# CACDP

England & Wales · Charity number 1071662

## Details

| | |
|---|---|
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 03581178 |
| **Registered** | 1998-09-22 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | CACDP t/a Signature<br>Shannon House<br>Mandale Park<br>Belmont Industrial Estate<br>Durham<br>DH1 1TH |
| **Phone** | 01913831155 |
| **Website** | www.signature.org.uk |

## Activities

**Objects:** THE IMPROVEMENT OF COMMUNICATION WITH DEAF, DEAFENED, HARD OF HEARING AND DEAFBLIND PEOPLE (HEREINAFTER REFERRED TO AS DEAF PEOPLE) IN PARTICULAR BY THE EDUCATION, TRAINING AND EXAMINATION OF STUDENTS AND TUTORS IN THE DIFFERENT MODES OF COMMUNICATION USED BY SUCH PERSONS.

**Activities:** CACDP t/a Signature is the awarding body for deafness related qualifications such as British Sign Language and Deaf Awareness. We also hold registers for Language Service Professionals.

## Classification

- **How:** Acts As An Umbrella Or Resource Body
- **What:** Education/training, Disability
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups, The General Public/mankind

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## Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2024-12-31 | £1,533,362 | £1,409,558 | £1,643,840 | 13 |
| 2023-12-31 | £1,254,979 | £1,101,329 | £1,529,311 | 12 |
| 2022-12-31 | £958,442 | £798,462 | £1,375,661 | 11 |
| 2021-12-31 | £886,870 | £757,767 | £1,215,681 | 10 |
| 2020-12-31 | £757,766 | £884,462 | £1,064,650 | 19 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| Helen Jane Beaton | | 2017-12-05 |
| Ian John Robinson | | 2016-11-21 |
| John Walker | | 2015-10-05 |
| Mark Hopkinson | | 2017-09-26 |

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**CACDP**

England & Wales - Charity number 1071662

# Accounts

# CACDP
# T/A Signature

(A company limited by guarantee)

# FINANCIAL STATEMENTS

For the year ended 31 December 2024

Charity No: 1071662
Company No: 03581178
Scottish Charity number SC037901

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# Reference and administrative details of the Charity, its Trustees and Advisers

## Status

The organisation first became a registered charity in January 1982. It subsequently re registered on 22 September 1998, following incorporation as a company limited by guarantee on 15 June 1998.

| | |
|---|---|
| **Trustees** | I Robinson<br>J Walker (Chair)<br>HJ Beaton<br>M Hopkinson<br>E Winfield<br>A Schembri<br>J Mancini<br>C Kerr |
| **Secretary** | L J Foster |
| **Chief Executive** | L J Foster |
| **Key Management Personnel** | L J Foster |

## Registered office and principal address

1st Floor, Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH.

## Independent Auditor

Mitchells Grievson Chartered Accountants, Kensington House, 3 Kensington, Bishop Auckland, DL14 6HX

## Principal bankers

Natwest Bank Plc, 12 Market Place, Durham, DH1 3NG.

## Solicitors

Muckle LLP, Time Central, 32 Gallowgate, Newcastle-upon-Tyne, NE1 4BF.

# Trustees Annual Report
# (for the year ended 31 December 2024)

Charity No: 01071662
Company No: 3581178

The trustees, who are directors of the charity for the purposes of company law, present their report and the audited financial statements for the year ended 31 December 2024.

## Structure, governance and management

CACDP is organised through a Board of Trustees. Subcommittees are convened on an ad-hoc basis when required and are managed with specific terms of reference and a set objective.

The charitable company's governing documents are its Memorandum and Articles of Association dated October 2006 and the companies are limited by guarantee.

Trustees are eligible to serve up to two terms of four years each and under exceptional circumstances, an additional term.

Trustees are recruited through open, external processes which can use a variety of measures to raise awareness of the vacancy. Applications are sought which showcase skills and experience, and discussions held with a panel made up of trustees and the Executive. The panel will make recommendations to the full board. New trustees are appointed for a single term of four years and at that point, if they wish to serve a second term, they will share a statement about their time with Signature. A conversation with a panel will be held and recommendations will be made to the full board.

Induction sessions are held for new trustees upon appointment which includes an update presentation to all trustees. New trustees are also provided with an induction pack which includes issues of "charitable purpose" and "public benefit". Trustees continue to be happy that CACDP meets these criteria.

Day to day management of CACDP is delegated to the Chief Executive, Lindsay Foster.

# Trustees Annual Report
# (for the year ended 31 December 2024)

## Objectives and principal activities

### The charity aims

CACDP's objects are the improvement of communication with deaf people, in particular by the education, training and examination of students and tutors in the different modes of communication used by such persons.

CACDP is a charity which expresses its aim of advancing communication between deaf and hearing people through the functions of a recognised UK awarding body.

We do this by offering high quality nationally accredited qualifications in sign language and other forms of communication used by deaf people as well as student support packages, training and teacher support packages.

### The charity's beneficiaries

The following people benefit from CACDP's work:

- Deaf, deafened, hard of hearing and deafblind people.
- Deaf and hearing students of courses leading to our qualifications.
- Deaf and hearing tutors of courses leading to our qualifications.

Equal access to our services is important to us and we work throughout the country to ensure that provision is as widespread as possible. We record and monitor the range of beneficiaries where possible and each year we improve on that knowledge. We try to ensure that fees are maintained at a minimum level to ensure that our qualifications are affordable to all whilst covering our administration costs.

CACDP was established by national organisations of and for deaf people to ensure the availability of learning opportunities, qualifications and standards in the communication methods used by deaf people. These organisations are still involved with CACDP as trustees, project partners, subscribers and members of committees. CACDP responds to the needs of beneficiaries through the work of committees, through consultation with deaf individuals and organisations and through representation on the Board of Trustees.

We have referred to the Charity Commission's general guidance of public benefit when reviewing our objectives and in developing our strategic and operational plans. Each year we review the strategic plan and ensure all activities are in line with the aims of the charity.

Pay and remuneration setting for key management personnel is carried out by the Chair of the Board with the support of the other trustees. Key considerations are affordability, benchmarking, changes in roles and responsibilities as well as other market forces. All factors are considered and a recommendation is made to the to the Board of Trustees who made the final decision.

# Trustees Annual Report
# (for the year ended 31 December 2024)

**Achievements and performance**

In the year to 31 December 2024 the main achievements within CACDP in addition to the delivery of the suite of qualifications and supporting products have been:

**Ofqual/QiW/CCEA**
CACDP are subject to Conditions of Recognition from Ofqual/QiW/CCEA. We evaluate the conditions on an annual basis to ensure compliance. We submitted our Statements of Compliance meeting the required deadlines.

**Centre Engagement**
Throughout 2024 we continued to increase our direct, in person contact with our centres to meet senior members of the team. During these sessions we continued to provide updates on all of the current and planned Signature work and we answered questions that centre teams had for us. We also encouraged feedback from our stakeholders on what we are doing well and where we can improve. We will continue to provide a flexible engagement programme to allow us to further develop our relationships.

**Centre numbers**
Centres numbers have continued to increase organically.

# Trustees Annual Report
# (for the year ended 31 December 2024)

## Financial review, including risks and uncertainties

Throughout 2024 we have continued to engage with existing and potential new centres to increase the number of people learning BSL, together with our ongoing work has resulted in an increase in both candidate numbers and centre numbers. We continue to offer more flexibility to our candidates via centres whilst maintaining standards and this has allowed our qualifications to be available to more people from wider areas and from situations where regular travel to centres isn't possible.

Investments are still being maintained under a low-risk policy of long-term deposits with the trustees being keen to ensure the level of risk regarding these funds does not change.

An annual review of risk is performed to identify and grade all known risks to the charity as part of the annual planning cycle. Appropriate mitigating actions are identified, and the effectiveness of these actions monitored. The process is overseen by the Board of Trustees.

2024 saw further growth in staffing levels which allows us to continue to grow and develop whilst still achieving objectives and meeting changing business needs. We continue to provide strong working practises that are family friendly and creating a positive culture we can make our team as engaged as possible. A motivated workforce allows for greater creative thinking and the passion to achieve our objectives. Once of the focus areas of 2024 was the development of a new people strategy.

Income in the year ended 31 December 2024 has increased by £269k from £1,255k in 2023 to £1,524k.

Reserves have increased by £114k to £1,644m.

**KPI's**

The Board monitors performance with the following indicators of the charity:

| Performance Measure | 2024 | 2023 | Variance explanation |
|---|---|---|---|
| Reserve level | £1,644m | £1,529m | Growth and strong financial management |
| Current Ratio | 8.0 | 8.0 | - |
| Candidate numbers | 28,956 | 22,707 | Growth |
| Net surplus | £114k | £154k | Growth in staff levels & pension revaluation |

# Trustees Annual Report
# (for the year ended 31 December 2024)

**Reserves**
CACDP has two unrestricted reserve categories:

- Designated reserve (a)
- General reserve (b)

(a) Should the need arise to designate unrestricted reserves for investment for a piece of work then an allocation into these reserves may be appropriate. The Trustees would agree this in principle, the amount required will be recommended through the Board for approval. It should be noted that any designated amounts may be reviewed and amended by trustees at any time.

(b) There is a need to maintain a level of general reserves to enable the charity to cope with a variety of events, either day to day or exceptional. However CACDP believes that its reserves must be managed as a valuable asset for the organisation. As such it is important to balance the need to spend the reserved income of the charity with the potential risks that may be faced in the future.

CACDP has one pension deficit of £42k (2023 - £24k).

## Maintenance of reserves levels

CACDP maintains unrestricted reserves at a level which will cover emergency costs, unforeseen high level losses of income or business cessation. The most significant amount would be the business cessation for which £150k is considered a reasonable provision. Due to the current economic environment, we will retain £200k in reserves to allow for any potential year end deficits.

Restricted funds at 31 December 2024 were £8k, unrestricted funds held as fixed assets were £114k, leaving £1,522k as free reserves and available for the general purpose of the charity. This results in the current levels of free reserves being higher than required levels.

## The Future

At CACDP we continue to embrace the growth and changes we are seeing with the recent changes in the market place as well as the challenges we issue ourselves internally. In 2024 one of our priorities was to invest in additional support products for our qualifications, we have decided to continue with this work following positive feedback. We have also engaged in a plan to update our website and incorporate more BSL translations in this work

We will be continuing to carry out our programme of face-to-face engagements with centres and teachers as well as expanding our connections with other sectors to share the benefits of learning British Sign Language and improving deaf awareness, especially in education.

We will be looking at reviewing some of our qualification with consultations with our stakeholders and we will also be exploring what other needs the sector has of our qualifications away from BSL.

Our work continues to support the development of a GCSE in BSL and we will work with all interested parties to assist with the work in this area. Public consultations from both Department for Education and from Ofqual were published in 2023 with more technical consultations following in 2025. The final outcomes are expected towards the end of 2025.

Increased staff numbers will allow a wider delivery of awareness, marketing and influencing decision makers.

## Statement of trustees' responsibilities

The trustees (who are also directors of Signature for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charity for that period. 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 judgments 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the organisation's Memorandum and Articles of Association and Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2015).

## Auditors

A resolution to re-appoint the auditors for the ensuing year will be proposed at a board meeting.

## Disclosure of information to the auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but which the auditor is unaware of. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that auditor is aware of such information.

Approved by a meeting of the Board of Trustees on ..... and signed on their behalf by:

Trustee: 

John Walker

Trustee: 

Helen Beaton

# Independent Auditors' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2024)

## Opinion

We have audited the financial statements of CACDP for the year ended 31 December 2024 which comprise the Statement of Financial Activities, Balance Sheets, the Cash Flow Statement 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024; and of the charitable company's incoming resources and application of resources, including their income and expenditure, 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 Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## 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 charitable company 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 trustees' 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 charitable company's ability to continue as a going concern for a period of at least twelve 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

# Independent Auditors' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2024)

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 course of the audit, or otherwise appears to be materially misstated. 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.

**Opinions on other matters prescribed by the Companies Act 2006**
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements

**Matters on which we are required to report by exception**
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
-adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
-the financial statements are not in agreement with the accounting records and returns; or
-certain disclosures of trustees' remuneration specified by law are not made; or
-we have not received all the information and explanations we require for our audit; or

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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.

# Independent Auditors' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2024)

**Our responsibilities for the audit of the financial statements**
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.

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

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 our procedures are capable of detecting irregularities, including fraud is detailed below:

-enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
-reviewing board minutes;
-considering the internal controls in place to mitigate the risks of fraud and on-compliance with laws and regulations;
-assessing whether judgements and assumptions made by management in their significant accounting estimates;
-ensuring that the audit team has the appropriate competence, capability and skills to identify or recognize non-compliance with applicable laws and regulations;
-remaining alert to instance of non-compliance throughout the audit;

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The more removed the laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of the regulatory and legal correspondence, if any.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during 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 http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

# Independent Auditors' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2024)

**Use of our report**

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the members and 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, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Nigel Rea FCA (Senior Statutory Auditor)
For and on behalf of Mitchells Grievson Chartered Accountants, Statutory Auditor
Kensington House,
3 Kensington
Bishop Auckland
DL14 6HX

Date:

# Charitable Company Statement of Financial Activities for the year ended 31 December 2024 (including Income and Expenditure Account)

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2024 £ | Total Funds 2023 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2a | 2,501 | - | 2,501 | - |
| Other trading activities | 2b | 92,888 | - | 92,888 | 77,673 |
| Investments | 2c | 26,319 | - | 26,319 | 19,085 |
| | | 121,709 | - | 121,709 | 96,758 |
| Charitable activities | | | | | |
| Examinations and centre registrations | | 1,402,378 | - | 1,402,378 | 1,142,185 |
| Development of examinations, training and materials | 2d | - | 9,276 | 9,276 | 16,036 |
| | | 1,402,378 | 9,276 | 1,411,654 | 1,158,221 |
| Other incoming resources | 2e | - | - | - | - |
| Total income | | 1,524,086 | 9,276 | 1,533,362 | 1,254,979 |
| **Expenditure on:** | | | | | |
| Raising funds | | - | - | - | - |
| | | | | | - |
| Charitable activities: | 3a | | | | |
| Examinations and centre registrations | | 612,500 | - | 612,500 | 482,340 |
| Sale of training materials | | 312,181 | - | 312,181 | 215,762 |
| Curriculum and other training | | 174,193 | - | 174,193 | 52,823 |
| Development of examinations, training and materials | | 267,631 | 9,276 | 276,907 | 349,442 |
| Total expenditure | | 1,366,505 | 9,276 | 1,375,781 | 1,100,367 |
| Gains/Losses on Investment assets | | 5,540 | | 5,540 | - |
| Losses disposal of assets | | - | | - | (962) |
| Actuarial remeasurement on defined benefit obligations | | 39,318 | | 39,318 | - |
| Net movement in funds | | 123,804 | - | 123,804 | 153,650 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 1,511,814 | 17,497 | 1,529,311 | 1,375,661 |
| Transfer | | - | (9,276) | (9,276) | - |
| Total funds carried forward | | 1,635,618 | 8,221 | 1,643,839 | 1,529,311 |

All operations derive from continuing activities.

**Company Number: 03581178**

# Charitable Company Balance Sheet as at 31 December 2024

| | Note | 2024 | | 2023 | |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | 114,065 | | 141,178 | |
| Intangible assets | 10 | - | | - | |
| Investments | 11 | 109,849 | | 104,309 | |
| Total fixed assets | | | 223,914 | | 245,487 |
| **Current assets** | | | | | |
| Stocks of training materials | 12 | - | | - | |
| Debtors | 13 | 151,621 | | 154,371 | |
| Cash at bank and in hand | | 1,533,665 | | 1,315,024 | |
| | | 1,685,287 | | 1,469,395 | |
| **Creditors: Amounts falling due within one year** | 14 | 246,824 | | 184,287 | |
| **Net current assets** | | | 1,438,463 | | 1,285,108 |
| **Total assets less current liabilities** | | | 1,662,376 | | 1,530,595 |
| **Creditors: amounts falling due in after more than one year** | 15 | | 18,537 | | 1,284 |
| **Net assets** | | | 1,643,839 | | 1,529,311 |
| **Funds of the charity:** | | | | | |
| Restricted income funds | 16 | | 8,221 | | 17,497 |
| **Unrestricted funds:** | | | | | |
| General funds | 16 | 1,677,164 | | 1,536,107 | |
| Pension fund | 16 | (41,546) | | (24,293) | |
| | | | 1,635,618 | | 1,511,814 |
| **Total funds** | | | 1,643,839 | | 1,529,311 |

The financial statements on pages 14 to 34 were approved by the Board of Trustees and authorised for issue on .....and were signed on their behalf by:

Trustee: _____

John Walker

Trustee: _____

Helen Beaton

**Company Number: 03581178**

# Statement of Cash Flows for the year ended 31 December 2024

| | Note | 2024 | | 2023 | |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash generated from operations | 22 | | 236,601 | | 148,821 |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | | (17,959) | | (12,675) | |
| Investments | | - | | - | |
| **Net cash used in investing activities** | | | (17,959) | | (12,675) |
| **Financing activities** | | | | | |
| Debt repayments | | - | | - | |
| **Net cash used in financing activities** | | | - | | - |
| **Net increase in cash and cash equivalents** | | | 218,641 | | 136,148 |
| Cash and cash equivalents at the beginning of the year | | | 1,315,024 | | 1,178,876 |
| **Cash and cash equivalents at end of year** | | | 1,533,665 | | 1,315,024 |

# Notes to the Financial Statements for the year ended 31 December 2024

## 1. Accounting policies

### 1a) Basis of preparation

Signature is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH.

The charity meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the education, training and examination of students and tutors in the different modes of communication used by such persons.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost of transaction value except for investments which are included at market value, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' effective 1 January 2015 (Charities SORP (FRS 102)) and the Companies Act 2006.

The financial statements are presented in sterling which is also the financial currency of the charity. The monetary amounts in these financial statements are rounded to the nearest £, except where otherwise indicated.

### Going concern

FRS 102 requires that, if appropriate, the financial statements are prepared on the going concern basis, which means that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected resources. There are no material uncertainties in respect of the charity's ability to continue as a going concern. The ongoing demand for the services provided by the charity ensures the exposure to risk from the current difficult economic conditions is minimal. Free reserves are available to meet the charity's needs as they arise as detailed within the reserves policy. As a consequence, the Trustees believe the charity is well placed to manage its business risks successfully and thus they have adopted the going concern basis of accounting in preparing the financial statements.

The charity had total funds of £1,643,839 as at 31 December 2024 (increase of £114,528 from 31 December 2023) and a year-end cash balance of £1,533,665 (2023: £1,315,024). Cash reserves and year end results are strong. Forecasts for the period ended 31 December 2025 have been prepared, showing all anticipated costs together with prudent income growth. These confirm that the charity has sufficient cash for the organisation to continue for at least 12 months from the date these financial statements are signed.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity have adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

# Notes to the Financial Statements for the year ended 31 December 2024

## 1. Accounting policies (continued)

### 1b) Incoming resources

All income disclosed in the Statement of Financial Activities is shown on an entitlement basis.

All grant income is shown on an entitlement basis, except for restricted funds, where any income received in advance of expenditure is taken to the Statement of Financial Activities when the charity becomes unconditionally entitled to the grant.

Government grants are recognised when the conditions for receipts are met and there is reasonable assurance that the grant will be received. Grants related to income are deducted in reporting the related expense.
Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit and loss in the period in which they become receivable.

Fees for examinations are normally once the assessment has been held and those applicable to the year accounted for in the Statement of Financial Activities. Any fees received during the year applicable to future periods are shown as deferred income in the balance sheet.

### 1c) Expenditure

Resources expended are recognised in the period in which legal or constructive obligation arises.

Resources expended are allocated to the particular activity to which the cost relates. However the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of the staff time, attributable to each activity:

| | |
|---|---|
| Examinations and centre registrations | 29% |
| Qualification support | 29% |
| Development of examinations, training and materials | 42% |

Governance costs relate to the costs associated with meeting the constitutional and statutory requirements of the charity.

# Notes to the Financial Statements for the year ended 31 December 2024

## 1d) Fixed assets

Tangible Fixed assets

Depreciation is provided at rates, set out below, calculated to write off the cost of each asset over its expected useful life. Items of equipment are capitalised where the purchase price exceeds £150, except for computer equipment which is all capitalised, with the exception of consumables and accessories.

| | | |
|---|---|---|
| Computer Software | 5 years | 20% straight line |
| Computer Equipment | 3 years | 33% straight line |
| Other Office Equipment | 5 years | 20% straight line |

Intangible Fixed assets

Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is calculated to write down the costs of completed assets less estimated residual value over the useful lives of all intangible assets by the straight line method. The annual charges on:

| | | |
|---|---|---|
| Development expenditure | 5 years | 20% straight line |

## 1e) Investments

Investments held as fixed assets are revalued at their market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

## 1f) Stocks

Stocks comprise training packages and stocks of books and are valued at the lower of cost and net realisable value.

Net realisable value is based on normal selling price. Provision is made for obsolete, slow moving or defective items where appropriate. All current stock levels are considered obsolete and therefore provided against at 100%.

## 1g) Pension costs

Contributions to defined contribution schemes are charged to the Statement of Financial Activities as they are incurred. A creditor is included on a discounted basis for known additional contributions as detailed in note 18.

# Notes to the Financial Statements for the year ended 31 December 2024

### 1h) Funds

Unrestricted funds are generated surpluses of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds, earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as prescribed by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

### 1i) Research and development

Expenditure incurred on research and development in the year other than those costs able to be capitalised, is charged to the statement of financial activities.

### 1j) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership on a straight line basis over the period of the lease remain with the lessor are charges against surpluses.

### 1k) Taxation

The charity is a registered charity and is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxable Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 1l) Cash at bank and in hand

Cash at bank and cash in hand includes cash held at bank and cash held in short term investments.

### 1m) Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the charity's financial assets and financial liabilities qualify as basis financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Financial assets: Trade and other debtors**
Trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

**Financial liabilities: Trade and other creditors**
Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

**Critical accounting estimates and areas of judgement**
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Notes to the Financial Statements for the year ended 31 December 2024

## 2. Incoming resources

| 2a) | Donations and legacies- unrestricted | 2024 £ | 2023 £ |
|---|---|---|---|
| | Donations | 2,001 | - |
| | Other | 500 | - |
| | | 2,501 | - |

| 2b) | Other Trading activities - unrestricted | 2024 £ | 2023 £ |
|---|---|---|---|
| | Qualification support products | 92,888 | 77,673 |
| | | 92,888 | 77,673 |

| 2c) | Investment income - unrestricted | 2024 £ | 2023 £ |
|---|---|---|---|
| | Bank interest | 26,319 | 17,764 |
| | Money market and other deposits | - | 1,321 |
| | | 26,319 | 19,085 |

| 2d) | Development of examinations, training and materials | 2024 £ | 2023 £ |
|---|---|---|---|
| | GCSE | 9,276 | 9,636 |
| | **Total restricted development income** | 9,276 | 9,636 |

| 2e) | Other Income - unrestricted | 2024 £ | 2023 £ |
|---|---|---|---|
| | Government grants | (28,740) | - |
| | Other | - | (961) |
| | **Total other income - unrestricted** | (19,464) | 961 |

## 3. Costs of generating funds

| 3a) Charitable activities – unrestricted (Charity) | Examinations and centre registrations £ | Training Materials £ | Curriculum and other training £ | Development of exams etc £ | 2024 £ | 2023 £ |
|---|---|---|---|---|---|---|
| Direct costs | 312,163 | 28,712 | 32,933 | 9,658 | 383,467 | 273,670 |
| Staff costs | 71,286 | 72,620 | 36,188 | 66,088 | 246,182 | 191,600 |
| Direct overheads | - | - | - | - | - | - |
| Allocated overheads | 206,977 | 210,849 | 105,071 | 191,884 | 714,782 | 600,849 |
| Governance costs (note 3c) | 22,074 | - | - | - | 22,074 | 24,612 |
| | 612,500 | 312,181 | 174,193 | 267,631 | 1,366,505 | 1,090,731 |
| **Charitable activities – restricted** | | | | | | |
| Direct costs | - | - | - | 9,276 | 9,276 | 9,636 |
| Allocated overheads | - | - | - | - | - | -- |
| | - | - | - | 9,276 | 9,276 | 9.636 |
| **Total** | 612,500 | 312,181 | 174,193 | 276,908 | 1,375,781 | 1,100,367 |

| 3b) Governance costs – unrestricted (Charity) | 2024 £ | 2023 £ |
|---|---|---|
| Direct committee costs including travel | 7,141 | 10,416 |
| Auditors fees | 6,030 | 6,420 |
| Other costs | 8,902 | 7,776 |
| | 22,074 | 24,612 |

| Analysis of allocated overheads | 2024 £ | 2023 £ |
|---|---|---|
| Staff costs including training and welfare | 247,021 | 274,550 |
| Office running | 44,319 | 42,726 |
| Premises | 74,787 | 81,872 |
| Professional fees | 271,766 | 140,092 |
| Depreciation | 45,074 | 40,282 |
| Travel and subsistence | 20,738 | 9,478 |
| Insurance | 6,220 | 6,706 |
| Other costs | 4,856 | 5,144 |
| | 714,782 | 600,849 |

# Notes to the Financial Statements for the year ended 31 December 2024

## 4. Net incoming/outgoing resources is after charging:

| | 2024 £ | 2023 £ |
|---|---|---|
| Auditors remuneration | 6,000 | 6,000 |
| | 6,000 | 6,000 |
| Operating lease costs-Land and Buildings | 23,000 | 23,000 |
| Depreciation | 45,074 | 40,282 |

## 5. Staff costs

| | 2024 £ | 2023 £ |
|---|---|---|
| Salaries | 402,893 | 346,110 |
| Employer's National Insurance | 31,771 | 27,007 |
| Employer's Pension Contributions | 26,365 | 22,270 |
| Redundancy costs | - | 35,000 |
| | 461,029 | 430,387 |
| Recruitment fees | 6,864 | 7,310 |
| Temporary staff | 810 | - |
| | 468,703 | 437,697 |

The average number of employees during the year was 13 (2023: 12).

The following number of employees received annual emoluments exceeding £60,000 was 1 (2023: 1)

| | December 2024 | December 2023 |
|---|---|---|
| Between £60,000 and £70,000 | 0 | 0 |
| Between £70,000 and £80,000 | 0 | 1 |
| Between £80,000 and £90,000 | 1 | 0 |

Pension contributions paid in the year in respect of the above staff were £8,667 (2023: £7,586).

**Key management personnel**
The key management personnel of the charity comprise the Trustees and Chief Executive. The total employee benefits of the key management personnel of the charity were £96,228 (2023: £83,269).

## 6. Pension costs

The Charity participates in two funds administered by the Pensions Trust. The Ethical Fund, a defined contribution scheme, and The Growth Plan, a multi-employer pension scheme.

The charge to SOFA is the amount of the contributions payable.
The amount of contributions outstanding at the year end was £41,546 (2023: £24,926).

## 7. Indemnity insurance

The Charity has Professional Liability Insurance cover for Trustees, committee members and staff.

The limit of Indemnity in any one year is £1,000,000 (2022: £1,000,000) for which a premium of £1,536 (2023: £1,786) was paid.

## 8. Trustees remuneration and disbursement of expenses

The Articles of Association permit the payment of fees and expenses to trustees when acting as examiners and trainers, etc, where such expertise is in short supply.

In 2024 Nil (2023: Nil) trustees received fees amounting to Nil (2023: Nil) together with £ Nil (2023: Nil) reimbursement of expenses incurred.

There were 5 (2023: 4) other trustees who were reimbursed travel and subsistence expenses of £2,087 (2023: £903) for attendance at trustee meetings and other events.

# Notes to the Financial Statements for the year ended 31 December 2024

## 9. Tangible fixed assets

| | Furniture & fittings £ | Office equipment £ | Computer software £ | Computer equipment £ | 2024 Total £ |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2024 | 57,133 | 30,250 | 332,638 | 140,253 | 560,274 |
| Additions | - | - | 14,670 | 3,289 | 17,959 |
| Disposals | - | - | - | - | - |
| At 31 December 2024 | 57,133 | 30,250 | 347,308 | 143,542 | 578,233 |
| **Depreciation** | | | | | |
| At 1 January 2024 | 48,117 | 28,448 | 219,619 | 122,913 | 419,096 |
| Charge for the year | 2,876 | 430 | 34,257 | 7,510 | 45,073 |
| Disposals | - | - | - | - | - |
| At 31 December 2024 | 50,993 | 28,877 | 253,876 | 130,423 | 464,169 |
| **Net book value** | | | | | |
| At 31 December 2024 | 6,140 | 1,373 | 93,432 | 13,119 | 114,065 |
| At 31 December 2023 | 9,016 | 1,803 | 113,019 | 17.340 | 141,178 |

No tangible fixed assets were held under finance leases or hire purchase contracts.

## 10. Intangible fixed assets

| | Research & Development £ |
|---|---|
| **Cost** | |
| At 1 January 2024 | 173,739 |
| Additions | |
| At 31 December 2024 | 173,739 |
| **Amortisation** | |
| At 1 January 2024 | 173,739 |
| Charge for the year | - |
| At 31 December 2024 | 173,739 |
| **Net book value** | |
| At 31 December 2024 | - |
| At 31 December 2023 | - |

# Notes to the Financial Statements for the year ended 31 December 2024

## 11.Investments

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Common Investment Funds | 109,849 | 104,309 |
| | 109,309 | 104,309 |

The Common Investment Fund comprises 507,961 accumulation units in The Schroders Charity Fixed Interest Fund.

| | £ |
|---|---|
| Carrying value at the beginning of the year | 104,309 |
| Gain on investment | 5,540 |
| Loss on revaluation | - |
| Carrying value at the end of the year | 109,849 |

All investment assets are held in the UK.

## 12.Stocks

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Cost | 20,076 | 20,076 |
| Provision for obsolescence | (20,076) | (20,076) |
| | - | - |

## 13. Debtors

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Trade debtors | 85,227 | 93,408 |
| Prepayments | 66,394 | 60,963 |
| | 151,621 | 154,371 |

# Notes to the Financial Statements for the year ended 31 December 2024

## 14. Creditors

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Trade Creditors | 32,860 | 64,359 |
| Other Tax and Social Security | 11,366 | 11,425 |
| Accruals | 94,576 | 25,669 |
| Deferred Income | 85,013 | 59,825 |
| Pension Fund | 23,009 | 23,009 |
| | 246,824 | 184,287 |

### Deferred Income

| | |
|---|---|
| Deferred Income at 31 December 2023 | 59,825 |
| Amount released from previous year | (59,825) |
| Amount deferred in current year | 85,013 |
| Deferred income at 31 December 2024 | 85,013 |

Deferred income relates to centre fees invoiced in advance

## 15. Creditors due in more than one year

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Pension creditor | 18,537 | 1,284 |

# Notes to the Financial Statements for the year ended 31 December 2024

## 16. Movements in funds

| Restricted funds: | Balance b/fwd £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance c/fwd £ |
|---|---|---|---|---|---|
| GCSE | 17,497 | 9,276 | (9,276) | (9,276) | 8,221 |
| Other | - | - | - | - | - |
| **Total restricted funds** | 17,497 | 9,276 | (9,276) | (9,276) | 8,221 |
| **Unrestricted funds:** | | | | | |
| Pension | (24,293) | - | - | (17,253) | (41,546) |
| General funds | 1,536,107 | 1,520,350 | (1,405,823) | 17,253 | 1,667,888 |
| **Total unrestricted funds** | 1,511,814 | 1,520,350 | (1,405,823) | - | 1,626,342 |
| **Total funds** | 1,529,311 | 1,538,902 | (1,415,099) | (9,276) | 1,643,839 |

The transfer in the year relates to the deficit payments made on the pension provision.

### 2023 - Movements in funds

| Restricted funds: | Balance b/fwd £ | Incoming resources £ | Outgoing resources £ | Transfers £ | Balance c/fwd £ |
|---|---|---|---|---|---|
| GCSE | 17,497 | - | - | - | 17,497 |
| | - | - | - | | - |
| **Total restricted funds** | 17,497 | - | - | - | 17,497 |
| **Unrestricted funds:** | | | | | |
| Pension | (45,689) | - | - | 21,396 | (24,293) |
| General funds | 1,403,858 | 1,253,658 | (1,100,008) | (21,396) | 1,536,107 |
| **Total unrestricted funds** | 1,358,164 | 1,253,658 | (1,100,008) | - | 1,511,814 |
| **Total funds** | 1,375,661 | 1,253,658 | (1,100,008) | - | 1,529,311 |

# Notes to the Financial Statements for the year ended 31 December 2024

## 17. Members liability

The company is limited by guarantee and in the event of the winding up of the company, the liability of its members is limited to £1.

## 18. Pension Obligations

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

**Deficit contributions**

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

| **Deficit contributions** | |
|---|---|
| From 1 April 2025 to 31 January 2028: | £2,100,000 per annum (payable monthly) |

Unless a concession has been agreed with the Trustee the term to 31 March 2028 applies.

Note that the scheme's previous valuation was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

## 18. Pension Obligations (continued)

| Deficit contributions | |
|---|---|
| From 1 April 2022 to 31 January 2025: | £3,312,000 per annum (payable monthly) |

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that

| PRESENT VALUES OF PROVISION | 31 December 2024 | 31 December 2023 | 31 December 2022 |
|---|---|---|---|
| **Present value of provision** | 41,546 | 24,293 | 45,689 |

relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

| | **Year Ending** 31 December 2024 | **Year Ending** 31 December 2023 |
|---|---|---|
| Provision at start of year | 24,293 | 45,689 |
| Unwinding of the discount factor (interest expense) | 687 | 1,653 |
| Deficit contribution paid | (23,009) | (23,009) |
| Remeasurements - impact of any change in assumptions | 257 | (40) |
| Remeasurements - amendments to the contribution schedule | 39,318 | - |
| Provision at end of year | 41,546 | 24,293 |

# Notes to the Financial Statements for the year ended 31 December 2024

## 18. Pension Obligations (continued)

INCOME AND EXPENDITURE IMPACT

| | Year Ending 31 December 2024 | Year Ending 31 December 2023 |
|---|---|---|
| Interest expense | 687 | 1,653 |
| Remeasurements – impact of any change in assumptions | 257 | (40) |
| Remeasurements – amendments to the contribution schedule | 39,318 | - |
| Contributions paid in respect of future service* | - | - |
| Costs recognised in income and expenditure account | - | - |

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

| | 31 December 2024 % per annum | 31 December 2023 % per annum | 31 December 2022 % per annum |
|---|---|---|---|
| Rate of discount | 4.90 | 5.31 | 4.96 |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

## 19. Related party transactions

Mark Hopkinson, a trustee, is also Head of Sign Language and Lipreading at City Lit, London which operates as a centre providing assessments for CACDP's qualifications. Fees are charged in line with the published price list.
Fees and project costs charged during the period amounted to £41,453 and the balance due from the college at 31st December 2024 was £878.

John Mancini, a trustee, is also owner at Sign Jam which operates as a centre providing assessments for CACDP's qualifications. Fees are charged in line with the published price list.
Fees and project costs charged during the period amounted to £22,677 and the balance due from the college at 31st December 2024 was £289.

# Notes to the Financial Statements for the year ended 31 December 2024

## 20. Operating leases

Annual commitments under non-cancellable operating leases are as follows:-

| | 2024 £ | 2023 £ |
|---|---|---|
| | Land and Buildings | Land and Buildings |
| Within one year | 23,000 | 23,000 |
| Between two and five years | 92,000 | 92,000 |
| More than five years | - | - |
| | 115,000 | 115,000 |

## 21. Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|---|---|---|
| Fund balances at 31 December 2024 as represented by: | | | |
| Tangible fixed assets | 114,064 | - | 114,064 |
| Intangible fixed assets | - | - | - |
| Investment assets | 109,849 | - | 109,849 |
| Current assets | 1,677,066 | 8,221 | 1,685,287 |
| Current liabilities | (246,824) | - | (246,824) |
| Long term liabilities | (18,537) | - | (18,537) |
| | 1,635,618 | 8,221 | 1,643,839 |

| | Unrestricted funds £ | Restricted funds £ | Total Funds £ |
|---|---|---|---|
| Fund balances at 31 December 2023 as represented by: | | | |
| Tangible fixed assets | 141,178 | - | 141,178 |
| Intangible fixed assets | - | - | - |
| Investment assets | 104,309 | - | 104,309 |
| Current assets | 1,451,897 | 17,497 | 1,469,394 |
| Current liabilities | (184,287) | - | (184,287) |
| Long term liabilities | (1,284) | - | (1,284) |
| | 1,511,813 | 17,497 | 1,529,310 |

# Notes to the Financial Statements for the year ended 31December 2024

## 22. Cash generated from operations

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Surplus for the year | 114,528 | 153,649 |
| *Adjustments for:* | | |
| Depreciation of tangible fixed assets | 45,073 | 31,840 |
| Loss on investments | (5,540) | (1,321) |
| *Movements in working capital* | | |
| Decrease/(Increase) in debtors | 2,750 | (60,022) |
| Increase/(Decrease) in creditors | 62,537 | 25,995 |
| Decrease/(Increase) in stocks | - | 20,076 |
| Increase/(Decrease) in pension reserve | 17,253 | (21,396) |
| **Cash generated from operations** | 236,601 | 148,821 |

**CACDP**

England & Wales - Charity number 1071662

# Accounts

# CACDP
# T/A Signature

(A company limited by guarantee)

# FINANCIAL STATEMENTS

For the year ended 31 December 2023

Charity No: 1071662
Company No: 03581178
Scottish Charity number SC037901

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# Reference and administrative details of the Charity, its Trustees and Advisers

## Status

The organisation first became a registered charity in January 1982. It subsequently re registered on 22 September 1998, following incorporation as a company limited by guarantee on 15 June 1998.

| | |
|---|---|
| **Trustees** | I Robinson<br>J Walker (Chair)<br>HJ Beaton<br>M Hopkinson<br>I Donnelly (resigned June 2023)<br>E Winfield<br>A Schembri<br>J Mancini<br>C Kerr<br>K A Riley (resigned June 2023) |
| **Secretary** | L J Foster |
| **Chief Executive** | L J Foster |
| **Key Management Personnel** | L J Foster |

## Registered office and principal address

1st Floor, Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH.

## Independent Auditor

Mitchells Grievson Chartered Accountants, Kensington House, 3 Kensington, Bishop Auckland, DL14 6HX

## Principal bankers

Natwest Bank Plc, 12 Market Place, Durham, DH1 3NG.

## Solicitors

Muckle LLP, Time Central, 32 Gallowgate, Newcastle-upon-Tyne, NE1 4BF.

# Trustees Annual Report
# (for the year ended 31 December 2023)

Charity No: 01071662
Company No: 3581178

The trustees, who are directors of the charity for the purposes of company law, present their report and the audited financial statements for the year ended 31 December 2023.

## Structure, governance and management

CACDP is organised through a Board of Trustees. Subcommittees are convened on an ad-hoc basis when required and are managed with specific terms of reference and a set objective.

The charitable company's governing documents are its Memorandum and Articles of Association dated October 2006 and the companies are limited by guarantee.

Trustees are eligible to serve up to two terms of four years each and under exceptional circumstances, an additional term.

Trustees are recruited through open, external processes which can use a variety of measures to raise awareness of the vacancy. Applications are sought which showcase skills and experience, and discussions held with a panel made up of trustees and the Executive. The panel will make recommendations to the full board. New trustees are appointed for a single term of four years and at that point, if they wish to serve a second term, they will share a statement about their time with Signature. A conversation with a panel will be held and recommendations will be made to the full board.

Induction sessions are held for new trustees upon appointment which includes an update presentation to all trustees. New trustees are also provided with an induction pack which includes issues of "charitable purpose" and "public benefit". Trustees continue to be happy that CACDP meets these criteria.

Day to day management of CACDP is delegated to the Chief Executive, Lindsay Foster.

# Trustees Annual Report
# (for the year ended 31 December 2023)

## Objectives and principal activities

### The charity aims

CACDP's objects are the improvement of communication with deaf people, in particular by the education, training and examination of students and tutors in the different modes of communication used by such persons.

CACDP is a charity which expresses its aim of advancing communication between deaf and hearing people through the functions of a recognised UK awarding body.

We do this by offering high quality nationally accredited qualifications in sign language and other forms of communication used by deaf people as well as student support packages, training and teacher support packages.

### The charity's beneficiaries

The following people benefit from CACDP's work:

- Deaf, deafened, hard of hearing and deafblind people.
- Deaf and hearing students of courses leading to our qualifications.
- Deaf and hearing tutors of courses leading to our qualifications.

Equal access to our services is important to us and we work throughout the country to ensure that provision is as widespread as possible. We record and monitor the range of beneficiaries where possible and each year we improve on that knowledge. We try to ensure that fees are maintained at a minimum level to ensure that our qualifications are affordable to all whilst covering our administration costs.

CACDP was established by national organisations of and for deaf people to ensure the availability of learning opportunities, qualifications and standards in the communication methods used by deaf people. These organisations are still involved with CACDP as trustees, project partners, subscribers and members of committees. CACDP responds to the needs of beneficiaries through the work of committees, through consultation with deaf individuals and organisations and through representation on the Board of Trustees.

We have referred to the Charity Commission's general guidance of public benefit when reviewing our objectives and in developing our strategic and operational plans. Each year we review the strategic plan and ensure all activities are in line with the aims of the charity.

Pay and remuneration setting for key management personnel is carried out by the Chair of the Board with the support of the other trustees. Key considerations are affordability, benchmarking, changes in roles and responsibilities as well as other market forces. All factors are considered and a recommendation is made to the to the Board of Trustees who made the final decision.

# Trustees Annual Report
# (for the year ended 31 December 2023)

**Achievements and performance**

In the year to 31 December 2023 the main achievements within CACDP in addition to the delivery of the suite of qualifications and supporting products have been:

**Ofqual/QiW/CCEA**
CACDP are subject to Conditions of Recognition from Ofqual/QiW/CCEA. We evaluate the conditions on an annual basis to ensure compliance. We submitted our Statements of Compliance meeting the required deadlines.

**Centre Engagement**
Throughout 2023 we hosted drop in events for our centres to meet senior members of the team. During these sessions we provided updates on all of the current and planned Signature work and we answered questions that centre teams had for us. This allowed misconceptions to be corrected, clarification of updates and communications as well as guidance to be provided where needed. We have found these meetings extremely useful in meeting with our centres collectively as well as understanding what our centres are looking from rom us. We will continue to provide a flexible engagement programme to allow us to further develop our relationships.

**Centre numbers**
Centres numbers have continued to increase organically. In addition, we registered centres that were previously registered with iBSL which further increased our numbers.

# Trustees Annual Report
# (for the year ended 31 December 2023)

## Financial review, including risks and uncertainties

At the beginning of 2023 we were informed that our primary competitor, iBSL, was to cease trading. We worked with all our regulators to facilitate the transfer of all iBSL centres and candidates to our systems and qualifications where candidates wanted to continue with their courses.

A considerable amount of time and resources was invested to fully understand each candidate and centre's situation as well as any potential risks. We were successful in creating a relationship with most of the centres and supported as many candidates as possible to continue on their learning path with Signature. We have taken on board feedback from these centres and have tried to understand the differences between the two organisations to help with the transition. We are pleased with this work but are open to understanding where we can improve further, especially taking the opinions of those who had chosen not to work with us prior to the closure of iBSL.

This event, together with our ongoing work has resulted in an increase in both candidate numbers and centre numbers. We continue to offer more flexibility to our candidates via centres whilst maintaining standards and this has allowed our qualifications to be available to more people from wider areas and from situations where regular travel to centres isn't possible.

Investments are still being maintained under a low-risk policy of long-term deposits with the trustees being keen to ensure the level of risk regarding these funds does not change.

An annual review of risk is performed to identify and grade all known risks to the charity as part of the annual planning cycle. Appropriate mitigating actions are identified, and the effectiveness of these actions monitored. The process is overseen by the Board of Trustees.

2023 saw the return to higher staffing levels again which allows us to continue to grow and develop whilst still achieving objectives and meeting changing business needs. We continue to provide strong working practises that are family friendly and creating a positive culture we can make our team as engaged as possible. A motivated workforce allows for greater creative thinking and the passion to achieve our objectives.

Income in the year ended 31 December 2023 has increased by £295k from £958k in 2022 to £1,253k.

Reserves have increased by £132k to £1,529m.

**KPI's**

The Board monitors performance with the following indicators of the charity:

| Performance Measure | 2023 | 2022 | Variance explanation |
|---|---|---|---|
| Reserve level | £1,529m | £1,375m | Growth |
| Current Ratio | 8.0 | 8.1 | - |
| Candidate numbers | 22,707 | 17,488 | Growth |
| Net surplus | £154k | £116k | Growth |

# Trustees Annual Report
# (for the year ended 31 December 2023)

**Reserves**
CACDP has two unrestricted reserve categories:

- Designated reserve (a)
- General reserve (b)

(a) Should the need arise to designate unrestricted reserves for investment for a piece of work then an allocation into these reserves may be appropriate. The Trustees would agree this in principle, the amount required will be recommended through the Board for approval. It should be noted that any designated amounts may be reviewed and amended by trustees at any time.

(b) There is a need to maintain a level of general reserves to enable the charity to cope with a variety of events, either day to day or exceptional. However CACDP believes that its reserves must be managed as a valuable asset for the organisation. As such it is important to balance the need to spend the reserved income of the charity with the potential risks that may be faced in the future.

CACDP has one pension deficit of £24k (2022 - £46k).

## Maintenance of reserves levels

CACDP maintains unrestricted reserves at a level which will cover emergency costs, unforeseen high level losses of income or business cessation. The most significant amount would be the business cessation for which £105k is considered a reasonable provision. In addition, due to the recent financial uncertainty that has been caused by COVID-19 and the economic environment, we will retain £200k in reserves to allow for any potential year end deficits.

Restricted funds at 31 December 2023 were £17k, unrestricted funds held as fixed assets were £245k, leaving £1,294k as free reserves and available for the general purpose of the charity. This results in the current levels of free reserves being higher than required levels.

## The Future

At CACDP we are currently embracing the growth and changes we are seeing with the recent changes in the market place as well as the challenges we issue ourselves internally. In 2023 one of our priorities was to invest in additional support products for our qualifications, we have decided to continue with this work following positive feedback. We have also engaged in a plan to update our website and incorporate more BSL translations in this work

We will be continuing to carry out our programme of face-to-face engagements with centres and teachers as well as expanding our connections with other sectors to share the benefits of learning British Sign Language and improving deaf awareness, especially in education.

Our work continues to support the development of a GCSE in BSL and we will work with all interested parties to assist with the work in this area. Public consultations from both Department for Education and from Ofqual were published in 2023 with more technical consultations to follow in 2024.

Increased staff numbers will allow a wider delivery of awareness, marketing and influencing decision makers.

## Statement of trustees' responsibilities

The trustees (who are also directors of Signature for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charity for that period. 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 judgments 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the organisation's Memorandum and Articles of Association and Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2015).

## Auditors

A resolution to re-appoint the auditors for the ensuing year will be proposed at a board meeting.

Approved by a meeting of the Board of Trustees on 16/09/2024 and signed on their behalf by:

Trustee: JOHN WALKER

Trustee: HELEN BEATON.

# Independent Auditors' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2023)

## Opinion

We have audited the financial statements of CACDP for the year ended 31 December 2023 which comprise the Statement of Financial Activities, Balance Sheets, the Cash Flow Statement 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023; and of the charitable company's incoming resources and application of resources, including their income and expenditure, 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 Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 charitable company 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 trustees' 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 charitable company's ability to continue as a going concern for a period of at least twelve 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

# Independent Auditors' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2023)

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.

**The extent to which the audit was considered capable of detecting irregularities, including fraud**
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the charity audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operate in and how the charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the parent charitable company's governing document . We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to The Office of Qualifications and Examinations Regulation (Ofqual). We performed audit procedures to inquire of management and those charged with governance whether the charity is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

# Independent Auditors' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2023)

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

All relevant laws and regulations identified and areas susceptible to fraud that could have a material effect on the financial statements were communicated to component auditors. Any instances of non-compliance with laws and regulations identified and communicated by a component auditor were considered in our audit approach.

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

**Use of our report**

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the members and 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, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

23/9/24

Nicola Rea F.C.A (Senior Statutory Auditor)
For and on behalf of Mitchells Grievson Chartered Accountants, Statutory Auditor
Kensington House,
3 Kensington
Bishop Auckland
DL14 6HX

Mitchells Grievson Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# Charitable Company Statement of Financial Activities for the year ended 31 December 2023 (including Income and Expenditure Account)

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ | Total Funds 2022 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2a | - | - | - | 10 |
| Other trading activities | 2b | 77,673 | - | 77,673 | 97,817 |
| Investments | 2c | 19,085 | - | 19,085 | 2,588 |
| | | 96,758 | - | 96,758 | 100,415 |
| Charitable activities | | | | | |
| Examinations and centre registrations | | 1,142,185 | - | 1,142,185 | 852,147 |
| Development of examinations, training and materials | 2d | 6,400 | 9,636 | 16,036 | - |
| | | 1,148,585 | - | 1,158,221 | 852,147 |
| Other incoming resources | 2e | - | - | - | 5,880 |
| Total income | | 1,245,343 | 9,636 | 1,254,979 | 958,442 |
| **Expenditure on:** | | | | | |
| Raising funds | | - | - | - | - |
| | | | | | - |
| Charitable activities: | 3a | | | | |
| Examinations and centre registrations | | 482,340 | - | 482,340 | 492,517 |
| Sale of training materials | | 215,762 | - | 215,762 | 88,735 |
| Curriculum and other training | | 52,823 | - | 52,823 | 38,718 |
| Development of examinations, training and materials | | 339,806 | 9,636 | 349,442 | 172,407 |
| Total expenditure | | 1,090,731 | 9,636 | 1,100,367 | 792,377 |
| Losses on Investment assets | | - | | - | (7,773) |
| Losses disposal of assets | | (962) | | (962) | - |
| Actuarial remeasurement on defined benefit obligations | | - | | - | 1,688 |
| Net movement in funds | | 153,650 | - | 153,650 | 159,980 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 1,358,164 | 17,497 | 1,375,661 | 1,215,681 |
| Total funds carried forward | | 1,511,814 | 17,497 | 1,529,311 | 1,375,661 |

All operations derive from continuing activities.

**Company Number: 03581178**

# Charitable Company Balance Sheet as at 31 December 2023

| | Note | 2023 | | 2022 | |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | 141,178 | | 160,343 | |
| Intangible assets | 10 | - | | - | |
| Investments | 11 | 104,309 | | 102,988 | |
| Total fixed assets | | | 245,487 | | 263,331 |
| **Current assets** | | | | | |
| Stocks of training materials | 12 | - | | 20,076 | |
| Debtors | 13 | 154,371 | | 94,349 | |
| Cash at bank and in hand | | 1,315,024 | | 1,178,876 | |
| | | 1,469,395 | | 1,293,301 | |
| **Creditors: Amounts falling due within one year** | 14 | 184,287 | | 158,291 | |
| **Net current assets** | | | 1,285,108 | | 1,135,010 |
| **Total assets less current liabilities** | | | 1,530,595 | | 1,398,341 |
| **Creditors: amounts falling due in after more than one year** | 15 | | 1,284 | | 22,680 |
| **Net assets** | | | 1,529,311 | | 1,375,661 |
| **Funds of the charity:** | | | | | |
| Restricted income funds | 16 | | 17,497 | | 17,497 |
| **Unrestricted funds:** | | | | | |
| General funds | 16 | 1,536,107 | | 1,403,853 | |
| Pension fund | 16 | (24,293) | | (45,689) | |
| | | | 1,511,814 | | 1,358,164 |
| **Total funds** | | | 1,529,311 | | 1,375,661 |

The financial statements on pages 14 to 34 were approved by the Board of Trustees and authorised for issue on 16/09/24 and were signed on their behalf by:

Trustee: JOHN WALKER

Trustee: HELEN BEATON

Company Number: 03581178

# Statement of Cash Flows for the year ended 31 December 2023

| | Note | 2023 | | 2022 | |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash generated from operations | 22 | | 148,821 | | 180,788 |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | | (12,675) | | (45,978) | |
| Investments | | - | | - | |
| **Net cash used in investing activities** | | | (12,675) | | (45,978) |
| **Financing activities** | | | | | |
| Debt repayments | | - | | - | |
| **Net cash used in financing activities** | | | - | | - |
| **Net increase in cash and cash equivalents** | | | 136,148 | | 134,810 |
| Cash and cash equivalents at the beginning of the year | | | 1,178,876 | | 1,044,066 |
| **Cash and cash equivalents at end of year** | | | 1,315,024 | | 1,178,876 |

# Notes to the Financial Statements for the year ended 31 December 2023

## 1. Accounting policies

### 1a) Basis of preparation

Signature is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH.
The charity meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the education, training and examination of students and tutors in the different modes of communication used by such persons.
These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006.
Assets and liabilities are initially recognised at historical cost of transaction value except for investments which are included at market value, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' effective 1 January 2015 (Charities SORP (FRS 102)) and the Companies Act 2006.
The financial statements are presented in sterling which is also the financial currency of the charity. The monetary amounts in these financial statements are rounded to the nearest £, except where otherwise indicated.

### Going concern

FRS 102 requires that, if appropriate, the financial statements are prepared on the going concern basis, which means that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected resources. There are no material uncertainties in respect of the charity's ability to continue as a going concern. The ongoing demand for the services provided by the charity ensures the exposure to risk from the current difficult economic conditions is minimal. Free reserves are available to meet the charity's needs as they arise as detailed within the reserves policy. As a consequence, the Trustees believe the charity is well placed to manage its business risks successfully and thus they have adopted the going concern basis of accounting in preparing the financial statements.

The charity had total funds of £1,529,311 as at 31 December 2023 (increase of £153,650 from 31 December 2022) and a year-end cash balance of £1,315,024 (2022: £1,178,876). Cash reserves and year end results are strong. Forecasts for the period ended 31 December 2024 have been prepared, showing all anticipated costs together with prudent income growth. These confirm that the charity has sufficient cash for the organisation to continue for at least 12 months from the date these financial statements are signed.
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity have adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

# Notes to the Financial Statements for the year ended 31 December 2023

## 1. Accounting policies (continued)

### 1b) Incoming resources

All income disclosed in the Statement of Financial Activities is shown on an entitlement basis.

All grant income is shown on an entitlement basis, except for restricted funds, where any income received in advance of expenditure is taken to the Statement of Financial Activities when the chairty becomes unconditionally entitled to the grant.

Government grants are recognised when the conditions for receipts are met and there is reasonable assurance that the grant will be received. Grants related to income are deducted in reporting the related expense.
Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit and loss in the period in which they become receivable.

Fees for examinations are normally once the assessment has been held and those applicable to the year accounted for in the Statement of Financial Activities. Any fees received during the year applicable to future periods are shown as deferred income in the balance sheet.

### 1c) Expenditure

Resources expended are recognised in the period in which legal or constructive obligation arises.

Resources expended are allocated to the particular activity to which the cost relates. However the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of the staff time, attributable to each activity:

| | |
|---|---|
| Examinations and centre registrations | 35% |
| Qualification support | 23% |
| Development of examinations, training and materials | 42% |

Governance costs relate to the costs associated with meeting the constitutional and statutory requirements of the charity.

### 1d) Fixed assets

Tangible Fixed assets
Depreciation is provided at rates, set out below, calculated to write off the cost of each asset over its expected useful life. Items of equipment are capitalised where the purchase price exceeds £150, except for computer equipment which is all capitalised, with the exception of consumables and accessories.

| | | |
|---|---|---|
| Computer Software | 5 years | 20% straight line |
| Computer Equipment | 3 years | 33% straight line |
| Other Office Equipment | 5 years | 20% straight line |

Intangible Fixed assets

Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is calculated to write down the costs of completed assets less estimated residual value over the useful lives of all intangible assets by the straight line method. The annual charges on:

| | | |
|---|---|---|
| Development expenditure | 5 years | 20% straight line |

**1e) Investments**

Investments held as fixed assets are revalued at their market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

**1f) Stocks**

Stocks comprise training packages and stocks of books and are valued at the lower of cost and net realisable value.

Net realisable value is based on normal selling price. Provision is made for obsolete, slow moving or defective items where appropriate. All current stock levels are considered obsolete and therefore provided against at 100%.

**1g) Pension costs**

Contributions to defined contribution schemes are charged to the Statement of Financial Activities as they are incurred. A creditor is included on a discounted basis for known additional contributions as detailed in note 18.

**1h) Funds**

Unrestricted funds are generated surpluses of the charity without further specified purpose and are available as general funds.

Designated funds are unrestricted funds, earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as prescribed by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

**1i) Research and development**

Expenditure incurred on research and development in the year other than those costs able to be capitalised, is charged to the statement of financial activities.

**1j) Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership on a straight line basis over the period of the lease remain with the lessor are charges against surpluses.

# Notes to the Financial Statements for the year ended 31 December 2023

## 1k) Taxation

The charity is a registered charity and is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxable Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

## 1l) Cash at bank and in hand

Cash at bank and cash in hand includes cash held at bank and cash held in short term investments.

## 1m) Financial instruments

The charity has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the charity's financial assets and financial liabilities qualify as basis financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Financial assets: Trade and other debtors**
Trade and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

**Financial liabilities: Trade and other creditors**
Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

**Critical accounting estimates and areas of judgement**
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Notes to the Financial Statements for the year ended 31 December 2023

## 2. Incoming resources

| 2a) Donations and legacies- unrestricted | 2023 £ | 2022 £ |
|---|---|---|
| Donations | - | 10 |
| | - | 10 |

| 2b) Other Trading activities - unrestricted | 2023 £ | 2022 £ |
|---|---|---|
| Conferences and awards | - | 18,535 |
| Qualification support products | 77,673 | 79,282 |
| | 77,673 | 97,817 |

| 2c) Investment income - unrestricted | 2023 £ | 2022 £ |
|---|---|---|
| Bank interest | 17,764 | 2,588 |
| Money market and other deposits | 1,321 | (7,773) |
| | 19,085 | (5,185) |

| 2d) Development of examinations, training and materials | 2023 £ | 2022 £ |
|---|---|---|
| GCSE | 9,636 | - |
| **Total restricted development income** | 9,636 | -, |

| 2e) Other Income - unrestricted | 2023 £ | 2022 £ |
|---|---|---|
| Government grants | - | 5,880 |
| Other | (961) | - |
| **Total other income - unrestricted** | 961 | 5,880 |

## 3. Costs of generating funds

| 3a) Charitable activities – unrestricted (Charity) | Examinations and centre registrations £ | Training Materials £ | Curriculum and other training £ | Development of exams etc £ | 2023 £ | 2022 £ |
|---|---|---|---|---|---|---|
| Direct costs | 176,926 | 34,132 | 52,823 | 9,789 | 273,670 | 206,987 |
| Staff costs | 67,893 | 43,915 | - | 79,792 | 191,600 | 152,357 |
| Direct overheads | - | - | - | - | - | - |
| Allocated overheads | 212,909 | 137,715 | - | 250,225 | 600,849 | 440,910 |
| Governance costs (note 3c) | 24,612 | - | - | - | 24,612 | 25,546 |
| | 482,340 | 215,762 | 52,823 | 339,806 | 1,090,731 | 825,800 |
| **Charitable activities – restricted** | | | | | | |
| Direct costs | - | - | - | 9,636 | 9,636 | 1,633 |
| Allocated overheads | - | - | - | - | - | -- |
| | - | - | - | 9,636 | 9,636 | 1,633 |
| **Total** | 482,340 | 215,762 | 52,823 | 349,443 | 1,100,367 | 827,433 |

# Notes to the Financial Statements for the year ended 31 December 2023

**3b) Governance costs – unrestricted (Charity)**

| | 2023 £ | 2022 £ |
|---|---|---|
| Direct committee costs including travel | 10,416 | 13,111 |
| Auditors fees | 6,420 | 4,875 |
| Other costs | 7,776 | 7,560 |
| | 24,612 | 25,546 |

**Analysis of allocated overheads**

| | 2023 £ | 2022 £ |
|---|---|---|
| Staff costs including training and welfare | 274,550 | 233,201 |
| Office running | 42,726 | 26,479 |
| Premises | 81,872 | 56,992 |
| Professional fees | 140,092 | 74,449 |
| Depreciation | 40,282 | 35,642 |
| Travel and subsistence | 9,478 | 3,496 |
| Insurance | 6,706 | 6,787 |
| Other costs | 5,144 | 3,866 |
| | 600,849 | 440,910 |

# Notes to the Financial Statements for the year ended 31 December 2023

## 4. Net incoming/outgoing resources is after charging:

| | 2023 £ | 2022 £ |
|---|---|---|
| Auditors remuneration | 6,000 | 4,200 |
| | 6,000 | 4,200 |
| Operating lease costs-Land and Buildings | 23,000 | 23,000 |
| Depreciation | 40,282 | 35,642 |

## 5. Staff costs

| | 2023 £ | 2022 £ |
|---|---|---|
| Salaries | 346,110 | 296,732 |
| Employer's National Insurance | 27,007 | 23,635 |
| Employer's Pension Contributions | 22,270 | 21,778 |
| Redundancy costs | 35,000 | - |
| | 430,387 | 342,145 |
| Recruitment fees | 7,310 | 496 |
| Temporary staff | - | 804 |
| | 437,697 | 343,445 |

The average number of employees during the year was 12 (2022: 10).

The following number of employees received annual emoluments exceeding £60,000 was 1 (2022: 1)

| | December 2023 | December 2022 |
|---|---|---|
| Between £60,000 and £70,000 | 0 | 1 |
| Between £70,000 and £80,000 | 1 | 0 |

Pension contributions paid in the year in respect of the above staff were £7,586 (2022: £7,173).

**Key management personnel**
The key management personnel of the charity comprise the Trustees and Chief Executive. The total employee benefits of the key management personnel of the chairty were £83,269 (2022: £74,312).

## 6. Pension costs

The Charity participates in two funds administered by the Pensions Trust. The Ethical Fund, a defined contribution scheme, and The Growth Plan, a multi-employer pension scheme.

The charge to SOFA is the amount of the contributions payable.
The amount of contributions outstanding at the year end was £24,926 (2022: £45,689).

## 7. Indemnity insurance

The Charity has Professional Liability Insurance cover for Trustees, committee members and staff.

The limit of Indemnity in any one year is £1,000,000 (2022: £1,000,000) for which a premium of £1,786 (2022: £1,786) was paid.

## 8. Trustees remuneration and disbursement of expenses

The Articles of Association permit the payment of fees and expenses to trustees when acting as examiners and trainers, etc, where such expertise is in short supply.

In 2023 Nil (2022: Nil) trustees received fees amounting to Nil (2022: Nil) together with £ Nil (2022: Nil) reimbursement of expenses incurred.

There were 4 (2022: 6) other trustees who were reimbursed travel and subsistence expenses of £903 (2022: £1,165) for attendance at trustee meetings and other events.

# Notes to the Financial Statements for the year ended 31 December 2023

## 9. Tangible fixed assets

| | Furniture & fittings £ | Office equipment £ | Computer software £ | Computer equipment £ | 2023 Total £ |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2023 | 60,884 | 31,441 | 330,328 | 124,946 | 547,599 |
| Additions | 2,829 | 1,881 | 2,310 | 15,307 | 22,327 |
| Disposals | 6,580 | 3,072 | - | - | 9,652 |
| At 31 December 2023 | 57,133 | 30,250 | 332,638 | 140,253 | 560,274 |
| **Depreciation** | | | | | |
| At 1 January 2023 | 49,278 | 31,046 | 187,509 | 119,423 | 387,256 |
| Charge for the year | 4,210 | 474 | 32,110 | 3,490 | 40,282 |
| Disposals | 5,371 | 3,072 | - | - | 8,443 |
| At 31 December 2023 | 48,117 | 31,046 | 219,619 | 122,913 | 419,096 |
| **Net book value** | | | | | |
| At 31 December 2023 | 9,016 | 1,803 | 113,019 | 17,340 | 141,178 |
| At 31 December 2022 | 11,606 | 395 | 142,819 | 5,523 | 160,343 |

No tangible fixed assets were held under finance leases or hire purchase contracts.

## 10. Intangible fixed assets

| | Research & Development £ |
|---|---|
| **Cost** | |
| At 1 January 2023 | 173,739 |
| Additions | |
| At 31 December 2023 | 173,739 |
| **Amortisation** | |
| At 1 January 2023 | 173,739 |
| Charge for the year | - |
| At 31 December 2023 | 173,739 |
| **Net book value** | |
| At 31 December 2023 | - |
| At 31 December 2022 | - |

# Notes to the Financial Statements for the year ended 31 December 2023

## 11.Investments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Common Investment Funds | 104,309 | 102,988 |
| | 104,309 | 102,988 |

The Common Investment Fund comprises 507,961 accumulation units in The Schroders Charity Fixed Interest Fund.

| | £ |
|---|---|
| Carrying value at the beginning of the year | 102,988 |
| Gain on investment | 1,321 |
| Loss on revaluation | - |
| Carrying value at the end of the year | 104,309 |

All investment assets are held in the UK.

## 12.Stocks

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Cost | 20,076 | 20,076 |
| Provision for obsolescence | (20,076) | - |
| | - | 20,076 |

## 13. Debtors

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Trade debtors | 93,408 | 70,305 |
| Prepayments | 60,963 | 24,044 |
| | 154,371 | 94,239 |

# Notes to the Financial Statements for the year ended 31 December 2023

## 14. Creditors

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Trade Creditors | 64,359 | 50,698 |
| Other Tax and Social Security | 11,425 | 9,313 |
| Accruals | 25,669 | 15,749 |
| Deferred Income | 59,825 | 59,523 |
| Pension Fund | 23,009 | 23,009 |
| | 184,287 | 158,292 |

### Deferred Income

| | |
|---|---|
| Deferred Income at 31 December 2022 | 59,523 |
| Amount released from previous year | (59,523) |
| Amount deferred in current year | 59,825 |
| Deferred income at 31 December 2023 | 59,825 |

Deferred income relates to centre fees invoiced in advance

## 15. Creditors due in more than one year

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Pension creditor | 1,284 | 22,680 |

# Notes to the Financial Statements for the year ended 31 December 2023

## 16. Movements in funds

| | Balance b/fwd | Incoming resources | Outgoing resources | Transfers | Balance c/fwd |
|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ |
| GCSE | 17,497 | - | - | - | 17,497 |
| Other | - | - | - | - | - |
| **Total restricted funds** | 17,497 | - | - | - | 17,497 |
| **Unrestricted funds:** | | | | | |
| Pension | (45,689) | - | - | 21,396 | (24,293) |
| General funds | 1,403,853 | 1,253,658 | (1,100,008) | (21,396) | 1,536,107 |
| **Total unrestricted funds** | 1,358,164 | 1,253,658 | (1,100,008) | - | 1,511,814 |
| **Total funds** | 1,375,661 | 1,253,658 | (1,100,008) | - | 1,529,311 |

The transfer in the year relates to the deficit payments made on the pension provision.

### 2022 - Movements in funds

| | Balance b/fwd | Incoming resources | Outgoing resources | Gains and losses | Transfers | Balance c/fwd |
|---|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ | £ |
| GCSE | 19,130 | - | (1,623) | - | - | 17,497 |
| | 306 | - | (306) | - | | - |
| **Total restricted funds** | 19,436 | - | - | - | - | 17,497 |
| **Unrestricted funds:** | | | | | | |
| Pension | (81,106) | - | - | 1,688 | 33,729 | (45,689) |
| General funds | 1,277,351 | 958,442 | (790,438) | (7,773) | (33,729) | 1,403,853 |
| **Total unrestricted funds** | 1,196,245 | 958,442 | (790,438) | (6,085) | - | 1,358,853 |
| **Total funds** | 1,215,681 | 958,442 | (790,438) | (6,085) | - | 1,375,661 |

# Notes to the Financial Statements for the year ended 31 December 2023

## 17. Members liability

The company is limited by guarantee and in the event of the winding up of the company, the liability of its members is limited to £1.

## 18. Pension Obligations

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

**Deficit contributions**

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

| **Deficit contributions** | |
|---|---|
| From 1 April 2022 to 31 January 2025: | £3,312,000 per annum (payable monthly) |

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

| **Deficit contributions** | |
|---|---|
| From 1 April 2019 to 30 September 2025: | £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April) |

## 18. Pension Obligations (continued)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

| PRESENT VALUES OF PROVISION | 31 December 2023 | 31 December 2022 | 31 December 2021 |
|---|---|---|---|
| **Present value of provision** | 24,293 | 45,689 | 81,106 |

| | **Year Ending** 31 December 2023 | **Year Ending** 31 December 2022 |
|---|---|---|
| Provision at start of year | 45,689 | 81,106 |
| Unwinding of the discount factor (interest expense) | 1,653 | 690 |
| Deficit contribution paid | (23,009) | (34,415) |
| Remeasurements - impact of any change in assumptions | (40) | (1,688) |
| Remeasurements - amendments to the contribution schedule | - | - |
| Provision at end of year | 24,293 | 45,689 |

# Notes to the Financial Statements for the year ended 31 December 2023

## 18. Pension Obligations (continued)

INCOME AND EXPENDITURE IMPACT

| | Year Ending 31 December 2023 | Year Ending 31 December 2022 |
|---|---|---|
| Interest expense | 1,653 | 686 |
| Remeasurements – impact of any change in assumptions | (40) | (1,688) |
| Remeasurements – amendments to the contribution schedule | - | - |
| Contributions paid in respect of future service* | - | - |
| Costs recognised in income and expenditure account | - | - |

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

| | 31 December 2023 % per annum | 31 December 2022 % per annum | 31 December 2021 % per annum |
|---|---|---|---|
| Rate of discount | 5.31 | 4.96 | 1.18 |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

## 19. Related party transactions

Mark Hopkinson, a trustee since 26th September 2017, is also Head of Sign Language and Lipreading at City Lit, London which operates as a centre providing assessments for CACDP's qualifications. Fees are charged in line with the published price list.
Fees and project costs charged during the period amounted to £18,276 and the balance due from the college at 31st December 2023 was £576.

# Notes to the Financial Statements for the year ended 31 December 2023

## 20. Operating leases

Annual commitments under non-cancellable operating leases are as follows:-

| | 2023 £ | 2022 £ |
|---|---|---|
| | Land and Buildings | Land and Buildings |
| Within one year | 23,000 | 23,000 |
| Between two and five years | 92,000 | 92,000 |
| More than five years | - | - |
| | 115,000 | 115,000 |

## 21. Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|---|---|---|
| Fund balances at 31 December 2023 as represented by: | | | |
| Tangible fixed assets | 141,178 | - | 141,178 |
| Intangible fixed assets | - | - | - |
| Investment assets | 104,309 | - | 104,309 |
| Current assets | 1,451,897 | 17,497 | 1,469,394 |
| Current liabilities | (184,287) | - | (184,287) |
| Long term liabilities | (1,284) | - | (1,284) |
| | 1,511,813 | 17,497 | 1,529,310 |

| | Unrestricted funds £ | Restricted funds £ | Total Funds £ |
|---|---|---|---|
| Fund balances at 31 December 2022 as represented by: | | | |
| Tangible fixed assets | 160,343 | - | 160,343 |
| Intangible fixed assets | - | - | - |
| Investment assets | 102,988 | - | 102,988 |
| Current assets | 1,274,171 | 19,130 | 1,293,301 |
| Current liabilities | (158,292) | - | (158,292) |
| Long term liabilities | (22,680) | - | (22,680) |
| | 1,356,531 | 19,130 | 1,375,661 |

# Notes to the Financial Statements for the year ended 31December 2023

## 22. Cash generated from operations

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Surplus for the year | 153,649 | 159,980 |
| *Adjustments for:* | | |
| Depreciation of tangible fixed assets | 31,840 | 35,642 |
| Loss on investments | (1,321) | 7,773 |
| *Movements in working capital* | | |
| (Increase)/decrease in debtors | (60,022) | (6,683) |
| (Decrease)/increase in creditors | 25,995 | 19,493 |
| Decrease/(increase) in stocks | 20,076 | - |
| Increase/(Decrease) in pension reserve | (21,396) | (35,417) |
| **Cash generated from operations** | 148,821 | 180,788 |

**CACDP**

England & Wales - Charity number 1071662

# Accounts

# CACDP
# T/A Signature

(A company limited by guarantee)

# FINANCIAL STATEMENTS

For the year ended 31 December 2022

Charity No: 1071662
Company No: 03581178
Scottish Charity number SC037901

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# Reference and administrative details of the Charity, its Trustees and Advisers

## Status

The organisation first became a registered charity in January 1982. It subsequently re registered on 22 September 1998, following incorporation as a company limited by guarantee on 15 June 1998.

| | |
|---|---|
| **Trustees** | I Robinson<br>J Walker (Chair)<br>HJ Beaton<br>M Hopkinson<br>K Riley (resigned Sept 22)<br>I Donnelly<br>E Winfield (appointed June 22)<br>A Schembri (appointed June 22)<br>J Mancini(appointed June 22)<br>C Kerr (appointed June 22) |
| **Secretary** | L J Foster |
| **Chief Executive** | L J Foster |
| **Key Management Personnel** | L J Foster |

## Registered office and principal address

1st Floor, Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH.

## Independent Examiner

RSM UK Tax and Accounting Limited, 1 St James Gate, Newcastle-upon-Tyne, NE1 4AD.

## Principal bankers

Natwest Bank Plc, 12 Market Place, Durham, DH1 3NG.

## Solicitors

Muckle LLP, Time Central, 32 Gallowgate, Newcastle-upon-Tyne, NE1 4BF.

# Trustees Annual Report
# (for the year ended 31 December 2022)

Charity No: 1071662
Company No: 03581178

The trustees, who are directors of the charity for the purposes of company law, present their report and the audited financial statements for the year ended 31 December 2022.

## Structure, governance and management

CACDP is organised through a Board of Trustees. Subcommittees are convened on an ad-hoc basis when required and are managed with specific terms of reference and a set objective.

The charitable company's governing documents are its Memorandum and Articles of Association dated October 2006 and the companies are limited by guarantee.

Trustees are eligible to serve up to two terms of four years each and under exceptional circumstances, an additional term.

Trustees are recruited through open, external processes which can use a variety of measures to raise awareness of the vacancy. Applications are sought which showcase skills and experience, and discussions held with a panel made up of trustees and the Executive. The panel will make recommendations to the full board. New trustees are appointed for a single term of four years and at that point, if they wish to serve a second term, they will share a statement about their time with Signature. A conversation with a panel will be held and recommendations will be made to the full board.

Induction sessions are held for new trustees upon appointment which includes an update presentation to all trustees. New trustees are also provided with an induction pack which includes issues of "charitable purpose" and "public benefit". Trustees continue to be happy that CACDP meets these criteria.

Day to day management of CACDP is delegated to the Chief Executive, Lindsay Foster.

# Trustees Annual Report
# (for the year ended 31 December 2022)

## Objectives and principal activities

### The charity group aims

CACDP's objects are the improvement of communication with deaf people, in particular by the education, training and examination of students and tutors in the different modes of communication used by such persons.

CACDP is a charity which expresses its aim of advancing communication between deaf and hearing people through the functions of a recognised UK awarding body.

We do this by offering high quality nationally accredited qualifications in sign language and other forms of communication used by deaf people as well as student support packages, training and teacher support packages.

### The charity's beneficiaries

The following people benefit from CACDP's work:

- Deaf, deafened, hard of hearing and deafblind people.
- Deaf and hearing students of courses leading to our qualifications.
- Deaf and hearing tutors of courses leading to our qualifications.

Equal access to our services is important to us and we work throughout the country to ensure that provision is as widespread as possible. We record and monitor the range of beneficiaries where possible and each year we improve on that knowledge. We try to ensure that fees are maintained at a minimum level to ensure that our qualifications are affordable to all whilst covering our administration costs.

CACDP was established by national organisations of and for deaf people to ensure the availability of learning opportunities, qualifications and standards in the communication methods used by deaf people. These organisations are still involved with CACDP as trustees, project partners, subscribers and members of committees. CACDP responds to the needs of beneficiaries through the work of committees, through consultation with deaf individuals and organisations and through representation on the Board of Trustees.

We have referred to the Charity Commission's general guidance of public benefit when reviewing our objectives and in developing our strategic and operational plans. Each year we review the strategic plan and ensure all activities are in line with the aims of the charity.

Pay and remuneration setting for key management personnel is carried out by the Chair of the Board with the support of the other trustees. Key considerations are affordability, benchmarking, changes in roles and responsibilities as well as other market forces. All factors are considered and a recommendation is made to the to the Board of Trustees who made the final decision.

# Trustees Annual Report
# (for the year ended 31 December 2022)

## Achievements and performance

In the year to 31 December 2022 the main achievements within CACDP in addition to the delivery of the suite of qualifications and supporting products have been:

### Ofqual/QiW/CCEA
CACDP are subject to Conditions of Recognition from Ofqual/QiW/CCEA. We evaluate the conditions on an annual basis to ensure compliance. We submitted our Statements of Compliance meeting the required deadlines. We have responded to all clarification questions.

### Support for centres
Whilst some of the challenges of previous years have eased there still remains a number of uncertainties with centres and candidates demanding more flexibility. We have made appropriate decisions to balance the needs of our stakeholders with the requirements of regulators and are expanding our engagement programme to allow us to further develop our relationships.

### Centre numbers
The number of centres registered with us increased in 2022 showing a move to a return to pre-pandemic levels.

### Talking about BSL
In 2022 we started to increase our attendance at events both within the sector, such as Deaf day, as well as outside the sector.

### BSL Act
In 2022 we were part of the successful coalition who achieved the passing of the BSL Bill into legislation. We look forward to the creation of the BSL Advisory Board and the developments that follow.

# Trustees Annual Report
# (for the year ended 31 December 2022)

## Financial review, including risks and uncertainties

2022 saw an increase in both candidate numbers and centre numbers. We have continued to offer more flexibility to our candidates via centres whilst maintaining standards and this has allowed our qualifications to be available to more people from wider areas and from situations where regular travel to centres isn't possible.

The smaller office space and lower overheads have allowed the increased income to be invested into the qualifications and support products as well as other areas of work beneficial to candidates and centres.

Investments are still being maintained under a low-risk policy of long-term deposits with the trustees being keen to ensure the level of risk regarding these funds does not change.

An annual review of risk is performed to identify and grade all known risks to the charity as part of the annual planning cycle. Appropriate mitigating actions are identified, and the effectiveness of these actions monitored. The process is overseen by the Board of Trustees.

Now we can see the end to one of the most challenging periods of Signature's history, we continue to focus on rebuilding and strengthening the organisation and the qualifications. In 2023 we have started to increase staffing levels again and are looking forward to seeing the organisation gaining in strength under careful supervision and leadership whilst taking opportunities available to us.

There continues to be other risks around the size of the organisation and the ability to ensure appropriately skilled people are recruited and working with us, maintaining that staff structures and our ability to achieve objectives and meet changing business needs. We can only continue to provide strong working practises that are family friendly and creating a positive culture we can make our team as engaged as possible. A motivated workforce allows for greater creative thinking and the passion to achieve our objectives.

Income in the year ended 31 December 2022 has increased by £69k from £887k in 2021 to £956k.

Reserves have increased by £160k to £1,376k.

**KPI's**

The Board monitors performance with the following indicators of the group:

| Performance Measure | 2022 | 2021 | Variance explanation |
|---|---|---|---|
| Reserve level | £1,376k | £1,215k | Surplus due to rebuilding |
| Current Ratio | 8.2 | 7.7 | Continued repayment - pension creditor |
| Candidate numbers | 17,488 | 12,134 | Growth in assessments |
| Net surplus | £160k | £270k | Growth in income with increase in costs for reinvestment in activities and staffing. |

# Trustees Annual Report
# (for the year ended 31 December 2022)

**Reserves**
CACDP has two unrestricted reserve categories:

- Designated reserve (a)
- General reserve (b)

(a) Should the need arise to designate unrestricted reserves for investment for a piece of work then an allocation into these reserves may be appropriate. The Trustees would agree this in principle, the amount required will be recommended through the Board for approval. It should be noted that any designated amounts may be reviewed and amended by trustees at any time.

(b) There is a need to maintain a level of general reserves to enable the charity to cope with a variety of events, either day to day or exceptional. However, CACDP believes that its reserves must be managed as a valuable asset for the organisation. As such it is important to balance the need to spend the reserved income of the charity with the potential risks that may be faced in the future.

Currently CACDP has no designated reserves.

CACDP has one pension deficit of £46k (2021 - £81k).

## Maintenance of reserves levels

CACDP maintains unrestricted reserves at a level which will cover emergency costs, unforeseen high level losses of income or business cessation. The most significant amount would be the business cessation for which £105k is considered a reasonable provision. In addition, due to the current financial uncertainty that has been caused by COVID-19, we will retain £200k in reserves to allow for any potential year end deficits.

Restricted funds at 31 December 2022 were £17k, unrestricted funds held as fixed assets were £263k, leaving £1,095k as free reserves and available for the general purpose of the charity. This results in the current levels of free reserves being higher than required levels. The Trustees are investigating options for use of some of these reserves in the coming years.

## The Future

At CACDP the challenges we face continue to change and evolve and as we look to future. One of our priorities over the coming years is growth and increasing the number of candidates taking BSL qualifications. With this in mind we are investing in additional support products for our qualifications. We will also continue to use other supporting products to engage new candidates and deliver our charitable objectives more widely.

In addition to increasing the number of candidates, we are undertaking a programme of face-to-face engagements. These will be happening for centres and teachers to demonstrate our commitment and availability to all those we work with. We will also be increasing our connections with other sectors to share the benefits of learning British Sign Language and improving deaf awareness.

Our work continues to support the development of a GCSE in BSL and we will work with all interested parties to assist with the work in this area. We expect public consultations from both Department for Education and from Ofqual to be published in 2023.

Increased staff numbers will allow a wider delivery of awareness, marketing and influencing decision makers.

With the changes in the marketplace following the closure of iBSL, we will look to increase the number of our centres as well as engage more fully those that have joined us more recently, this usually provides us with the opportunity to further improve our services.

## Statement of trustees' responsibilities

The trustees (who are also directors of Signature for the purposes of company law) are responsible for preparing the Trustees' Annual 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 judgments 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement as to disclosure of information to Independent Examiners

CACDP is now audit exempt and an independent examination is being carried out for the year ended 31 December 2022.

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the accountants are unaware.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the organisation's Memorandum and Articles of Association and Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2015).

## Independent Examiners

A resolution to appoint RSM Tax and Accounting Limited as Independent Examiners for the current and following year was agreed at a board meeting on 19 September 2023.

Approved by a meeting of the Board of Trustees on 19/9/23 and signed on their behalf by:

Trustee: H Beeton

Trustee: Iain J Robinson

# Independent Examiners' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2022)

I report to the trustees on my examination of the accounts of CACDP ('the company') for the year ended 31 December 2022 which are set out on pages 13 to 33

**Responsibilities and basis of report**

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

**Independent examiner's statement**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

# Independent Examiners' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2022)

I 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 accounts to be reached.

L. Robson

Name: Lucy Robson
Name of applicable listed body: ICAEW

ON BEHALF OF RSM UK TAX AND ACCOUNTING LIMITED

Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

26/09/23

# Statement of Financial Activities for the year ended 31 December 2022
# (including Income and Expenditure Account)

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2a | 10 | - | 10 | 121,963 |
| Other trading activities | 2b | 97,817 | - | 97,817 | 33,093 |
| Investments | 2c | 2,588 | - | 2,588 | 4,068 |
| | | 100,415 | - | 100,415 | 159,124 |
| Charitable activities | | | | | |
| Examinations and centre registrations | | 852,147 | - | 852,147 | 701,818 |
| Development of examinations, training and materials | 2d | - | - | - | - |
| | | 852,147 | - | 852,147 | 701,818 |
| Other incoming resources | 2e | 5,880 | - | 5,880 | 25,928 |
| Total income | | 958,442 | - | 958,442 | 886,870 |
| **Expenditure on:** | | | | | |
| Raising funds | | - | - | - | - |
| | | | | | - |
| Charitable activities: | 3a | | | | |
| Examinations and centre registrations | | 492,517 | - | 492,517 | 415,092 |
| Sale of training materials | | 88,735 | - | 88,735 | 88,193 |
| Curriculum and other training | | 38,718 | - | 38,718 | 40,657 |
| Development of examinations, training and materials | | 170,468 | 1,939 | 172,407 | 213,825 |
| Total expenditure | | 790,438 | 1,939 | 792,377 | 757,767 |
| Losses on investment assets | | (7,773) | - | (7,773) | - |
| Actuarial remeasurement on defined benefit obligations | | 1,688 | - | 1,688 | 141,152 |
| Net movement in funds | | 161,919 | (1,939) | 159,980 | 270,255 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 1,196,245 | 19,436 | 1,215,681 | 945,426 |
| Total funds carried forward | | 1,358,164 | 17,497 | 1,375,661 | 1,215,681 |

All operations derive from continuing activities.

Company Number: 03581178

# Balance Sheet as at 31 December 2022

| | Note | 2022 | | 2021 | |
|---|---|---|---|---|---|
| **Fixed assets** | | £ | £ | £ | £ |
| Tangible assets | 9 | 160,343 | | 150,007 | |
| Intangible assets | 10 | - | | - | |
| Investments | 11 | 102,988 | | 110,761 | |
| Total fixed assets | | | 263,331 | | 260,768 |
| **Current assets** | | | | | |
| Stocks of training materials | 12 | 20,076 | | 20,076 | |
| Debtors | 13 | 94,349 | | 87,666 | |
| Cash at bank and in hand | | 1,178,876 | | 1,044,066 | |
| | | 1,293,301 | | 1,151,808 | |
| **Creditors: Amounts falling due within one year** | 14 | 158,291 | | 150,204 | |
| **Net current assets** | | | 1,135,010 | | 1,001,604 |
| **Total assets less current liabilities** | | | 1,398,341 | | 1,262,372 |
| **Creditors: amounts falling due in after more than one year** | 15 | | 22,680 | | 46,691 |
| **Net assets** | | | 1,375,661 | | 1,215,681 |
| **Funds of the charity:** | | | | | |
| Restricted income funds | 16 | | 17,497 | | 19,436 |
| **Unrestricted funds:** | | | | | |
| General funds | 16 | 1,403,853 | | 1,277,351 | |
| Pension fund | 16 | (45,689) | | (81,106) | |
| | | | 1,358,164 | | 1,196,245 |
| **Total funds** | | | 1,375,661 | | 1,215,681 |

For the financial year in question the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.
No members have required the company to obtain a audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.
The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

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

The financial statements on pages 13 to 33 were approved by the Board of Trustees and authorised for issue on ..19.9.23.. and were signed on their behalf by:

Trustee: H Beattie

Trustee: Ian J Robinson

# Statement of Cash Flows
# For the year ended 31 December 2022

| | Note | 2022 | | 2021 | |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | | | | | |
| Cash generated from operations | 22 | | 180,788 | | 88,867 |
| **Investing activities** | | | | | |
| Purchase of tangible fixed assets | | (45,978) | | (41,249) | |
| Investments | | - | | (3,760) | |
| **Net cash used in investing activities** | | | (45,978) | | (230,524) |
| **Financing activities** | | | | | |
| Debt repayments | | - | | - | |
| **Net cash used in financing activities** | | | - | | - |
| **Net increase in cash and cash equivalents** | | | 134,810 | | 43,489 |
| Cash and cash equivalents at the beginning of the year | | | 1,044,066 | | 1,000,577 |
| **Cash and cash equivalents at end of year** | | | 1,178,876 | | 1,044,066 |

# Notes to the Financial Statements for the year ended 31 December 2022

## 1. Accounting policies

### 1a) Basis of preparation

Signature is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH.

The charity meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the education, training and examination of students and tutors in the different modes of communication used by such persons.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost of transaction value except for investments which are included at market value, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' effective 1 January 2015 (Charities SORP (FRS 102)) and the Companies Act 2006.

The financial statements are presented in sterling which is also the financial currency of the group. The monetary amounts in these financial statements are rounded to the nearest £, except where otherwise indicated.

### Going concern

FRS 102 requires that, if appropriate, the financial statements are prepared on the going concern basis, which means that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected resources. There are no material uncertainties in respect of the charity's ability to continue as a going concern. The ongoing demand for the services provided by the charity ensures the exposure to risk from the current difficult economic conditions is minimal. Free reserves are available to meet the charity's needs as they arise as detailed within the reserves policy. As a consequence, the Trustees believe the charity is well placed to manage its business risks successfully and thus they have adopted the going concern basis of accounting in preparing the financial statements.

The charity had total funds of £1,375,661 as at 31 December 2022 (increase of £159,980 from 31 December 2021) and a year-end cash balance of £1,178,876 (2021: £1,044,066). Activity levels are no longer being directly impacted as badly as a result of the Covid-19 pandemic, cash reserves and year end results are strong. Forecasts for the period ended 31 December 2023 have been prepared, showing all anticipated costs together with prudent income growth. These confirm that the charity have sufficient cash for the organisation to continue for at least 12 months from the date these financial statements are signed.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity have adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

# Notes to the Financial Statements for the year ended 31 December 2022

## 1. Accounting policies (continued)

### 1b) Incoming resources

All income disclosed in the Statement of Financial Activities is shown on an entitlement basis.

All grant income is shown on an entitlement basis, except for restricted funds, where any income received in advance of expenditure is taken to the Statement of Financial Activities when the group becomes unconditionally entitled to the grant.

Government grants are recognised when the conditions for receipts are met and there is reasonable assurance that the grant will be received. Grants related to income are deducted in reporting the related expense.
Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit and loss in the period in which they become receivable.

Fees for examinations are normally once the assessment has been held and those applicable to the year accounted for in the Statement of Financial Activities. Any fees received during the year applicable to future periods are shown as deferred income in the balance sheet.

### 1c) Expenditure

Resources expended are recognised in the period in which legal or constructive obligation arises.

Resources expended are allocated to the particular activity to which the cost relates. However the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of the staff time, attributable to each activity:

| | |
|---|---|
| Generating Funds | 0% |
| Examinations and centre registrations | 51% |
| Sale of materials | 13% |
| Curriculum and other training | 7% |
| Development of examinations, training and materials | 29% |

Governance costs relate to the costs associated with meeting the constitutional and statutory requirements of the group.

### 1d) Fixed assets

Tangible Fixed assets
Depreciation is provided at rates, set out below, calculated to write off the cost of each asset over its expected useful life. Items of equipment are capitalised where the purchase price exceeds £150, except for computer equipment which is all capitalised, with the exception of consumables and accessories.

| | | |
|---|---|---|
| Computer Software | 5 years | 20% straight line |
| Computer Equipment | 3 years | 33% straight line |
| Other Office Equipment | 4 years | 25% straight line |
| Furniture and Fittings | 5 years | 20% straight line |

Intangible Fixed assets

Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is calculated to write down the costs of completed assets less estimated residual value over the useful lives of all intangible assets by the straight line method. The annual charges on:

| | | |
|---|---|---|
| Development expenditure | 5 years | 20% straight line |

**1e) Investments**

Investments held as fixed assets are revalued at their market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

**1f) Stocks**

Stocks comprise training packages and stocks of books and are valued at the lower of cost and net realisable value.

Net realisable value is based on normal selling price. Provision is made for obsolete, slow moving or defective items where appropriate.

**1g) Pension costs**

Contributions to defined contribution schemes are charged to the Statement of Financial Activities as they are incurred. A creditor is included on a discounted basis for known additional contributions as detailed in note 18.

**1h) Funds**

Unrestricted funds are generated surpluses of the group without further specified purpose and are available as general funds.

Designated funds are unrestricted funds, earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as prescribed by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

**1i) Research and development**

Expenditure incurred on research and development in the year other than those costs able to be capitalised, is charged to the statement of financial activities.

**1j) Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership on a straight line basis over the period of the lease remain with the lessor are charges against surpluses.

# Notes to the Financial Statements for the year ended 31 December 2022

## 1k) Taxation

The group is a registered charity and is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxable Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

## 1l) Cash at bank and in hand

Cash at bank and cash in hand includes cash held at bank and cash held in short term investments.

## 1m) Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" in full to all of its financial instruments.

All of the group's financial assets and financial liabilities qualify as basic financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Financial assets: Trade and other debtors**
Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

**Financial liabilities: Trade and other creditors**
Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

**Critical accounting estimates and areas of judgement**
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Notes to the Financial Statements for the year ended 31 December 2022

## 2. Incoming resources

| 2a) Donations and legacies- unrestricted | 2022 £ | 2021 £ |
|---|---|---|
| Donations | 10 | 121,963 |
| | 10 | 121,963 |

| 2b) Other Trading activities - unrestricted | 2022 £ | 2021 £ |
|---|---|---|
| Conferences and awards | 18,535 | - |
| Qualification support products | 79,282 | 33,093 |
| | 97,817 | 33,093 |

| 2c) Investment income - unrestricted | 2022 £ | 2021 £ |
|---|---|---|
| Bank interest | 2,588 | 108 |
| Money market and other deposits | - | 3,960 |
| | 2,588 | 4,068 |

| 2d) Development of examinations, training and materials | 2022 £ | 2021 £ |
|---|---|---|
| Other | - | - |
| | - | - |

| 2e) Other Income - unrestricted | 2022 £ | 2021 £ |
|---|---|---|
| Furlough income | - | 25,928 |
| Government grants | 5,880 | - |
| Other | - | - |
| | 5,880 | 25,928 |

# Notes to the Financial Statements for the year ended 31 December 2022

## 3. Costs of generating funds

| 3a) Charitable activities – unrestricted | Examinations and centre registrations £ | Training Materials £ | Curriculum and other training £ | Development of exams etc £ | 2022 £ | 2021 £ |
|---|---|---|---|---|---|---|
| Direct costs | 175,340 | 17,028 | 880 | 4,107 | 197,355 | 106,349 |
| Staff costs | 78,289 | 19,250 | 10,158 | 44,660 | 152,357 | 151,397 |
| Direct overheads | - | - | - | - | - | - |
| Allocated overheads | 213,342 | 52,457 | 27,680 | 121,701 | 415,180 | 473,664 |
| Governance costs (note 3c) | 25,546 | - | - | - | 25,546 | 25,522 |
| | 492,517 | 88,735 | 38,718 | 170,468 | 790,438 | 756,932 |
| **Charitable activities – restricted** | | | | | | |
| Direct costs | - | - | - | 1,939 | 1,939 | 835 |
| Allocated overheads | - | - | - | - | - | - |
| | - | - | - | 1,939 | 1,939 | 835 |
| **Total** | 492,517 | 88,735 | 38,718 | 172,407 | 792,377 | 757,767 |

# Notes to the Financial Statements for the year ended 31 December 2022

| 3b) Governance costs – unrestricted | 2022 £ | 2021 £ |
|---|---|---|
| Direct committee costs including travel | 13,111 | 8,373 |
| Independent examination | 4,875 | 9,600 |
| Other costs | 7,560 | 7,552 |
| | 25,546 | 25,525 |

| Analysis of allocated overheads | 2022 £ | 2021 £ |
|---|---|---|
| Staff costs including training and welfare | 207,469 | 241,691 |
| Office running | 26,479 | 31,990 |
| Premises | 56,992 | 80,486 |
| Professional fees | 74,449 | 79,239 |
| Depreciation | 35,642 | 28,955 |
| Travel and subsistence | 3,496 | 2,601 |
| Insurance | 6,787 | 6,575 |
| Other costs | 3,866 | 3,821 |
| | 415,180 | 475,358 |

# Notes to the Financial Statements for the year ended 31 December 2022

## 4. Net incoming/outgoing resources is after charging:

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Independent Examination Report | 4,875 | 4,200 |
| Operating lease costs-Land and Buildings | 23,000 | 23,000 |
| Depreciation | 35,642 | 28,955 |

## 5. Staff costs

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Salaries | 296,732 | 401,526 |
| Employer's National Insurance | 23,635 | 24,769 |
| Employer's Pension Contributions | 37,691 | 24,038 |
| Redundancy costs | - | 9,532 |
| | 358,058 | 459,865 |
| Recruitment fees | 496 | 54 |
| Temporary staff | 804 | - |
| | 359,358 | 459,919 |

The average number of employees during the year was 11 (2021: 10).

The following number of employees received annual emoluments exceeding £60,000 was 1 (2021: 1)

| | December 2022 | December 2021 |
|---|---|---|
| Between £60,000 and £70,000 | 1 | 1 |

Pension contributions paid in the year in respect of the above staff were £7,173 (2021: £6,400).

**Key management personnel**
The key management personnel of the group and charity comprise the Trustees and Chief Executive. The total employee benefits of the key management personnel of the group were £74,312 (2021: £65,652).

## 6. Pension costs

The Charity participates in two funds administered by the Pensions Trust. The Ethical Fund, a defined contribution scheme, and The Growth Plan, a multi-employer pension scheme.

The charge to SOFA is the amount of the contributions payable.
The amount of contributions outstanding, due to the Ethical Fund at the year end was £3,167 (2021: £3,071).

Details of The Growth Plan can be found in note 18.

## 7. Indemnity insurance

The Charity has Professional Liability Insurance cover for Trustees, committee members and staff.

The limit of Indemnity in any one year is £1,000,000 (2021: £1,000,000) for which a premium of £1,786 (2021: £1,553) was paid.

## 8. Trustees' remuneration and disbursement of expenses

The Articles of Association permit the payment of fees and expenses to trustees when acting as examiners and trainers, etc, where such expertise is in short supply.

In 2022 Nil (2021: Nil) trustees received fees amounting to Nil (2021: Nil) together with £Nil (2021: Nil) reimbursement of expenses incurred.

There were 6 (2021: 1) other trustees who were reimbursed travel and subsistence expenses of £1,165 (2021: £95) for attendance at trustee meetings and other events.

# Notes to the Financial Statements for the year ended 31 December 2022

## 9. Tangible fixed assets

| | Furniture & fittings £ | Office equipment £ | Computer software £ | Computer equipment £ | 2022 Total £ |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2022 | 58,682 | 31,282 | 292,544 | 119,113 | 501,621 |
| Additions | 2,202 | 159 | 37,784 | 5,833 | 45,978 |
| Disposals | - | - | - | - | - |
| At 31 December 2022 | 60,884 | 31,441 | 330,328 | 124,946 | 547,599 |
| **Depreciation** | | | | | |
| At 1 January 2022 | 45,361 | 30,136 | 163,034 | 113,083 | 351,614 |
| Charge for the year | 3,917 | 910 | 24,475 | 6,340 | 35,642 |
| Disposals | - | - | - | - | - |
| At 31 December 2022 | 49,278 | 31,046 | 187,509 | 119,423 | 387,256 |
| **Net book value** | | | | | |
| At 31 December 2022 | 11,606 | 395 | 142,819 | 5,523 | 160,343 |
| At 31 December 2021 | 13,321 | 1,146 | 129,510 | 6,030 | 150,007 |

No tangible fixed assets were held under finance leases or hire purchase contracts.

## 10. Intangible fixed assets

| | Research & Development £ |
|---|---|
| **Cost** | |
| At 1 January 2022 | 173,739 |
| Additions | - |
| At 31 December 2022 | 173,739 |
| **Amortisation** | |
| At 1 January 2022 | 173,739 |
| Charge for the year | - |
| At 31 December 2022 | 173,739 |
| **Net book value** | |
| At 31 December 2022 | - |
| At 31 December 2021 | - |

# Notes to the Financial Statements for the year ended 31 December 2022

## 11.Investments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Common Investment Funds | 102,988 | 110,761 |
| | 102,988 | 110,761 |

The Common Investment Fund is invested in a Wealth Account with St. James Place.

| | £ |
|---|---|
| Carrying value at the beginning of the year | 110,761 |
| Gain on investment | - |
| Loss on revaluation | (7,773) |
| Carrying value at the end of the year | 102,988 |

All investment assets are held in the UK.

## 12.Stocks

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Cost | 20,076 | 20,076 |
| Provision for obsolescence | - | - |
| | 20,076 | 20,076 |

## 13. Debtors

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Trade debtors | 70,305 | 67,102 |
| Prepayments | 24,044 | 20,564 |
| | 94,349 | 87,666 |

# Notes to the Financial Statements for the year ended 31 December 2022

## 14. Creditors

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Trade Creditors | 50,698 | 22,597 |
| Other Tax and Social Security | 9,313 | 9,153 |
| Accruals | 15,749 | 27,698 |
| Deferred Income | 59,523 | 56,341 |
| Pension Fund | 23,009 | 34,415 |
| | 158,292 | 150,204 |

### Deferred Income

| | |
|---|---|
| Deferred Income at 31 December 2021 | 56,341 |
| Amount released from previous year | (56,341) |
| Amount deferred in current year | 59,523 |
| Deferred income at 31 December 2022 | 59,523 |

Deferred income relates to examination fees invoiced in advance

## 15. Creditors due in more than one year

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Pension creditor | 22,680 | 46,691 |

# Notes to the Financial Statements for the year ended 31 December 2022

## 16. Movements in funds

| | Balance b/fwd | Incoming resources | Outgoing resources | Gains and Losses | Transfers | Balan c/f |
|---|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ | |
| GCSE | 19,130 | - | (1,633) | - | - | 17,4 |
| Other | 306 | - | (306) | - | - | |
| **Total restricted funds** | 19,436 | - | (1,939) | - | - | 17,4 |
| **Unrestricted funds:** | | | | | | |
| Pension | (81,106) | - | | 1,688 | 33,729 | (45,6 |
| General funds | 1,277,351 | 958,442 | (790,438) | (7,773) | (33,729) | 1,403,8 |
| **Total unrestricted funds** | 1,196,245 | 958,442 | (790,438) | (6,085) | - | 1,358,1 |
| **Total funds** | 1,215,681 | 958,442 | (792,377) | (6,085) | - | 1,375,6 |

The transfer in the year relates to the deficit payments made on the pension provision.

### 2021 - Movements in funds

| | Balance b/fwd | Incoming resources | Outgoing resources | Transfers | Balance c/fwd |
|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ |
| GCSE | 19,130 | - | - | - | 19,130 |
| | 1,141 | - | (835) | | 306 |
| **Total restricted funds** | 20,271 | - | (835) | - | 19,436 |
| **Unrestricted funds:** | | | | | |
| Pension | (289,703) | - | 67,445 | 141,152 | (81,106) |
| General funds | 1,214,858 | 765,998 | (703,505) | - | 1,277,351 |
| **Total unrestricted funds** | 925,155 | 765,998 | (636,060) | 141,152 | 1,196,245 |
| **Total funds** | 945,426 | 765,998 | (636,895) | 141,152 | 1,215,681 |

The transfer in the year relates to the deficit payments made on the pension provision

# Notes to the Financial Statements for the year ended 31 December 2022

## 17. Members liability

The company is limited by guarantee and in the event of the winding up of the company, the liability of its members is limited to £1.

## 18. Pension Obligations

The company participates in the TPT Retirement Solutions scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

| **Deficit contributions** | |
|---|---|
| From 1 April 2022 to 31 January 2025: | £3,312,000 per annum (payable monthly) |

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

| **Deficit contributions** | |
|---|---|
| From 1 April 2019 to 30 September 2025: | £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April) |

# Notes to the Financial Statements for the year ended 31 December 2022

## 18. Pension Obligations (continued)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

| PRESENT VALUES OF PROVISION | 31 December 2022 | 31 December 2021 | 31 December 2020 |
|---|---|---|---|
| **Present value of provision** | 45,689 | 81,106 | 289,703 |

**RECONCILIATION OF OPENING AND CLOSING PROVISIONS**

| | **Year Ending** 31 December 2022 | **Year Ending** 31 December 2021 |
|---|---|---|
| Provision at start of year | 81,106 | 289,703 |
| Unwinding of the discount factor (interest expense) | 686 | 690 |
| Deficit contribution paid | (34,415) | (68,135) |
| Remeasurements - impact of any change in assumptions | (1,688) | (956) |
| Remeasurements - amendments to the contribution schedule | - | (140,196) |
| Provision at end of year | 45,689 | 81,106 |

# Notes to the Financial Statements for the year ended 31 December 2022

## 18. Pension Obligations (continued)

INCOME AND EXPENDITURE IMPACT

| | Year Ending 31 December 2022 | Year Ending 31 December 2021 |
|---|---|---|
| Interest expense | 686 | 690 |
| Remeasurements – impact of any change in assumptions | (1,688) | (956) |
| Remeasurements – amendments to the contribution schedule | - | (140,196) |
| Contributions paid in respect of future service* | - | - |
| Costs recognised in income and expenditure account | - | - |

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

| | 31 December 2022 % per annum | 31 December 2021 % per annum | 31 December 2020 % per annum |
|---|---|---|---|
| Rate of discount | 4.96 | 1.18 | 0.27 |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

## 19. Related party transactions

Mark Hopkinson, a trustee since 26th September 2017, is also Head of Sign Language and Lipreading at City Lit, London which operates as a centre providing assessments for CACDP's qualifications. Fees are charged in line with the published price list.
Fees and project costs charged during the period amounted to £19,450 and the balance due from the college at 31st December 2022 was £4,312 (2021 : £1,466).

# Notes to the Financial Statements for the year ended 31 December 2022

## 20. Operating leases

Annual commitments under non-cancellable operating leases are as follows: -

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| | Land and Buildings | Land and Buildings |
| Within one year | 23,000 | 23,000 |
| Between two and five years | 69,000 | 92,000 |
| More than five years | - | - |
| | 92,000 | 115,000 |

## 21. Analysis of net assets between funds

| | Unrestricted funds<br>£ | Restricted funds<br>£ | Total funds<br>£ |
|---|---|---|---|
| Fund balances at 31 December 2022 as represented by: | | | |
| Tangible fixed assets | 160,343 | - | 160,343 |
| Intangible fixed assets | - | - | - |
| Investment assets | 102,988 | - | 102,988 |
| Current assets | 1,275,804 | 17,497 | 1,293,301 |
| Current liabilities | (158,292) | - | (158,292) |
| Long term liabilities | (22,680) | - | (22,680) |
| | 1,358,164 | 17,497 | 1,375,661 |

| | Unrestricted funds<br>£ | Restricted funds<br>£ | Total funds<br>£ |
|---|---|---|---|
| Fund balances at 31 December 2021 as represented by: | | | |
| Tangible fixed assets | 150,007 | - | 150,007 |
| Intangible fixed assets | - | - | - |
| Investment assets | 110,761 | - | 110,761 |
| Current assets | 1,132,372 | 19,436 | 1,151,808 |
| Current liabilities | (150,204) | - | (150,204) |
| Long term liabilities | (46,691) | - | (46,691) |
| | 1,196,245 | 19,436 | 1,215,681 |

# Notes to the Financial Statements for the year ended 31 December 2022

## 22. Cash generated from operations

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Surplus for the year | 159,980 | 270,255 |
| *Adjustments for:* | | |
| Depreciation of tangible fixed assets | 35,642 | 28,955 |
| Loss on investments | 7,773 | - |
| *Movements in working capital* | | |
| (Increase)/decrease in debtors | (6,683) | 109,709 |
| (Decrease)/increase in creditors | 19,493 | (91,549) |
| Decrease/(increase) in stocks | - | (20,706) |
| Increase/(Decrease) in pension reserve | (35,417) | (208,597) |
| **Cash generated from operations** | 180,788 | 88,697 |

**CACDP**

England & Wales - Charity number 1071662

# Accounts

# CACDP
# T/A Signature

(A company limited by guarantee)

# FINANCIAL STATEMENTS

For the year ended 31 December 2021

Charity No: 1071662
Company No: 03581178
Scottish Charity number SC037901

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# Reference and administrative details of the Charity, its Trustees and Advisers

## Status

The organisation first became a registered charity in January 1982. It subsequently re registered on 22 September 1998, following incorporation as a company limited by guarantee on 15 June 1998.

| | |
|---|---|
| **Trustees** | P Keen (resigned March 2022)<br>I Robinson<br>J D Walker<br>H J Beaton<br>M Hopkinson<br>K Riley<br>I Donnelly |
| **Secretary** | L J Foster |
| **Chief Executive** | L J Foster |
| **Key Management Personnel** | L J Foster |

## Registered office and principal address

1st Floor, Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH.

## Independent Examiner

RSM UK Tax and Accounting Limited, 1 St James Gate, Newcastle-upon-Tyne, NE1 4AD.

## Principal bankers

Natwest Bank Plc, 12 Market Place, Durham, DH1 3NG.

## Solicitors

Muckle LLP, Time Central, 32 Gallowgate, Newcastle-upon-Tyne, NE1 4BF.

# Trustees Annual Report
# (for the year ended 31 December 2021)

Charity No: 01071662
Company No: 3581178

The trustees, who are directors of the charity for the purposes of company law, present their report and the audited financial statements for the year ended 31 December 2021.

## Structure, governance and management

CACDP is organised through a Board of Trustees. Subcommittees are convened on an ad-hoc basis when required and are managed with specific terms of reference and a set objective.

The charitable company's governing documents are its Memorandum and Articles of Association dated October 2006 and the companies are limited by guarantee.

Trustees are eligible to serve up to two terms of four years each and under exceptional circumstances, an additional term.

Trustees are recruited through open, external processes which can use a variety of measures to raise awareness of the vacancy. Applications are sought which showcase skills and experience, and discussions held with a panel made up of trustees and the Executive. The panel will make recommendations to the full board. New trustees are appointed for a single term of four years and at that point, if they wish to serve a second term, they will share a statement about their time with Signature. A conversation with a panel will be held and recommendations will be made to the full board.

Induction sessions are held for new trustees upon appointment which includes an update presentation to all trustees. New trustees are also provided with an induction pack which includes issues of "charitable purpose" and "public benefit". Trustees continue to be happy that CACDP meets these criteria.

Day to day management of CACDP is delegated to the Chief Executive, Lindsay Foster.

Signature Commercial, a subsidiary of CACDP, ceased trading at 31st December 2020 with all assets and liabilities taken into the parent company in January 2021.

# Trustees Annual Report
# (for the year ended 31 December 2021)

## Objectives and principal activities

### The charity group aims

CACDP's objects are the improvement of communication with deaf people, in particular by the education, training and examination of students and tutors in the different modes of communication used by such persons.

CACDP is a charity which expresses its aim of advancing communication between deaf and hearing people through the functions of a recognised UK awarding body.

We do this by offering high quality nationally accredited qualifications in sign language and other forms of communication used by deaf people as well as student support packages, training and teacher support packages.

### The charity's beneficiaries

The following people benefit from CACDP's work:

- Deaf, deafened, hard of hearing and deafblind people.
- Deaf and hearing students on courses leading to our qualifications.
- Deaf and hearing tutors on courses leading to our qualifications.

Equal access to our services is important to us and we work throughout the country to ensure that provision is as widespread as possible. We record and monitor the range of beneficiaries where possible and each year we improve on that knowledge. We try to ensure that fees are maintained at a minimum level to ensure that our qualifications are affordable to all whilst covering our administration costs.

CACDP was established by national organisations of and for deaf people to ensure the availability of learning opportunities, qualifications and standards in the communication methods used by deaf people. These organisations are still involved with CACDP as trustees, project partners, subscribers and members of committees. CACDP responds to the needs of beneficiaries through the work of committees, through consultation with deaf individuals and organisations, and through representation on the Board of Trustees.

We have referred to the Charity Commission's general guidance of public benefit when reviewing our objectives and in developing our strategic and operational plans. Each year we review the strategic plan and ensure all activities are in line with the aims of the charity.

Pay and remuneration setting for key management personnel is carried out by the Chair of the Board with the support of the other trustees. Key considerations are affordability, benchmarking, changes in roles and responsibilities as well as other market forces. All factors are considered and a recommendation is made to the to the Board of Trustees who made the final decision.

# Trustees Annual Report
# (for the year ended 31 December 2021)

**Achievements and performance**

In the year to 31 December 2021 the main achievements within CACDP in addition to the delivery of the suite of qualifications and supporting products have been:

**Ofqual/QiW/CCEA**
CACDP are subject to Conditions of Recognition from Ofqual/QiW/CCEA. We evaluate the conditions on an annual basis to ensure compliance. We submitted our Statements of Compliance in December 2021 and these have been accepted by each regulator with the information from the above visit being included and accepted.

**Support for the Office team**
As a result of the COVID-19, we facilitated all staff to work from home and as the challenges of Covid - 19 continued throughout 2021 we continued to apply a flexible approach to home/office based working. Our office reopened once this was possible but to ensure we kept all staff as safe as possible, we have been flexible and adaptable with working arrangements.

**Online assessments**
After developing an online assessment system in 2020, we have further advanced this route of submission to cover all of our qualifications and more effectively.

**Support for centres**
2021 proved to be as challenging as the previous year with more uncertainties across different sectors, we are very proud that we continued to provide a strong service to all of our stakeholders as well as helping and supporting our centres where we could.

**Office move**
In the Summer of 2021, the Signature office moved to a new location and we can now enjoy a more open plan location that allows the team to work closely together in a single office that is more suited to the needs of our current staff team.

# Trustees Annual Report
# (for the year ended 31 December 2021)

## Financial review, including risks and uncertainties

For a second year, CACDP faced extraordinary pressure on its income due to COVID-19 and the various lockdowns. As colleges, schools and other educational establishments were repeatedly forced to close and people were prevented to meet in person indoors, most of our centres were still unable to operate at their normal levels of activity. We adapted our assessments as quickly as possible in 2020 by providing online assessments but still not all centres or candidates selected this option and we continued to see significant reduction in levels of income. It became obvious that in 2021 we needed to make decisions to adjust the structure of operations in response to the effects of COVID on our income. We reduced staff numbers at the beginning of the year and by the summer we had moved to a smaller office.

Investments are still being maintained under a low-risk policy of long-term deposits because the trustees were keen to ensure the level of risk to these funds did not change.

An annual review of risks is evaluated to identify and grade all known risks to the charity as part of its annual planning cycle. Appropriate mitigating actions were identified, and the effectiveness of these actions monitored. The process was overseen by the Board of Trustees.

Following two difficult years, our main challenge is to rebuild the demands on our qualifications to levels prior to the pandemic. As the pandemic continues to greater or lesser extent, the increase in student numbers will take more time than we initially expected. At reduced staffing levels and continued uncertainties, the organisation's ability to 'bounce back' is uncertain.

There are other risks on the size of the organisation and our ability to ensure appropriately skilled people are recruited into the organisation whilst maintaining staff structures and our ability to achieve objectives and meet changing business needs. We continue to provide strong working practises that are family friendly and creating a positive culture of engagement across the team. It is our endeavour that a motivated workforce will allow for effective creative thinking and our passion to achieve the organisation's objectives.

Income in the year ended 31 December 2021 has increased by £32k from £734k in 2020 to £766k.

Reserves have increased by £271k to £1,215m.

**KPI's**
The Board monitors performance with the following indicators of the group:

| Performance Measure | 2021 | 2020 | Variance explanation |
|---|---|---|---|
| Reserve level | £1.215m | £945k | Pension revaluation |
| Current Ratio | 7.5 | 4.7 | Strengthening working capital position |
| Candidate numbers | 12,134 | 9,863 | Candidate decline due to COVID-19 |
| Net surplus/(deficit) | £61k | £(140)k | Pension revaluation |

# Trustees Annual Report
# (for the year ended 31 December 2021)

**Reserves**
CACDP has two unrestricted reserve categories:

- Designated reserve (a)
- General reserve (b)

(a) Should the need arise to designate unrestricted reserves for investment for a piece of work then an allocation into these reserves may be appropriate. The Trustees would agree this in principle, the amount required will be recommended through the Board for approval. It should be noted that any designated amounts may be reviewed and amended by trustees at any time.

(b) There is a need to maintain a level of general reserves to enable the charity to cope with a variety of events, either day to day or exceptional. However, CACDP believes that its reserves must be managed as a valuable asset for the organisation. As such it is important to balance the need to spend the reserved income of the charity with the potential risks that may be faced in the future.

CACDP has one pension deficit of £81k (2020 - £290k).

## Maintenance of reserves levels

CACDP maintains unrestricted reserves at a level which will cover emergency costs, unforeseen high level losses of income or business cessation. The most significant amount would be the business cessation for which £105k is considered a reasonable provision. In addition, due to the current financial uncertainty that has been caused by COVID-19, we will retain £200k in reserves to allow for any potential year end deficits.

Restricted funds at 31 December 2021 were £19k, unrestricted funds held as fixed assets were £261k, leaving £936k as free reserves and available for the general purpose of the charity. This results in the current levels of free reserves being higher than required levels.

## The Future

As CACDP continue to experience challenges in both funding and the economy in general; the three year strategic plan states that our focus is to:

1. Provide a product range that meets the identified needs of beneficiaries; and
2. Set standards of communication.

Since 2020, we faced an ever increasing challenge that has not been seen before in this sector and the impact of Covid-19 has been significant for the organisation as well as its finances. To allow us to meet the needs of our centres, their candidates and deliver our charitable objectives, we have embraced technological solutions and have adapted our future plans to ensure flexibility is included in our primary objectives.

COVID-19 has significantly impacted the income levels of this awarding organisation with the effect estimated to be up to a 50% reduction in assessment fees. The CJRS allowed us to retain staff who were not working through the lockdown and subsequently as we gradually reopened the office when our centres resumed teaching and assessing in the later part of the year. This resulted in a manged deficit in 2020 which in turn reduced the reserves, however we have sufficient free reserves to ensure this does not impact on the organisation's future.

The January 2021 lockdown had a further impact and this continued well into the new academic year while centres began advertising new courses for September 2021 but assessments would not take until later in their courses of study. The result has been that, even with the ability to claim from the CJRS, we have had to reduce staff numbers and to relocate to smaller offices. With fewer staff and lower numbers of candidates, our focus for the immediate future is to rebuild the organisation whilst continuing to deliver our qualifications to the highest standard for our existing and new centres. Our levels of reserves will allow us to ensure this can happen.

To date in 2022, we now see a gradual increase in the number of assessments and we are hopeful that this trend will continue through the year.

## Statement of trustees' responsibilities

The trustees (who are also directors of Signature for the purposes of company law) are responsible for preparing the Trustees' Annual 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 judgments 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement as to disclosure of information to Independent Examiners

CACDP is now audit exempt and an independent examination is being carried out for the year ended 31 December 2021.

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the accountants are unaware.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the organisation's Memorandum and Articles of Association and Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2015).

## Independent Examiners

A resolution to appoint RSM Tax and Accounting Limited as Independent Examiners for the current and following year was agreed at a board meeting on 9th March 2022.

Approved by a meeting of the Board of Trustees on 13.9.22 and signed on their behalf by:

Trustee: J.D. WALKER

Trustee:

# Independent Examiners' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2021)

I report to the trustees on my examination of the accounts of CACDP ('the company') for the year ended 31 December 2021 which are set out on pages 14 to 33

**Responsibilities and basis of report**

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

**Independent examiner's statement**

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

# Independent Examiners' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2021)

I 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 accounts to be reached.

L. Robson

Name: LUCY ROBSON
Name of applicable listed body: ICAEW

ON BEHALF OF RSM UK TAX AND ACCOUNTING LIMITED

Chartered Accountants
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

# Charitable Company Statement of Financial Activities for the year ended 31 December 2021 (including Income and Expenditure Account)

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2a | 121,963 | - | 121,963 | 215 |
| Other trading activities | 2b | 33,093 | - | 33,093 | 15,350 |
| Investments | 2c | 4,068 | - | 4,068 | (920) |
| | | 159,124 | - | 159,124 | 14,645 |
| Charitable activities | | | | | |
| Examinations and centre registrations | | 701,818 | - | 701,818 | 614,772 |
| Development of examinations, training and materials | 2d | - | - | - | 1,141 |
| | | 701,818 | - | 701,818 | 615,913 |
| Other incoming resources | 2e | 25,928 | - | 25,928 | 103,137 |
| Total income | | 886,870 | - | 886,870 | 733,695 |
| **Expenditure on:** | | | | | |
| Raising funds | | - | - | - | - |
| | | | | | - |
| Charitable activities: | 3a | | | | |
| Examinations and centre registrations | | 414,257 | 835 | 415,092 | 538,100 |
| Sale of training materials | | 88,193 | - | 88,193 | 79,796 |
| Curriculum and other training | | 40,657 | - | 40,657 | 49,954 |
| Development of examinations, training and materials | | 213,825 | - | 213,825 | 206,344 |
| Total expenditure | | 756,932 | 835 | 757,767 | 874,194 |
| Actuarial remeasurement on defined benefit obligations | | 141,152 | | 141,152 | |
| Net movement in funds | | 271,090 | (835) | 270,255 | (140,499) |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 925,155 | 20,271 | 945,426 | 1,085,925 |
| Total funds carried forward | | 1,196,245 | 19,436 | 1,215,681 | 945,426 |

All operations derive from continuing activities.

**Company Number: 03581178**

# Charitable Company Balance Sheet as at 31 December 2021

| | Note | 2021 | | 2020 | |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | 150,007 | | 137,713 | |
| Intangible assets | 10 | - | | - | |
| Investments | 11 | 110,761 | | 106,801 | |
| Total fixed assets | | | 260,768 | | 244,514 |
| **Current assets** | | | | | |
| Stocks of training materials | 12 | 20,076 | | - | |
| Debtors | 13 | 87,666 | | 197,375 | |
| Cash at bank and in hand | | 1,044,066 | | 1,000,577 | |
| | | 1,151,808 | | 1,197,952 | |
| **Creditors: Amounts falling due within one year** | 14 | 150,204 | | 275,472 | |
| **Net current assets** | | | 1,001,604 | | 922,480 |
| **Total assets less current liabilities** | | | 1,262,372 | | 1,166,994 |
| **Creditors: amounts falling due in after more than one year** | 15 | | 46,691 | | 221,568 |
| **Net assets** | | | 1,215,681 | | 945,426 |
| **Funds of the charity:** | | | | | |
| Restricted income funds | 16 | | 19,436 | | 20,271 |
| **Unrestricted funds:** | | | | | |
| General funds | 16 | 1,277,351 | | 1,214,858 | |
| Pension fund | 16 | (81,106) | | (289,703) | |
| | | | 1,196,245 | | 925,155 |
| **Total funds** | | | 1,215,681 | | 945,426 |

The financial statements on pages 14 to 33 were approved by the Board of Trustees and authorised for issue on 13.9.22 and were signed on their behalf by:

Trustee:

Trustee:

Company Number: 03581178

# Consolidated statement of cash flows for the year ended 31 December 2021

| | Note | 2021<br>£ | 2020<br>£ |
|---|---|---|---|
| **Net cash flows from operating activities** | 22 | 274,113 | (202,129) |
| **Cash flows from/(used in) investing activities** | | | |
| Interest received | | (3,960) | 2,471 |
| Loss on disposal of investment | | (201,247) | - |
| Proceeds on disposal of fixed assets | | 15,832 | - |
| Purchase of tangible fixed assets | | (41,249) | (38,163) |
| **Net cash from/(used in) investing activities** | | (230,524) | (35,692) |
| Increase/ (decrease) in cash and cash equivalents in the year | | 43,489 | (237,821) |
| Cash and cash equivalents at the beginning of the year | | 1,000,577 | 1,238,398 |
| **Total cash and cash equivalents at the end of the year** | | 1,044,066 | 1,000,577 |
| **Relating to:** | | | |
| Cash at bank and in hand | | 1,044,066 | 1,000,577 |
| **Total cash and cash equivalents at the end of the year** | | 1,044,066 | 1,000,577 |

# Notes to the Financial Statements for the year ended 31 December 2021

## 1. Accounting policies

### 1a) Basis of preparation

Signature is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH.

The charity meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the education, training and examination of students and tutors in the different modes of communication used by such persons.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost of transaction value except for investments which are included at market value, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' effective 1 January 2015 (Charities SORP (FRS 102)) and the Companies Act 2006.

The financial statements are presented in sterling which is also the financial currency of the group. The monetary amounts in these financial statements are rounded to the nearest £, except where otherwise indicated.

### Going concern

FRS 102 requires that, if appropriate, the financial statements are prepared on the going concern basis, which means that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected resources. There are no material uncertainties in respect of the charity's ability to continue as a going concern. The ongoing demand for the services provided by the charity ensures the exposure to risk from the current difficult economic conditions is minimal. Free reserves are available to meet the charity's needs as they arise as detailed within the reserves policy. As a consequence, the Trustees believe the charity is well placed to manage its business risks successfully and thus they have adopted the going concern basis of accounting in preparing the financial statements.

The charity had total funds of £1,215,681 as at 31 December 2021 (increase of £270,255 from 31 December 2020) and a year-end cash balance of £1,044,066 (2020: £1,000,577). Activity levels continued to have been impacted during 2021 as a result of the Covid-19 pandemic, however cash reserves remain strong. Forecasts for the period ended 31 December 2022 have been prepared, mindful of the further potential impacts of Covid-19. Management have also prepared a forecast, with further downside scenarios included. These confirm that the charity have sufficient cash for the organisation to continue for at least 12 months from the date these financial statements are signed.

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity have adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

# Notes to the Financial Statements for the year ended 31 December 2021

## 1. Accounting policies (continued)

### 1b) Incoming resources

All income disclosed in the Statement of Financial Activities is shown on an entitlement basis.

All grant income is shown on an entitlement basis, except for restricted funds, where any income received in advance of expenditure is taken to the Statement of Financial Activities when the group becomes unconditionally entitled to the grant.

Government grants are recognised when the conditions for receipts are met and there is reasonable assurance that the grant will be received. Grants related to income are deducted in reporting the related expense.
Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit and loss in the period in which they become receivable.

Fees for examinations are normally recognised once the assessment has been held and those applicable to the year accounted for in the Statement of Financial Activities. Any fees received during the year applicable to future periods are shown as deferred income in the balance sheet.

### 1c) Expenditure

Resources expended are recognised in the period in which legal or constructive obligation arises.

Resources expended are allocated to the particular activity to which the cost relates. However the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of the staff time, attributable to each activity:

| | |
|---|---|
| Generating Funds | 0% |
| Examinations and centre registrations | 48% |
| Sale of materials | 12% |
| Curriculum and other training | 6% |
| Development of examinations, training and materials | 34% |

Governance costs relate to the costs associated with meeting the constitutional and statutory requirements of the group.

### 1d) Fixed assets

Tangible Fixed assets
Depreciation is provided at rates, set out below, calculated to write off the cost of each asset over its expected useful life. Items of equipment are capitalised where the purchase price exceeds £150, except for computer equipment which is all capitalised, with the exception of consumables and accessories.

| | | |
|---|---|---|
| Computer Software | 5 years | 20% straight line |
| Computer Equipment | 3 years | 33% straight line |
| Other Office Equipment | 4 years | 25% straight line |

Intangible Fixed assets

Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is calculated to write down the costs of completed assets less estimated residual value over the useful lives of all intangible assets by the straight line method. The annual charges on:

| | | |
|---|---|---|
| Development expenditure | 5 years | 20% straight line |

**1e) Investments**

Investments held as fixed assets are revalued at their market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

**1f) Stocks**

Stocks comprise training packages and stocks of books and are valued at the lower of cost and net realisable value.

Net realisable value is based on normal selling price. Provision is made for obsolete, slow moving or defective items where appropriate.

**1g) Pension costs**

Contributions to defined contribution schemes are charged to the Statement of Financial Activities as they are incurred. A creditor is included on a discounted basis for known additional contributions as detailed in note 18.

**1h) Funds**

Unrestricted funds are generated surpluses of the group without further specified purpose and are available as general funds.

Designated funds are unrestricted funds, earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as prescribed by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

**1i) Research and development**

Expenditure incurred on research and development in the year other than those costs able to be capitalised, is charged to the statement of financial activities.

**1j) Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership on a straight line basis over the period of the lease remain with the lessor are charges against surpluses.

# Notes to the Financial Statements for the year ended 31 December 2021

### 1k) Taxation

The group is a registered charity and is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxable Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

### 1l) Cash at bank and in hand

Cash at bank and cash in hand includes cash held at bank and cash held in short term investments.

### 1m) Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the group's financial assets and financial liabilities qualify as basis financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Financial assets: Trade and other debtors**
Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

**Financial liabilities: Trade and other creditors**
Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

**Critical accounting estimates and areas of judgement**
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Notes to the Financial Statements for the year ended 31 December 2021

## 2. Incoming resources

| 2a) | Donations and legacies- unrestricted | 2021 £ | 2020 £ |
|---|---|---|---|
| | Donations | 121,963 | 215 |
| | | 121,963 | 215 |

| 2b) | Other Trading activities - unrestricted | 2021 £ | 2020 £ |
|---|---|---|---|
| | Intercompany recharges | - | 15,350 |
| | Qualification support products | 33,093 | - |
| | | 33,093 | 15,350 |

| 2c) | Investment income - unrestricted | 2021 £ | 2020 £ |
|---|---|---|---|
| | Bank interest | 108 | 1,551 |
| | Money market and other deposits | 3,960 | (2,471) |
| | | 4,068 | (920) |

| 2d) | Development of examinations, training and materials | 2021 £ | 2020 £ |
|---|---|---|---|
| | Other | - | 1,141 |
| | **Total restricted development income** | - | 1,141 |

| 2e) | Other Income - unrestricted | 2021 £ | 2020 £ |
|---|---|---|---|
| | Furlough income | 25,928 | 99,784 |
| | Other | - | 3,353 |
| | **Total other income - unrestricted** | 25,928 | 103,137 |

# Notes to the Financial Statements for the year ended 31 December 2021

## 3. Costs of generating funds

| 3a) Charitable activities – unrestricted (Charity) | Examinations and centre registrations £ | Training Materials £ | Curriculum and other training £ | Development of exams etc £ | 2021 £ | 2020 £ |
|---|---|---|---|---|---|---|
| Direct costs | 91,621 | 10,857 | 2,400 | 1,472 | 106,349 | 89,870 |
| Staff costs | 72,179 | 18,681 | 9,241 | 51,295 | 151,397 | 231,013 |
| Direct overheads | - | - | - | - | - | - |
| Allocated overheads | 224,935 | 58,655 | 29,016 | 161,058 | 473,664 | 537,240 |
| Governance costs (note 3c) | 25,522 | - | - | - | 25,522 | 16,070 |
| | 414,257 | 88,193 | 40,657 | 213,825 | 756,932 | 874,193 |
| **Charitable activities – restricted** | | | | | | |
| Direct costs | 835 | - | - | - | 835 | - |
| Allocated overheads | - | - | - | - | - | -- |
| | 835 | - | - | - | 835 | - |
| **Total** | 415,092 | 88,193 | 40,657 | 213,825 | 757,767 | 874,193 |

# Notes to the Financial Statements for the year ended 31 December 2021

| 3b) Governance costs – unrestricted (Charity) | 2021 £ | 2020 £ |
|---|---|---|
| Direct committee costs including travel | 8,373 | 965 |
| Auditors fees | 9,600 | 8,170 |
| Other costs | 7,552 | 6,936 |
| | 25,525 | 16,070 |

| Analysis of allocated overheads | 2021 £ | 2020 £ |
|---|---|---|
| Staff costs including training and welfare | 241,693 | 274,195 |
| Office running | 31,990 | 23,412 |
| Premises | 80,486 | 108,657 |
| Professional fees | 79,239 | 95,362 |
| Depreciation | 28,955 | 23,304 |
| Travel and subsistence | 2,601 | 950 |
| Insurance | 6,575 | 6,694 |
| Other costs | 3,821 | 4,667 |
| | 475,358 | 537,240 |

# Notes to the Financial Statements for the year ended 31 December 2021

## 4. Net incoming/outgoing resources is after charging:

| | 2021 £ | 2020 £ |
|---|---|---|
| Accountants remuneration | 4,200 | 12,000 |
| | 4,200 | 12,000 |
| Operating lease costs-Land and Buildings | 23,000 | 39,639 |
| Amortisation | - | - |
| Depreciation | 28,955 | 23,304 |

## 5. Staff costs

| | 2021 £ | 2020 £ |
|---|---|---|
| Salaries | 401,526 | 430,206 |
| Employer's National Insurance | 24,769 | 31,574 |
| Employer's Pension Contributions | 24,038 | 31,313 |
| Redundancy costs | 9,532 | - |
| | 459,865 | 493,094 |
| Recruitment fees | 54 | 127 |
| Temporary staff | - | - |
| | 459,919 | 493,221 |

The average number of employees during the year was 10 (2020: 19).

The following number of employees received annual emoluments exceeding £60,000 was 1 (2020: 1)

| | December 2021 | December 2020 |
|---|---|---|
| Between £60,000 and £70,000 | 1 | 1 |

Pension contributions paid in the year in respect of the above staff were £6,400 (2020: £6,400).

**Key management personnel**
The key management personnel of the group and charity comprise the Trustees and Chief Executive. The total employee benefits of the key management personnel of the group were £65,652 (2020: £78,134).

## 6. Pension costs

The Charity participates in two funds administered by the Pensions Trust. The Ethical Fund, a defined contribution scheme, and The Growth Plan, a multi-employer pension scheme.

The charge to SOFA is the amount of the contributions payable.
The amount of contributions outstanding at the year end was £3,071 (2020: £9,644).

## 7. Indemnity insurance

The Charity has Professional Liability Insurance cover for Trustees, committee members and staff.

The limit of Indemnity in any one year is £1,000,000 (2020: £1,000,000) for which a premium of £1,553 (2020: £1,242) was paid.

## 8. Trustees remuneration and disbursement of expenses

The Articles of Association permit the payment of fees and expenses to trustees when acting as examiners and trainers, etc, where such expertise is in short supply.

In 2021 Nil (2020: Nil) trustees received fees amounting to Nil (2020: Nil) together with £Nil (2020: Nil) reimbursement of expenses incurred.

There were 1 (2020: 1) other trustees who were reimbursed travel and subsistence expenses of £95 (2020: £23) for attendance at trustee meetings and other events.

# Notes to the Financial Statements for the year ended 31 December 2021

## 9. Tangible fixed assets

| | Furniture & fittings £ | Office equipment £ | Computer software £ | Computer equipment £ | 2021 Total £ |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2021 | 65,653 | 31,552 | 261,135 | 117,864 | 476,204 |
| Additions | 8,591 | - | 31,409 | 1,249 | 41,249 |
| Disposals | (15,562) | (270) | - | - | (15,832) |
| At 31 December 2021 | 58,682 | 31,282 | 292,544 | 119,113 | 501,621 |
| **Depreciation** | | | | | |
| At 1 January 2021 | 58,088 | 29,188 | 145,404 | 105,811 | 338,491 |
| Charge for the year | 2,835 | 1,218 | 17,630 | 7,272 | 28,955 |
| Disposals | (15,562) | (270) | - | - | (15,832) |
| At 31 December 2021 | 45,361 | 30,136 | 163,034 | 113,083 | 351,614 |
| **Net book value** | | | | | |
| At 31 December 2021 | 13,321 | 1,146 | 129,510 | 6,030 | 150,007 |
| At 31 December 2020 | 7,564 | 2,364 | 115,731 | 12,053 | 137,712 |

No tangible fixed assets were held under finance leases or hire purchase contracts.

## 10. Intangible fixed assets

| | Research & Development £ |
|---|---|
| **Cost** | |
| At 1 January 2021 | 173,739 |
| Additions | |
| At 31 December 2021 | 173,739 |
| **Amortisation** | |
| At 1 January 2021 | 173,739 |
| Charge for the year | - |
| At 31 December 2021 | 173,739 |
| **Net book value** | |
| At 31 December 2021 | - |
| At 31 December 2020 | - |

# Notes to the Financial Statements for the year ended 31 December 2021

## 11.Investments

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Common Investment Funds | 110,761 | 106,801 |
| Investment in Signature Commercial Limited-charity only | - | 1 |
| | 110,761 | 106,802 |

The Common Investment Fund comprises 507,961 accumulation units in The Schroders Charity Fixed Interest Fund.

| | £ |
|---|---|
| Carrying value at the beginning of the year | 106,801 |
| Gain on investment | - |
| Loss on revaluation | 3,960 |
| Carrying value at the end of the year | 110,761 |

All investment assets are held in the UK.

## 12.Stocks

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Cost | 20,076 | - |
| Provision for obsolescence | - | - |
| | 20,076 | - |

## 13. Debtors

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Trade debtors | 67,102 | 47,464 |
| Prepayments | 20,564 | 34,833 |
| Inter-company balance | - | 115,077 |
| | 87,666 | 197,375 |

# Notes to the Financial Statements for the year ended 31 December 2021

## 14. Creditors

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Trade Creditors | 22,597 | 49,893 |
| Other Tax and Social Security | 9,153 | 8,972 |
| Accruals | 27,698 | 38,539 |
| Deferred Income | 56,341 | 109,933 |
| Pension Fund | 34,415 | 68,135 |
| | 150,204 | 275,472 |

### Deferred Income

| | |
|---|---|
| Deferred Income at 31 December 2020 | 109,933 |
| Amount released from previous year | (109,933) |
| Amount deferred in current year | 56,341 |
| Deferred income at 31 December 2021 | 56,341 |

Deferred income relates to examination fees invoiced in advance

## 15. Creditors due in more than one year

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Pension creditor | 46,691 | 221,568 |

# Notes to the Financial Statements for the year ended 31 December 2021

## 16. Movements in funds

| | Balance b/fwd | Incoming resources | Outgoing resources | Transfers | Balance c/fwd |
|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ |
| GCSE | 19,130 | - | - | - | 19,130 |
| Other | 1,141 | - | (835) | - | 306 |
| **Total restricted funds** | 20,271 | - | (835) | - | 19,436 |
| **Unrestricted funds:** | | | | | |
| Pension | (289,703) | - | 67,445 | 141,152 | (81,106) |
| General funds | 1,214,858 | 765,998 | (703,505) | - | 1,277,351 |
| **Total unrestricted funds** | 925,155 | 765,998 | (636,060) | 141,152 | 1,196,245 |
| **Total funds** | 945,426 | 765,998 | (636,895) | 141,152 | 1,215,681 |

The transfer in the year relates to the deficit payments made on the pension provision.

### 2020 - Movements in funds

| | Balance b/fwd | Incoming resources | Outgoing resources | Transfers | Balance c/fwd |
|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ |
| GCSE | 19,130 | - | - | - | 19,130 |
| | | 1,141 | | | 1,141 |
| **Total restricted funds** | 19,130 | 1,141 | - | - | 20,271 |
| **Unrestricted funds:** | | | | | |
| Pension | (347,347) | - | - | 57,644 | (289,703) |
| General funds | 1,414,142 | 732,554 | (874,194) | (57,644) | 1,214,858 |
| **Total unrestricted funds** | 1,066,795 | 732,554 | (874,194) | - | 925,155 |
| **Total funds** | 1,085,925 | 733,695 | (874,194) | - | 945,426 |

# Notes to the Financial Statements for the year ended 31 December 2021

## 17. Members liability

The company is limited by guarantee and in the event of the winding up of the company, the liability of its members is limited to £1.

## 18. Pension Obligations

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

**Deficit contributions**

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

| **Deficit contributions** | |
|---|---|
| From 1 April 2022 to 31 January 2025: | £3,312,000 per annum (payable monthly) |

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

| **Deficit contributions** | |
|---|---|
| From 1 April 2019 to 30 September 2025: | £11,243,000 per annum (payable monthly and increasing by 3% each on 1st April) |

# Notes to the Financial Statements for the year ended 31 December 2020

## 18. Pension Obligations (continued)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

| PRESENT VALUES OF PROVISION | 31 December 2021 | 31 December 2020 | 31 December 2019 |
|---|---|---|---|
| **Present value of provision** | 81,106 | 289,703 | 347,347 |

| | **Year Ending** 31 December 2021 | **Year Ending** 31 December 2020 |
|---|---|---|
| Provision at start of year | 289,703 | 347,347 |
| Unwinding of the discount factor (interest expense) | 690 | 3,524 |
| Deficit contribution paid | (68,135) | (66,150) |
| Remeasurements - impact of any change in assumptions | (956) | 4,982 |
| Remeasurements - amendments to the contribution schedule | (140,196) | - |
| Provision at end of year | 81,106 | 289,703 |

# Notes to the Financial Statements for the year ended 31 December 2020

## 18. Pension Obligations (continued)

INCOME AND EXPENDITURE IMPACT

| | Year Ending 31 December 2021 | Year Ending 31 December 2020 |
|---|---|---|
| Interest expense | 690 | 3,524 |
| Remeasurements – impact of any change in assumptions | (956) | 4,982 |
| Remeasurements – amendments to the contribution schedule | (140,196) | - |
| Contributions paid in respect of future service* | - | - |
| Costs recognised in income and expenditure account | - | - |

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

| | 31 December 2021 % per annum | 31 December 2020 % per annum | 31 December 2019 % per annum |
|---|---|---|---|
| Rate of discount | 1.18 | 0.27 | 1.13 |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

## 19. Related party transactions

Mark Hopkinson, a trustee since 26th September 2017, is also Head of Sign Language and Lipreading at City Lit, London which operates as a centre providing assessments for CACDP's qualifications. Fees are charged in line with the published price list.
Fees and project costs charged during the period amounted to £7,595 and the balance due from the college at 31st December 2021 was £1,466.

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with its subsidiaries.

# Notes to the Financial Statements for the year ended 31 December 2021

## 20. Operating leases

Annual commitments under non-cancellable operating leases are as follows:-

| | 2021 £ | 2020 £ |
|---|---|---|
| | Land and Buildings | Land and Buildings |
| Within one year | 23,000 | 51,053 |
| Between two and five years | 92,000 | 72,326 |
| More than five years | - | - |
| | 115,000 | 123,379 |

## 21. Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|---|---|---|
| Fund balances at 31 December 2020 as represented by: | | | |
| Tangible fixed assets | 150,007 | - | 150,007 |
| Intangible fixed assets | - | - | - |
| Investment assets | 110,761 | - | 110,761 |
| Current assets | 1,136,773 | 19,436 | 1,156,209 |
| Current liabilities | (154,605) | - | (154,605) |
| Long term liabilities | (46,691) | - | (46,691) |
| | 1,196,245 | 19,436 | 1,215,681 |

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|---|---|---|
| Fund balances at 31 December 2020 as represented by: | | | |
| Tangible fixed assets | 137,712 | - | 137,712 |
| Intangible fixed assets | - | - | 0 |
| Investment assets | 106,801 | - | 106,801 |
| Current assets | 1,184,611 | 20,271 | 1,204,882 |
| Current liabilities | (282,402) | - | (282,402) |
| Long term liabilities | (221,568) | - | (221,568) |
| | 925,155 | 20,271 | 945,426 |

# Notes to the Financial Statements for the year ended 31December 2021

## 22. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Net movement in funds | 270,255 | (140,499) |
| Depreciation | 28,955 | 23,302 |
| (Increase) in stocks | (20,076) | - |
| (Increase)/Decrease in debtors | 109,709 | (6,190) |
| (Decrease) in creditors | (91,548) | (21,098) |
| (Decrease) in provision | (208,597) | (57,644) |
| Net cash inflow/(outflow) from operating activities | 88,697 | (202,129) |

**CACDP**

England & Wales - Charity number 1071662

# Accounts

# CACDP
# T/A Signature

(A company limited by guarantee)

# CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2020

Charity No: 1071662
Company No: 03581178
Scottish Charity number SC037901

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# Reference and administrative details of the Charity, its Trustees and Advisers

## Status

The organisation first became a registered charity in January 1982. It subsequently re registered on 22 September 1998, following incorporation as a company limited by guarantee on 15 June 1998.

| | |
|---|---|
| **Trustees** | L Duncan (resigned February 2021)<br>P Keen<br>I Robinson<br>J Walker<br>HJ Beaton<br>M Hopkinson<br>K Riley<br>I Donnelly |
| **Secretary** | L J Foster |
| **Chief Executive** | L J Foster |
| **Key Management Personnel** | L J Foster |

## Registered office and principal address

1st Floor, Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH.

## Auditor

RSM UK Audit LLP, 1 St James Gate, Newcastle-upon-Tyne, NE1 4AD.

## Principal bankers

Natwest Bank Plc, 12 Market Place, Durham, DH1 3NG.

## Solicitors

Muckle LLP, Time Central, 32 Gallowgate, Newcastle-upon-Tyne, NE1 4BF.

# Trustees Annual Report
# (for the year ended 31 December 2020)

Charity No: 1071662
Company No: 3581178

The trustees, who are directors of the charity for the purposes of company law, present their report and the audited financial statements for the year ended 31 December 2020.

## Structure, governance and management

CACDP is organised through a Board of Trustees. Subcommittees are convened on an ad-hoc basis when required and are managed with specific terms of reference and a set objective.

The charitable company's governing documents are its Memorandum and Articles of Association dated October 2006 and the companies are limited by guarantee.

Trustees are eligible to serve up to two terms of four years each and under exceptional circumstances, an additional term.

Induction sessions are held for new trustees upon appointment which includes an update presentation to all trustees. New trustees are also provided with an induction pack which includes issues of "charitable purpose" and "public benefit". Trustees continue to be happy that CACDP meets these criteria.

Day to day management of CACDP is delegated to the Chief Executive, Lindsay Foster.

The directors of Signature Commercial are responsible for preparing the directors' report and the financial statements in accordance with the applicable law and regulations. The group previously comprised of CACDP (t/a Signature), NRCPD Limited and Signature Commercial. On 1st January 2020, CACDP disposed of it's interests in NRCPD Limited.

Signature Commercial ceased trading at 31st December 2020 with all assets and liabilities taken into the parent company post year end.

# Trustees Annual Report
# (for the year ended 31 December 2020)

## Objectives and principal activities

### The charity group aims

CACDP's objects are the improvement of communication with deaf people, in particular by the education, training and examination of students and tutors in the different modes of communication used by such persons.

CACDP is a charity which expresses its aim of advancing communication between deaf and hearing people through the functions of a recognised UK awarding body.

We do this by offering high quality nationally accredited qualifications in sign language and other forms of communication used by deaf people.

Signature Commercial's objects are the improvements of communication with deaf people, by offering student support packages, training and teacher support packages.

### The charity's beneficiaries

The following people benefit from CACDP's work:

- Deaf, deafened, hard of hearing and deafblind people.
- Deaf and hearing students of courses leading to our qualifications.
- Deaf and hearing tutors of courses leading to our qualifications.

Equal access to our services is important to us and we work throughout the country to ensure that provision is as widespread as possible. We record and monitor the range of beneficiaries where possible and each year we improve on that knowledge. We try to ensure that fees are maintained at a minimum level to ensure that our qualifications are affordable to all whilst covering our administration costs.

CACDP was established by national organisations of and for deaf people to ensure the availability of learning opportunities, qualifications and standards in the communication methods used by deaf people. These organisations are still involved with CACDP as trustees, project partners, subscribers and members of committees. CACDP responds to the needs of beneficiaries through the work of committees, through consultation with deaf individuals and organisations and through representation on the Board of Trustees.

We have referred to the Charity Commission's general guidance of public benefit when reviewing our objectives and in developing our strategic and operational plans. Each year we review the strategic plan and ensure all activities are in line with the aims of the charity.

Pay and remuneration setting for key management personnel is carried out by the Chair of the Board with the support of the other trustees. Key considerations are affordability, benchmarking, changes in roles and responsibilities as well as other market forces. All factors are considered and a recommendation is made to the to the Board of Trustees who made the final decision.

**Achievements and performance**

In the year to 31 December 2020 the main achievements within CACDP in addition to the delivery of the suite of qualifications and supporting products have been:

**Ofqual/QiW/CCEA**
CACDP are subject to Conditions of Recognition from Ofqual/QiW/CCEA. We evaluate the conditions on an annual basis to ensure compliance. We submitted our Statements of Compliance in November 2020 and these have been accepted by each regulator with the information from the above visit being included and accepted.

**Technological advancements**
As a result of the COVID-19 pandemic our offices closed along with everywhere else in March 2020. As a result, we accelerated our innovation programme to allow us to remain operational. We facilitated all staff to work from home and more importantly we implemented a web-based database to manage our centres and assessments from any location.

**Online assessments**
To further supplement our above advancements, we also developed an online assessment system allowing our centres to continue to run candidate assessments remotely, our assessors to mark these assessments and results to be issued.

**Support for centres**
Through a very challenging year which contained a lot of uncertainties we are very proud that we were able to provide a strong service to all of our stakeholders as well as helping and supporting our centres where we could.

**Signature Commercial Limited**
In the year to 31st December 2020 the main areas to note within Signature Commercial have been:

As the activity that has been achieved within Signature Commercial continues to relates to Signature qualification related products and the levels remain extremely low for other sales, it has been decided that the subsidiary will cease trading on 31 December 2020 with all activity, assets and liabilities within Signature Commercial transferred to Signature post year end.

## Financial review, including risks and uncertainties

During the year CACDP faced unpreceded pressure on income due to COVID-19 and the various lockdowns. As colleges, schools and other educational establishments were forced to close and people could not meet in person indoors, most of our centres have not been able to operate at their normal levels of activity. Whilst we have adapted our assessments as quickly as possible to be able to provide online assessments, not all centres or candidates have taken this up and as a result we have seen a significant drop in most areas of our work. This has resulted in a deficit at the end of the year and therefore a reduction in reserves levels.

Investments are still being maintained under a low-risk policy of long term deposits with the trustees being keen to ensure the level of risk regarding these funds does not change.

An annual review of risk is performed to identify and grade all known risks to the charity as part of the annual planning cycle. Appropriate mitigating actions are identified, and the effectiveness of these actions monitored. The process is overseen by the Board of Trustees.

The most significant challenge we are now facing is the rebuilding of the organisation to levels prior to the pandemic. This will take time and with a reduced staffing level as well and continued uncertainties the organisation's ability to bounce back is uncertain.

Other risks are around the size of the organisation and the ability to ensure appropriately skilled people are recruited and working with us, maintaining that staff structures and our ability to achieve objectives and meet changing business needs. By providing strong working practises that are family friendly and creating a positive culture we can make our team as engaged as possible. A motivated workforce allows for greater creative thinking and the passion to achieve our objectives.

Group Income in the year ended 31 December 2020 has decreased by £707k from £1.464m in 2019 to £757k. This information is reflective of the group position and the subsidiary undertakings are included. The activity of CACDP is the dominant activity within the group.

Reserves for the group have decreased by £328k to £1.065m.

**KPI's**

The Board monitors performance with the following indicators of the group:

| Performance Measure | 2020 | 2019 | Variance explanation |
|---|---|---|---|
| Group Reserve level | £1.065m | £1.394m | Drawing on reserves to support during COVID-19 |
| Group Current Ratio | 4.7 | 3.9 | Strengthening working capital position |
| Candidate numbers | 9,863 | 23,187 | Candidate decline due to COVID-19 |
| Group Net (deficit)/surplus | (£128)k | £150k | Reduction from reserves |

**Reserves**

CACDP has two unrestricted reserve categories:

- Designated reserve (a)
- General reserve (b)

(a) Should the need arise to designate unrestricted reserves for investment for a piece of work then an allocation into these reserves may be appropriate. The Trustees would agree this in principle, the amount required will be recommended through the Board for approval. It should be noted that any designated amounts may be reviewed and amended by trustees at any time.

(b) There is a need to maintain a level of general reserves to enable the charity to cope with a variety of events, either day to day or exceptional. However CACDP believes that its reserves must be managed as a valuable asset for the organisation. As such it is important to balance the need to spend the reserved income of the charity with the potential risks that may be faced in the future.

CACDP has one pension reserve of £290k (2019 - £347k). This will decline at a rate of 10% pa unless revised by the Pensions Trust actuarial valuations.

## Maintenance of reserves levels

CACDP maintains unrestricted reserves at a level which will cover emergency costs, unforeseen high level losses of income or business cessation. The most significant amount would be the business cessation for which £320,000 is considered a reasonable provision. This represents more than 25% of assessment income. Trustees will not approve any budget that will reduce reserves levels below those calculated using the above policy.

Due to the uncertainty of the pension fund and the deficit valuations, the reserves are held at higher than the levels stated above to allow for revised valuations. We hold this higher amount as long as the retention of the funds does not restrict the work we do or prevent the objectives of the organisation being achieved.

Restricted funds at 31 December 2020 were £20k unrestricted funds held as fixed assets were £245k, leaving £800k as free reserves and available for the general purpose of the charity.

The reserves policy is currently under review to ensure it continues to meet the charity's needs. The results of the review will be included in the 2021 financial statements.

## The Future

As CACDP continue to face challenges with both funding and the economy in general, the three year strategic plan identifies the focus as:

1. Provide a product range that meets the identified needs of beneficiaries; and
2. Set standards of communication.

In 2020 we faced a challenge that has not been seen before and the impact of Covid-19 has been huge for the organisation and its finances. To allow us to meet the needs of our centres and candidates and allow us to deliver on our charitable objectives we have embraced technology and have adapted future plans to allow flexibility to be added to our primary objectives.

COVID-19 and the lockdown in the summer of 2020 significantly impacted the income of the awarding organisation with the effect estimated to be up to a 50% reduction in assessment fees. The CJRS allowed us to retain staff who were not working through the lockdown and subsequently as we gradually reopened the office and our centres resumed teaching and assessing into the later part of the year. On average this has been 50% of staff. Due to careful cost management and the introduction of technological solutions the effect on reserves has been a managed deficit. This has reduced reserves however we have sufficient free reserves to ensure this does not impact on the organisation's future.

The January 2021 lockdown has had a further impact and we have yet to see a turnaround of the effects of centre temporary closure in 2020. We now anticipate this will continue well into the new academic year with centres starting to advertise new courses for September 2021 but assessments will not be taken until later in the course. The result has been that, even with the ability to claim from the CJRS, we have had to reduce staff numbers and therefore this in turn will impact on the ability to deliver additional objectives. With fewer staff and lower numbers of candidates our focus for the immediate future is to rebuild the organisation whilst continuing to deliver or qualifications to the highest standard tor our existing and new centres. Our levels of reserves will allow us to ensure this can happen.

## Statement of trustees' responsibilities

The trustees (who are also directors of Signature for the purposes of company law) are responsible for preparing the Trustees' Annual 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 judgments 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Trustees Annual Report
# (for the year ended 31 December 2020)

## Statement as to disclosure of information to auditors

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the organisation's Memorandum and Articles of Association and Accounting and Reporting by Charities Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2015).

## Auditors

A resolution to re-appoint RSM UK Audit LLP as auditors for the ensuing year will be proposed at a board meeting.

Approved by a meeting of the Board of Trustees on 14/9/2021 and signed on their behalf by:

Trustee:

Trustee:

# Independent Auditors' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2020)

## Opinion

We have audited the financial statements of CACDP (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Group and Company Statement of Financial Activities, the Group and Company Balance Sheets, the Group Cash Flow Statement 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 FRS 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 group's and the parent charitable company's affairs as at 31 December 2020; and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, 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 Companies Act 2006, the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## Basis for opinion

We have been appointed auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 151 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 group and parent charitable company 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 trustees' 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 group's or parent charitable company's ability to continue as a going concern for a period of at least twelve 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005 and the parent charitable company's governing document . We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to The Office of Qualifications and Examinations Regulation (Ofqual). We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

# Independent Auditors' Report to the Trustees and members of CACDP T/A Signature (for the year ended 31 December 2020)

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

All relevant laws and regulations identified at a Group level and areas susceptible to fraud that could have a material effect on the consolidated financial statements were communicated to component auditors. Any instances of non-compliance with laws and regulations identified and communicated by a component auditor were considered in our group audit approach.

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

**Use of our report**

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011. Our audit work has been undertaken so that we might state to the members and 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, its members as a body, and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

L Robson

LUCY ROBSON (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1 St James' Gate
Newcastle Upon Tyne
NE1 4AD

RSM UK AUDIT LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

24/09/21

# Consolidated Statement of Financial Activities for the year ended 31 December 2020 (including Income and Expenditure Account)

| | | 2020 | | | 2019 | | | |
|---|---|---|---|---|---|---|---|---|
| | | Unrestricted Funds | Restricted Funds | Total | Continuing operations | Restricted Funds | Discontinued Operations * | Total |
| Incoming Resources | | | | | | | | |
| Incoming resources from generated funds | | | | | | | | |
| Donations and legacies | 2a | 215 | - | 215 | 227 | - | - | 227 |
| Other trading activities | 2b | 34,074 | - | 34,074 | 46,990 | - | - | 46,990 |
| Investments | 2c | (920) | - | (920) | 9,247 | - | 1,027 | 10,274 |
| | | 33,369 | - | 33,369 | 56,464 | - | - | 57,491 |
| Incoming Resources from charitable activities | | | | | | | | |
| Examinations and Centre Registrations | | 619,199 | - | 619,199 | 1,026,292 | - | - | 1,026,292 |
| Sale of Training Materials | | - | - | - | 26,319 | - | - | 26,319 |
| Curriculum and Other Training | | - | - | - | 6,813 | - | - | 6,813 |
| Registration of LSP's | | - | - | - | - | - | 335,282 | 335,282 |
| Development of examinations, training and materials | 2d | - | 1,141 | 1,141 | - | 862 | - | - |
| | | 619,199 | 1,141 | 620,340 | 1,059,424 | 862 | 335,282 | 1,395,568 |
| Other incoming resources | 2e | 103,137 | - | 103,137 | 10,677 | - | - | 10,677 |
| Total incoming resources | | 755,705 | 1,141 | 756,846 | 1,126,565 | 862 | 336,309 | 1,463,736 |
| Resources Expended | | | | | | | | |
| Costs of generating funds | | | | | | | | |
| Examinations and Centre Registrations | | 547,169 | - | 547,169 | 618,975 | - | - | 618,975 |
| Sale of Training Materials | | 80,995 | - | 80,995 | 96,319 | - | - | 96,319 |
| Curriculum and Other Training | | 49,954 | - | 49,954 | 100,400 | - | - | 100,400 |
| Registration of LSP's | | - | - | - | 0 | - | 288,496 | 288,496 |
| Development of examinations, training and materials | | 206,344 | - | 206,344 | 209,612 | 862 | - | 210,474 |
| Other - exceptional item | | | | - | | | | - |
| Expenditure | | 884,462 | - | 884,462 | 1,025,306 | 862 | 288,496 | 1,314,664 |
| Loss on Disposal | | 201,247 | - | 201,247 | | | - | - |
| Net movement in funds | | (330,004) | 1,141 | (328,863) | 101,259 | 0 | 47,813 | 149,072 |
| Reconciliation of funds | | | | - | | | | - |
| Total funds brought forward | | 1,374,383 | 19,130 | 1,393,513 | 969,261 | 19,130 | 256,050 | 1,244,441 |
| Total funds carried forward | | 1,044,379 | 20,271 | 1,064,650 | 1,070,520 | 19,130 | 303,863 | 1,393,513 |

*Discontinued operations – note 27

# Charitable Company Statement of Financial Activities for the year ended 31 December 2020 (including Income and Expenditure Account)

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2020 £ | Total Funds 2019 £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2a | 215 | - | 215 | 227 |
| Other trading activities | 2b | 15,350 | - | 15,350 | 78,750 |
| Investments | 2c | (920) | - | (920) | 9,247 |
| | | 14,645 | - | 14,645 | 88,224 |
| Charitable activities | | | | | |
| Examinations and centre registrations | | 614,772 | - | 614,772 | 1,026,292 |
| Development of examinations, training and materials | 2d | - | 1,141 | 1,141 | 862 |
| | | 614,772 | 1,141 | 615,913 | 1,027,154 |
| Other incoming resources | 2e | 103,137 | - | 103,137 | 10,677 |
| Total income | | 732,554 | 1,141 | 733,695 | 1,126,055 |
| **Expenditure on:** | | | | | |
| Raising funds | | - | - | - | - |
| | | | | | - |
| Charitable activities: | 3a | | | | |
| Examinations and centre registrations | | 538,100 | - | 538,100 | 611,061 |
| Sale of training materials | | 79,796 | - | 79,796 | 95,891 |
| Curriculum and other training | | 49,954 | - | 49,954 | 100,400 |
| Development of examinations, training and materials | | 206,344 | - | 206,344 | 210,474 |
| Other- exceptional Items | 4 | - | - | - | - |
| Total expenditure | | 874,194 | - | 874,194 | 1,017,826 |
| Net movement in funds | | (142,840) | 1,141 | (140,499) | 108,229 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 1,067,995 | 19,130 | 1,085,925 | 977,696 |
| Transfers | 20 | - | - | - | - |
| Total funds carried forward | | 925,155 | 20,271 | 945,426 | 1,085,925 |

All operations derive from continuing activities.

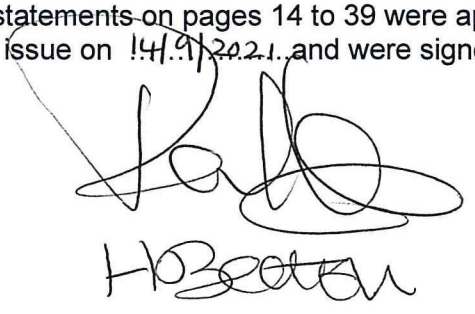
**Company Number: 03581178**

# Consolidated Balance Sheet as at 31 December 2020

| | Note | 2020 £ | | 2019 £ | |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | 138,299 | | 153,754 | |
| Intangible assets | 10 | 0 | | 0 | |
| Investments | 11 | 106,802 | | 109,273 | |
| Total fixed assets | | | 245,101 | | 263,027 |
| **Current assets** | | | | | |
| Stocks of training materials | 12 | 20,076 | | 19,538 | |
| Debtors | 13 | 83,766 | | 139,006 | |
| Cash at bank and in hand | | 1,219,301 | | 1,727,108 | |
| | | 1,323,143 | | 1,885,653 | |
| **Creditors: Amounts falling due within one year** | 15 | 282,026 | | 473,970 | |
| **Net current assets** | | | 1,041,117 | | 1,411,683 |
| **Total assets less current liabilities** | | | 1,286,218 | | 1,674,710 |
| **Creditors: amounts falling due in after more than one year** | 17 | | 221,568 | | 281,197 |
| **Net assets** | | | 1,064,650 | | 1,393,513 |
| **Funds of the charity** | | | | | |
| Restricted income funds | 19 | 20,271 | | 19,130 | |
| **Unrestricted funds** | | | | | |
| General funds | 19 | 1,334,082 | | 1,721,730 | |
| Pension fund | 19 | (289,703) | | (347,347) | |
| | | | 1,044,379 | | 1,374,383 |
| **Total funds** | | | 1,064,650 | | 1,393,513 |

The financial statements on pages 14 to 39 were approved by the Board of Trustees and authorised for issue on 14.9.2021 and were signed on their behalf by:

Trustee:



**Company Number: 03581178**

# Charitable Company Balance Sheet as at 31 December 2020

| | Note | 2020 | | 2019 | |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 9 | 137,713 | | 122,852 | |
| Intangible assets | 10 | 0 | | 0 | |
| Investments | 11 | 106,801 | | 109,272 | |
| Total fixed assets | | | 244,514 | | 232,124 |
| **Current assets** | | | | | |
| Stocks of training materials | 12 | 0 | | - | |
| Debtors | 14 | 197,375 | | 191,185 | |
| Cash at bank and in hand | | 1,000,577 | | 1,238,398 | |
| | | 1,197,952 | | 1,429,582 | |
| **Creditors: Amounts falling due within one year** | 16 | 275,472 | | 294,584 | |
| **Net current assets** | | | 922,480 | | 1,134,998 |
| **Total assets less current liabilities** | | | 1,166,994 | | 1,367,122 |
| **Creditors: amounts falling due in after more than one year** | 17 | | 221,568 | | 281,197 |
| **Net assets** | | | 945,426 | | 1,085,925 |
| **Funds of the charity:** | | | | | |
| Restricted income funds | 20 | | 20,271 | 19,130 | |
| **Unrestricted funds:** | | | | | |
| General funds | 20 | 1,214,858 | | 1,414,142 | |
| Pension fund | 20 | (289,703) | | (347,347) | |
| | | | 925,155 | | 1,066,795 |
| **Total funds** | | | 945,426 | | 1,085,925 |

The financial statements on pages 14 to 39 were approved by the Board of Trustees and authorised for issue on 14/9/2021 and were signed on their behalf by:

Trustee:

Trustee:

**Company Number: 3581178**

# Consolidated statement of cash flows for the year ended 31 December 2020

| | Note | Group 2020 £ | 2019 £ |
|---|---|---|---|
| **Net cash flows from operating activities** | 25 | (301,464) | 98,505 |
| **Cash flows from/(used in) investing activities** | | | |
| Interest received | | 1,551 | 5,071 |
| Loss on disposal of investment | | (201,247) | (146,632) |
| Proceeds on disposal of fixed assets | | 31,516 | - |
| Purchase of tangible fixed assets | | (38,163) | - |
| **Net cash from/(used in) investing activities** | | (206,343) | (141,561) |
| Increase/ (decrease) in cash and cash equivalents in the year | | (507,807) | (43,056) |
| Cash and cash equivalents at the beginning of the year | | 1,727,108 | 1,770,164 |
| **Total cash and cash equivalents at the end of the year** | | 1,219,301 | 1,727,108 |
| **Relating to:** | | | |
| Cash at bank and in hand | | 1,219,301 | 1,727,108 |
| Short term investments | | - | - |
| **Total cash and cash equivalents at the end of the year** | | 1,219,301 | 1,727,108 |

# Notes to the Financial Statements for the year ended 31 December 2020

## 1. Accounting policies

### 1a) Basis of preparation

Signature is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Shannon House, Mandale Business Park, Belmont Industrial Estate, Durham, DH1 1TH. The group financial statements consolidate the results of the charity and its wholly owned subsidiary undertaking, Signature Commercial Limited on a line by line basis.

The Group meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the education, training and examination of students and tutors in the different modes of communication used by such persons.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost of transaction value except for investments which are included at market value, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' effective 1 January 2015 (Charities SORP (FRS 102)) and the Companies Act 2006.

The financial statements are presented in sterling which is also the financial currency of the group. The monetary amounts in these financial statements are rounded to the nearest £, except where otherwise indicated. The company has applied the exemption available under FRS102 in respect of the following disclosure:

- Cash flow statement and related notes.

### Going concern

FRS 102 requires that, if appropriate, the group's financial statements are prepared on the going concern basis, which means that the organisation is able to operate for the foreseeable future on the basis of known and reasonable projected resources. There are no material uncertainties in respect of the group's ability to continue as a going concern. The ongoing demand for the services provided by the group ensures the exposure to risk from the current difficult economic conditions is minimal. Free reserves are available to meet the group's needs as they arise as detailed within the reserves policy. As a consequence, the Trustees believe the group is well placed to manage its business risks successfully and thus they have adopted the going concern basis of accounting in preparing the financial statements.

The group had total funds of £1,064,650 as at 31 December 2020 (decrease of £328,863 from 31 December 2019) and a year-end cash balance of £1,219,301 (2019: £1,727,108). As outlined in note 27, on 31 December 2020 Signature Commercial ceased trading. NRCPD ceased to be a member of the group. Going concern considerations have therefore been made based on the group as it remains.

Activity levels have been impacted during 2020 as a result of the Covid-19 pandemic, however cash reserves remain strong. Forecasts for the period ended 31 December 2021 have been prepared, mindful of the further potential impacts of Covid-19. Management have also prepared a forecast, with further downside scenarios included. These confirm that the group and charity have sufficient cash for the organisation to continue for at least 12 months from the date these financial statements are signed.

At the time of approving the financial statements, the trustees have a reasonable expectation that the group and charity have adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

# Notes to the Financial Statements for the year ended 31 December 2020

## 1. Accounting policies (continued)

### 1b) Incoming resources

All income disclosed in the Statement of Financial Activities is shown on an entitlement basis.

All grant income is shown on an entitlement basis, except for restricted funds, where any income received in advance of expenditure is taken to the Statement of Financial Activities when the group becomes unconditionally entitled to the grant.

Government grants are recognised when the conditions for receipts are met and there is reasonable assurance that the grant will be received. Grants related to income are deducted in reporting the related expense.
Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit and loss in the period in which they become receivable.

Fees for examinations are normally invoiced in advance and those applicable to the year accounted for in the Statement of Financial Activities. Fees received during the year applicable to future periods are shown as deferred income in the balance sheet.

### 1c) Expenditure

Resources expended are recognised in the period in which legal or constructive obligation arises.

Resources expended are allocated to the particular activity to which the cost relates. However the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of the staff time, attributable to each activity:

| | |
|---|---|
| Generating Funds | 0% |
| Examinations and centre registrations | 62% |
| Sale of materials | 9% |
| Curriculum and other training | 6% |
| Registration of LSPs | 0% |
| Development of examinations, training and materials | 23% |

Governance costs relate to the costs associated with meeting the constitutional and statutory requirements of the group.

### 1d) Fixed assets

Tangible Fixed assets
Depreciation is provided at rates, set out below, calculated to write off the cost of each asset over its expected useful life. Items of equipment are capitalised where the purchase price exceeds £150, except for computer equipment which is all capitalised, with the exception of consumables and accessories.

| | | |
|---|---|---|
| Computer Software | 5 years | 20% straight line |
| Computer Equipment | 3 years | 33% straight line |
| Other Office Equipment | 4 years | 25% straight line |

# Notes to the Financial Statements for the year ended 31 December 2020

Intangible Fixed assets

Intangible fixed assets are stated at cost, net of amortisation and any provision for impairment. Amortisation is calculated to write down the costs of completed assets less estimated residual value over the useful lives of all intangible assets by the straight line method. The annual charges on:

| | | |
|---|---|---|
| Development expenditure | 5 years | 20% straight line |

**1e) Investments**

Investments held as fixed assets are revalued at their market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

**1f) Stocks**

Stocks comprise training packages and are valued at the lower of cost and net realisable value.

Net realisable value is based on normal selling price. Provision is made for obsolete, slow moving or defective items where appropriate.

**1g) Pension costs**

Contributions to defined contribution schemes are charged to the Statement of Financial Activities as they are incurred. A creditor is included on a discounted basis for known additional contributions as detailed in note 22.

**1h) Funds**

Unrestricted funds are generated surpluses of the group without further specified purpose and are available as general funds.

Designated funds are unrestricted funds, earmarked by the trustees for particular purposes.

Restricted funds are to be used for specific purposes as prescribed by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

**1i) Research and development**

Expenditure incurred on research and development in the year other than those costs able to be capitalised, is charged to the statement of financial activities.

**1j) Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership on a straight line basis over the period of the lease remain with the lessor are charges against surpluses.

# Notes to the Financial Statements for the year ended 31 December 2020

## 1k) Taxation

The group is a registered charity and is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxable Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

## 1l) Cash at bank and in hand

Cash at bank and cash in hand includes cash held at bank and cash held in short term investments.

## 1m) Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments Issues" of FRS 102, in full to all of its financial instruments.

All of the group's financial assets and financial liabilities qualify as basis financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Financial assets: Trade and other debtors**
Trade, group and other debtors (including accrued income) which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

**Financial liabilities: Trade and other creditors**
Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

**Critical accounting estimates and areas of judgement**
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Notes to the Financial Statements for the year ended 31 December 2020

## 2. Incoming resources

| 2a) | Donations and legacies- unrestricted | 2020 £ | 2019 £ |
|---|---|---|---|
| | Donations | 215 | 227 |

| 2b) | Other Trading activities (Group)- unrestricted | 2020 £ | 2019 £ |
|---|---|---|---|
| | Conferences and fairs | 0 | 0 |
| | Signature Commercial | 34,074 | 46,990 |
| | | 34,074 | 46,990 |

| 2b) | Other Trading activities (Charity)- unrestricted | 2020 £ | 2019 £ |
|---|---|---|---|
| | Conferences and fairs | 0 | 0 |
| | Intercompany recharges | 15,350 | 78,750 |
| | | 15,350 | 78,750 |

| 2c) | Investment income (Charity)- unrestricted | 2020 £ | 2019 £ |
|---|---|---|---|
| | Bank interest | 1,551 | 4,044 |
| | Money market and other deposits | (2,471) | 5,203 |
| | | (920) | 9,247 |

| 2c) | Investment income (Group)- unrestricted | 2020 £ | 2019 £ |
|---|---|---|---|
| | Bank Interest | 1,551 | 5,071 |
| | Money market and other deposit | (2,471) | 5,203 |
| | | (920) | 10,274 |

| 2d) | Development of examinations, training and materials | 2020 £ | 2019 £ |
|---|---|---|---|
| | GCSE | - | 862 |
| | Other | 1,141 | - |
| | **Total restricted development income** | 1,141 | 862 |

| 2e) | Other Income - unrestricted | 2020 £ | 2019 £ |
|---|---|---|---|
| | Furlough income | 99,784 | 0 |
| | Other | 3,353 | 10,677 |
| | **Total other income - unrestricted** | 103,137 | 10,677 |

## 3. Costs of generating funds

| 3a) Charitable activities – unrestricted (Group) | Examinations and centre registrations £ | Training Materials £ | Curriculum and other training £ | Registration £ | Development of exams etc £ | 2020 £ | 2019 £ |
|---|---|---|---|---|---|---|---|
| Direct costs | 81,847 | 5,404 | 5,511 | 0 | 1,059 | 93,821 | 287,298 |
| Staff costs | 133,551 | 22,369 | 13,364 | 0 | 61,729 | 231,013 | 378,642 |
| Direct overheads | - | - | - | - | - | - | - |
| Allocated overheads | 311,769 | 53,222 | 31,079 | 0 | 143,556 | 539,626 | 589,415 |
| Governance costs (note 3c) | 20,002 | - | - | 0 | - | 20,002 | 56,025 |
| | 547,170 | 80,995 | 49,954 | 0 | 206,344 | 884,463 | 1,311,380 |
| **Charitable activities – restricted** | | | | | | | |
| Direct costs | - | - | - | - | - | - | 862 |
| Allocated overheads | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | 862 |
| **Total** | 547,169 | 80,995 | 49,954 | 0 | 206,344 | 884,462 | 1,312,242 |

| 3a) Charitable activities – unrestricted (Charity) | | | | | | | |
|---|---|---|---|---|---|---|---|
| Direct costs | 77,896 | 5,404 | 5,511 | - | 1,059 | 89,870 | 207,805 |
| Staff costs | 133,551 | 22,369 | 13,364 | - | 61,729 | 231,013 | 231,013 |
| Direct overheads | - | - | - | - | - | - | - |
| Allocated overheads | 310,583 | 52,022 | 31,079 | - | 143,556 | 537,240 | 551,270 |
| Governance costs (note 3c) | 16,070 | - | - | - | - | 16,070 | 26,875 |
| | 538,100 | 79,795 | 49,954 | - | 206,344 | 874,193 | 1,016,964 |
| **Charitable activities – restricted** | | | | | | | |
| Direct costs | - | - | - | - | - | - | 862 |
| Allocated overheads | - | - | - | - | - | - | -- |
| | - | - | - | - | - | - | 862 |
| **Total** | 538,100 | 79,795 | 49,954 | - | 206,344 | 874,193 | 1,017,826 |

# Notes to the Financial Statements for the year ended 31 December 2020

3b)

| Governance costs – unrestricted (Group) | 2020 £ | 2019 £ |
|---|---|---|
| Direct committee costs including travel | 965 | 27,620 |
| Auditors fees | 10,301 | 16,752 |
| Other costs | 8,737 | 11,653 |
| | 20,002 | 56,025 |

3b)

| Governance costs – unrestricted (Charity) | 2020 £ | 2019 £ |
|---|---|---|
| Direct committee costs including travel | 965 | 12,713 |
| Auditors fees | 8,170 | 8,361 |
| Other costs | 6,936 | 5,801 |
| | 16,070 | 26,875 |

| Analysis of allocated overheads | 2020 £ | 2019 £ |
|---|---|---|
| Staff costs including training and welfare | 274,195 | 315,283 |
| Office running | 23,412 | 43,407 |
| Premises | 108,657 | 109,404 |
| Professional fees | 95,362 | 55,717 |
| Depreciation | 23,304 | 6,265 |
| Travel and subsistence | 950 | 6,651 |
| Insurance | 6,694 | 8,925 |
| Other costs | 4,667 | 5,618 |
| | 537,240 | 551,270 |

# Notes to the Financial Statements for the year ended 31 December 2020

## 4. Net incoming/outgoing resources is after charging:

| | | 2020 £ | 2019 £ |
|---|---|---|---|
| Auditors' remuneration - | Statutory Audit | 12,000 | 12,900 |
| | | 12,000 | 12,900 |
| Operating lease costs-Land and Buildings | | 39,639 | 51,053 |
| Amortisation | | 0 | 0 |
| Depreciation | | 23,304 | 10,132 |

## 5. Staff costs

| | Group 2020 £ | Charity 2020 £ | 2019 £ |
|---|---|---|---|
| Salaries | 430,206 | 430,206 | 556,351 |
| Employer's National Insurance | 31,574 | 31,574 | 45,593 |
| Employer's Pension Contributions | 31,313 | 31,313 | 40,161 |
| | 493,094 | 493,094 | 642,105 |
| Recruitment fees | 127 | 127 | 3,846 |
| Temporary staff | 0 | 0 | 16,509 |
| | 493,221 | 493,221 | 20,355 |

The average number of employees during the year was 19 (2019: 20).

The following number of employees received annual emoluments exceeding £60,000 was 1 (2019: 1)

| | December 2020 | December 2019 |
|---|---|---|
| Between £60,000 and £70,000 | 1 | 1 |

Pension contributions paid in the year in respect of the above staff were £6,400 (2019: £6,400).

**Key management personnel**
The key management personnel of the group and charity comprise the Trustees and Chief Executive. The total employee benefits of the key management personnel of the group were £78,134 (2019: £78,484).

## 6. Pension costs

The Charity participates in two funds administered by the Pensions Trust. The Ethical Fund, a defined contribution scheme, and The Growth Plan, a multi-employer pension scheme.

The charge to SOFA is the amount of the contributions payable.
The amount of contributions outstanding at the year end was £9,644 (2019: £4,936).

## 7. Indemnity insurance

The Charity has Professional Liability Insurance cover for Trustees, committee members and staff.

The limit of Indemnity in any one year is £1,000,000 (2019: £1,000,000) for which a premium of £1,242 (2019: £1,035) was paid.

## 8. Trustees remuneration and disbursement of expenses

The Articles of Association permit the payment of fees and expenses to trustees when acting as examiners and trainers, etc, where such expertise is in short supply.

In 2019 0 (2019: 0) trustees received fees amounting to £0 (2019: £0) together with £0 (2019: £0) reimbursement of expenses incurred.

There were 1 (2019: 6) other trustees who were reimbursed travel and subsistence expenses of £23 (2019: £1,744) for attendance at trustee meetings and other events.

# Notes to the Financial Statements for the year ended 31 December 2020

## 9. Tangible fixed assets (Group)

| | Furniture & fittings £ | Office equipment £ | Computer software £ | Computer equipment £ | 2020 Total £ |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2020 | 62,851 | 32,520 | 256,744 | 124,042 | 476,157 |
| Additions | 2,802 | - | 34,248 | 1,113 | 38,163 |
| Disposals | (-) | (968) | (23,857) | (7,292) | (32,116) |
| At 31 December 2020 | 65,653 | 31,552 | 267,135 | 117,864 | 482,204 |
| **Depreciation** | | | | | |
| At 1 January 2020 | 56,252 | 27,899 | 138,600 | 99,652 | 322,403 |
| Charge for the Year | 1,837 | 1,561 | 13,012 | 8,093 | 24,503 |
| Disposals | (-) | (272) | (795) | (1,934) | (3,001) |
| At 31 December 2020 | 58,089 | 29,188 | 150,817 | 105,811 | 343,905 |
| **Net book value** | | | | | |
| At 31 December 2020 | 7,564 | 2,364 | 116,318 | 12,053 | 138,299 |
| At 31 December 2019 | 6,599 | 4,621 | 118,144 | 24,390 | 153,754 |

No tangible fixed assets were held under finance leases or hire purchase contracts. On 1st January 2020, CACDO disposed of its interests in NRCPD and the asset disposals are reflected above.

## 9a Tangible fixed assets (Charity)

| | Furniture & fittings £ | Office equipment £ | Computer software £ | Computer equipment £ | 2020 Total £ |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 January 2020 | 62,851 | 31,552 | 226,887 | 116,751 | 438,041 |
| Additions | 2,802 | - | 34,248 | 1,113 | 38,163 |
| Disposals | (-) | - | - | (-) | (-) |
| At 31 December 2020 | 65,653 | 31,552 | 261,135 | 117,864 | 476,204 |
| **Depreciation** | | | | | |
| At 1 January 2020 | 56,252 | 27,627 | 133,592 | 97,718 | 315,189 |
| Charge for the year | 1,836 | 1,561 | 11,812 | 8,093 | 23,302 |
| Disposals | (-) | - | - | (-) | (-) |
| At 31 December 2020 | 58,088 | 29,188 | 145,404 | 105,811 | 338,492 |
| **Net book value** | | | | | |
| At 31 December 2020 | 7,564 | 2,364 | 115,731 | 12,053 | 137,712 |
| At 31 December 2019 | 6,599 | 3,925 | 93,295 | 19,033 | 122,852 |

No tangible fixed assets were held under finance leases or hire purchase contracts.

# Notes to the Financial Statements for the year ended 31 December 2020

## 10. Intangible fixed assets (Group and charity)

| | Research & Development £ |
|---|---|
| **Cost** | |
| At 1 January 2020 | 173,739 |
| Additions | |
| At 31 December 2020 | 173,739 |
| **Amortisation** | |
| At 1 January 2020 | 173,739 |
| Charge for the year | - |
| At 31 December 2020 | 173,739 |
| **Net book value** | |
| At 31 December 2020 | - |
| At 31 December 2019 | - |

## 11.Investments

| | 2020 £ | 2019 £ |
|---|---|---|
| Common Investment Funds | 106,801 | 109,272 |
| Investment in Signature Commercial Limited-charity only | 1 | 1 |
| | 106,802 | 109,273 |

The Common Investment Fund comprises 507,961 accumulation units in The Schroders Charity Fixed Interest Fund.

| | £ |
|---|---|
| Carrying value at the beginning of the year | 109,273 |
| Gain on investment | |
| Loss on revaluation | (2,472) |
| Carrying value at the end of the year | 106,801 |

Signature holds 100% of the ordinary share capital in Signature Commercial Limited (Company no 08002331). At 31 December 2020, Signature Commercial Limited had gross assets of £240,855 and gross liabilities of £377,632. During the year to 31 December 2020, Signature Commercial Limited recognised turnover of £38,501 and a profit of £12,879.

Up until 31 December 2019, Signature was also the sole member of NRCPD, a company limited by guarantee. On 1 January 2020, Signature disposed of it's interest in NRCPD. A loss on disposal of investment of £201, 247 has been recognised in the group SOFA.

The group made the decision during the year to transfer the operational activities of Signature Commercial Limited to the charitable parent company Signature. The operations will be transferred during 2021.

All investment assets are held in the UK.

# Notes to the Financial Statements for the year ended 31 December 2020

## 12. Stocks (Group)

| | 2020 £ | 2019 £ |
|---|---|---|
| Cost | 21,506 | 20,968 |
| Provision for obsolescence | (1,430) | (1,430) |
| | 20,076 | 19,538 |

No stock is held by the Charity.

## 13. Debtors (Group)

| | 2020 £ | 2019 £ |
|---|---|---|
| Trade debtors | 48,933 | 93,588 |
| Other debtors | - | - |
| Prepayments | 34,833 | 45,418 |
| | 83,766 | 139,006 |

All debtors are due for settlement within 12 months.

## 14. Debtors (Charity)

| | 2020 £ | 2019 £ |
|---|---|---|
| Trade debtors | 47,464 | 60,800 |
| Other debtors | - | - |
| Prepayments | 34,833 | 40,064 |
| Inter-company balance | 115,077 | 90,321 |
| | 197,375 | 191,185 |

The inter company balance is for a period of five years. From one year after the date of the agreement interest will be payable on the balance at a rate of 6% per annum.

## 15. Creditors (Group)

| | 2020 £ | 2019 £ |
|---|---|---|
| Trade Creditors | 51,909 | 22,025 |
| Other Tax and Social Security | 11,207 | 19,407 |
| Accruals | 40,843 | 48,642 |
| Deferred Income | 109,933 | 317,746 |
| Pension Fund | 68,135 | 66,150 |
| | 282,026 | 473,970 |

| | |
|---|---|
| Deferred Income at 31 December 2019 | 317,746 |
| Amount released from previous year | (317,746) |
| Amount deferred in current year | 109,933 |
| Deferred income at 31 December 2020 | 109,933 |

Deferred income relates to examination fees invoiced in advance

# Notes to the Financial Statements for the year ended 31 December 2020

## 16. Creditors (Charity)

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Trade Creditors | 49,893 | 13,878 |
| Other Tax and Social Security | 8,972 | 12,487 |
| Accruals | 38,539 | 39,713 |
| Deferred Income | 109,933 | 159,935 |
| Pension Fund | 68,135 | 66,150 |
| Intercompany creditor | - | 2,422 |
| | 275,472 | 294,584 |

## 17. Creditors due in more than one year (Group and charity)

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| Pension creditor | 221,568 | 281,197 |

## 18. Financial instruments

The carrying amounts of the Group's financial instruments at 31 December were:

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| **FINANCIAL ASSETS** | | |
| Debt instruments measured at amortised cost: | | |
| Trade Debtors | 48,933 | 93,588 |
| Other debtors | - | - |
| TOTAL | 48,933 | 93,588 |
| **FINANCIAL LIABILITIES** | | |
| Measured at amortised cost: | | |
| Trade Creditors | 51,909 | 22,025 |
| Accruals | 40,843 | 68,642 |
| TOTAL | 92,752 | 70,667 |

# Notes to the Financial Statements for the year ended 31 December 2020

## 19. Movements in funds (Group)

| | Balance b/fwd | Incoming resources | Outgoing Resources | Transfers and Disposals | Balance c/fwd |
|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ |
| GCSE | 19,130 | - | - | - | 19,130 |
| Other | - | 1,141 | - | - | 1,141 |
| **Total restricted funds** | 19,130 | 1,141 | - | - | 20,271 |
| | | | | | |
| **Unrestricted funds:** | | | | | |
| Pension | (347,347) | - | - | 57,644 | (289,703) |
| General funds | 1,721,730 | 755,705 | (884,462) | (258,891) | 1,334,082 |
| **Total unrestricted funds** | 1,374,383 | 755,705 | (884,462) | (201,247) | 1,044,379 |
| | | | | | |
| **Total funds** | 1,393,513 | 756,846 | (884,462) | (201,247) | 1,064,650 |

The transfer in the period relates to the deficit payments made on the pension provision and the disposal of NRCPD.

### 2019- Movement in funds (Group)

| | Balance b/fwd | Incoming resources | Outgoing resources | Transfers | Balance c/fwd |
|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ |
| GCSE | 19,130 | - | - | - | 19,130 |
| **Total restricted funds** | 19,130 | - | - | - | 19,130 |
| | | | | | |
| **Unrestricted funds:** | | | | | |
| Pension | (388,441) | - | - | 41,094 | (347.347) |
| General funds | 1,613,752 | 1,462,874 | (1,313,802) | (41,094) | 1,721,730 |
| **Total unrestricted funds** | 1,225,311 | 1,462,874 | (1,313,802) | - | 1,374,383 |
| | | | | | |
| **Total funds** | 1,244,441 | 1,462,874 | (1,313,802) | - | 1,393,513 |

# Notes to the Financial Statements for the year ended 31 December 2020

## 20. Movements in funds (Charity)

| | Balance b/fwd | Incoming resources | Outgoing resources | Transfers | Balance c/fwd |
|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ |
| GCSE | 19,130 | - | - | - | 19,130 |
| Other | - | 1,141 | - | - | 1,141 |
| **Total restricted funds** | 19,130 | 1,141 | - | - | 20,271 |
| | | | | | |
| **Unrestricted funds:** | | | | | |
| Pension | (347,347) | - | - | 57,644 | (289,703) |
| General funds | 1,414,142 | 732,554 | (874,194) | (57,644) | 1,214,858 |
| **Total unrestricted funds** | 1,066,795 | 732,554 | (874,194) | - | 925,155 |
| | | | | | |
| **Total funds** | 1,085,925 | 733,695 | (874,194) | - | 945,426 |

The transfer in the year relates to the deficit payments made on the pension provision.

### 2019- Movements in funds (Charity)

| | Balance b/fwd | Incoming resources | Outgoing resources | Transfers | Balance c/fwd |
|---|---|---|---|---|---|
| **Restricted funds:** | £ | £ | £ | £ | £ |
| GCSE | 19,130 | - | - | - | 19,130 |
| **Total restricted funds** | 19,130 | - | - | - | 19,130 |
| | | | | | |
| **Unrestricted funds:** | | | | | |
| Pension | (388,441) | - | - | 41,094 | (347,347) |
| General funds | 1,347,007 | 1,125,193 | (1,016,964) | (41,094) | 1,414,142 |
| **Total unrestricted funds** | 958,566 | 1,125,193 | (1,016,964) | - | 1,066,795 |
| | | | | | |
| **Total funds** | 977,969 | 1,125,193 | (1,016,964) | - | 1,085,925 |

# Notes to the Financial Statements for the year ended 31 December 2020

## 21. Members liability

The company is limited by guarantee and in the event of the winding up of the company, the liability of its members is limited to £1.

## 22. Pension Obligations

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

**Deficit contributions**

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £795m, liabilities of £926m and a deficit of £131m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

| **Deficit contributions** | |
|---|---|
| From 1 April 2016 to 30 September 2025: | £12,945,440 per annum (payable monthly and increasing by 3% each on 1st) |
| From 1 April 2016 to 30 September 2028: | £54,560 per annum (payable monthly and increasing by 3% each on 1st) |

Unless a concession has been agreed with the Trustee the term to 30 September 2015 applies.

# Notes to the Financial Statements for the year ended 31 December 2020

## 22. Pension Obligations (continued)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

| PRESENT VALUES OF PROVISION | 31 December 2020 | 31 December 2019 | 31 December 2018 |
|---|---|---|---|
| **Present value of provision** | 289,703 | 347,347 | 397,843 |

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

| | **Year Ending** 31 December 2020 | **Year Ending** 31 December 2019 |
|---|---|---|
| Provision at start of year | 347,347 | 397,843 |
| Unwinding of the discount factor (interest expense) | 3,524 | 6,390 |
| Deficit contribution paid | (66,150) | (62,222) |
| Remeasurements - impact of any change in assumptions | 4,982 | 5,336 |
| Remeasurements - amendments to the contribution schedule | - | - |
| Provision at end of year | 289,703 | 347,347 |

# Notes to the Financial Statements for the year ended 31 December 2020

## 22. Pension Obligations (continued)

INCOME AND EXPENDITURE IMPACT

| | Year Ending 31 December 2020 | Year Ending 31 December 2019 |
|---|---|---|
| Interest expense | 3,524 | 6,390 |
| Remeasurements – impact of any change in assumptions | 4,982 | 5,336 |
| Remeasurements – amendments to the contribution schedule | - | - |
| Contributions paid in respect of future service* | - | - |
| Costs recognised in income and expenditure account | - | - |

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTIONS

| | 31 December 2020 % per annum | 31 December 2019 % per annum | 31 December 2018 % per annum |
|---|---|---|---|
| Rate of discount | 0.27 | 1.13 | 1.75 |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

# Notes to the Financial Statements for the year ended 31 December 2020

## 23. Related party transactions

Mark Hopkinson, a trustee since 26th September 2017, is also Head of Sign Language and Lipreading at City Lit, London which operates as a centre providing assessments for CACDP's qualifications. Fees are charged in line with the published price list.
Fees and project costs charged during the period amounted to £18,639 and the balance due from the college at 31st December 2020 was £281.

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with its subsidiaries.

## 24. Operating leases

Annual commitments under non-cancellable operating leases are as follows:-

| | 2020<br>£ | 2019<br>£ |
|---|---|---|
| | Land and Buildings | Land and Buildings |
| Within one year | 51,053 | 51,053 |
| Between two and five years | 72,326 | 123,379 |
| More than five years | 0 | 0 |
| | 123,379 | 174,432 |

# Notes to the Financial Statements for the year ended 31 December 2020

## 25. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group | |
|---|---|---|
| | **2020** | 2019 |
| | **£** | £ |
| Net movement in funds | (127,616) | 149,072 |
| Income from investments | 920 | (10,274) |
| Depreciation | 22,102 | 10,132 |
| Decrease in stocks | (538) | 844 |
| Decrease in debtors | 55,240 | (16,108) |
| Decrease in creditors | (193,928) | 5,197 |
| Decrease in provision | (57,644) | (40,358) |
| Net cash inflow from operating activities | (301,464) | 98,505 |

## 26. Analysis of net assets between funds – Group

| | **Unrestricted funds** | **Restricted funds** | **Total funds** |
|---|---|---|---|
| | **£** | **£** | **£** |
| Fund balances at 31 December 2020 as represented by: | | | |
| Tangible fixed assets | 138,299 | - | 138,299 |
| Intangible fixed assets | - | - | - |
| Investment assets | 106,802 | - | 106,802 |
| Current assets | 1,309,802 | 20,271 | 1,330,073 |
| Current liabilities | (288,956) | - | (288,956) |
| Long term liabilities | (221,568) | - | (221,558) |
| | 1,044,379 | 20,271 | 1,064,650 |

| | **Unrestricted funds** | **Restricted funds** | **Total funds** |
|---|---|---|---|
| | **£** | **£** | **£** |
| Fund balances at 31 December 2019 as represented by: | | | |
| Tangible fixed assets | 153,754 | - | 153,754 |
| Intangible fixed assets | - | - | - |
| Investment assets | 109,273 | - | 109,273 |
| Current assets | 1,866,523 | 19,130 | 1,885,653 |
| Current liabilities | (473,970) | - | (473,970) |
| Long term liabilities | (281,197) | - | (281,197) |
| | 1,374,383 | 19,130 | 1,393,513 |

# Notes to the Financial Statements for the year ended 31 December 2020

## Analysis of net assets between funds – Charity

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|---|---|---|
| Fund balances at 31 December 2020 as represented by: | | | |
| Tangible fixed assets | 137,712 | - | 137,712 |
| Intangible fixed assets | 0 | - | 0 |
| Investment assets | 106,801 | - | 106,801 |
| Current assets | 1,184,611 | 20,271 | 1,204,882 |
| Current liabilities | (282,402) | - | (282,402) |
| Long term liabilities | (221,568) | - | (221,568) |
| | 925,155 | 20,271 | 945,426 |

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|---|---|---|---|
| Fund balances at 31 December 2019 as represented by: | | | |
| Tangible fixed assets | 122,852 | - | 122,852 |
| Intangible fixed assets | 0 | - | 0 |
| Investment assets | 109,272 | - | 109,272 |
| Current assets | 1,410,452 | 19,130 | 1,429,582 |
| Current liabilities | (294,584) | - | (294,584) |
| Long term liabilities | (281,197) | - | (281,197) |
| | 1,066,795 | 19,130 | 1,085,925 |

## 27. Discontinued Operations

On 1 January 2020 the group disposed of its interest in NRCPD Limited.