

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
J Walker (Chair)
HJ Beaton
M Hopkinson
I Donnelly (resigned June 2023)
E Winfield
A Schembri
J Mancini
C Kerr
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 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 for from 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.

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

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 16/09/2014 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

Nisha 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:					
Examinations and centre registrations	3a	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.

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	<u>104,309</u>	<u>102,988</u>
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		<u>1,315,024</u>	<u>1,178,876</u>
		<u>1,469,395</u>	<u>1,293,301</u>
Creditors: Amounts falling due within one year	14	<u>184,287</u>	<u>158,291</u>
Net current assets		<u>1,285,108</u>	<u>1,135,010</u>
Total assets less current liabilities		<u>1,530,595</u>	<u>1,398,341</u>
Creditors: amounts falling due in after more than one year	15	<u>1,284</u>	<u>22,680</u>
Net assets		<u>1,529,311</u>	<u>1,375,661</u>
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	<u>(24,293)</u>	<u>(45,689)</u>
		<u>1,511,814</u>	<u>1,358,164</u>
Total funds		<u>1,529,311</u>	<u>1,375,661</u>

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

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 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	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

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

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. 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 charged 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

	2023	2022
	£	£
2a) Donations and legacies- unrestricted		
Donations	-	10
	<u>-</u>	<u>10</u>
2b) Other Trading activities - unrestricted		
Conferences and awards	-	18,535
Qualification support products	77,673	79,282
	<u>77,673</u>	<u>97,817</u>
2c) Investment income - unrestricted		
Bank interest	17,764	2,588
Money market and other deposits	1,321	(7,773)
	<u>19,085</u>	<u>(5,185)</u>
2d) Development of examinations, training and materials		
GCSE	9,636	-
Total restricted development income	<u>9,636</u>	<u>-</u>
2e) Other Income - unrestricted		
Government grants	-	5,880
Other	(961)	-
Total other income - unrestricted	<u>961</u>	<u>5,880</u>

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

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)

Direct committee costs including travel
Auditors fees
Other costs

	2023 £	2022 £
	10,416	13,111
	6,420	4,875
	7,776	7,560
	<u>24,612</u>	<u>25,546</u>

Analysis of allocated overheads

Staff costs including training and welfare
Office running
Premises
Professional fees
Depreciation
Travel and subsistence
Insurance
Other costs

	2023 £	2022 £
	274,550	233,201
	42,726	26,479
	81,872	56,992
	140,092	74,449
	40,282	35,642
	9,478	3,496
	6,706	6,787
	5,144	3,866
	<u>600,849</u>	<u>440,910</u>

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
	<u>6,000</u>	<u>4,200</u>
Operating lease costs-Land and Buildings	23,000	23,000
Depreciation	<u>40,282</u>	<u>35,642</u>

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	-
	<u>430,387</u>	<u>342,145</u>
Recruitment fees	7,310	496
Temporary staff	-	804
	<u>437,697</u>	<u>343,445</u>

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	<u>0</u>	<u>1</u>
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).

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

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 £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
	<u>104,309</u>	<u>102,988</u>

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	<u>104,309</u>

All investment assets are held in the UK.

12. Stocks

	2023 £	2022 £
Cost	20,076	20,076
Provision for obsolescence	<u>(20,076)</u>	<u>-</u>
	<u>-</u>	<u>20,076</u>

13. Debtors

	2023 £	2022 £
Trade debtors	93,408	70,305
Prepayments	<u>60,963</u>	<u>24,044</u>
	<u>154,371</u>	<u>94,239</u>

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
	<u>184,287</u>	<u>158,292</u>

Deferred Income

Deferred Income at 31 December 2022	59,523
Amount released from previous year	(59,523)
Amount deferred in current year	<u>59,825</u>
Deferred income at 31 December 2023	<u>59,825</u>

Deferred income relates to centre fees invoiced in advance

15. Creditors due in more than one year

	2023 £	2022 £
Pension creditor	<u>1,284</u>	<u>22,680</u>

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	<u>17,497</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,497</u>
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	<u>1,358,164</u>	<u>1,253,658</u>	<u>(1,100,008)</u>	<u>-</u>	<u>1,511,814</u>
Total funds	<u>1,375,661</u>	<u>1,253,658</u>	<u>(1,100,008)</u>	<u>-</u>	<u>1,529,311</u>

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	<u>19,436</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,497</u>
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	<u>1,196,245</u>	<u>958,442</u>	<u>(790,438)</u>	<u>(6,085)</u>	<u>-</u>	<u>1,358,853</u>
Total funds	<u>1,215,681</u>	<u>958,442</u>	<u>(790,438)</u>	<u>(6,085)</u>	<u>-</u>	<u>1,375,661</u>

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)
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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 2023

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	-	-
	<u>115,000</u>	<u>115,000</u>

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)
	<u>1,511,813</u>	<u>17,497</u>	<u>1,529,310</u>
	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)
	<u>1,356,531</u>	<u>19,130</u>	<u>1,375,661</u>

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

22. Cash generated from operations

	2023 £	2022 £
Surplus for the year	153,649	159,980
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	31,840	35,642
Loss on investments	(1,321)	7,773
<i>Movements in working capital</i>		
(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	<u><u>148,821</u></u>	<u><u>180,788</u></u>