

Charity Registration No. 1045617 (England and Wales)

Charity Registration No. SC039170 (Scotland)

Company Registration No. 03036802 (England and Wales)

AFASIC
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

AFASIC

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M Scales (Chair) C Hammond (Treasurer) J Emin J Perry C Everingham
Corporate Management Team	L Lascelles (Chief Executive) M Thompson (Director Fundraising & Support Services)
Secretary	L Lascelles (Chief Executive)
Charity number (England and Wales)	1045617
Charity number (Scotland)	SC039170
Company number	03036802
Registered office	St Margaret's House 15 Old Ford Road London E2 9PJ
Independent examiner	Lee, Dicketts & Co 3 East Point High Street, Seal Sevenoaks Kent TN15 0EG
Bankers	Lloyds 4 High Street Dartford Kent DA1 1BY

AFASIC

CONTENTS

	Page
Trustees' report	1 - 7
Independent examiner's report	8
Statement of financial activities	9 - 10
Statement of financial position	11 - 12
Notes to the financial statements	13 - 25

AFASIC

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 2019)".

Objectives and activities

Afasic is a UK parent-led charity, established in 1968, that provides information and support to parents of children with Developmental Language Disorder (DLD) and related conditions. DLD is a serious hidden disability that can have devastating lifelong consequences for those affected. Awareness of DLD needs to be raised in order to increase provision for a condition that is more prevalent than generally recognised.

Afasic's vision is that every child and young person with Developmental Language Disorder and related conditions should be enabled to overcome the challenges they face and become the best they can be.

Afasic's core purpose is to provide information and support for parents, other carers and also to health, education and care professionals, to enable them to better understand, help and advocate for children with DLD and related conditions; and to work directly with children and young people to help them develop key skills, improve social integration and gain access to educational and legal entitlements.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

The global Covid-19 pandemic has certainly impacted on the way that we work and provide our services over the past year and income has been even harder to come by. Whilst our plans have had to change, our key services have continued to be delivered, even if in different formats.

We have been able to adapt our services to a more 'remote' way of providing support to families & children and developed new ways to help so that we can continue to reach as many people as possible. All our key projects and services have remained free to users, including our parents' helpline, website resources, online parent training courses, and transition courses for children facing the key educational move to secondary school.

A summary of our main areas of work and achievements during the past year is given below:

Helpline & Support for Parents:

The Afasic parents' helpline continued to provide a vital source of information, support and advice to families across the country who are struggling to cope with the impact of Developmental Language Disorder. They are often isolated, bewildered and feeling very much alone in what they are facing.

"Thank you for your guide in the best way for me to go forward with the education, your response was very quick. I will be acting on the information given straight away."

In terms of the impact this service can have; a longstanding member of Afasic recently contacted us to say:

"I feel enormously for the parents of special needs children whose already stretched resilience is being tested now as they struggle on alone and isolated with reduced or no outside help at all. The Afasic Helpline was once my lifeline and the key to unlocking the help we needed to get (support) for my daughter who now speaks and communicates so well that you would never know she had any difficulties as a young child. Thank you for all the valuable work you do at Afasic all the time and especially now as we all face new challenges to learn new ways of being."

AFASIC

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Website & Information:

Over 140,000 unique visitors to the Afasic website were able to access a wide range of free information and resources and we continue to develop the range of resources available for parents so that they are better able to support and advocate for their child.

Transition Courses:

This year presented significant challenges thrown up by the Covid-19 pandemic and jeopardised our ability to run any groups at all this year. However, working with speech and language therapists across the country we were able to adapt the courses and we eventually delivered a similar programme of transition courses 'virtually', reaching over 96 children. A total of 10 courses have been delivered successfully with positive outcomes and some significant results.

All courses were run as inter-active online sessions offering social and pragmatic skills by speech and language therapists, set within a school type context, encouraging appropriate behaviour for secondary school. They were designed to be fun and informative, using educational SLT games, following verbal and visual instructions to meet the 3 key outcomes of:

1. Increasing independence skills, problem solving, asking for help and reducing anxiety.
2. Developing strategies and processes of social interaction to improve ability to make friends.
3. Managing in a new environment and participating in school life.

Given the considerable challenges, a smaller number of courses running and constraints of engaging families and children virtually, adapting the transition courses to virtual operation has achieved some significant results. Most children enjoyed the transition course and increased their confidence, raised their understanding of the requirements of secondary school and learnt strategies to assist them with introducing themselves and interacting with unfamiliar peers and adults.

Children's feedback:

"I have learn lots of things about moving to secondary school, how to read my time table, how to make new friends, my school bag, etc....it was really good."

"This is the best place in the world."

"[I learned].. a lot of things mainly learning how secondary school is not as bad."

"I learnt that we all can make friends."

"I learnt that I can ask for help, I learnt that how to make friends."

Parent's feedback:

"Thank you very much for everything [my child] had an amazing week!"

"It was amazing, my son enjoyed himself so much!"

"After the course he feel happy and confident."

"Thank you very much for arranging these transition sessions, [my child] has really enjoyed them and is really looking forward to school now!"

"Thank you all, [my child] has learnt new skills this week and really enjoyed meeting everyone."

Parent training:

Afasic has been working with NAPLIC on a pilot project that provides remote support for parents, called 'DLD Together'. This uses video conferencing to deliver a bespoke course for parents of children with Developmental Language Disorder run by speech & language therapists to help them better understand this condition and how they can help their child.

AFASIC

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

We have also set up a closed Facebook page that continues to offer support and information for parents once the courses finish and to enable parents to keep in touch and ask questions of us and each other. Feedback to this initiative has so far been overwhelmingly positive.

"The course helped me understand how to be more useful for M in many ways like being more understanding and patient, invest in reading with him as much as possible and encourage him just to be himself and many more."

"My son is 13, scared to make friends because he was bullied and teased, he feels lonely and it breaks my heart.... I could probably fill a book with the journey we had to go through in order to be where we are now but the one thing I never had was a support group of parents with similar children."

"We found the course to be incredibly useful and we are sad that it has come to an end but it has given us loads of really helpful information, further support and resources so we are very happy we now have a clearer focus for T."

Collaboration:

During the year we have been involved with the steering group for a collaborative project called 'Language Explorer' lead by Therapy Box. It is a project about language development looking to create a fun story telling app that helps speech and language therapists identify children with DLD.

We have also sat on the advisory group of the SWAN research project at UCL for a research project looking at an app to help children and adults with DLD to learn number sequences.

As mentioned above, we have worked closely with NAPLIC to continue developing the 'DLD Together' remote training courses for parents. Afasic also sits on a number of steering and advisory groups that provide opportunities for sharing of sectors current work and thinking about speech, language and communication more widely.

Conclusion:

The trustees believe that despite all that has gone in the world as a result of Covid-19 and its impact, Afasic has managed to adapt and develop its services and has continued to provide a vital source of information, help and support to families across the country.

Financial and business review

The past 12 months has been a very difficult period for all charities with the impact of the Covid-19 pandemic affecting the way that we work and the funding of the organisation. To address the issue of funding, our efforts during the year were focused on generating unrestricted income to ensure that our core operating costs were covered and also to work on reducing costs where possible. As the figures below will show, this strategy has been successful over the past year.

Unrestricted income for the year was £134,163 (2020: £123,721) with unrestricted expenditure at £113,656 (2020: £120,474), leaving a net surplus for the year of £20,507 in unrestricted funds.

Restricted income totalled £57,357 for the year (2020: £75,231), with restricted expenditure at £51,944 (2020: £77,700), which has resulted in a surplus of £5,413 (2020: -£5,208) for the year in restricted funds.

Overall there is a net surplus of £25,920 for the year, compared to a net deficit the previous year of £2,155.

We are very grateful for the generous support that we have had from individual donations during this difficult period, which were 136% of the previous year total and that more than compensated for a drop of 59% in income from fundraising events compared to the previous year. Total expenditure reduced by £35,507 compared to the previous financial year whilst total income only reduced by £7,432.

AFASIC

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The unrestricted fund balance includes a legacy amount of £211,768, the timing and recovery of which remains uncertain, and as such this has been included as a long-term debtor and placed into a designated fund. (For further details please refer to notes 15 and 16).

Unrestricted funds available for general charitable purposes as at the 31st March 2021 were £107,163 which is within the level of unrestricted funds required by the trustees (see reserves policy below).

The trustees are pleased with the overall outcome for the year given the very difficult circumstances, but are aware of the ongoing impact of Covid-19 that means income remains unpredictable and will keep a careful watch on the financial position to ensure that the important work of the organisation can continue into the future.

Reserves policy:

The trustees have an agreed reserves policy that takes into account the main risks to the organisation highlighted through the risk management policy.

The policy of the trustees is to maintain unrestricted reserves at a level sufficient to support the core activities of the organisation for a minimum of six months and up to twelve months. This level of reserves is deemed prudent by the trustees, to ensure that the work and services of the organisation can be planned with some certainty. This policy is reviewed by the trustees on an annual basis.

At the year-end unrestricted reserves (excluding the designated fund) provided seven months cover for budgeted unrestricted expenditure (previous year seven months). This is therefore within the level of cover required by the trustees under this policy.

The trustees will continue to monitor the reserves position closely over the coming year.

Going Concern

These accounts are prepared on the going concern basis. The trustees have a reasonable expectation that Afasic will continue in operational existence for the foreseeable future. However, the general economic environment means it is difficult to project with any certainty the likely level of unrestricted funding that will be received over the next 12 months.

The Covid-19 pandemic and resultant uncertainty is having a continuing impact but overall the income of the organisation has held up well given all that has happened over the past year and work undertaken to reduce overheads in previous years means that Afasic is comparatively well placed to sustain its work and support for children and families that need it now more than ever.

The trustees will continue to monitor the reserves position closely over the coming year.

Principal funding sources:

We are very grateful to the many individuals who have contributed to the work of Afasic through membership fees, individual donations and taking part in events. This is a vital source of income for us.

Other major funding contributions and significant grants have been very gratefully received during the year from:

The Andor Charitable Trust, BBC Children in Need (England), Borrows Charitable Trust, the Communication Consortium Grants Programme, Cumber Family Trust, Mattock Charitable Trust, PF Charitable Trust, Sir James Roll Charitable Trust, the Sobell Foundation, True Colours Trust, and the Weinstock Fund.

We are also very grateful for the legacy gift left to us by Alan Howe, generous donations from individual supporters Prof. Dorothy Bishop and Tavis Cannell, and donations from Akira Financial Ltd and Tesco Bags of Help.

AFASIC

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Given the continuing difficult economic climate, the trustees would like to thank all of our supporters who have contributed towards our work during the year. This is greatly appreciated and has helped to make a real difference to the daily lives of the children, young people and families that we help.

Investment policy:

The Memorandum and Articles of Association give the charity the power to invest moneys not immediately required for its purposes as it sees fit. The Trustee Board agreed an investment policy in December 2004 that states:

- An amount of cash for working capital of up to £150,000 is to be maintained in the organisation's current and accessible deposit accounts at any one time.
- Balances above this figure that are not required to cover short / medium term liabilities are to be available for investment.
- There are currently no funds held in investments.

Risk management:

The Board of Trustees adopted a risk management policy in December 2004 and established a risk register, both of which are reviewed and updated as necessary on at least an annual basis. The policy and register have identified the major risks to which the organisation is exposed and outline strategies, systems and procedures to manage these.

Afasic has policies in place including a health and safety policy, child protection policy, equal opportunities policy, and data protection policy as well as procedures laid down in a staff handbook to ensure that all staff and volunteers comply with these.

Financial risk management is an integral part of the operational framework of the business and strategic planning, project management and financial reporting procedures are in place.

Plans for the future:

The impact of Covid-19 has affected the way that we deliver help and support to families and adapt to new ways of working, but not the underlying outcomes that we want to achieve. If funding allows, our key aims for the coming year are outlined below:

- To secure funding to recruit a parent engagement officer to enable us to expand the reach of the 'DLD Together' parent training programme and to help support and develop a parent support network.
- To re-develop our website and add new content to ensure that it provides an accessible source of key information and resources for parents and families.
- To continue to organise and develop our summer transition courses for children facing the key move to secondary school, subject to funding, with courses able to be delivered either virtually or face to face as the need arises.
- To continue collaborating with partners, professionals, key researchers, voluntary sector (e.g. NAPLIC, CDC, SEC, the Communication Consortium) and professional bodies such as RCSLT.
- To maintain the Afasic parents' helpline service and information provided through our Facebook and Twitter feeds.

Structure, governance and management

The organisation is a registered charity and a company limited by guarantee. The organisation was registered as a charity on 4 July 1968, and incorporated on 23 March 1995. 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, as amended to allow for current governance arrangements on 6 November 2004. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

The organisation was registered with the Office of the Scottish Charity Regulator on 17 January 2008 under number SC039170.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

AFASIC

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

M Scales (Chair)
C Hammond (Treasurer)
J Emin
J Perry
C Everingham

Recruitment and appointment of trustees:

The trustees are all volunteers. The Board comprises both elected and co-opted members. In addition to the Honorary Officers, up to six board members can be elected at the AGM.

To ensure that the work of the charity is informed by a mix of business, financial and technical advice, the Board also has four co-opted places designated for individuals with an interest in and the potential to offer valuable contribution to the effectiveness of the organisation. The Chair and Vice Chair must be parents of a child with a speech and language impairment. All members are circulated with invitations to nominate trustees and Honorary Officers prior to the AGM, along with details and nomination forms.

Organisational structure:

The Board of Trustees, which can have a maximum of 13 members, administers the charity and meets on at least a quarterly basis. The day-to-day management of the organisation is in the hands of the Chief Executive.

Trustee induction and training:

Each new trustee receives induction from the Chair and/or Chief Executive as to their role and responsibilities and the work of the organisation. They are provided with a copy of "The Good Trustee Guide" published by NCVO, along with a copy of the Memorandum and Articles of Association, latest accounts and annual review, strategic and business plans, and details of major projects and services.

Trustees are encouraged to attend appropriate external training events where this will help them in their role, in addition to internal training provided by staff and trustees.

AFASIC

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Statement of trustees' responsibilities

The trustees, who are also the directors of Afasic for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

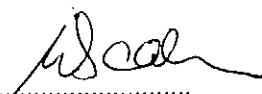
In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

On behalf of the Board of Trustees



M Scales (Chair)

Trustee

Dated: 18/11/2021

AFASIC

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AFASIC

We report to the trustees on my examination of the financial statements of Afasic (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act), the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006 (the 2006 Act). You are satisfied that the financial statements of the charity are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied ourselves that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, we report in respect of our examination of the charity's financial statements carried out under section 44 (1) (c) of the 2005 Act and section 145 of the Charities Act 2011 (the 2011 Act). In carrying out our examination we have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement


Since the charity is required by company law to prepare its accounts on an accruals basis and is registered as a charity in Scotland your examiner must be a member of a body listed in Regulation 11(2) of the Charities Accounts (Scotland) Regulations 2006 (as amended). We confirm that we are qualified to undertake the examination because we are a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act and Regulation 4 of the 2006 Accounts Regulations; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

We have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Lee, Dicketts & Co



3 East Point
High Street, Seal
Sevenoaks
Kent
TN15 0EG

Dated: 18 November 2021

AFASIC

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
	Notes					
<u>Income and endowments from:</u>						
Donations and legacies	2	80,305	-	1,543	81,848	65,747
Activities in furtherance of the charity's objects	3	51,593	-	55,814	107,407	132,097
Investments	4	311	-	-	311	686
Other income	5	1,954	-	-	1,954	422
Total income		134,163	-	57,357	191,520	198,952
<u>Expenditure on:</u>						
Raising funds	6	16,045	-	-	16,045	19,113
Charitable activities	7	97,611	-	51,944	149,555	181,724
Other	13	-	-	-	-	270
Total resources expended		113,656	-	51,944	165,600	201,107
Net income/(expenditure) for the year/ Net movement in funds		20,507	-	5,413	25,920	(2,155)
Fund balances at 1 April 2020		86,656	208,835	85,607	381,098	383,253
Fund balances at 31 March 2021		107,163	208,835	91,020	407,018	381,098

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

AFASIC

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes				
Income and endowments from:					
Donations and legacies	2	58,841	-	6,906	65,747
Activities in furtherance of the charity's objects	3	63,772	-	68,325	132,097
Investments	4	686	-	-	686
Other income	5	422	-	-	422
Total income		123,721	-	75,231	198,952
Expenditure on:					
Raising funds	6	19,113	-	-	19,113
Charitable activities	7	101,091	2,933	77,700	181,724
Other	13	270	-	-	270
Total resources expended		120,474	2,933	77,700	201,107
Net incoming/(outgoing) resources before transfers		3,247	(2,933)	(2,469)	(2,155)
Gross transfers between funds		2,739	-	(2,739)	-
Net income/(expenditure) for the year/ Net movement in funds		5,986	(2,933)	(5,208)	(2,155)
Fund balances at 1 April 2019		80,670	211,768	90,815	383,253
Fund balances at 31 March 2020		86,656	208,835	85,607	381,098

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

AFASIC

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14		1,879		2,575
Current assets					
Debtors falling due after one year	15	211,768		211,768	
Debtors falling due within one year	15	10,657		9,831	
Cash at bank and in hand		215,427		191,314	
		437,852		412,913	
Creditors: amounts falling due within one year	18	(32,713)		(34,127)	
Net current assets			405,139		378,786
Total assets less current liabilities			407,018		381,361
Creditors: amounts falling due after more than one year	19		-		(263)
Net assets			407,018		381,098
Income funds					
Restricted funds	20		91,020		85,607
<u>Unrestricted funds</u>					
Designated funds	21	208,835		208,835	
General unrestricted funds		107,163		86,656	
			315,998		295,491
			407,018		381,098

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

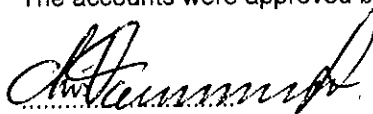
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

AFASIC

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2021

The accounts were approved by the trustees on 18/11/2021



C Hammond (Treasurer)

Trustee

Company Registration No. 03036802

AFASIC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Afasic is a private company limited by guarantee incorporated in England and Wales. The registered office is St Margaret's House, 15 Old Ford Road, London, E2 9PJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) 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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

These accounts are prepared on the going concern basis. The trustees have a reasonable expectation that Afasic will continue in operational existence for the foreseeable future, however the general economic environment continues to make it difficult to raise unrestricted funds to cover core services and costs. It remains difficult to project what the likely receipt of unrestricted funding will be over the next 12 months.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Where it is clear that the donor has specified a grant to be related to a fixed period for a specified use, these funds will be treated as deferred income and released to the Statement of Financial Activities to match the related expenditure.

1.5 Resources expended

The accruals basis is applied to all expenditure.

Expenditure has been allocated according to the Statement of Recommended Practice "Accounting and Reporting by Charities" and is shown under the appropriate sub-heading. Items of expenditure which involve more than one charitable activity, are allocated appropriately between the charitable activities involved on the basis of estimates made by the charity's management.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% reducing balance
Computers	33.3% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Basic financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any loss arising from impairment is recognised in the profit and loss account in other administrative expenses.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

2 Donations and legacies

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	71,831	1,543	73,374	46,820	6,906	53,726
Legacies receivable	1,928	-	1,928	5,003	-	5,003
Subscriptions	6,546	-	6,546	7,018	-	7,018
	<u>80,305</u>	<u>1,543</u>	<u>81,848</u>	<u>58,841</u>	<u>6,906</u>	<u>65,747</u>

3 Activities in furtherance of the charity's objects

	2021 £	2020 £
Events	8,236	19,739
Inservice training, conferences and activity weeks	-	150
Literature	2,932	2,668
Grants receivable for charitable activities	96,239	109,540
	<u>107,407</u>	<u>132,097</u>
Analysis by fund		
Unrestricted funds - general	51,593	63,772
Restricted funds	55,814	68,325
	<u>107,407</u>	<u>132,097</u>

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Investments

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Interest receivable	311	686

5 Other income

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Royalties	335	309
Management and administration services	1,619	113
	1,954	422

6 Raising funds

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Fundraising and publicity	3,387	6,242
Other fundraising costs	12,658	12,871
Staff costs		
Fundraising and publicity	16,045	19,113

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Charitable activities	Information Parents and families and awareness		Children and young people		Total Information Parents and families and awareness		Children and young people		Total 2020	
	2021	£	2021	£	2021	£	2021	£	2020	£
Staff costs	16,285		21,460		64,501		24,627		66,361	
Depreciation and impairment	231		235		697		318		959	
Services	1,006		20,866		21,895		3,053		44,805	
Property costs	8,544		6,187		25,173		8,339		25,240	
Administrative costs	2,048		2,655		7,191		3,037		10,395	
Other staff costs	71		141		282		267		1,357	
	28,185		51,544		119,739		30,681		149,117	
Grant funding of activities (see note 9)	-		-		-		-		2,286	
Share of support costs (see note 10)	8,221		10,421		26,957		7,186		23,633	
Share of governance costs (see note 10)	916		972		2,859		2,184		6,688	
	37,322		62,937		149,555		40,051		181,724	
Analysis by fund										
Unrestricted funds - general	36,452		23,566		97,611		36,629		101,091	
Unrestricted funds - designated	-		-		-		977		2,933	
Restricted funds	870		39,371		51,944		2,445		77,700	
	37,322		62,937		149,555		40,051		181,724	

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Description of charitable activities

Information and awareness

Providing and disseminating information on speech, language and communication needs and raising awareness of this hidden disability.

Parents and families

Supporting and empowering parents and families of children and young people with speech, language and communication needs, enabling them to advocate for their child.

Children and young people

Working with children and young people with speech, language and communication needs to develop their communication, social and life skills.

9 Grants payable

	2021 Children and young people	
	2020	
	£	£
Grants to institutions:		
Other	-	2,286

During the year-end 31 March 2020 one of the Local Groups was closed. The funds held on account were donated by the local group to two charities in that area, which provide activities to children with both learning and physical disabilities.

10 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff costs	16,809	-	16,809	16,886	-	16,886
Information technology	9,869	-	9,869	6,249	-	6,249
Finance costs	279	-	279	498	-	498
Accountancy	-	2,730	2,730	-	3,342	3,342
Legal and professional	-	-	-	-	2,933	2,933
Trustee and AGM expenses	-	129	129	-	413	413
	<u>26,957</u>	<u>2,859</u>	<u>29,816</u>	<u>23,633</u>	<u>6,688</u>	<u>30,321</u>
Analysed between						
Charitable activities	<u>26,957</u>	<u>2,859</u>	<u>29,816</u>	<u>23,633</u>	<u>6,688</u>	<u>30,321</u>

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Tangible fixed assets

	Fixtures, fittings & equipment £	Computers £	Total £
Cost			
At 1 April 2020	26,770	14,404	41,174
At 31 March 2021	26,770	14,404	41,174
Depreciation and impairment			
At 1 April 2020	24,824	13,775	38,599
Depreciation charged in the year	487	209	696
At 31 March 2021	25,311	13,984	39,295
Carrying amount			
At 31 March 2021	1,459	420	1,879
At 31 March 2020	1,946	629	2,575

15 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	6,881	6,137
Prepayments and accrued income	3,776	3,694
	10,657	9,831
Amounts falling due after more than one year:		
Prepayments and accrued income	211,768	211,768
Total debtors	222,425	221,599

Debtors include a legacy receipt of £211,768 which has been confirmed by the executors as the legal entitlement of Afasic and the assets of the estate have been confirmed as collected. The trustees are very concerned at the delay in distribution of the estate which is due to problems of interpretation by the executors and which are not in the control of Afasic. The trustees cannot be certain as to the timeframe within which the executors will be in a position to distribute the estate or any conditions which might attach to the distribution. In view of the delay in collecting this asset and difficulty in estimating the timing of receipt the trustees have decided to classify the asset as a long term asset.

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but they were reimbursed a total of £nil travelling expenses (2020 - £251).

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	6	6
	<u>6</u>	<u>6</u>
Employment costs	2021	2020
	£	£
Wages and salaries	90,004	90,850
Social security costs	1,483	2,617
Other pension costs	2,481	2,651
	<u>93,968</u>	<u>96,118</u>

There were no employees whose annual remuneration was £60,000 or more.

13 Other

	Total	Unrestricted funds general
	£	£
	2021	2020
Net loss on disposal of tangible fixed assets	-	270
	<u>-</u>	<u>270</u>

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

16 Loans and overdrafts

	2021 £	2020 £
Other loans	25,000	25,000
Payable within one year	25,000	25,000

During the year to 31 March 2018 a £25,000 loan was made to Afasic by a key supporter as part of a special appeal to supporters. The purpose of this loan was to help provide cash flow to support the financial obligations which arose from redundancy and other restructuring costs that arose during the year. The loan does not have a set date for repayment but there is a specific condition that repayment will be made from the distribution of the outstanding legacy due to Afasic. The intention of the trustees is to repay this loan as soon as it is practicably possible. This will depend upon development of the overall financial position. Although there is some uncertainty about the timing of repayment of the loan it is possible that this may be done within the next 12 months so the trustees have classified the loan as repayable within one year.

17 Finance lease commitments

Future minimum lease payments due under finance leases:

	2021 £	2020 £
Within one year	264	1,054
Within two and five years	-	263
	264	1,317

The charity has entered into an interest free hire purchase arrangement for the acquisition of office equipment during the previous financial year. The term of the agreement is 24 months.

18 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Obligations under finance leases	17	264	1,054
Borrowings		25,000	25,000
Other taxation and social security		1,532	1,600
Trade creditors		2,756	3,223
Other creditors		228	317
Accruals and deferred income		2,933	2,933
		32,713	34,127

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Obligations under finance leases	17	-	263

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020 £	Movement in funds		Transfers	Balance at 31 March 2021 £
		Incoming resources £	Resources expended £	£	
Works across the nations					
CYMRU	924	-	(5)	-	919
Northern Ireland	273	-	(12)	-	261
NDO	1,067	-	-	(1,067)	-
Supporting parents and professionals					
Parent Support Service	11,752	11,047	(10,808)	-	11,991
Local Groups	35,623	-	(2,895)	-	32,728
Supporting children and young people					
Summer School	30,244	43,810	(38,212)	1,067	36,909
Bryony Walker Fund	5,378	-	-	-	5,378
West Midlands	346	-	(13)	-	333
Derby	-	2,500	-	-	2,500
	<u>85,607</u>	<u>57,357</u>	<u>(51,945)</u>	<u>-</u>	<u>91,020</u>

Details of certain restricted funds, including income from grants and donations are as follows:

Works across the nations:

CYMRU

Our projects in Wales came to an end in March 2018 as funding bids were unsuccessful and we were unable to find the funds necessary to maintain and develop our work there beyond this period.

Northern Ireland

Previously funded by a grant from the Big Lottery Fund for work with young people in Northern Ireland. This project has now been completed.

NDO (England)

For general development work and parent training across England, with income and expenditure seen being related to that work.

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

20 Restricted funds

(Continued)

Supporting parents and professionals:

Parent Support Service

Provides support to parents through a telephone helpline, production and distribution of literature and publications and development of resources on the Afasic website. Main funders for this service during the year included a grant of £10,000 from the Sobell Foundation; and £1,000 from Tesco Bags of Help.

Local Groups

Members who come together to form groups at a local level to provide mutual support, organise activities for children and young people and work in partnership with local authorities. Funds are raised and spent locally.

Supporting children and young people:

Transition Summer Schools

This is a programme of innovative courses for children facing the move from primary to secondary school. The week long courses aim to prepare the children for this move, arm them with strategies for dealing with things like bullying, and develop their social and language skills. Main funders during the year include: BBC Children in Need £37,064; the Weinstock Fund £5,250, and the Borrowes Charitable Trust £1,000.

West Midlands Funds

Funds to be used for our work in the West Midlands areas.

Bryony Walker Fund

A fund set up with donations made in memory of our Trustee and Vice Chair Bryony Walker who sadly passed away in 2014 to be used for work with young people.

Derby Area

A donation of £2,500 from the Zochonis Charitable Trust for work in the Derby area.

Afasic is very grateful to all the donors mentioned above for their support of our work during this period.

21 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2019	Resources expended	Balance at 1 April 2020	Movement in funds Incoming resources	Balance at 31 March 2021
	£	£	£	£	£
Legacy income - strategic plan	211,768	(2,933)	208,835	-	208,835
	<u>211,768</u>	<u>(2,933)</u>	<u>208,835</u>	<u>-</u>	<u>208,835</u>

On receipt of the outstanding legacy the trustees intend to invest the legacy proceeds in the future development of Afasic and its charitable activities.

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

22 Analysis of net assets between funds	Unrestricted funds		Designated funds		Restricted funds		Total		Unrestricted funds		Designated funds		Restricted funds		Total	
	2021	£	2021	£	2021	£	2021	£	2020	£	2020	£	2020	£	2020	£
Fund balances at 31 March 2021 are represented by:																
Tangible assets	1,870		-		9		1,879		2,562		-		13		2,575	
Current assets/(liabilities)	105,293		208,835		91,011		405,139		84,357		208,835		85,594		378,786	
Long term liabilities	-		-		-		-		(263)		-		-		(263)	
	<u>107,163</u>		<u>208,835</u>		<u>91,020</u>		<u>407,018</u>		<u>86,656</u>		<u>208,835</u>		<u>85,607</u>		<u>381,098</u>	

AFASIC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	521	1,042
Between two and five years	521	521
	<u>1,042</u>	<u>1,563</u>

24 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).