

Company number: 03680467  
Charity number: 1073468

# Breakthrough (Deaf– Hearing Integration) Known as DeafPLUS

Report and financial statements  
For the year ended 31 March 2023

**Breakthrough (Deaf–Hearing Integration)**

**Contents**

**For the year ended 31 March 2023**

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Reference and administrative information .....	1
Trustees’ annual report .....	2
Independent auditor’s report .....	14
Statement of financial activities (incorporating an income and expenditure account) .....	18
Balance sheet .....	19
Statement of cash flows .....	20
Notes to the financial statements .....	21

## Breakthrough (Deaf-Hearing Integration)

### Reference and administrative information

For the year ended 31 March 2023

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**Company number** 03680467  
**Country of incorporation** United Kingdom

**Charity number** 1073468  
**Country of registration** England & Wales

**Registered office and operational address** DeafPLUS  
Trinity Centre, Key Close  
London, E14HG

**Operational name** DeafPLUS

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Alan Murray MBE	Treasurer	
Will Davidson	Secretary	Resigned 6 <sup>th</sup> September 2023
Geraldine O'Halloran		
David Rose	Chair	
Stephen Colthrust		Appointed 6 <sup>th</sup> September 2023
Katharine Balazs		Resigned 8 <sup>th</sup> March 2023
Aiysha Begum		Resigned 7 <sup>th</sup> December 2022
Shajna Begum		Resigned 7 <sup>th</sup> December 2022

<b>Key management personnel</b>	Gary Williams	Chief Executive	Resigned May 2022
	Reg Cobb	Chief Executive	Appointed 13 June 2022
	Hayri Korkmaz	Head of Finance	Resigned 31 <sup>st</sup> January 2023
	Mohammed Ashrafi	Operations Manager	Resigned 28 <sup>th</sup> September 2022

**Bankers** Lloyds Bank Plc  
25 Gresham Street  
London, EC2V 7HN

**Solicitors** Russell Cooke LLP  
8 Bedford Row,  
London, WC1R 4BX

**Auditor** Sayer Vincent LLP  
Chartered Accountants and Statutory Auditor  
Invicta House, 110 Golden Lane,  
London, EC1Y 0TG

## **Breakthrough (Deaf–Hearing Integration)**

### **Trustees' annual report**

#### **For the year ended 31 March 2023**

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The Board of Trustees is pleased to present this comprehensive report, along with the audited financial statements, covering the fiscal year ending on March 31, 2023.

The reference and administrative information, outlined in detail on page 1, are integral components of this report. Our financial statements adhere to all current statutory requirements, the provisions within our memorandum and articles of association, as well as the stipulations governing directors' reports as mandated by company law. Additionally, we have ensured compliance with the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP, which is applicable to charities preparing their financial accounts in accordance with FRS 102.

### **Purposes and aims, objectives and activities**

Annually, the Board of Trustees conducts a rigorous review of the charity's purposes, objectives, and activities. This report meticulously examines the achievements and outcomes of the charity's work during the reporting period. We take pride in highlighting the successful execution of each key activity and the tangible benefits extended to the groups of individuals the charity is dedicated to assisting. This comprehensive review also aids in safeguarding that our aims, objectives, and activities remain steadfastly aligned with our stated mission.

In our review process, we have closely consulted the guidance provided by the Charity Commission's general guidance on public benefit. This guidance has been invaluable in shaping our aims, objectives, and strategic planning for future activities. We confirm our unwavering commitment to fulfilling the duty outlined in section 17 of the Charities Act 2011, which mandates that we duly consider the Charity Commission's general guidance on public benefit, as articulated in 'Charities and Public Benefit.'

### **A Half-Century of Empowering Deaf and Hearing Communities**

deafPLUS proudly traces its origins back to its establishment in 1971, marking over five decades of dedicated service. Since our inception, we have relentlessly championed equality between deaf and hearing individuals by promoting inclusive practices and providing essential support to surmount societal barriers. Our Governing Documents explicitly state our founding purpose: to advance "the promotion of the material, mental, and spiritual welfare of deaf persons (whether totally or partially deaf), first within Great Britain and secondly, throughout the world."

Throughout our journey, we have consistently pioneered innovative solutions to bridge the gap between deaf and hearing communities. Notably, in the 1970s, we were instrumental in introducing the first text phone, by our funders, David Hyslop and Dawn Garrett. This spirit of innovation continues to drive us forward. In 2015, we launched a groundbreaking British Sign Language (BSL) video advice service, enabling deaf individuals across the country to access our information and advice services effortlessly. In 2020, we unveiled our infoHUB—an online repository offering guidance on social welfare issues in accessible BSL formats and plain English.

## Breakthrough (Deaf-Hearing Integration)

### Trustees' annual report

For the year ended 31 March 2023

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Our unwavering commitment to innovation persisted even during the challenges posed by the post-COVID-19 era, as we adapted our modes of interaction with clients to ensure their well-being and continued support.

## deafPLUS Vision and Mission

Each of the milestones in our history reflects our enduring vision and mission.

**Vision:** We envision a world where deaf individuals encounter no barriers to participation and opportunity.

**Mission:** Our mission is to empower deaf individuals to take control of their lives, fostering their potential and aiding them in achieving independence.

We strive towards these objectives through a range of vital services:

- Information and advice services
- Health and Wellbeing services
- Independent Living services

### Four Key Objectives

Our charitable work revolves around four key objectives:

1. **Supporting Independence and Choice:** We provide information, advocacy, and advice to facilitate the full engagement and participation of deaf individuals in society. Access to information, often taken for granted, is crucial for achieving equality.
2. **Developing Potential and Self-Determination:** We support clients in securing employment, offering skills training and volunteering opportunities. We ensure that deaf employees have equal opportunities for career advancement.
3. **Promoting Physical and Mental Health and Wellbeing:** We foster social and cultural opportunities to combat isolation, improve integration, and encourage physical activity. We also provide health workshops and materials.
4. **Empowering and Enabling:** We work tirelessly to raise awareness of the needs of deaf and visually impaired individuals. Collaborating with key decision-makers, we advocate for the removal of barriers hindering social and economic progress.

Our client-facing team boasts appropriate qualifications and extensive experience in providing Information, Advice, Guidance, and Advocacy. Importantly, 75% of our team members are either deaf or living with hearing loss, granting us a unique capacity to empathize with our client group, having personally encountered many of the issues they face.

This report, along with the financial statements, comprehensively encompasses all of our charity's activities.

## Breakthrough (Deaf–Hearing Integration)

### Trustees' annual report

#### For the year ended 31 March 2023

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As the fiscal year concluded, we engaged in consultation sessions with stakeholders, staff, and other relevant parties. This collaborative effort will be instrumental in shaping our strategic direction for the upcoming years.

#### Quality Accreditations

deafPLUS takes pride in our continued adherence to rigorous quality standards. We are pleased to report that we have been reaccredited under the following Quality Accreditations:

- **Advice Quality Standard (AQS):** Accreditation of our social welfare advice service.
- **Disability Confident:** Inclusion in the Government register of employers dedicated to supporting disabled individuals.

Our Quality Assurance system stands as a testament to our commitment to providing dependable services across the nation. Furthermore, we are proud to be recognized as a Living Wage Employer, registered with the Living Wage Foundation.

## Achievements, Performance and Beneficiaries

Our charitable endeavours are focused squarely on deaf individuals, those living with hearing or visual impairments, and are carried out with the aim of furthering our charitable objectives for the public benefit.

#### Adviceline Project

Over the past year, our support extended to a total of 845 cases—a testament to our unwavering commitment to the deaf community. Recognizing the growing demand for our services, we have undergone a management transition and successfully implemented a robust triage system, ensuring an efficient response to this increasing need.

#### Bath Centre

Our Bath Centre has been a beacon of support, with 1,415 cases served during the year. Our project has thrived and continues to deeply engage with the community through a multi-faceted approach, including home visits, office consultations, and a mobile advisory service using our trusted van. Additionally, we've played a pivotal role in establishing deaf community hubs across Somerset. We've also formed partnerships to deliver essential BSL and lipreading classes, which have been a lifeline for many. Our dedication extends to providing vision-related equipment for the communities of Somerset and Bath and North-East Somerset.

#### Bromley Centre

In the year, we've assisted 925 cases through the Bromley Centre. A change in management brought about operational enhancements aimed at better serving our clients. We remain steadfast in delivering a range of services, including lipreading classes and comprehensive advice services.

## **Breakthrough (Deaf–Hearing Integration)**

### **Trustees' annual report**

**For the year ended 31 March 2023**

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#### **Ealing Centre**

With 535 cases supported in the year, our Ealing Centre has maintained its commitment to excellence. Our services, both advisory and equipment-related, continue to benefit the deaf community in the London Borough of Ealing. Additionally, we've expanded our reach to the London Borough of Merton, forging connections within the local deaf community. Collaborations with the London Borough of Hammersmith and Fulham have strengthened our mission to serve.

#### **Whitechapel Centre**

Our Whitechapel Centre stands at the forefront, assisting 2,465 cases throughout the year. We've reimaged our client interactions, implementing a triage system to ensure individual needs are met efficiently. In both the London boroughs of Tower Hamlets and Hackney, we've organized a multitude of events while providing essential advice services. In the London Borough of Camden, we've cultivated a strong rapport within the local deaf community, working closely with Camden Disability Action. Due to high demand, we are exploring the possibility of extending our service hours in London Borough of Westminster.

#### **Birmingham**

In Birmingham, we've made nearly 600 meaningful connections in the past year. Recognizing the challenges presented by the COVID-19 pandemic, we undertook measures to engage more effectively with the deaf community. Notably, we hosted a successful conference featuring various speakers to gather valuable feedback and insights for designing a better service. Our commitment extends to providing deaf awareness training to Neighbourhood Network Scheme (NNS) providers in the city of Birmingham.

#### **PA Services**

Our PA Services have provided just over 2,000 hours of support in the past year. We've engaged in various activities with our clients, aimed at enhancing their quality of life and overall well-being.

At deafPLUS, our commitment to the deaf community remains unwavering, and we look forward to continuing our mission of providing essential support and services in the years to come.

## **Financial review and reserves policy**

deafPLUS, as with all charities, faces the possibility of financial challenges in the future; not least the expected pressure on Council funding arising from a weakening economic situation throughout the country.

During the year the Trustees reviewed the charity's Reserves Policy and examined the charity's requirements for reserves following their review of risks facing the charity. deafPLUS's policy is to target three months of reserves. This level of reserves would more than cover, for example, the cost of services cessation in any two of our locations in a given year, with any associated redundancies (£2,000 to wind down and 'make good' the office and £10,000 for redundancies in

## Breakthrough (Deaf-Hearing Integration)

### Trustees' annual report

#### For the year ended 31 March 2023

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each location). Such a level of reserves would also be sufficient to cushion us against cashflow difficulties associated with delay to grant or contract payments that may fall due to deafPLUS.

The restricted reserves balance at 31 March 2023 was £219,017 (2022: £308,801).

The unrestricted general reserves balance at 31 March 2023 was £182,061 (2022: £227,839). Free reserves (general reserves excluding fixed assets) total £176,201 as at 31 March 2023 (2022: £221,736). This represents approximately 8.5 months of unrestricted expenditure in 2022/23.

The trustees' target is to decrease it in the year 2023/24 through additional spending on vital services.

In the year ended 31 March 2023 total income decreased by £82,314 to £816,903 (2022: £899,217) and total expenditure increased by £93,226 to £952,462 (2022: £859,236), net deficit of £135,561 (2022: net income of £39,981). Net assets at year-end were £403,202 (2022: £538,763).

## deafPLUS as a Going Concern Statement

The Trustees affirm their reasonable expectation that the Charity can sustain its operations as a going concern for at least the next twelve months, starting from the date of approval of these financial statements. This assertion is grounded in several key considerations:

1. **Cash Flow Analysis:** Based on the budgeted position through to March 2025, a revised cash flow analysis spanning from November 2023 to December 2024 has been meticulously scrutinised and approved by our Finance Sub Committee. This analysis, which takes into account reduced management and overhead costs and factors in both known and anticipated income and expenditures, has been transmitted to our auditors for their evaluation.

Following a thorough evaluation, we have successfully streamlined our management expenses, enabling us to operate with minimal reliance on additional fundraising efforts. This achievement stems from the fact that a portion of our project-based costs now covers our overhead expenses.

2. **Diverse Range of Services:** deafPLUS has solidified agreements to provide a diverse array of services across nine local authorities, in addition to pan-London and national projects supported by charitable trusts and the National Lottery. In the event that funding for any specific project is terminated during this period, we have established protocols to promptly wind down the project, thereby containing losses within that project and safeguarding the overall financial health of the organisation.
3. **Sustained Project Funding:** While the natural conclusion of projects is inevitable, our proactive approach to securing grants and contracts ensures a continual cycle of project



inception and completion. This dynamic process, which we refer to as the "churn," provides us with confidence that we will continually replace any concluded projects with new opportunities.

4. **Competitive Business Model:** Our analysis of the funding landscape underscores that, despite a backdrop of budget cuts and austerity measures, deafPLUS offers a compelling service portfolio characterized by quality and value for money. We remain steadfast in our belief that our business model is not only competitive but also stands out within our field of expertise.

The Trustees have taken into account the actions undertaken by our CEO to streamline overhead and management costs, thereby addressing deficits. This strategic effort, while placing the charity under the pressure of meeting increased demands, simultaneously fortifies our foundation, enhancing operational efficiency and transparency in financial reporting.

Furthermore, we have initiated collaborative efforts with the local community and neighbouring charities to adapt and evolve in response to the evolving needs of the communities we serve. In parallel, we are engaging with local authority commissioners and grant officers to ensure that any necessary adaptations to our services are executed in a cost-effective manner, given the prevailing economic climate. These concerted efforts aim to maximize value for the people we serve while fostering partnerships with other organisations.

## Principal risks and uncertainties

Annually, and as the need arises, the Trustees engage in a comprehensive risk assessment to vigilantly oversee the systems and practices in place for managing major strategic, business, and operational risks to which the charity is exposed. Additionally, the Trustees remain dedicated to upholding their statutory obligations, including the formulation and review of the organization's strategy and its commitment to financial probity.

The most significant risk confronting deafPLUS remains centred on funding. The potential loss or non-renewal of a substantial number of our local authority grants and contracts, coupled with any reductions in trust funding, understandably raises concerns. To mitigate this risk, we have structured our operations in a decentralized manner, with separate funding bodies supporting each of our service locations. Nevertheless, we are actively diversifying our income streams and strengthening our fundraising activities to further fortify the financial resilience of the charity.

In summary, the Trustees remain committed to the responsible stewardship of resources and continue to monitor, manage, and adapt to the evolving landscape of risks and opportunities that come our way. Our enduring focus is on ensuring the sustained provision of vital services to the communities we serve while diligently safeguarding the organization's financial stability.

## **Fundraising and income generation**

Currently, all fundraising efforts are spearheaded by our in-house team, occasionally joined by members of the public who passionately support our cause. As we approach the end of the year, we are strategically shifting our fundraising approach by enlisting the support of business ambassadors, who will actively assist us in our fundraising initiatives. To diversify our income streams, we leverage various platforms, including online and text donations, and engage in partnerships with third-party companies that enable us to generate revenue through the sale of goods and services. Notable partnerships include Amazon Smile, Give as you Live, and our collaboration with Connevens Equipment.

Our fundraising practices align with the Fundraising Regulator's Code of Fundraising Practice, and we are registered with the Fundraising Regulator, providing essential safeguards for vulnerable individuals. Importantly, we are proud to report that we received no complaints regarding our fundraising practices throughout the year.

## **Plans for the future**

We remain committed to adapting to the rapidly evolving funding landscape. Our strategy involves forging strategic alliances with other organisations, which will enable us to apply for local grants and contracts and also introduce new, vital services. These partnerships will not only facilitate the development of innovative services but also support our geographical expansion in the coming years.

Simultaneously, we are working diligently on national projects and activities that will elevate our national visibility and broaden our funding sources, allowing us to access grants specifically designated for nationwide initiatives. By doing so, we can meet the increasing demand for our services beyond our traditional "high-street" locations. Furthermore, we will continue to enhance our digital offerings, ensuring that deaf individuals can access our information and advice services from anywhere.

In 2023, our Board of Trustees, in collaboration with our CEO, will embark on a comprehensive review of our strategy based on a 'theory of change' approach. We will actively engage with our clients and the broader Deaf community to ensure their needs are fully integrated into the development of our new strategy. Additionally, we worked on internal growth, officially started in June 2023; assessing organisational health and improvements in our operational structure and systems, which will enhance staff efficiency.

## Structure, governance and management

Our Charitable Company, a limited guarantee entity, was officially incorporated on December 8, 1998, under registration number 03680467. It operates in accordance with its Memorandum and Articles of Association and was registered with the Charity Commission on January 25, 1999, under number 1073468.

The Trustees delegate the day-to-day operations of the organization to the Chief Executive, who receives support from our dedicated staff team and volunteers. Regular meetings and communication channels are in place to monitor the charity's financial and administrative progress and ensure alignment with our mission and objectives.

The company's establishment is guided by a memorandum of association that outlines its objectives and powers, governed by its articles of association. Importantly, all our trustees serve on a voluntary basis and do not receive any benefits from the charity. Any expenses incurred are transparently documented in note 7 of our accounts.

## Appointment of trustees

deafPLUS actively promotes the recruitment of new trustees through open advertising. Our governing documents require that at least 51% of the Board comprises Deaf individuals or those living with hearing loss. Therefore, our recruitment efforts target the Deaf community and also follow conventional charity recruitment channels. Interested candidates who have their CVs and credentials vetted undergo discussions with the Chair before being invited to attend a Board meeting as an observer.

## Trustee induction and training

Newly appointed trustees receive a comprehensive onboarding process, which includes providing them with a copy of "The Essential Trustee" and the deafPLUS Trustee Handbook. They are also invited to meet with our CEO and key staff members to gain insights into our organization's work. An introduction to charity accounts is provided by our Honorary Treasurer, and Trustee training is offered when necessary.

## Related parties and relationships with other organisations

None of the Trustees/Directors have any beneficial interest in the company.

There are no connected entities.

## Partnerships that have enhanced our work:

During the year we were hard at work building new partnerships through which we can deliver our work in future. These will help to secure and further improve our services, as well as enabling us to expand geographically.

We thank London Borough of Tower Hamlets for the provision of premises in Whitechapel and Rushmoor Borough Council for office accommodation in Aldershot.

### Local Consortium and Delivery Partners:

#### Tower Hamlets

Age UK East London. Service delivered as part of a consortium with REAL, Tower Hamlets Law Centre, Positive East, Apasen, Island Advice, Bromley by Bow Centre, Limehouse project. East End Citizens Advice.

Public Health England service with partnership between Real (lead partners), IMC and DEAPLUS.

#### Hackney

As a lead partners of a consortium working with Mind in Hackney, Refugee Women's Association, Royal Society for Blind Children, and Money A&E.

#### Westminster

Westminster Citizens Advice

#### Camden

Camden Disability Action, with support from London Borough of Camden.

#### Ealing

Ealing Mencap (lead partners) working with us and Nucleus, Age UK Ealing, Ealing Centre for Independent Living (ECIL), Mind Ealing and Hounslow, Havelock Family Centre, Family Action, Parents of Ealing self-help Training scheme, Centre for Armenian Information and Advice.

#### Bromley

London Borough of Bromley

#### National Lottery Adviceline

Deaf Action – sub-contracted partnership to deliver advice service across Scotland and Northern Ireland.

## Breakthrough (Deaf-Hearing Integration)

### Trustees' annual report

#### For the year ended 31 March 2023

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##### Somerset and Bath and North East Somerset

Somerset County Council, Bath & North East Borough Council, HCRG and consortium.

deafPLUS has been supported by many volunteers and expert contacts who have given freely of their time and knowledge to support all areas of the organisation ranging from the teams in the regions to advising the Board of Trustee/Directors.

We would like to thank all our partners and volunteers. Their support in assisting us to run an organisation as diverse as deafPLUS and visionPLUS is invaluable.

We would also like to thank the following funders for their philanthropic investment in our services:

- Alchemist Bar
- Big Lottery Fund
- Bromley Reform Synagogue
- City Bridge Trust
- Drapers Charitable Fund
- Eveson Charitable Trust
- High Elms Golf Course
- London Community Foundation (COVID-19 Response Fund)
- Merchant Taylors
- Peacock Trust
- PF Charitable Trust
- Rotary Club of Langley Park
- Rotary Club of Rushmoor Charity
- St Mary`s Church
- The Martin Lewis Coronavirus Charity Fund
- The Thomas Sivewright Catto Charitable Settlement
- UK Power Networks
- Yvonne Flux Charity

## Remuneration policy for key management personnel

The Charity is a member of the Living Wage Foundation and therefore is a Living Wage employer. To ensure fairness in employee pay the charity has adopted a 3:1 pay ratio –that is to say, the highest paid person in the organisation will be paid no more than three times the hourly pay of the lowest paid. The current pay ratio is 2.25.

## Statement of responsibilities of the trustees

The trustees (who are also directors of Breakthrough (Deaf-Hearing Integration) 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).

## **Breakthrough (Deaf-Hearing Integration)**

### **Trustees' annual report**

#### **For the year ended 31 March 2023**

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Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 5. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## **Auditor**

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

## **Breakthrough (Deaf–Hearing Integration)**

### **Trustees' annual report**

#### **For the year ended 31 March 2023**

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The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 31 January 2024 and signed on their behalf by

Mr David Rose  
Chair

## Independent auditor's report

To the members of

### Breakthrough (Deaf-Hearing Integration)

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## Opinion

We have audited the financial statements of Breakthrough (Deaf-Hearing Integration) (the 'charitable company') for the year ended 31 March 2023, which comprise the statement of financial activities, balance sheet, statement of cash flows 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 March 2023, as stated above, and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 Breakthrough (Deaf-Hearing Integration)'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 trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

## Independent auditor's report

### To the members of

#### Breakthrough (Deaf-Hearing Integration)

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company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

### Capability of the audit in detecting irregularities

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

- We enquired of management, and the finance committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

## Independent auditor's report

### To the members of

#### Breakthrough (Deaf-Hearing Integration)

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- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### Use of our report

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

Fleur Holden (Senior statutory auditor)

31 January 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

## Breakthrough (Deaf–Hearing Integration)

### Statement of financial activities (incorporating an income and expenditure account)

For the year end 31st March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
<b>Income from:</b>							
Donations and legacies	2	22,408	–	<b>22,408</b>	73,537	–	73,537
Charitable activities				–			
Information and advice	3	99,430	206,122	<b>305,552</b>	99,112	332,234	431,346
Advocacy	3	–	10,423	<b>10,423</b>	–	10,423	10,423
Education, wellbeing, reablement and life skills	3	50,352	386,273	<b>436,625</b>	41,423	311,220	352,643
Combined activities	3	20,219	20,461	<b>40,680</b>	15,089	15,521	30,610
Interest receivable from investments		1,215	–	<b>1,215</b>	658	–	658
<b>Total income</b>		<b>193,624</b>	<b>623,279</b>	<b>816,903</b>	229,820	669,397	899,217
<b>Expenditure on:</b>							
Raising funds	5	34,337	–	<b>34,337</b>	39,278	–	39,278
Charitable activities							
Information and advice	5	122,504	316,957	<b>439,461</b>	129,450	343,694	473,144
Advocacy	5	(108)	9,283	<b>9,175</b>	346	9,580	9,926
Education, wellbeing, reablement and life skills	5	70,145	366,170	<b>436,315</b>	78,101	303,440	381,541
Combined activities	5	16,319	16,856	<b>33,174</b>	4,338	18,142	22,480
<b>Subtotal of operating expenditure</b>		<b>243,197</b>	<b>709,266</b>	<b>952,462</b>	251,513	674,856	926,369
(Decrease) / increase in pension liability	18		–	–	(67,133)	–	(67,133)
<b>Total expenditure</b>		<b>243,197</b>	<b>709,266</b>	<b>952,462</b>	184,380	674,856	859,236
<b>Net expenditure / (income) for the year</b>	6	<b>(49,573)</b>	<b>(85,987)</b>	<b>(135,559)</b>	45,440	(5,459)	39,981
Transfers between funds		3,797	(3,797)	–	2,208	(2,208)	–
<b>Net expenditure / (income) for the year</b>		<b>(45,776)</b>	<b>(89,784)</b>	<b>(135,559)</b>	47,648	(7,667)	39,981
<b>Reconciliation of funds:</b>							
Total funds brought forward		229,962	308,801	<b>538,763</b>	182,315	316,467	498,782
<b>Total funds carried forward</b>		<b>184,186</b>	<b>219,017</b>	<b>403,203</b>	229,963	308,801	538,763

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

# Breakthrough (Deaf-Hearing Integration)

## Balance sheet

Company no. 03680467

As at 31st March 2023

	Note	£	2023 £	£	2022 £
<b>Fixed assets:</b>					
Tangible assets	12		<u>5,860</u>		<u>6,103</u>
<b>Current assets:</b>					
Stock	13	10,013		8,292	
Debtors	14	61,869		79,205	
Short term deposits		89,339		88,815	
Cash at bank and in hand		310,656		476,801	
			<u>471,877</u>	<u>653,112</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	15	(62,395)		(108,312)	
			<u>409,483</u>		<u>544,800</u>
<b>Net current assets</b>					
			<u>415,343</u>		<u>550,903</u>
<b>Total assets less current liabilities</b>					
Creditors: amounts falling due after one year	17		(12,140)		(12,140)
<b>Total net assets</b>			<u>403,203</u>		<u>538,763</u>
<b>The funds of the charity:</b>	20a				
Restricted income funds			219,017		308,801
Unrestricted income funds:					
Designated funds		2,124		2,124	
General funds		182,062		227,839	
			<u>184,186</u>	<u>229,963</u>	
<b>Total unrestricted funds</b>					
			<u>403,203</u>		<u>538,763</u>
<b>Total charity funds</b>					

Approved by the trustees on 31 January 2024 and signed on their behalf by

Mr David Rose  
Chair

## Breakthrough (Deaf–Hearing Integration)

### Statement of cash flows

For the year ended 31st March 2023

	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>				
Net expenditure / (income) for the reporting period (as per the statement of financial activities)	(135,559)		39,981	
Depreciation charges	4,040		8,358	
Interest from investments	(1,215)		(658)	
(Increase) in stocks	(1,721)		(5,377)	
Decrease in debtors	17,336		5,868	
(Increase) in creditors	(45,917)		(131,111)	
<b>Net cash (used in) / provided by operating activities</b>		(163,038)		(82,940)
<b>Cash flows from investing activities:</b>				
Interest from investments	1,215		658	
Purchase of fixed assets	(3,797)		(2,354)	
Actuarial gains / (losses) on defined benefit pension	–			
<b>Net cash provided used in investing activities</b>		(2,582)		(1,696)
<b>Change in cash and cash equivalents in the year</b>		(165,621)		(84,636)
Cash and cash equivalents at the beginning of the year		565,616		650,252
Change in cash and cash equivalents due to exchange rate movements		–		–
<b>Cash and cash equivalents at the end of the year</b>		399,995		565,616

### Analysis of cash and cash equivalents

	At 1 April 2022 £	Cash flows £	Other non- cash changes £	At 31 March 2023 £
Cash at bank and in hand	565,616	(165,621)	–	399,995
Overdraft facility repayable on demand	–	–	–	–
<b>Total cash and cash equivalents</b>	565,616	(165,621)	–	399,995
<b>Total</b>	–	–	–	–

**1 Accounting policies**

**a) Statutory information**

Breakthrough (Deaf-Hearing Integration) is a charitable company limited by guarantee incorporated in England and Wales. The registered office address is Deafplus London, Key Close, Whitechapel, LONDON, E1 4HG.

**b) Basis of preparation**

The 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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**c) Public benefit entity**

The charity meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

"The Trustees affirm their reasonable expectation that the Charity can sustain its operations as a going concern for at least the next twelve months, starting from the date of approval of these financial statements. This assertion is grounded in several key considerations:

**Cash Flow Analysis:** A revised cash flow analysis spanning from September 2023 to September 2024 has been meticulously scrutinised and approved by our Finance Sub Committee. This analysis, which takes into account reduced management and overhead costs and factors in both known and anticipated income and expenditures, has been transmitted to our auditors for their evaluation. Following a thorough evaluation, we have successfully streamlined our management expenses, enabling us to operate with minimal reliance on additional fundraising efforts. This achievement stems from the fact that a portion of our project-based costs now covers our overhead expenses.

**Diverse Range of Services:** deafPLUS has solidified agreements to provide a diverse array of services across nine local authorities, in addition to pan-London and national projects supported by charitable trusts and the National Lottery. In the event that funding for any specific project is terminated during this period, we have established protocols to promptly wind down the project, thereby containing losses within that project and safeguarding the overall financial health of the organization.

**Sustained Project Funding:** While the natural conclusion of projects is inevitable, our proactive approach to securing grants and contracts ensures a continual cycle of project inception and completion. This dynamic process, which we refer to as the "churn," provides us with confidence that we will continually replace any concluded projects with new opportunities.

**1 Accounting policies (continued)**

**Competitive Business Model:** Our analysis of the funding landscape underscores that, despite a backdrop of budget cuts and austerity measures, deafPLUS offers a compelling service portfolio characterized by quality and value for money. We remain steadfast in our belief that our business model is not only competitive but also stands out within our field of expertise.

The Trustees have taken into account the actions undertaken by our new CEO to streamline overhead and management costs, thereby addressing deficits. This strategic effort, while placing the charity under the pressure of meeting increased demands, simultaneously fortifies our foundation, enhancing operational efficiency and transparency in financial reporting.

Furthermore, we have initiated collaborative efforts with the local community and neighbouring charities to adapt and evolve in response to the evolving needs of the communities we serve. In parallel, we are engaging with local authority commissioners and grant officers to ensure that any necessary adaptations to our services are executed in a cost-effective manner, given the prevailing economic climate. These concerted efforts aim to maximize value for the people we serve while fostering partnerships with other organisations."

**e) Charitable funds**

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

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

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

**f) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Government grants are being received under the Coronavirus Job Retention Scheme designed to compensate for staff costs. Amounts received or receivable are recognised in the Statement of Financial Activities over the same period as the costs to which they relate.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**g) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.



**1 Accounting policies (continued)**

**h) Allocation of support costs**

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

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

30% of all costs is the rate for the support and governance costs, which is applied to the total specific project cost. However, depending on the nature of the project and the agreement with the individual funding body, it may fluctuate by +/- 10%.

Governance costs include those costs incurred in the governance, of the charity's assets and are primarily associated with constitutional and statutory requirements.

**i) Leases**

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

**j) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £300.

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

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

● Fixtures and fittings	33% straight line
● Computers	33% straight line
● Motor vehicles	25% straight line

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

**k) Stocks**

Stocks are stated at the lower of cost and net realisable value. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**l) Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

**m) Cash and cash equivalents**

Cash and cash equivalents include cash in hand and at bank.

**n) Creditors**

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

## Breakthrough (Deaf-Hearing Integration)

### Notes to the financial statements

#### For the year ended 31st March 2023

#### 1 Accounting policies (continued)

##### o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

##### p) Employee benefits

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

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

##### q) Retirement benefits

The charity participates in a TPT Retirement Solutions scheme. This is a multi employer defined benefit scheme which is being accounted for as a defined contribution scheme because it is not feasible to identify the charity's share of the scheme's losses. The amounts in creditors are agreed contributions to fund a deficit in the scheme.

#### 2 Income from donations and legacies

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Donations and gifts	15,725	–	15,725	17,286	–	17,286
Legacies	5,627	–	5,627	50,641	–	50,641
Coronavirus Job Retention Scheme grant	1,056	–	1,056	5,611	–	5,611
	22,408	–	22,408	73,537	–	73,537

#### 3 Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
<b>Information and Advice</b>						
Real DPO Ltd.	–	–	–	–	6,479	6,479
Age UK East London	–	21,946	21,946	–	15,386	15,386
The National Lottery Community Fund	–	–	–	–	130,864	130,864
Ealing Mencap	–	49,546	49,546	–	49,546	49,546
Westminster Deaf Support Advice Service	–	6,912	6,912	–	7,242	7,242
Merton Council	–	24,000	24,000	–	24,000	24,000
VSCL – Virgin Care Serv Ltd	99,430	–	99,430	99,112	–	99,112
Somerset County Council	–	50,000	50,000	–	50,000	50,000
Francis Winham Foundation	–	5,000	5,000	–	–	–
L B of Bromley	–	48,718	48,718	–	48,718	48,718
Sub-total for Information and advice	99,430	206,122	305,552	99,112	332,234	431,346
<b>Advocacy</b>						
East End Citizens Advice Bureau	–	10,423	10,423	–	10,423	10,423
Sub-total for Advocacy	–	10,423	10,423	–	10,423	10,423

## Breakthrough (Deaf-Hearing Integration)

### Notes to the financial statements

For the year ended 31st March 2023

#### 3 Income from charitable activities (continued)

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
<b>Education, wellbeing, reablement and life skills</b>						
L B of Hackney	-	206,861	206,861	-	165,989	165,989
LB of Tower Hamlets	-	45,214	45,214	-	45,214	45,214
The Real DPO	-	-	-	-	3,240	3,240
Camden Disability Action	-	15,295	15,295	-	-	-
LB of Hammersmith and Fulham	-	12,456	12,456	-	12,000	12,000
Ealing Council	-	15,000	15,000	-	15,000	15,000
VSCL – Virgin Care Serv Ltd	6,992	-	6,992	6,970	-	6,970
Birmingham City Council	-	30,000	30,000	-	35,125	35,125
YouChoose– Community Support project	43,360	-	43,360	34,453	-	34,453
Heart of England	-	14,595	14,595	-	14,000	14,000
Trust for London	-	20,651	20,651	-	20,652	20,652
Henry Smith Charity	-	26,200	26,200	-	-	-
Sub-total for Education, wellbeing, reablement and life skills	50,352	386,273	436,625	41,423	311,220	352,643
<b>Combined Activities</b>						
Real DPO Ltd.	-	12,478	12,478	-	-	-
Bath & Somerset Council	-	5,000	5,000	-	5,000	5,000
National Lottery Community Fund	-	-	-	-	895	895
Real DPO Ltd.	-	2,523	2,523	-	4,206	4,206
VirginCare-IPC	-	-	-	-	1,160	1,160
Peacock Trust	-	-	-	8,000	-	8,000
Adint Charitable	13,800	-	13,800	-	-	-
Tower Hamlets CVS	-	-	-	-	3,500	3,500
NHS Trust	-	460	460	-	760	760
Unrestricted Fund – General	6,419	-	6,419	7,089	-	7,089
Sub-total for Combined Activities	20,219	20,461	40,680	15,089	15,521	30,610
Total income from charitable activities	170,001	623,279	793,280	155,625	669,397	825,022

#### 4 Income from investments

	2023 Total £	2022 Total £
Interest Receivable	1,215	658
	1,215	658

All income from investments is unrestricted.

## Breakthrough (Deaf-Hearing Integration)

### Notes to the financial statements

For the year ended 31st March 2023

#### 5a Analysis of expenditure (current year)

	Charitable activities							2023	2022
	Raising funds £	Information and advice £	Advocacy £	Education, wellbeing, reablement and life skills £	Combined Activities	Governance costs £	Support costs £	Total £	Total £
Staff costs (Note 8)	33,102	269,289	5,084	226,322	9,304	–	115,837	658,939	644,375
Project direct costs	–	43,797	296	117,673	19,959	–	–	181,724	174,593
Premises Cost	–	20,893	160	5,068	–	–	4,138	30,259	34,085
Depreciation	–	–	–	–	–	–	4,040	4,040	8,358
Other premises costs	–	–	–	–	–	–	14,686	14,686	12,383
Administration	–	–	–	–	–	–	40,485	40,485	32,120
Bad debt provision	–	–	–	–	–	–	–	–	3,664
Audit fees	–	–	–	–	–	11,000	–	11,000	10,680
Legal and professional	–	–	–	–	–	2,448	–	2,448	48
Other governance costs	–	–	–	–	–	7,647	–	7,647	4,279
Other fundraising costs	1,235	–	–	–	–	–	–	1,235	1,784
	34,337	333,979	5,540	349,062	29,263	21,096	179,186	952,463	926,369
Support costs	–	93,724	3,162	78,846	3,453	–	(179,186)	–	–
Governance costs	–	11,758	473	8,407	458	(21,096)	–	–	–
<b>Total expenditure 2023</b>	<b>34,337</b>	<b>439,461</b>	<b>9,175</b>	<b>436,315</b>	<b>33,174</b>	<b>–</b>	<b>–</b>	<b>952,463</b>	
Total expenditure 2022	39,278	473,144	9,926	381,541	22,480	–	–		926,369

## Breakthrough (Deaf–Hearing Integration)

### Notes to the financial statements

For the year ended 31st March 2023

#### 5b Analysis of expenditure (prior year)

	Charitable activities					Governance costs £	Support costs £	2022 Total £
	Raising funds £	Information and advice £	Advocacy £	Education, wellbeing, reablement and life skills £	Combined Activities			
Staff costs (Note 8)	37,494	278,859	5,873	189,947	3,636	–	128,566	644,375
Other project (activities) direct costs	–	53,635	288	105,971	14,699	–	–	174,593
Premises Cost	–	23,875	180	5,547	–	–	4,483	34,085
Depreciation	–	–	–	–	–	–	8,358	8,358
Other premises costs	–	–	–	–	–	–	12,383	12,383
Administration	–	–	–	–	–	–	32,120	32,120
Bad debt provision	–	–	–	–	–	–	3,664	3,664
Audit fees	–	–	–	–	–	10,680	–	10,680
Legal and professional	–	–	–	–	–	48	–	48
Other governance costs	–	–	–	–	–	4,279	–	4,279
Other fundraising costs	1,784	–	–	–	–	–	–	1,784
	39,278	356,369	6,341	301,465	18,335	15,007	189,574	926,369
Support costs	–	107,604	3,225	74,762	3,983	–	(189,574)	–
Governance costs	–	9,171	360	5,314	162	(15,007)	–	–
<b>Total expenditure 2022</b>	<b>39,278</b>	<b>473,144</b>	<b>9,926</b>	<b>381,541</b>	<b>22,480</b>	<b>–</b>	<b>–</b>	<b>926,369</b>

## Breakthrough (Deaf-Hearing Integration)

### Notes to the financial statements

#### For the year ended 31st March 2023

#### 6 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	4,040	8,358
Operating lease rentals payable:		
Property	17,265	17,265
Equipment	3,396	3,396
Auditor's remuneration (excluding VAT):		
Audit	10,230	8,900
	<b>10,230</b>	<b>8,900</b>

#### 7 Trustees expenses

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £767 incurred by members (6 trustees) relating to attendance at meetings of the trustees. Trustee expenses was £139 in 2021/22 incurred by 2 trustees.

#### 8 Analysis of staff costs, trustee remuneration, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	610,933	599,172
Redundancy and termination costs	–	245
Social security costs	40,910	36,226
Other pension costs	7,096	8,732
	<b>658,939</b>	<b>644,375</b>

The redundancy and termination costs were settled and paid after the balance sheet date on 03/04/2023.

No employee earned more than £60,000 during the year (2022: nil).

Total emoluments to key management personnel during the year amounted to £99,892 (2022: £108,092) which relates to 4 staff (CEO/New CEO, Head of Finance, and Operation Manager (2022: 3).

## Breakthrough (Deaf-Hearing Integration)

### Notes to the financial statements

#### For the year ended 31st March 2023

##### 9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 41 (2022: 22).

Staff are split across the activities of the charity as follows (full time equivalent basis):

	2023 No.	2022 No.
Raising funds	4.0	1
Information and advice	15.0	10
Advocacy	6.0	1
Education, wellbeing, reablement and lifeskills	7.0	6
Combined Activities	2.0	1
Support	5.0	4
	<b>39</b>	<b>22</b>

##### 10 Related party transactions

There are no related party transactions to disclose for this financial year (2023: none).

Aggregate donations from related parties were £Nil (2023: £Nil).

##### 11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

##### 12 Tangible fixed assets

	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>				
At the start of the year	199,884	25,368	58,051	283,303
Additions in year	–	3,797	–	3,797
At the end of the year	199,884	29,165	58,051	287,100
<b>Depreciation</b>				
At the start of the year	199,863	19,286	58,051	277,200
Charge for the year	21	4,019	–	4,040
At the end of the year	199,884	23,305	58,051	281,240
<b>Net book value</b>				
At the end of the year	–	5,860	–	5,860
At the start of the year	21	6,082	–	6,103

All of the above assets are used for charitable purposes.

## Breakthrough (Deaf-Hearing Integration)

### Notes to the financial statements

#### For the year ended 31st March 2023

##### 13 Stock

	2023 £	2022 £
Finished goods and goods for resale	10,013	8,292
	<u>10,013</u>	<u>8,292</u>

##### 14 Debtors

	2023 £	2022 £
Trade debtors	35,992	7,350
Other debtors	5,026	5,520
Prepayments and accrued income	20,851	66,335
	<u>61,868</u>	<u>79,205</u>

##### 15 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	8,017	9,681
Trade creditors	8,667	30,835
Other creditors	1,588	898
Pension creditor	552	6,622
Accruals and deferred income (note 16)	43,571	60,276
	<u>62,395</u>	<u>108,312</u>

##### 16 Deferred income

1) Grant of £13,100 from Henry Smith Charity for the period between Apr 23 – Jun 24

	2023 £	2022 £
Balance at the beginning of the year	13,100	43,386
Amount released to income in the year	(13,100)	(43,386)
Amount deferred in the year	13,100	13,100
	<u>13,100</u>	<u>13,100</u>



**17 Creditors: amounts falling due after one year**

	2023 £	2022 £
Pension creditor	12,140	85,895
	<u>12,140</u>	<u>85,895</u>

As disclosed in note 1q to the financial statements, the amounts in creditors are agreed contributions to fund a deficit in the scheme. The agreed contributions relate to a period of three years. £552 is included in creditors due in less than one year (note 15). (2022: £6,622).

**18 Pension scheme****Scheme TPT retirement solutions – The Growth Plan**

The company participates in the 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).
- DeafPLUS' deficit contribution during the year was £5,518 (2022: £28,617).
- Deafplus' active pension scheme is the Growth Plan Series 4, which is a Defined Contribution only scheme, effective from December 2011. The number of employees participated in the scheme as at 31st March 2023 was 22 (2022: 26).

**19 Financial instruments**

	2023 £	2022 £
<b>Financial liabilities measured at fair value through profit or loss</b>		
Pension creditor	<u>12,692</u>	<u>18,762</u>

## Breakthrough (Deaf-Hearing Integration)

### Notes to the financial statements

#### For the year ended 31st March 2023

##### 20a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible assets	5,860	–	–	5,860
Current assets	188,342	2,124	219,017	409,483
Long term liabilities	(12,140)	–	–	(12,140)
<b>Net assets at 31 March 2023</b>	<b>182,062</b>	<b>2,124</b>	<b>219,017</b>	<b>403,203</b>

##### 20b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible assets	6,103	–	–	6,103
Current assets	233,876	2,124	308,801	544,801
Long term liabilities	(12,140)	–	–	(12,140)
<b>Net assets at 31 March 2022</b>	<b>227,839</b>	<b>2,124</b>	<b>308,801</b>	<b>538,763</b>

##### 21a Movements in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
<b>Restricted funds:</b>					
<b>Charitable activities</b>					
Information and advice	188,777	206,122	(316,957)	(1,333)	76,609
Advocacy	5,517	10,423	(9,283)	–	6,657
Education	99,821	386,273	(366,170)	(2,464)	117,460
Combined	4,516	20,461	(16,856)	–	8,121
<b>Other restricted funds</b>					
MAS Van appeal	8,736	–	–	–	8,736
Deaf access	1,435	–	–	–	1,435
<b>Total restricted funds</b>	<b>308,801</b>	<b>623,279</b>	<b>(709,266)</b>	<b>(3,797)</b>	<b>219,017</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Bromley Xmas Appeal	2,124	–	–	–	2,124
<b>Total designated funds</b>	<b>2,124</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,124</b>
<b>General funds</b>	<b>227,838</b>	<b>193,624</b>	<b>(243,198)</b>	<b>3,797</b>	<b>182,062</b>
<b>Total unrestricted funds</b>	<b>229,962</b>	<b>193,624</b>	<b>(243,198)</b>	<b>3,797</b>	<b>184,186</b>
<b>Total funds</b>	<b>538,763</b>	<b>816,903</b>	<b>(952,463)</b>	<b>–</b>	<b>403,203</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## Breakthrough (Deaf-Hearing Integration)

### Notes to the financial statements

#### For the year ended 31st March 2023

#### 21b Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At March 31 2022 £
<b>Restricted funds:</b>					
<b>Charitable activities</b>					
Information and advice	201,120	332,234	(343,694)	(884)	188,777
Advocacy	4,674	10,423	(9,580)	–	5,517
Education	92,750	311,220	(303,440)	(709)	99,821
Combined	7,623	15,521	(18,142)	(486)	4,516
<b>Other restricted funds</b>					
MAS Van appeal	8,736	–	–	–	8,736
Deaf access	1,564	–	–	(129)	1,435
<b>Total restricted funds</b>	<b>316,467</b>	<b>669,397</b>	<b>(674,856)</b>	<b>(2,208)</b>	<b>308,801</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Bromley Xmas Appeal	2,124	–	–	–	2,124
<b>Total designated funds</b>	<b>2,124</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,124</b>
<b>General funds</b>	<b>180,191</b>	<b>229,820</b>	<b>(184,380)</b>	<b>2,208</b>	<b>227,839</b>
<b>Total unrestricted funds</b>	<b>182,315</b>	<b>229,820</b>	<b>(184,380)</b>	<b>2,208</b>	<b>229,963</b>
<b>Total funds</b>	<b>498,782</b>	<b>899,217</b>	<b>(859,236)</b>	<b>–</b>	<b>538,763</b>

#### Purposes of restricted funds

##### Information & Advice

Funding provided to enable deafPLUS to support deaf and visually impaired clients with improved access to information, helping service users realise their legal and civil rights, responsibilities and entitlements. The funding is used to provide drop-in sessions and pre-arranged appointments where advisors can provide confidential information, advice and guidance to service users.

##### Advocacy Services

Funding received provides deaf and hard of hearing people with advice and support, such as:

- Guidance with Applications, for example Income Support, Disability Living Allowance (DLA and Attendance Allowance (AA)
- Housing advice, including Housing Benefit
- Council Tax Benefit and applying for housing
- Advice on access to council services
- Access to legal services
- Providing support at meetings with other agencies

**Purposes of restricted funds (continued)****Education, Wellbeing, Reablement and Life skills**

Funding received to provide Lipreading classes where a qualified lip reading tutor provides service users with structured support to improve their lipreading skills. Funding is also used to provide other activities and workshops, such as opportunities for users to participate in drama workshops, visits to galleries and other social activities designed to overcome social isolation and encourage healthy lifestyles.

**Combined**

Except for one agreement, all funding has been provided for responding to the challenges of the Coronavirus Pandemic. Such funding enabled deafPLUS to enhance its services in all projects. Besides these fundings there was another fund for staff training, who work for different projects.

**MAS Van appeal**

Funding received for the replacement and refurbishment of the mobile advice service vehicles.

**Deaf access**

Deaf access was the Bromley-based deaf charity DeafPLUS took over in January 2016. Their staff, assets and reserves were all transferred to DeafPLUS, and the branch is now part of the DeafPLUS network.

**Restricted Legacy**

The restricted legacy was given specifically for the purpose of activities carried out in the Bath area.

**Transfers**

The transfers relate to bringing additional funds into restricted funds to cover expenditure.

**Purposes of designated funds**

Funds earmarked from the Bromley Xmas Appeal have been designated for use by the Bromley office.

**22 Operating lease commitments payable as a lessee**

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2023	2022	2023	2022
	£	£	£	£
Less than one year	19,600	4,900	667	838
One to five years	53,900	88,200	1,501	2,558
	<b>73,500</b>	<b>93,100</b>	<b>2,168</b>	<b>3,396</b>

**23 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.