn 2012, GDA recruited two new members of staff to undertake roles that have been identified as essential in moving the organisation forward: Gemma Sills was taken on as a full time Events and Membership Fundraiser; and Reg Cobb was recruited for three days a week as New Project Developer.

Their employment coincides with two big grant awards from Lloyds TSB and the Office for Disability at the Dept of Work and Pensions (listed under the figures as the Facilitation Fund). The Project Developer is now engaged in getting weekly workshops on money matters and employment skills started; and at the same time the Events Fundraiser is bringing additional energy and resources to seeking corporate and individual sponsorship for the charity's many activities and services. A highlight at the end of this year has been the launch of GDA's Education Centre, with eight brand new laptops, where the weekly workshops will take place.

GDA has also benefited from a small increase in other grants, including one from Santander towards lip reading classes; in addition there have been donations from Zurich and also Cirencester Soroptimists. Individual donations have also risen.

It is pleasing to note that in the last quarter of the year, GDA appears to have emerged from what were a very difficult few months in Autumn 2012. The period marked a low point in GDA's protracted talks with the LGPS provider over the pensions deficit, but also will be remembered in sadness for the death after a short illness of trustee and long time GDA supporter Michael Law.

In the New Year, with the appointment of four new trustees recruited specifically for their legal, property and business expertise, GDA reluctantly resolved that allowing the pensions deficit issue to go to court was too high a risk and therefore not in the charity's or its beneficiaries' best interests. With this in mind, the Board has taken the difficult decision to accept the liability and set about negotiating a payment schedule that will protect as far as possible the key capital asset belonging to the organisation, which is its building. At year end these discussions are well under way and an acceptable settlement is imminent that will ensure GDA remains solvent and can once again turn its full attention to operational matters.

In summary this has been a year when GDA has stayed mindful of the big picture: at a critical time bringing fresh skills both to the Board and also to the staff team. The next financial year will be a difficult one, as the charity takes the necessary steps to raise funds to settle the pension deficit issue once and for all, At the same time, there is a new confidence that a way will be found that ensures the charity stays not just solvent but over time stronger, when this financial burden of the pensions deficit is once and for all lifted.

#### **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.

## **The Gloucestershire Deaf Association**

### **Report of the Trustees** **For The Year Ended 31 March 2013**

#### **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.

#### **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.

#### **AUDITORS**

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

#### **ON BEHALF OF THE BOARD :**

Mr C Averiss - Trustee

8 October 2013

## **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 2013 on pages seven to seventeen. 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 set out on page four, 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 non compliance with FRS 15**

The charity revalued the freehold land and buildings during the year, the valuation being based on an informal statement from a professional valuer. An offer was accepted at the year end for 50% of the land for £328,000 which supports the overall valuation presented in the Financial Statements. As the charity did not formally instruct a professional external valuer as required by FRS 15, we are unable to determine if the valuation is materially misstated and our report is qualified accordingly. In this respect the Financial Statements have not been prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

In our opinion:

- except for any adjustment required to the value of the land and buildings that may be required further to a formal professional valuation, the Financial Statements give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 and of its incoming resources and application of those resources including its income and expenditure for the year then ended;
- except for the matter described above in relation to the failure to revalue the freehold land and buildings using a professional valuer, the Financial Statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the 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 2013



**The Gloucestershire Deaf Association**

**Statement of Financial Activities  
For The Year Ended 31 March 2013**

	Notes	Unrestricted funds £	Restricted funds £	31.3.13 Total funds £	31.3.12 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	8,362	118,921	127,283	88,009
Activities for generating funds	3	30,668	-	30,668	29,376
Investment income	4	3,832	-	3,832	6,130
<b>Incoming resources from charitable activities</b>					
General	5	156,748	-	156,748	165,414
<b>Other incoming resources</b>		1,445	-	1,445	866
<b>Total incoming resources</b>		201,055	118,921	319,976	289,795
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
General	6	261,532	106,483	368,015	330,674
Exceptional Pension shortfall		253,000	-	253,000	-
<b>Governance costs</b>	8	3,360	-	3,360	3,520
<b>Other resources expended</b>		9,984	-	9,984	14,791
<b>Total resources expended</b>		527,876	106,483	634,359	348,985
<b>NET INCOMING/(OUTGOING) RESOURCES</b>					
		(326,821)	12,438	(314,383)	(59,190)
<b>Other recognised gains/losses</b>					
Freehold land & buildings revaluation		234,000	-	234,000	-
Gains/losses on fixed asset investments		15,247	-	15,247	5,038
<b>Net movement in funds</b>		(77,574)	12,438	(65,136)	(54,152)
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		447,656	68,381	516,037	570,189
<b>TOTAL FUNDS CARRIED FORWARD</b>		370,082	80,819	450,901	516,037

The notes form part of these financial statements

**The Gloucestershire Deaf Association**

**Balance Sheet**  
**At 31 March 2013**

	Notes	Unrestricted funds £	Restricted funds £	31.3.13 Total funds £	31.3.12 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	526,487	-	526,487	296,106
Investments	14	173,212	-	173,212	315,923
		699,699	-	699,699	612,029
 <b>CURRENT ASSETS</b>					
Stocks		3,538	-	3,538	2,083
Debtors	15	29,268	-	29,268	39,684
Cash at bank and in hand		9,620	80,819	90,439	123,337
		42,426	80,819	123,245	165,104
 <b>CREDITORS</b>					
Amounts falling due within one year	16	(120,043)	-	(120,043)	(33,096)
 <b>NET CURRENT ASSETS/(LIABILITIES)</b>					
		(77,617)	80,819	3,202	132,008
 <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		622,082	80,819	702,901	744,037
 <b>CREDITORS</b>					
Amounts falling due after more than one year	17	(252,000)	-	(252,000)	-
 <b>PROVISIONS FOR LIABILITIES</b>					
	18	-	-	-	(228,000)
 <b>NET ASSETS</b>					
		370,082	80,819	450,901	516,037
 <b>FUNDS</b>					
20					
Unrestricted funds:					
Fixed assets and Working Capital				340,082	417,656
Building Repairs				30,000	30,000
				370,082	447,656
Restricted funds				80,819	68,381
 <b>TOTAL FUNDS</b>					
				450,901	516,037

The notes form part of these financial statements

**The Gloucestershire Deaf Association**

**Balance Sheet - continued**

**At 31 March 2013**

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 2013 and were signed on its behalf by:

Mr C Averiss -Trustee

Mrs K Aiken -Trustee

The notes form part of these financial statements

## **The Gloucestershire Deaf Association**

### **Notes to the Financial Statements** **For The Year Ended 31 March 2013**

#### **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.

##### **Tangible fixed assets**

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 Depreciation
Freehold Buildings	2% on Cost
Motor Vehicles	20% on Cost
Fixtures and Equipment	10% - 25% on Cost
Computer Equipment	25% on cost

Freehold property has not been depreciated in the year as the trustees believe that the residual value of the building is now in excess of its cost and this is unlikely to change.

The charity has opted to revalue the Freehold Land and buildings from 2013.

##### **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.

**The Gloucestershire Deaf Association**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2013**

**1. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

The Charity operated 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. The scheme is to cease in October 2013 following the retirement of the last existing employee.

Previously the charity has recognised the 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.

At the year end the final liability had been agreed together with a repayment schedule and accordingly this is shown as a liability rather than a provision.

**2. VOLUNTARY INCOME**

	31.3.13	31.3.12
	£	£
Donations	7,821	5,186
Legacies	1,570	5,342
GIS for sheltered employment support	748	1,259
GCF Grant	-	5,116
Lloyds TSB Older Peoples Programme	46,300	-
NHS: Equipment distribution	45,000	45,000
Fundraising activities	5,129	4,651
Children & young people	3,500	6,000
Coney Hill Centre upkeep	-	10,455
MyFriend Network	3,813	-
Gloucestershire Deaf Childrens Society	8,402	-
Lip Reading Grant (Santander)	5,000	5,000
	<u>127,283</u>	<u>88,009</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	31.3.13	31.3.12
	£	£
Hiring out of facilities	30,668	29,376
	<u>30,668</u>	<u>29,376</u>

**4. INVESTMENT INCOME**

	31.3.13	31.3.12
	£	£
Investment income and interest	3,832	6,130
	<u>3,832</u>	<u>6,130</u>

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

		31.3.13	31.3.12
	<b>Activity</b>	£	£
Interpreting Services	General	124,985	142,097
Activity income, equipment sales and course fees	General	31,763	23,317
		<u>156,748</u>	<u>165,414</u>

**The Gloucestershire Deaf Association**

**Notes to the Financial Statements - continued  
For The Year Ended 31 March 2013**

**6. CHARITABLE ACTIVITIES COSTS**

	Direct costs (See note 7)	Totals
	£	£
General	368,015	368,015
Exceptional Pension shortfall	253,000	253,000
	<u>621,015</u>	<u>621,015</u>

**7. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	31.3.13	31.3.12
	£	£
Staff costs	411,309	131,252
Lip reading tutors	6,383	5,045
Recruitment costs	1,935	581
Interpreting	89,876	99,737
Telephone and Advertising	4,125	5,254
Cleaning	7,986	7,000
Training	299	1,329
Printing, postage and Stationery	4,403	5,657
Equipment repairs & Maintenance	5,333	3,453
Travelling and Expenses	5,984	7,232
Subscriptions and Sundries	2,887	1,716
Heating and Lighting	10,487	10,011
Repairs and Renewals	2,616	5,318
Rates and Insurance	4,743	4,931
Bank Charges	757	684
Professional and Legal Fees	24,145	9,787
Accountancy and Bookkeeping	8,098	7,242
Activity and Course Costs	14,764	9,548
Fundraising Expenses	1,043	1,016
Equipment for resale	12,160	12,524
Website costs	1,318	1,357
Redundancy costs	364	-
	<u>621,015</u>	<u>330,674</u>

This year the direct charitable includes the exceptional item of £253,000 being the pension costs not previously charged to the SOFA to finalise the agreed defined pension benefit liability due to Gloucestershire County Council.

**8. GOVERNANCE COSTS**

	31.3.13	31.3.12
	£	£
Auditors remuneration	3,360	3,520
	<u>3,360</u>	<u>3,520</u>

**9. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	31.3.13	31.3.12
	£	£
Depreciation - owned assets	9,985	14,791
	<u>9,985</u>	<u>14,791</u>

**The Gloucestershire Deaf Association**

**Notes to the Financial Statements - continued  
For The Year Ended 31 March 2013**

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2013 nor for the year ended 31 March 2012.

**Trustees' expenses**

During the year travelling and other expenses of £99 (2012: £55) were reimbursed to a trustee.

**11. STAFF COSTS**

	31.3.13	31.3.12
	£	£
Wages and salaries	143,824	118,915
Social Security costs	11,699	9,111
Pension costs current	2,786	3,226
Exceptional pension shortfall	253,000	-
	<u>411,309</u>	<u>131,252</u>

The average number of employees during the year was:

	31.3.13	31.3.12
Service delivery	<u>8</u>	<u>8</u>

**12. EXCEPTIONAL ITEMS**

The increase in the final agreed defined benefit pension contribution shortfall of £253,000 is included in pension costs under Direct Charitable Expenditure. (See note 19)

**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>				
At 1 April 2012	350,000	34,406	17,298	401,704
Additions	-	-	6,366	6,366
Revaluations	150,000	-	-	150,000
At 31 March 2013	<u>500,000</u>	<u>34,406</u>	<u>23,664</u>	<u>558,070</u>
<b>DEPRECIATION</b>				
At 1 April 2012	84,000	11,553	10,045	105,598
Charge for year	-	4,882	5,103	9,985
Revaluation adjustments	(84,000)	-	-	(84,000)
At 31 March 2013	<u>-</u>	<u>16,435</u>	<u>15,148</u>	<u>31,583</u>
<b>NET BOOK VALUE</b>				
At 31 March 2013	<u>500,000</u>	<u>17,971</u>	<u>8,516</u>	<u>526,487</u>
At 31 March 2012	<u>266,000</u>	<u>22,853</u>	<u>7,253</u>	<u>296,106</u>

**The Gloucestershire Deaf Association**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2013**

**13. TANGIBLE FIXED ASSETS - continued**

The freehold land and buildings have been revalued during the year at £500,000. It is considered that the open market value of the land and buildings is likely to be in excess of this, given that a firm offer for the sale of 50% of the land, which is undeveloped, has been received for £328,000. The increase in the carrying value of £234,000 has been credited to the unrestricted fund "Fixed assets and Working Capital", as it partially reverses a diminution in value of the freehold land and buildings recognised in the the SOFA in a previous year.

A formal professional revaluation (as required by FRS 15 and the Charities SORP) has not been undertaken in the year.

The historical cost of freehold land and buildings included above at valuation as of 31 March 2013, was £532,033.

**14. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 1 April 2012	315,923
Disposals	(157,958)
Revaluations	15,247
	<hr/>
At 31 March 2013	173,212
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 March 2013	173,212
	<hr/> <hr/>
At 31 March 2012	315,923
	<hr/> <hr/>

There were no investment assets outside the UK.

At the year end the non cash element of this portfolio cost value was 173,159 (2012: £309,882).

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

	31.3.13 £	31.3.12 £
Trade debtors	22,122	25,847
Other debtors	5,283	11,864
Prepayments and accrued income	1,863	1,973
	<hr/>	<hr/>
	29,268	39,684
	<hr/> <hr/>	<hr/> <hr/>



**The Gloucestershire Deaf Association**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2013**

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

	31.3.13	31.3.12
	£	£
Trade creditors	8,513	8,065
Social security and other taxes	3,870	2,842
Other creditors	4,086	5,014
Defined benefit pension scheme liability	85,000	-
Accrued expenses	18,574	17,175
	<u>120,043</u>	<u>33,096</u>

**17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.13	31.3.12
	£	£
Defined benefit pension scheme liability	252,000	-
	<u>252,000</u>	<u>-</u>

**18. PROVISIONS FOR LIABILITIES**

	31.3.13	31.3.12
	£	£
Defined benefit pension scheme	-	228,000
	<u>-</u>	<u>228,000</u>

**19. PENSION COMMITMENTS**

The Charity operated 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. The scheme ceased in October 2013 following the retirement of the last existing employee.

A funding deficit arose based on actuarial reports which the charity recognised in prior periods as a provision in the financial statements in accordance with FRS 17. The charity was in dispute with the County Council as to the legality of the claim for the part of the deficit. The claim was agreed in the year at £481,000 against a provision as at 31 March 2012 of £228,000. A balance of £144,000 has been paid during the year and the liability of £337,000 remains as at 31 March 2013. The deficit relates to past service costs in respect of retired members and as such the full balance of the obligation not provided as at 31 March 2012 has been charged to the Statement of Financial Activities in the year.

**The Gloucestershire Deaf Association**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2013**

**20. MOVEMENT IN FUNDS**

	At 1.4.12 £	Net movement in funds £	At 31.3.13 £
<b>Unrestricted funds</b>			
Fixed assets and Working Capital	417,656	(77,574)	340,082
Building Repairs	30,000	-	30,000
	<u>447,656</u>	<u>(77,574)</u>	<u>370,082</u>
<b>Restricted funds</b>			
Youth	12,427	(3,235)	9,192
Family Support	7,720	-	7,720
Hard Of Hearing	5,116	(5,116)	-
Needs Assessment	400	-	400
Ruby legacy	34,395	(25,000)	9,395
Communiity Centre Upkeep	8,323	(7,848)	475
Glos Deaf Childrens Society	-	8,402	8,402
My Friend Network	-	3,813	3,813
Lip Reading (Santander)	-	2,500	2,500
Lloyds TSB Foundation Trust	-	38,922	38,922
	<u>68,381</u>	<u>12,438</u>	<u>80,819</u>
<b>TOTAL FUNDS</b>	<u><u>516,037</u></u>	<u><u>(65,136)</u></u>	<u><u>450,901</u></u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
Fixed assets and Working Capital	201,055	(527,876)	249,247	(77,574)
<b>Restricted funds</b>				
Youth	-	(3,235)	-	(3,235)
Hard Of Hearing	-	(5,116)	-	(5,116)
Other	55,406	(55,406)	-	-
Communiity Centre Upkeep	-	(7,848)	-	(7,848)
Glos Deaf Childrens Society	8,402	-	-	8,402
My Friend Network	3,813	-	-	3,813
Lip Reading (Santander)	5,000	(2,500)	-	2,500
Lloyds TSB Foundation Trust	46,300	(7,378)	-	38,922
Ruby legacy	-	(25,000)	-	(25,000)
	<u>118,921</u>	<u>(106,483)</u>	<u>-</u>	<u>12,438</u>
<b>TOTAL FUNDS</b>	<u><u>319,976</u></u>	<u><u>(634,359)</u></u>	<u><u>249,247</u></u>	<u><u>(65,136)</u></u>

**The Gloucestershire Deaf Association**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 March 2013**

**20. MOVEMENT IN FUNDS - continued**

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

**21. ULTIMATE CONTROLLING PARTY**

The Company is controlled by the Council of Management.