

**HI KENT**

**(A Company Limited by Guarantee)**

**AUDITED TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**HI KENT**  
**(A Company Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

<b>Patron:</b>	Rt. Hon. Ann Widdecombe
<b>Honorary President:</b>	Nadra Ahmed OBE DL
<b>Chief Operating Officer:</b>	Maxine Lucas
<b>Trustees:</b>	Clive Reddihough (Chairman) Caroline Elizabeth Highwood (Treasurer) Patrick Todd Mary Shaw Derek Smyth Alan West James Ransom (Appointed 16/11/2021)
<b>Company Registered Number:</b>	03132542
<b>Charity Registered Number:</b>	1052036
<b>Company Secretary</b>	Maxine Lucas
<b>Head Office and Registered Office:</b>	18 Brewer Street Maidstone Kent ME14 1RU
<b>Independent Auditors:</b>	Charcroft Baker LLP 5 West Court Enterprise Road Maidstone Kent ME15 6JD
<b>Bankers:</b>	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Solicitors:</b>	Warners Solicitors 180 High Street Tonbridge Kent TN9 1BD

**HI KENT**  
**(A Company Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees (who are also directors of Hi Kent for purpose of company law) present herewith their Annual Report and the financial statements for the year ended 31 March 2022.

**Legal and Administrative Details**

The charity is a company limited by guarantee (company number 03132542, registered charity number 1052036). The charity is governed by the Memorandum & Articles of the company dated 21 November 1995. The Trustees, who comprise the Management Committee of the charity, are responsible for governance of the charity in accordance with the governing document, with day-to-day management delegated to the Chief Operating Officer.

**Principal Activities and Policy Statement**

Hi Kent's aims and objectives are to provide d/Deaf, deafened and hard of hearing people with information, assistive equipment and support required to maximise communication and enable them to live fulfilled lives socially and in employment. In line with these core values the principal activities of the company continue to be the assessment of the needs of people with a hearing loss on behalf of Kent County Council, and the provision of relevant advice, equipment services and support. Our support activities also include free lipreading classes, social groups, tinnitus support groups, community clinics for hearing aid maintenance, deaf awareness classes and suitable premises where equipment can be demonstrated to clients. Hi Kent's objectives and activities are solely for the benefit of the public. The Trustees of Hi Kent have had due regard to guidance published by the Charity Commission.

Demographic data shows that there is a growing older population which means there is certain to be an ongoing increase in people requiring the services of Hi Kent in the future as the incidence of hearing loss and deafness is greatest among older people. An underlying factor is the general, increasing population in the county of Kent. Nationally 1 in 5 people are hearing impaired and this statistic rises to 2 in 5 for people over the age of 50. People over the age of 70 are more likely to have a hearing loss than not. In Kent the number of people over the age of 50 is set to rise by 55% by 2033 (source: Office for National Statistics).

**Review of the Year**

During the past year we have worked hard to get our services back out in the community and began to return to face to face activities as soon as the Covid-19 restrictions were progressively lifted. It was also the first year of working under Kent County Council's Community Based Wellbeing Service contract in which we are sub-contracted to Kent Association of the Blind. The new contract has enabled us to work with a wider range of clients including all adults 26 years and over and people who use British Sign Language as their first language. We also developed a working relationship with BSL Community providing the booking and administration of appointments for BSL users to help them with various issues such as claiming benefits, housing etc.. We have our own Information Service for deafened people. We started Social Groups for deafened people so that we could get people out socialising again and now have 8 running across Kent. We also started to run a few Walking Groups for people wanting to meet others out in the open air. We were fortunate to receive some additional funding which enabled us to set up a Technical Support service providing one to one help with modern technology to ensure people understand the ways it can be used to benefit them. BSL courses are now being taught in a mix of online and face to face and Lipreading courses have remained online. Our Tinnitus groups moved online throughout the lockdowns and we are now delighted to be resuming face to face. We also started offering Counselling for people impacted by hearing loss which is a talking therapy, this is free of charge for the first 6 sessions.



**REPORT OF THE TRUSTEES (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

Fundraising was difficult once again because we were unable to run our usual schedule of quizzes and fundraising dinners. We did, however, manage to participate in a few Christmas fairs selling our range of Christmas gifts. We are hoping that we can improve this further in the following year as restrictions have eased.

The continuing impact of the COVID pandemic can be seen in the 2022 year.

**Financial Status**

The steps taken in planning the budget for 2022 have helped to continue the financial health of the organization.

The actual revenue for 2022 was £574,065 (2021 was £661,594), a decrease of £87,529.

On the cost control side, expenditures were £601,505 (2021 was £563,201) which is an increase of £38,304 in costs.

The net movement in funds was therefore a £27,440 deficit (2021 was a £98,393 surplus), which is a better result than budgeted.

**Reserves Policy**

Total funds of the Charity at 31 March 2022 were £239,027 (2021: £266,467). Free reserves, calculated as being reserves after the removal of restricted funds, designated funds and tangible fixed assets, held at 31 March 2022 were £204,144. It is held in a mixture of fixed term deposits, bonds and open access interest bearing accounts intended to maximise investment returns whilst not impairing liquidity. This position may fluctuate temporarily during the year as it smooths operational costs. It is our longer term aim to maintain reserves at the equivalent of between four to six months' operational costs, as a contingency to enable us to honour all contractual obligations.

**Associations with Organisations**

We continue to work closely with The Kent Association for the Blind under the Kent County Council Community Wellbeing Services contract. We collect detailed statistics which are reported quarterly. We also receive financial support from NHS Kent and Medway CCG which go towards providing hearing aid maintenance services throughout the county. We receive funding from many local organizations and businesses which are all gratefully received. We have continued our symbiotic relationship with Kent Adult Education. Our relationships with all these organisations underpin our work and are of enormous benefit to our clients. We have established excellent working relationships with several private providers of hearing aids who either currently carry out work for the NHS or intend to do so in the near future. We are grateful for the ongoing support of the British Tinnitus Association who provide information, training and publicity of our support groups. Hi Kent chairs the Kent Charities Group which involves joint working with several other local charities in the County.

**REPORT OF THE TRUSTEES (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**Corporate Risk Assessment**

The Management Committee have conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Hi Kent operates budget control procedures and formal reports are provided to the Management Committee at its bi-monthly meetings. Progress of actual vs. budget funding/spending and cash flow analysis are kept under close review. Internal control risks are minimised by the stringent application of procedures for authorisation of all transactions and projects. Hi Kent no longer holds the quality standard ISO 9001:2015 but operates its own quality system based on the principles of the standard.

Procedures are in place to:

- a) ensure compliance with health and safety of staff, volunteers, clients and visitors to all Hi Kent premises and when undertaking work on behalf of Hi Kent at other locations;
- b) ensure that all necessary policies are in place and reviewed at appropriate intervals, including, inter alia, environmental issues, adult protection, data protection, etc;
- c) ensure security of tenure in respect of premises occupied under long-term leases;
- d) recruit, retain and develop staff
- e) ensure compliance with all relevant legislation.

These procedures are regularly reviewed to ensure that they continue to meet the needs of the charity, and all policies and procedures are examined rigorously as part of the annual quality procedure.

**Methods Adopted for Recruitment and Appointment of new Trustees**

Hi Kent appoints 'fit and proper persons' to serve as its Trustees and ensures its Board is balanced with a wide range of skills. As far as is possible Hi Kent aims to have diversity in its Trustees in terms of breadth of skills, age, gender, race and background, as well as personal experience or understanding of hearing loss and the needs of our client group.

**Induction of Trustees**

Potential new Trustees are provided with briefing material by the Chairman and the Chief Executive then invited to attend one or more Trustees' Meetings as observers before a decision is taken to appoint them as Trustee. They also receive copies of recent accounts, annual reviews, Memorandum and Articles of Association.

**Employee Remuneration**

The remuneration of key employees is set by the Trustees.

**Acknowledgements**

We are indebted to our many volunteers who provide the outreach service to deaf people in their local communities, and it has been great to have them back out helping our clients. We again appreciate the support of staff in Local Authorities and NHS bodies which enables us to develop service provision for our mutual clients. We are also grateful for the help and support of Kent Association for the Blind over the first year of the contract and we look forward to continuing to build this relationship. Hi Kent gratefully acknowledges the generous donations of those funding bodies which have awarded grants this year which have been essential in a year where fundraising activities have still been difficult. We also give grateful thanks to the numerous individuals who contribute regularly to our work on behalf of Kent's 350,000 people with a hearing loss.

**REPORT OF THE TRUSTEES (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**Future Plans**

Our ongoing aim is to help more of Kent's 350,000 d/Deaf and hard of hearing people year on year, providing the services they need as close to where they live as possible and helping them to achieve the outcomes they need to live well.

The Community Wellbeing Services Contract has enabled us to develop new services such as the Social Groups, help for Deaf people and British Sign Language users and extending our Assessment Service to all d/Deaf adults in the Kent County Council area.

This contract has a 3-year term, with the possibility of two one year extensions, which provides much-needed stability for voluntary sector providers, and will be far more satisfactory than the year-by-year rolling renewals that have characterised the recent past.

**For the Year Ending 31 March 2023**

The new management team that was put in place from 30<sup>th</sup> June 2021 is coping well with the challenges of the new Community Wellbeing Services Contract. Hi Kent is in a good place to continue this work into its second year and increase the number of people helped year on year.

We were awarded funding to help us improve our marketing systems and will use this to extend our reach further by utilising our website and social media platforms in the best way possible.

With a fully costed budget for 2022-2023 we will continue to sustain our service delivery and maintain performance against targets subject to funding in the current year.

We continue to return to the community in providing assistive equipment, advice and aftercare services to clients at our Resource Centres and numerous other venues.

Hi Kent will continue to offer high quality British Sign Language (BSL) and Deaf Awareness Courses at venues that are most convenient and cost-effective. These are now being delivered in a mix of face to face and online as we have found that students do appreciate having the choice. Our partnership with Kent Adult Education covers BSL Levels 1 and 2 and the number of courses that we provide each year continues to increase. Students on our BSL courses achieve enviably high pass rates thanks to our excellent professional tutors. We have successfully run bespoke courses at local Schools and at Mid Kent College and are hoping to extend this provision into other education providers.

Our Tinnitus Support Groups are still meeting twice per month online in the evening. We have a programme of face to face meetings set up for the year. The face to face meetings that have already taken place have been very successful, people are very happy to see each other again.

We took part in the RISE Expo at Kent County Showground this year which was a great opportunity to tell clients and other organisations about our work. This had not run since 2019 so it was great to see familiar faces again and see some new faces. We hope more of the exhibitions that were running before Covid-19 will soon return.

We have a schedule of quiz nights arranged for the year and are hoping that these will be well attended and make a good contribution to Hi Kent's fundraising income. We have held a fundraising dinner in Maidstone restaurant and a film quiz in Ashford which have both been very successful. We are looking forward to the next ones!

**REPORT OF THE TRUSTEES (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**Fundraising Activities**

The charity was still unable to carry out the normal quiz nights and fundraising dinners hosted previously by its Patron, the Rt Hon Ann Widdecombe. Sale of fundraising goods were below previous years because many of the events did not resume, however we did make the most of the ones that did run. Income from donations and fundraising was £63,645 for 2022 (£60,903 for 2021). We have a busy schedule of Christmas fairs booked for 2022 and with a new range of gifts to sell we are looking forward to a successful season. We have started our new Hi Kent lottery which has a growing number of members and is bringing in much needed funds. We continue to look for new and innovative ways of raising our own funds. We maintain our policy of not using any professional fundraisers or commercial participators. The charity is fully compliant with the GDPR regulations and does not make any direct approaches to vulnerable people or members of the public using intrusive or unreasonable methods. The charity has received no complaints about its fundraising activities. Hi Kent is registered with the Fundraising Regulator.

Hi Kent continues to rely heavily on its team of 140 volunteers, the majority of whom are deployed on running our hearing aid support clinics, after receiving necessary training. A few volunteers also help in our offices, at some Social Groups and at occasional fundraising events. All are required to undergo a DBS check before acting on our behalf.

**Trustees during the year**

The trustees of the charity who served during the year were as follows:

Clive Reddihough  
Caroline Highwood  
Patrick Todd  
Mary Shaw  
Derek Smyth  
Alan West  
James Ransom (elected 16 November 2021)

**Investment Powers**

Day-to-day funds management decisions in the current account rested with the Chief Operating Officer, pursuant to policies approved by the trustees and members of the Management Committee. Long-term investment decisions are subject to Board review. There are no restrictions in the Memorandum and Articles of Association on the type of investments permitted.

**Auditors**

Charcroft Baker LLP were re-appointed as auditors at the 2021 Annual General Meeting. A resolution proposing that Charcroft Baker LLP be re-appointed as auditors of the charity will be put to the 2022 Annual General Meeting.

**Statement of Trustees' Responsibilities**

The Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

**REPORT OF THE TRUSTEES (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**Statement of Trustees' Responsibilities - continued**

- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

**Disclosure For Information To Auditor**

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustees is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- that Trustees have taken all the steps that they ought to have taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report was approved by the Trustees, on 21/10/2022 and signed on their behalf by:



**Maxine Lucas**  
Company Secretary



**INDEPENDENT AUDITOR'S REPORT**

**TO THE TRUSTEES OF HI KENT**

**FOR THE YEAR ENDED 31 MARCH 2022**

**Opinion**

We have audited the financial statements of Hi Kent (the “charitable company”) for the year ended 31 March 2022 which comprise of a Statement of Financial Activities, Balance Sheet, Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity’s affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustee’s use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the [entity]’s ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT**

**TO THE TRUSTEES OF HI KENT**

**FOR THE YEAR ENDED 31 MARCH 2022**

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

In the light of the knowledge and understanding of the company and its environment obtained during the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and proper 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 the audit.

**Responsibilities of the trustees**

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above to detect material misstatements in respect of irregularities, including fraud.

**The extent to which the audit was considered capable of detecting irregularities, including fraud is detailed below:**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

**INDEPENDENT AUDITOR'S REPORT**

**TO THE TRUSTEES OF HI KENT**

**FOR THE YEAR ENDED 31 MARCH 2022**

**Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the charity's activities and sector, control environment and performance including the design of the remuneration policies, key drivers for remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having enquired into the policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
  - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud was in relation to revenue recognition, cash collections and safeguarding of assets.

We are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included FRS102 Section 1A, the UK Companies Act 2006, the Charities Act 2011, the Charities SORP (FRS 102) and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. These included compliance with laws and regulations concerned with UK government COVID-19 support schemes.

**Audit response to risks identified**

As a result of performing the above, we identified revenue recognition as a key audit matter related to the potential risk of irregularity including fraud. We assessed the Charity's policy for deferring revenue, including considering whether the policy is in accordance with Charity SORP. We substantively tested the source data and challenged assumptions used to recognise revenue ensuring consistent treatment. We are satisfied that the judgements applied within the financial statements are appropriate.



**INDEPENDENT AUDITOR'S REPORT**

**TO THE TRUSTEES OF HI KENT**

**FOR THE YEAR ENDED 31 MARCH 2022**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

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

Charcroft Baker LLP is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditor's 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's and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Michael Baker BA FCA (Senior Statutory Auditor)**  
**For and on behalf of Charcroft Baker LLP**

*MB Baker*

5 West Court  
Enterprise Road  
Maidstone  
Kent  
ME15 6JD

Date: *07/11/22*.....

Charcroft Baker LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds:</b>					
<i>Voluntary income:</i>					
Membership subscriptions	2	150	-	150	190
Donations & fund raising	2,3	63,645	-	63,645	60,903
Legacies	2	-	-	-	-
<i>Investments:</i>					
Bank interest received	4	478	-	478	551
Bank investment bond movement	4	(1,113)	-	(1,113)	689
<b>Incoming resources from charitable activities:</b>					
Grants	2	26,024	136,723	162,747	547,403
Contract income	2	280,000	-	280,000	-
Sales & installation of aids	3	37,460	-	37,460	17,666
Deaf awareness & Sign Language courses	3	30,698	-	30,698	34,192
<b>TOTAL INCOMING RESOURCES</b>		<b>437,342</b>	<b>136,723</b>	<b>574,065</b>	<b>661,594</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds:</b>					
Costs of generating voluntary income		7,208	-	7,208	5,449
<b>Charitable activities</b>		<b>436,598</b>	<b>152,195</b>	<b>588,793</b>	<b>550,960</b>
<b>Governance costs</b>		<b>5,504</b>	<b>-</b>	<b>5,504</b>	<b>6,792</b>
<b>TOTAL RESOURCES EXPENDED</b>	<b>5</b>	<b>449,310</b>	<b>152,195</b>	<b>601,505</b>	<b>563,201</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>(11,968)</b>	<b>(15,472)</b>	<b>(27,440)</b>	<b>98,393</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		242,546	23,921	266,467	168,074
Total funds carried forward		230,578	8,449	239,027	266,467

The Statement of Financial Activities incorporates the Income and Expenditure Account.

The results for the year derive from continuing activities and there are no gains and losses other than those shown above.

(A Company Limited by Guarantee)

**BALANCE SHEET****FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible Assets	9	26,434	31,986
<b>CURRENT ASSETS</b>			
Stock		15,019	17,069
Debtors	10	21,423	5,937
Prepayments & accrued income	10	42,149	20,367
Cash at Bank & in Hand		<u>186,533</u>	<u>237,203</u>
		265,884	280,576
<b>CREDITORS</b>			
Creditors	11	(26,785)	(13,307)
Accruals and deferred income	11	<u>(26,506)</u>	<u>(32,788)</u>
<b>NET CURRENT ASSETS</b>		212,593	234,481
<b>NET ASSETS</b>		<u>239,027</u>	<u>266,467</u>
<b>INCOME FUNDS</b>			
Restricted funds	16	8,449	23,921
Unrestricted funds	16	<u>230,578</u>	<u>242,546</u>
		<u>239,027</u>	<u>266,467</u>

The Trustees have elected for the financial statements to be audited in accordance with section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The trustees have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

Approved by the trustees on 21/10/2022 and signed on its behalf by:

C E Highwood  
Treasurer



**STATEMENT OF CASHFLOWS****FOR THE YEAR ENDED 31 MARCH 2022****Statement of Cash flows:**

	2022 £	2021 £
Cash flows from operating activities:	<u>(48,406)</u>	<u>132,710</u>
Net cash provided by (used in) operating activities:		
Dividends, interest and rents from investments	(635)	1,240
Proceeds from the sale of property, plant and equipment	150	-
Purchase of property, plant and equipment	(1,779)	(5,276)
Proceeds from sale of investments	-	-
Purchase of investments	-	-
Net cash provided by (used in) investing activities	<u>(2,264)</u>	<u>(4,036)</u>
Cash flows from financing activities:		
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Receipt of endowment	-	-
Net cash provided (used in) financing activities	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period	(50,670)	128,674
Cash and cash equivalents at the beginning of the reporting period	237,203	108,529
Change in cash and cash equivalents due to exchange rate movements	-	-
Cash and cash equivalents at the end of the reporting period	<u>186,533</u>	<u>237,203</u>

**Reconciliation of net income / (expenditure) to net cash flow from operating activities:**

	2022 £	2021 £
Net income / (expenditure) for the reporting period (as per SOFA)	(27,440)	98,393
Adjustment for:		
Depreciation charges	7,188	9,101
Dividends, interest and rents from investments	635	(1,240)
Loss / (Profit) on the sale of fixed assets	(7)	-
(Increase) / decrease in stocks	2,050	(256)
(Increase) / decrease in debtors	(38,028)	6,938
Increase / (decrease) in creditors	7,196	19,774
Net cash provided by (used in) operating activities	<u>(48,406)</u>	<u>132,710</u>

**Analysis of changes in Net Debt**

	at 01/04/21	Cash Flow	at 31/03/22
<b>Net Cash</b>			
Cash at bank and in hand	237,203	(50,670)	186,533
	<u>237,203</u>	<u>(50,670)</u>	<u>186,533</u>

**ACCOUNTING POLICIES STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES**

**a) Statutory Information**

Hi Kent is a private company, limited by guarantee, registered in England and Wales. The liability of each member in the event of a winding up is £1.

The company's registered number and registered office address can be found on the company information page.

**b) Basis of Preparation**

The financial statements of the charitable company have been prepared under the historical cost convention, in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102 section 1A), the Charities SORP (FRS 102) 'Accounting and Reporting By Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Companies Act 2006.

There were no material departures from those standards.

Hi Kent meet the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical costs or transaction value unless otherwise stated in the relevant accounting policy.

The company's functional and presentation currency is GBP.

**c) Fund Accounting**

Restricted funds are funds subject to specific purposes which may only be expended in accordance with the conditions imposed by the trustees.

Unrestricted funds are funds which are expended at the discretion of the trustees in furtherance of the objectives of the charitable company.

**d) Going concern**

At the time of approving the financial statements the trustees are confident that the charitable company has adequate resources and has taken appropriate measures to continue in operational existence for the foreseeable future. The trustees therefore deem it appropriate to prepare the financial statements on a going concern basis.

**e) Recognition of Income**

Income is recognised at fair value, derived from ordinary activities and net of sales taxes and any trade discounts. Income is included in the Statement of Financial Activities when the charitable company becomes entitled to the resource, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Income is recognised in respect of the following sources:

**i) Grants**

The charity has received government grants in the year. Income from government and other grants are recognised using the performance model.

**ACCOUNTING POLICIES STATEMENT (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

Grants are recognised when the charity has entitlement to the funds and when any performance conditions attached to the grants have been met. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

**ii) Sales and courses**

Income from the sale of equipment is recognised in the Statement of Financial Activities when the charity has transferred the significant risks and rewards of ownership to the customer. This is usually at the point the customer receives the goods.

Income from the installation of equipment and the delivery of courses represents amounts invoiced in respect of the rendering of services. This is recognised with reference to stage of completion and is recognised in the period in which the service is performed.

**iii) Donations and fund raising**

Income from donations and fund-raising activities is recognised when the funds are received, in line with the general income recognition criteria.

**iv) Investment income**

Income from investments is recognised when receivable.

**v) Legacies**

Income from legacies are recognised when the charity becomes entitled to the income. This is taken as the earlier of the date on which either: the charity is made aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate.

**vi) Contract income**

Contract income is recognised when the charity becomes entitled to the income and any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

**f) Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation and impairment. Depreciation is provided to write down the cost of each asset to its estimated residual value over its expected useful life. It is calculated at the following annual rates:

Computers	- 20% of net book value
Equipment	- 20% of net book value
Fixtures and fittings	- 20% of net book value
Motor vehicles	- 25% of net book value



**ACCOUNTING POLICIES STATEMENT (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**g) Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is calculated on a first in first out basis and includes all costs incurred in bringing the stock to its present location and condition. Net realisable value is based on the estimated selling prices from which are deducted further costs to completion and disposal.

**h) Operating Leases**

Rentals payable under operating leases are charged against income on a straight-line basis over the term of the lease.

**i) Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged to the Statement of Financial Activities. For more details see note 14.

**j) Liabilities and Other Resources Expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to that category.

Support costs are allocated to the Charitable activities which they support. Governance costs are not allocated to Charitable activities as they represent costs in respect of governing the charity as a whole and do not directly relate to a specific activity.

**k) Creditors**

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**l) Financial instruments**

Basic financial assets and liabilities include trade and other receivables, trade and other payables and cash and bank balances. These are initially recognised at transaction price unless the arrangement constitutes a financing transaction (loan over a period of time) where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets and liabilities are subsequently carried at amortised cost using the effective interest method.

**m) Cash at Bank & In Hand**

Cash held in income funds are classified as Cash at Bank and in Hand due to being highly liquid accounts.

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**2. INCOME FROM DONATIONS, LEGACIES AND CONTRACTS**

	Unrestricted Funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	49,415	-	49,415	43,973
Subscriptions	150	-	150	190
Legacies	-	-	-	-
Government grants - Covid support	20,324	-	20,324	140,589
Contract income	280,000	-	280,000	-
Grants	5,700	136,723	142,423	406,814
<b>Total donations, legacies and contracts</b>	<b>355,589</b>	<b>136,723</b>	<b>492,312</b>	<b>591,566</b>
<b>Total 2021</b>	<b>501,478</b>	<b>90,088</b>	<b>591,566</b>	

**3. FUNDRAISING INCOME**

	Unrestricted Funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Fundraising	14,230	-	14,230	16,930
Sales & installation of aids	37,460	-	37,460	17,666
Deaf awareness & Sign				
Language courses	30,698	-	30,698	34,192
<b>Total Fundraising Income</b>	<b>82,388</b>	<b>-</b>	<b>82,388</b>	<b>68,788</b>
<b>Total 2021</b>	<b>68,788</b>	<b>-</b>	<b>68,788</b>	

**4. INVESTMENT INCOME**

	Unrestricted Funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank Interest received	478	-	478	551
Bank investment bond movement	(1,113)	-	(1,113)	689
<b>Total Investment Income</b>	<b>(635)</b>	<b>-</b>	<b>(635)</b>	<b>1,240</b>
<b>Total 2021</b>	<b>1,240</b>	<b>-</b>	<b>1,240</b>	



**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	Unrestricted Funds 2022	Restricted funds 2022	Total funds 2022	Total funds 2021
Lip reading support	11,097	20,724	31,821	23,612
Sign language support	42,867	-	42,867	35,850
VVS clinics	-	88,208	88,208	72,198
Sale of equipment	389,842	43,263	433,105	424,749
Governance	5,504	-	5,504	6,792
<b>Total</b>	<b>449,310</b>	<b>152,195</b>	<b>601,505</b>	<b>563,201</b>
<b>Total for 2021</b>	<b>468,363</b>	<b>94,838</b>	<b>563,201</b>	

**6. TOTAL RESOURCES EXPENDED**

	Lip Reading Support	Sign Language Support £	VVS Clinics £	Sale of Equipment £	Governance £	2022 Total £	2021 Total £
<b>Direct Costs</b>							
Supplies & Installation							
Of aids	-	-	-	28,155	-	28,155	13,430
Training costs	10,404	26,343	-	-	-	36,747	28,183
Staff costs	1,350	11,864	-	104,223	-	117,437	121,254
Office costs	-	-	5,186	7,208	-	12,394	1,234
<b>Total Direct Costs</b>	<b>11,754</b>	<b>38,207</b>	<b>5,186</b>	<b>139,586</b>	<b>-</b>	<b>194,733</b>	<b>164,101</b>
<b>Total Direct Costs 2021</b>	<b>9,231</b>	<b>31,013</b>	<b>1,234</b>	<b>122,623</b>	<b>-</b>	<b>164,101</b>	
<b>Support Costs</b>							
Staff cost	17,410	-	66,231	209,619	1,000	294,260	288,143
Office costs	1,326	2,326	8,681	32,927	-	45,260	55,962
Premises costs	1,276	2,238	5,844	34,185	-	43,543	39,097
Deprecation of fixed assets	-	-	-	7,188	-	7,188	9,101
Bank charges	55	96	251	1,466	-	1,868	1,687
Travel cost	-	-	2,015	8,134	-	10,149	(682)
Audit cost	-	-	-	-	4,504	4,504	5,792
<b>Total Support Costs</b>	<b>20,067</b>	<b>4,660</b>	<b>83,022</b>	<b>293,519</b>	<b>5,504</b>	<b>406,772</b>	<b>399,100</b>
<b>Total Support Costs 2021</b>	<b>14,381</b>	<b>4,837</b>	<b>75,855</b>	<b>297,235</b>	<b>6,792</b>	<b>399,100</b>	

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**7. STAFF COSTS AND NUMBERS**

Staff costs were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Salaries and wages	374,384	370,996
Social security costs	25,686	23,922
Pension costs	8,521	9,602
Healthcare and reduced insurance	3,106	4,877
Total	<u>411,697</u>	<u>409,397</u>

No employee received emoluments of more than £50,000 (2021: none more than £50,000).

No trustee received any remuneration during the year (2021: nil).

No trustee was reimbursed during the year for expenses incurred on behalf of the company (2021: nil).

The charity operates a Group Pension Savings Plan for employees. Further information is provided in note 14.

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

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Chief Executive	1	1
Project support	13	10
Administration and management	8	8
Total	<u>22</u>	<u>19</u>

The charity significantly benefits from the work of 140 (2021: 140) full and part-time volunteers, who are in addition to the average numbers shown above.

**8. TAXATION**

No liability to United Kingdom corporation tax arose in the year, on the basis that the charity is exempt from tax on income and gains.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**9. TANGIBLE FIXED ASSETS**

	Computer Equipment £	Other Equipment £	Fixtures & Fittings £	Motor Vehicles £	Total £
<b>COST</b>					
At 1 April 2021	32,463	12,588	20,419	43,018	108,488
Additions	1,447	332	-	-	1,779
Disposals	-	-	-	(6,012)	(6,012)
At 31 March 2022	33,910	12,920	20,419	37,006	104,255
<b>DEPRECIATION</b>					
At 1 April 2021	14,246	9,110	19,539	33,607	76,502
Charge for the year	3,933	762	176	2,317	7,188
Disposals	-	-	-	(5,869)	(5,869)
At 31 March 2022	18,179	9,872	19,715	30,055	77,821
<b>NET BOOK VALUE</b>					
At 31 March 2022	15,731	3,048	704	6,951	26,434
At 31 March 2021	18,217	3,478	880	9,411	31,986

**10. DEBTORS**

	2022 £	2021 £
Trade debtors	21,423	5,937
Other debtors	2,760	1,616
Prepayments and accrued income	40,149	18,751
	64,332	26,304

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**11. CREDITORS**

	2022 £	2021 £
Trade creditors	18,060	3,751
Other taxes and social security	8,357	8,643
Accruals and deferred income	26,506	32,788
Other creditors	368	913
	<u>53,921</u>	<u>46,095</u>

**12. FINANCIAL COMMITMENTS**

At 31 March 2022, the company had annual commitments under operating leases as set out below:

	2022		2021	
	Land and Buildings £	Other £	Land and Buildings £	Other £
Operating leases which expire:				
Within one year	31,500	-	31,333	-
Between two and five years	108,125	-	126,000	-
In over five years	34,900	-	58,625	-
	<u>176,525</u>	<u>-</u>	<u>215,958</u>	<u>-</u>

The company's total future financial commitments under operating leases are £176,525 (2021 - £215,958).

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**13. CAPITAL COMMITMENTS**

The company had no capital commitments at the 31 March 2022.

**14. PENSION COMMITMENTS**

The company operates a Group Pension Savings Plan. The pension cost charge represents contributions payable by the company and amounted to £8,521 (2021: £9,602). There were contributions of £368 (2021: £913) payable at the end of the year.

**15. RELATED PARTIES**

There have been no related party transactions in the year ended 31 March 2022.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**16. STATEMENT OF FUNDS**

**Statement of funds – current year**

	Balance 1.04.2021 £	Movement in Funds		Balance 31.03.2022 £
		Incoming Resources £	Expenditure £	
<b>Unrestricted funds</b>				
Unrestricted funds	242,546	437,342	(449,310)	230,578
	<u>242,546</u>	<u>437,342</u>	<u>(449,310)</u>	<u>230,578</u>
<b>Restricted funds</b>				
Volunteer Visiting Scheme (East Kent)	1,480	35,676	(35,676)	1,480
Volunteer Visiting Scheme (North Kent – formerly West Kent)	10,624	13,020	(23,644)	-
Volunteer Visiting Scheme (West Kent – Formerly Mid Kent)	6,412	28,316	(28,888)	5,840
Lip Reading – Fundraising Income	3,908	16,816	(20,724)	-
Provincial Lodge – Van donation	1,497	-	(368)	1,129
Awards for All – Hearing Aid project	-	5,535	(5,535)	-
KAB – COMF	-	16,667	(16,667)	-
KCC – Social Groups	-	8,500	(8,500)	-
Other - Social Groups	-	3,693	(3,693)	-
Phillip Connie Foundation – Social Groups	-	8,500	(8,500)	-
	<u>23,921</u>	<u>136,723</u>	<u>(152,195)</u>	<u>8,449</u>
Total of funds	266,467	574,065	(601,505)	239,027

**Restricted Funds Carried Forward**

**Volunteer Visiting Scheme East Kent**

**Volunteer Visiting Scheme West Kent**

The restricted funds have been designated to cover the costs of the Volunteer Visiting Scheme in the 2 areas of Kent helping people with maintenance of their NHS hearing aids.

**Provincial Lodge – van donation**

these funds have been designated to cover the depreciation costs of the van purchased with the funding.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**Statement of funds –prior year**

	Balance 1.04.2020 £	Movement in Funds		Balance 31.03.2021 £
		Incoming Resources £	Expenditure £	
<b>Unrestricted funds</b>				
Unrestricted funds	139,403	571,506	(468,363)	242,546
	<u>139,403</u>	<u>571,506</u>	<u>(468,363)</u>	<u>242,546</u>
<b>Restricted funds</b>				
Volunteer Visiting Scheme (East Kent)	1,480	35,674	(35,674)	1,480
Volunteer Visiting Scheme (North Kent – formerly West Kent)	19,125	11,900	(20,401)	10,624
Volunteer Visiting Scheme (West Kent – Formerly Mid Kent)	2,170	25,256	(21,014)	6,412
Lip Reading – Fundraising Income	3,908	9,231	(9,231)	3,908
Provincial Lodge – Van donation	1,988	-	(491)	1,497
Tinnitus Groups	-	2,605	(2,605)	-
Awards for All – Hearing Aid project	-	722	(722)	-
Sevenoaks Round Table Laptop Fund	-	600	(600)	-
The Clothworkers Charitable Foundation	-	4,100	(4,100)	-
	<u>28,671</u>	<u>90,088</u>	<u>(94,838)</u>	<u>23,921</u>
Total of funds	168,074	661,594	(563,201)	266,467

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**FOR THE YEAR ENDED 31 MARCH 2022**

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**Analysis of net assets between funds – current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	26,434	-	26,434
Current assets	257,435	8,449	265,884
Creditors due within one year	(53,291)	-	(53,291)
	230,578	8,449	239,027

**Analysis of net assets between funds – prior year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	31,986	-	31,986
Current assets	256,655	23,921	280,576
Creditors due within one year	(46,095)	-	(46,095)
	242,546	23,921	266,467