

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
J Walker (Chair)
HJ Beaton
M Hopkinson
K Riley (resigned Sept 22)
I Donnelly
E Winfield (appointed June 22)
A Schembri (appointed June 22)
J Mancini (appointed June 22)
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 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.

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

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 Beaton

Trustee: Ian J Roberts

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.

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 19/11/23 and were signed on their behalf by:

Trustee: *H Beaton*

Trustee: *lan Johnson*

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		<u>(45,978)</u>	<u>(230,524)</u>
Financing activities			
Debt repayments		-	-
Net cash used in financing activities		<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents		<u>134,810</u>	<u>43,489</u>
Cash and cash equivalents at the beginning of the year		<u>1,044,066</u>	<u>1,000,577</u>
Cash and cash equivalents at end of year		<u><u>1,178,876</u></u>	<u><u>1,044,066</u></u>

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

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

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
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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 charged 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

	2022	2021
	£	£
2a) Donations and legacies- unrestricted		
Donations	10	121,963
	<u>10</u>	<u>121,963</u>
2b) Other Trading activities - unrestricted		
Conferences and awards	18,535	-
Qualification support products	79,282	33,093
	<u>97,817</u>	<u>33,093</u>
2c) Investment income - unrestricted		
Bank interest	2,588	108
Money market and other deposits	-	3,960
	<u>2,588</u>	<u>4,068</u>
2d) Development of examinations, training and materials		
Other	-	-
	<u>-</u>	<u>-</u>
2e) Other Income - unrestricted		
Furlough income	-	25,928
Government grants	5,880	-
Other	-	-
	<u>5,880</u>	<u>25,928</u>

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
	<u>492,517</u>	<u>88,735</u>	<u>38,718</u>	<u>170,468</u>	<u>790,438</u>	<u>756,932</u>
Charitable activities – restricted						
Direct costs	-	-	-	1,939	1,939	835
Allocated overheads	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,939</u>	<u>1,939</u>	<u>835</u>
Total	<u>492,517</u>	<u>88,735</u>	<u>38,718</u>	<u>172,407</u>	<u>792,377</u>	<u>757,767</u>

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
	<u>25,546</u>	<u>25,525</u>
 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
	<u>415,180</u>	<u>475,358</u>

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

4. Net incoming/outgoing resources is after charging:

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

5. Staff costs

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

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	<u>1</u>	<u>1</u>

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

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

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
	<u>102,988</u>	<u>110,761</u>

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	<u>102,988</u>

All investment assets are held in the UK.

12. Stocks

	2022 £	2021 £
Cost	20,076	20,076
Provision for obsolescence	-	-
	<u>20,076</u>	<u>20,076</u>

13. Debtors

	2022 £	2021 £
Trade debtors	70,305	67,102
Prepayments	24,044	20,564
	<u>94,349</u>	<u>87,666</u>

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
	<u>158,292</u>	<u>150,204</u>

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	<u>59,523</u>

Deferred income relates to examination fees invoiced in advance

15. Creditors due in more than one year

	2022 £	2021 £
Pension creditor	<u>22,680</u>	<u>46,691</u>

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 £	Balance c/fwd
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	(45,68
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)
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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 1 st April)
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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 £	2021 £
	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	-	-
	<u>92,000</u>	<u>115,000</u>

21. Analysis of net assets between funds

	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	1,275,804	17,497	1,293,301
Current liabilities	(158,292)	-	(158,292)
Long term liabilities	(22,680)	-	(22,680)
	<u>1,358,164</u>	<u>17,497</u>	<u>1,375,661</u>

	Unrestricted funds £	Restricted funds £	Total funds £
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)
	<u>1,196,245</u>	<u>19,436</u>	<u>1,215,681</u>

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

22. Cash generated from operations

	2022 £	2021 £
Surplus for the year	159,980	270,255
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	35,642	28,955
Loss on investments	7,773	-
<i>Movements in working capital</i>		
(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	<u>180,788</u>	<u>88,697</u>