

**CUMBRIA DEAF ASSOCIATION**  
**(A company limited by guarantee)**  
**UNAUDITED**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**CUMBRIA DEAF ASSOCIATION**  
**(A company limited by guarantee)**

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**CUMBRIA DEAF ASSOCIATION**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Trustees**

Mr C Allgrove, Chair  
Mr E G Corrie, Treasurer  
Mr P A Blacklock  
Mr E A Martlew  
Mr H Wilkinson (resigned 31 October 2021)  
Mrs N G Wilkinson (resigned 31 October 2021)  
Mr R K Bingham  
Mr W T Turner  
Mrs K Goucher (appointed 31 October 2021)

**Company registered number**

03920466

**Charity registered number**

1088406

**Registered office**

5 Castle Street, Kendal, Cumbria, LA9 7AD

**Accountants**

Armstrong Watson Audit Limited, Fairview House, Victoria Place, Carlisle, Cumbria, CA1 1HP

**Bankers**

Barclays Bank Plc, 33 English Street, Carlisle, Cumbria, CA3 8JX

**Solicitors**

Burnetts Solicitors, Victoria House, Wavell Drive, Rosehill, Carlisle, Cumbria, CA1 2ST

**CUMBRIA DEAF ASSOCIATION**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

The Trustees present their annual report together with the financial statements of the charity for the year 1 April 2021 to 31 March 2022. The Annual report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

**a. Policies and objectives**

Cumbria Deaf Association is the major specialist deaf charity operating throughout Cumbria for all county residents experiencing any degree of hearing or dual sensory loss. This includes Deaf, deafened, hard of hearing and DeafBlind people.

The Charity's objectives include:

"The educational, physical, social and spiritual wellbeing of Deaf, deafened, hard of hearing and DeafBlind people of all ages and their families mainly but not exclusively in Cumbria"

To do this, we seek to involve people who are deaf, raising awareness of their rights and responsibilities and ensuring access to services by:

- Promoting the role of deaf people in the community
- Providing needs led services for individuals and groups
- Promoting positive use of all inclusive sources of information and communication
- Identifying, developing and using the skills of staff and volunteers to support these objectives.

**Key Activities**

Cumbria Deaf Association's services and projects are provided to benefit Deaf, deafened, hard of hearing and DeafBlind people of all ages as well as their families and carers, work colleagues, service providers, friends, acquaintances and local communities through a number of ways as below:

- o Specialist Information Advice and Support service
- o Communication Support Unit (Interpreting service)
- o Children and Young People and Families support and respite service
- o Family sign skills courses
- o British Sign Language skills courses
- o Deaf awareness training

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. The Trustees confirm that they adhere to that guidance through the operations and activities of the charity.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Achievements and performance**

**a. Main achievements of the Charity**

In a second difficult year for the world, CDA continued to support service users under the seemingly ever-changing restrictions imposed by the Government in mitigation for COVID-19. Staff members once again continued to provide a mix of face-to-face and online services, depending on restrictions and individual needs.

The Board continued to meet regularly throughout the year to ensure that they were appraised of the situation as it changed over the course of the year to ensure that the charity operated within its means. The General Manager continued to raise the profile of the charity within Cumbria and more widely by use of social media and other channels, supported by administrative assistants. Additionally, we provided a placement for a student from Heriott Watt University to assist with their studies and further raise the profile of CDA within the community through engagement events. A second student joined towards the end of the financial year and continues to keep in touch.

Once again, the Trustees would like to acknowledge the efforts of staff in keeping services running throughout ever-changing rules and regulations.

**Buildings**

We continue to own and operate centres in Kendal and Barrow. Barrow opened when regulations permitted, with Kendal continuing as the administrative hub, and additionally open for group activities.

The previous applications to re-classify both buildings as community centres is ongoing, with a backlog at the Valuations Office cited as the reason for delay. Efforts will continue in this respect to ensure that community funding could be available should the need arise.

In 2023 we will have both the Kendal and Barrow centre surveyed and valued to ensure appropriate figures are reflected in the financial statements, especially in light of the recent property market changes.

**Domiciliary Care and Care Packages**

Whilst not providing any personal care to service users, we continue to provide Community Support Workers for clients, most of whom are BSL users, who largely require assistance with day to day chores, meals, going out in the community, optician appointments etc.

**Children, Young People and Families**

CDA has continued to seek additional funding from the Council and other bodies to ensure that the deaf young people in the community can continue to benefit from the very important work we are able to continue to provide.

**Communication Support Unit (CSU)**

CDA's Communication Support Unit continued to provide the vital and highly valued communication support service to Deaf people, delivering over 1,000 hours of support and almost 700 assignments throughout the year including in health and education sectors.

**Sign Language tuition and Deaf Awareness training**

Having been paused for obvious reasons through the pandemic restrictions, we restarted face-to-face provision of deaf awareness training with a number of companies coming forward to request sessions. These were well received and continued to impress upon recipients the benefits of good communication.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Achievements and performance (continued)**

**Strategic Engagement**

The General Manager, as part of raising awareness of CDA, continued to engage with a number of other agencies, charities and local government departments to ensure the voice of the d/Deaf community is acknowledged, understood and acted on. CDA also endeavoured to assist, wherever possible, in ensuring that needs were met by health care providers, services, utilities and local government. Two weeks of community engagement through a "pop-up shop" allowed us to advertise our services and benefits to service users, local businesses, and the wider population of Carlisle. The events were covered by local media, giving further exposure.

**Financial review**

**a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The financial bedrock of the charity is far more stable than a year ago, with reserves on the increase again. Work by the General Manager in promoting the charity and bringing in funds from a number of sources, and other staff delivering more services have meant increased income, which is projected to continue rising.

The d/Deaf and hard of hearing community of Cumbria is well aware of the service that are offered by CDA – and the CSU continues to provide translation services to support health, education and other requests which have grown over the course of the year restrictions have further eased.

Office space on the ground floor of the Kendal building continues to be rented to a local company on an ongoing basis which is further helping with costs.

Since the end of the financial year, the charity has received the balance of a bequest which has further stabilised the financial position.

**Impact of COVID-19**

As 2021 progressed, previous provision of online services gradually returned to "face to face", allowing additional work to be done and the improved relationships with the deaf community garnered over the pandemic is again allowing us to offer emotional and practical support.

**b. Reserves policy**

The Trustees have adopted a Reserve Policy, which is that:

"Cumbria Deaf Association has a reserve fund that can, if desired, be used to make redundancy payments in circumstances where they are necessary and assist in enabling services to be carried out for three months when funding applications for these services have been unsuccessful. This reserve fund should be the equivalent of 15% of the total budgeted expenditure of the current financial year. The Trustees and Finance Sub Committee will monitor and review the position at its meetings."

**c. Results for the year**

The results for the year show a deficit of (£67,934) before an actuarial gain of £40,000. This deficit is as a result of the timing of legacy monies of £60,000 recognised as a debtor in the previous year, but being received and expended in the current year. At the year end date the charity had funds totalling £282,771, with £4,995 being restricted funds and the remainder £277,776 being unrestricted in nature.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**d. Defined Benefit Pension Scheme**

The defined benefit pension scheme showed a surplus at the year end but due to current economic conditions, the charity will see any tangible benefit, but a recalculation in this period means that the risk is somewhat mitigated. There remains one staff member in the scheme to prevent it crystallising with other staff members remaining in the alternative stakeholder pension.

**Structure, governance and management**

**a. Constitution**

Cumbria Deaf Association is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association dated 7 February 2000, as amended by special resolutions dated 21 May 2001, 13 October 2007 and 19 October 2013, with a company registration number of 03920466. The company was registered with the Charity Commission on 12 September 2001 with a registration number of 1088406.

**b. Methods of appointment or election of Trustees**

The Association is run by a Committee of Members. The Committee of Members consists of the officers of the charity (Chair, Vice Chair, Treasurer and Secretary) and at least six other persons up to a maximum of twelve persons. The Committee can appoint anyone to fill a vacancy in the membership of the Committee or can co opt additional Members of the Committee; however, no more than four extra Members can be co opted.

In accordance with the Memorandum and Articles of Association all Members of the Committee must retire at the Annual General Meeting but are eligible for re election.

**c. Organisational structure and decision-making policies**

**The Board of Trustees**

The Board of Trustees meets at least quarterly and is responsible for how Cumbria Deaf Association is run. The staff and volunteers are accountable to the Board through the General Manager.

Information and training are provided to ensure that the Trustees are well briefed with the work being undertaken by the organisation and how it is developing.

The Board is advised by Finance and Personnel sub committees. They normally meet quarterly; the former considers in detail the financial health of the Association and advises members on budgetary matters, the Personnel subcommittee considers a wide range of policy and personnel issues and again advises the Board.

In the year to 31 March 2022 the structure was as follows:

Personnel Sub Committee:

Trustees: Charlie Allgrove      Eric Martlew

Staff:      Caroline Howsley

Finance Sub Committee:

Trustees: Roger Bingham      Eric Corrie

Staff:      Caroline Howsley

**Management Structure**

Caroline Howsley as General Manager oversees the day-to-day operations of CDA including; personnel, finance, health and safety, marketing, overseen by the Board of Trustees

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Structure, governance and management (continued)**

**d. Indemnity insurance**

The Association has taken out Professional Indemnity Insurance with Victor Insurance. The policy provides indemnity for claims, including claimants' costs and expenses, made against Cumbria Deaf Association in respect of any civil liability, negligent act, error or omission incurred in the course of our professional business. The limit of indemnity is £2,000,000.

**e. Patrons**

We are very grateful indeed to the following Patrons for taking an interest in the work of the Association and supporting us in many ways:

Hal Bagot DL  
Susie Bagot MBE DL  
Sir Chris Bonington CVO CBE DL  
Gavin Borland  
Lord Bragg of Wigton  
Russell Brown  
Lord Campbell Savours of Allerdale  
Tom Campbell  
Mrs Olive Clark OBE JP DL  
The Rt Reverend Graham Dow  
Rt. Hon. Lord Cunningham of Felling PC DL PhD  
Sir Tony Cunningham  
John Dunning CBE JP DL  
Tim Farron MP  
Patrick Gordon Duff Pennington OBE DL  
Rt Hon Lord Hutton of Furness  
Lord Inglewood, DL  
Eric Martlew  
Elaine Murray  
Ken Pallister  
Jamie R. Reed  
John Wills OBE FCA DL

**f. Risk Management**

CDA has continued to engage with cross sector partners to optimise the potential for service development and related income generation. Dialogues were continued with the County Council, Health Trusts and Department for Works and Pensions, amongst others, to develop a more strategic, cohesive and financially attractive process to maintain and progress the development of community activities and services for Cumbrian residents with any degree of hearing or dual sensory loss.

The Board continued with a program of regular meetings to ensure that the financial position has been closely monitor financial performance.



**CUMBRIA DEAF ASSOCIATION**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Plans for future periods**

Continued use of social media allows us to keep in touch with the deaf community, raise our profile and promote our services. Increasing networking activity and engagement from other organisations and professionals has resulted in positive partnership activity since this financial reporting period.

Additional community engagement staff will be recruited to allow the General Manager to concentrate on the running of the business. This will further engage the community, providing additional events and interaction and will be funded by grants from a number of sources.

The staff, volunteers and Trustees shared ideas for the future of CDA and an activity wish list, from which 10 objectives were defined for our post-covid emergence into face-to-face activity. Having clearly defined objectives enabled us to utilise existing resources, identify gaps and it meant that it was easier for people to offer help because they knew what we needed. This model will be used each year to ensure CDA as an organisation and the community we support, have shared input and clarity of vision. It also enables us to have defined outcome measurements in the future to provide to grant funders.

The charity continues to look to secure funding to enhance d/Deaf community support and address the apparent growing marginalisation and increased sense of social isolation and exclusion expressed by many deaf community members, exacerbated by the lack of access to mainstream services and support.

**Acknowledgements**

Cumbria Deaf Association is supported by a significant number of funders and individuals, without which we could not operate effectively. We are also indebted to the people who have generously remembered us in their wills. Our gratitude is extended to all the agencies, organisations and individuals from which we received funding during the year to 31 March 2022.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

.....  
**Mr C Allgrove**  
Chairman  
Date:

**CUMBRIA DEAF ASSOCIATION**  
**(A company limited by guarantee)**

**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Independent examiner's report to the Trustees of Cumbria Deaf Association ('the Charity')**

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2022.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

I have completed my examination. I confirm that no matters, other than those fully detailed below, have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

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**INDEPENDENT EXAMINER'S REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**Matter of concern - Going concern**

As disclosed in note 2.2 to the accounts and in the Trustees' Report on page 4 of the accounts, the Trustees have assessed the going concern of the charity. The charity is developing its services once more after scaling back in recent years due to the loss of a significant contract. The charity is also undertaking a cost reduction exercise to gain a sound cost base moving forward in the future. However until the receipt of further revenue on a consistent basis is coming into the charity to match the planned cost base, a material uncertainty continues to exist that may cast doubt on the charity's ability to continue as a going concern.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated:

Karen Rae FCCA

ARMSTRONG WATSON AUDIT LIMITED  
Chartered Accountants, Carlisle

**CUMBRIA DEAF ASSOCIATION**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	3	-	21,983	21,983	149,845
Charitable activities	4	-	68,369	68,369	190,856
Investments	5	-	4	4	-
Other income	6	-	5,935	5,935	10,202
<b>Total income</b>		-	96,291	96,291	350,903
<b>Expenditure on:</b>					
Raising funds	7	-	11,125	11,125	33,428
Charitable activities	8	-	153,100	153,100	211,353
<b>Total expenditure</b>		-	164,225	164,225	244,781
<b>Net movement in funds before other recognised gains</b>		-	(67,934)	(67,934)	106,122
<b>Other recognised gains:</b>					
Actuarial gains on defined benefit pension schemes	20	-	40,000	40,000	161,000
<b>Net movement in funds</b>		-	(27,934)	(27,934)	267,122
<b>Reconciliation of funds:</b>					
Total funds brought forward		4,995	305,710	310,705	43,583
Net movement in funds		-	(27,934)	(27,934)	267,122
<b>Total funds carried forward</b>		4,995	277,776	282,771	310,705

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 14 to 31 form part of these financial statements.

**CUMBRIA DEAF ASSOCIATION**  
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**REGISTERED NUMBER: 03920466**

**BALANCE SHEET**  
**AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	13	<b>186,374</b>	200,645
		<b>186,374</b>	200,645
<b>Current assets</b>			
Debtors	15	<b>84,597</b>	143,997
Cash at bank and in hand		<b>22,903</b>	22,681
		<b>107,500</b>	166,678
Creditors: amounts falling due within one year	16	<b>(11,103)</b>	(17,618)
<b>Net current assets</b>		<b>96,397</b>	149,060
<b>Total assets less current liabilities</b>		<b>282,771</b>	349,705
<b>Net assets excluding pension asset / liability</b>		<b>282,771</b>	349,705
Defined benefit pension scheme asset / liability	20	-	(39,000)
<b>Total net assets</b>		<b>282,771</b>	310,705
<b>Charity funds</b>			
Restricted funds:			
Restricted funds	17	<b>4,995</b>	4,995
Total restricted funds	17	<b>4,995</b>	4,995
Unrestricted funds			
Unrestricted funds excluding pension asset	17	<b>277,776</b>	344,710
Pension reserve	17	-	(39,000)
Total unrestricted funds	17	<b>277,776</b>	305,710
<b>Total funds</b>		<b>282,771</b>	310,705

**CUMBRIA DEAF ASSOCIATION**  
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**REGISTERED NUMBER: 03920466**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2022**

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

.....  
**Mr C Allgrove**  
Chairman  
Date:

The notes on pages 14 to 31 form part of these financial statements.

**CUMBRIA DEAF ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. General information**

The charity is a company limited by guarantee incorporated in England and Wales and a registered charity with charity number 1088406. The registered office address is 5 Castle Street, Kendal, Cumbria, England, LA9 7AD.

The principal activity of the charity is being the major specialist deaf charity operating throughout Cumbria for all county residents experiencing any degree of hearing or dual sensory loss.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Cumbria Deaf Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

On 11th March 2020 the World Health Organisation announced that COVID-19 was a global pandemic which led to enforced restrictions and business closures being introduced by the UK Government. Whilst the UK is now out of lockdown measures, the economic impact of the pandemic is still being felt. At the time of approving the financial statements, the Trustees have considered the ongoing influence on the operations and finances of the charity. New working methods have been successfully implemented which have allowed all services to continue to be delivered to service users.

The Trustees have also reviewed the circumstances that led to the significant reduction in incoming resources and subsequent reduction in funds, and the implications on the ongoing viability of the charity's operations. Significant legacy income has been received since the year end and requests for the charity's charitable activities have increased post year end. The charity continues to undertake a cost reduction exercise to minimise costs and for this reason, the Trustees consider the going concern basis to be appropriate, with a full assessment included in the Trustees' Report.



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

**2. Accounting policies (continued)**

**2.3 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

**CUMBRIA DEAF ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**2. Accounting policies (continued)**

**2.5 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2% Straight line
Fixtures and fittings	-	15% Reducing balance
Office equipment	-	10% Straight line

**2.6 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.7 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.8 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**2.9 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.10 Pensions**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

The charity also operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 2 December 2018.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)**

**2.11 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**3. Income from donations and legacies**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Donations	6,780	<b>6,780</b>
Legacies	1,123	<b>1,123</b>
Grants	14,080	<b>14,080</b>
	<hr/> 21,983 <hr/>	<hr/> <b>21,983</b> <hr/>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	12,375	12,375
Legacies	130,000	130,000
Grants	7,470	7,470
	<hr/> 149,845 <hr/>	<hr/> 149,845 <hr/>

**4. Income from charitable activities**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Income from charitable activities	68,369	<b>68,369</b>
	<hr/>	<hr/>

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**4. Income from charitable activities (continued)**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Income from charitable activities	190,856	190,856

**5. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Investment income	4	4	-

**6. Other incoming resources**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Rental income	5,065	<b>5,065</b>
Other income	870	<b>870</b>
	<b>5,935</b>	<b>5,935</b>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
COVID 19 business support grant	9,700	9,700
Job Retention Scheme income	502	502
	<b>10,202</b>	<b>10,202</b>

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**7. Expenditure on raising funds**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Costs of raising voluntary income	11,125	<b>11,125</b>

**Costs of raising voluntary income (continued)**

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Costs of raising voluntary income	30,962	30,962
Costs of raising voluntary income - wages and salaries	2,466	2,466
	<u>33,428</u>	<u>33,428</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2022 £</b>	<b>Total 2022 £</b>
Statutory Services	142,987	<b>142,987</b>
Training Services	10,113	<b>10,113</b>
	<hr/> 153,100	<hr/> <b>153,100</b>

	<i>Unrestricted funds 2021 £</i>	<i>Total 2021 £</i>
Statutory Services	191,364	191,364
Training Services	19,989	19,989
	<hr/> 211,353	<hr/> 211,353

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>
Statutory Services	60,071	82,916	<b>142,987</b>
Training Services	-	10,113	<b>10,113</b>
	<hr/> 60,071	<hr/> 93,029	<hr/> <b>153,100</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Analysis of expenditure by activities (continued)**

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Statutory Services	128,083	63,281	191,364
Training Services	-	19,989	19,989
	<u>128,083</u>	<u>83,270</u>	<u>211,353</u>

**Analysis of direct costs**

	<b>Statutory Services 2022 £</b>	<b>Total funds 2022 £</b>
Staff costs	58,791	<b>58,791</b>
Stationery, postage, phone & sundries	600	<b>600</b>
Consultancy fees	680	<b>680</b>
	<u>60,071</u>	<u><b>60,071</b></u>

	<i>Statutory Services 2021 £</i>	<i>Total funds 2021 £</i>
Pension finance costs	4,000	4,000
Staff costs	120,947	120,947
Travel costs	2,280	2,280
Consultancy fees	856	856
	<u>128,083</u>	<u>128,083</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Statutory Services 2022 £</b>	<b>Training Services 2022 £</b>	<b>Total funds 2022 £</b>
Staff costs	41,197	-	<b>41,197</b>
Depreciation	14,271	-	<b>14,271</b>
Stationery, postage, phone & sundries	588	-	<b>588</b>
Light & heat	3,135	-	<b>3,135</b>
Repairs and maintenance	1,584	-	<b>1,584</b>
Insurance	2,713	-	<b>2,713</b>
ICT Support	8,274	-	<b>8,274</b>
Marketing	3,754	-	<b>3,754</b>
Training and recruitment	413	-	<b>413</b>
Other costs	1,955	10,113	<b>12,068</b>
Governance costs	5,031	-	<b>5,031</b>
	<b>82,915</b>	<b>10,113</b>	<b>93,028</b>
	<i>Statutory Services 2021 £</i>	<i>Training Services 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	559	-	559
Depreciation	14,329	-	14,329
Light & heat	836	-	836
Insurance	698	-	698
ICT support	4,326	-	4,326
Marketing	7,050	-	7,050
Other costs	20,161	19,989	40,150
Governance costs	15,322	-	15,322
	<b>63,281</b>	<b>19,989</b>	<b>83,270</b>



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**NOTES TO THE FINANCIAL STATEMENTS  
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**10. Independent examiner's remuneration**

	<b>2022</b> £	2021 £
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	<b>4,500</b>	4,700

**11. Staff costs**

	<b>2022</b> £	2021 £
Wages and salaries	<b>91,502</b>	109,360
Social security costs	<b>1,383</b>	6,604
Contribution to defined contribution pension schemes	<b>6,103</b>	7,008
Operating costs of defined benefit pension schemes	<b>1,000</b>	1,000
	<b>99,988</b>	123,972

The average number of persons employed by the Charity during the year was as follows:

	<b>2022</b> No.	2021 No.
Administrative staff	<b>7</b>	6

No employee received remuneration amounting to more than £60,000 in either year.

During the year remuneration amounting to £34,603 (2021 - £9,580) and was payable to 1 member of staff (2021 - 1 member of staff) deemed to be key management.

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Tangible fixed assets**

	Freehold property £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2021	289,299	67,384	24,994	381,677
At 31 March 2022	289,299	67,384	24,994	381,677
<b>Depreciation</b>				
At 1 April 2021	139,110	28,577	13,345	181,032
Charge for the year	5,786	6,738	1,747	14,271
At 31 March 2022	144,896	35,315	15,092	195,303
<b>Net book value</b>				
At 31 March 2022	144,403	32,069	9,902	186,374
At 31 March 2021	150,189	38,807	11,649	200,645

**14. Fixed asset investments**

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 April 2021	10,000
At 31 March 2022	10,000
<b>Impairment</b>	
At 1 April 2021	10,000
At 31 March 2022	10,000

At the previous year end date, the Trustees considered the valuation of the investment in Deaf UK Limited and believed that due to the dormant status of the company's operations the value of the investment was impaired and held a more realistic value of £Nil.

On 5 July 2022, the company was dissolved at Companies House.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Debtors**

	<b>2022</b> £	<i>2021</i> £
<b>Due within one year</b>		
Trade debtors	<b>13,906</b>	<i>13,997</i>
Other debtors	<b>70,691</b>	<i>130,000</i>
	<u><b>84,597</b></u>	<u><i>143,997</i></u>

**16. Creditors: Amounts falling due within one year**

	<b>2022</b> £	<i>2021</i> £
Trade creditors	<b>1,081</b>	<i>8,960</i>
Other taxation and social security	<b>4,289</b>	<i>2,085</i>
Other creditors	<b>1,033</b>	<i>1,873</i>
Accruals and deferred income	<b>4,700</b>	<i>4,700</i>
	<u><b>11,103</b></u>	<u><i>17,618</i></u>

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

**17. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General Funds - all funds	344,710	96,291	(163,225)	-	277,776
Pension reserve	(39,000)	-	(1,000)	40,000	-
	<u>305,710</u>	<u>96,291</u>	<u>(164,225)</u>	<u>40,000</u>	<u>277,776</u>
<b>Restricted funds</b>					
Smart Energy in Communities	<u>4,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,995</u>
<b>Total of funds</b>	<u><u>310,705</u></u>	<u><u>96,291</u></u>	<u><u>(164,225)</u></u>	<u><u>40,000</u></u>	<u><u>282,771</u></u>

Smart Energy in Communities - this funding was provided to allow the Charity to support service users during the process of switching to smart energy meters.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 March 2021 £</i>
<b>Unrestricted funds</b>					
General Funds	233,588	350,903	(239,781)	-	344,710
Pension reserve	(195,000)	-	(5,000)	161,000	(39,000)
	<u>38,588</u>	<u>350,903</u>	<u>(244,781)</u>	<u>161,000</u>	<u>305,710</u>
<b>Restricted funds</b>					
Smart Energy in Communities	<u>4,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,995</u>
<b>Total of funds</b>	<u><u>43,583</u></u>	<u><u>350,903</u></u>	<u><u>(244,781)</u></u>	<u><u>161,000</u></u>	<u><u>310,705</u></u>

**CUMBRIA DEAF ASSOCIATION**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	305,710	96,291	(164,225)	40,000	277,776
Restricted funds	4,995	-	-	-	4,995
	<u>310,705</u>	<u>96,291</u>	<u>(164,225)</u>	<u>40,000</u>	<u>282,771</u>

**Summary of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	38,588	350,903	(244,781)	161,000	305,710
Restricted funds	4,995	-	-	-	4,995
	<u>43,583</u>	<u>350,903</u>	<u>(244,781)</u>	<u>161,000</u>	<u>310,705</u>

**19. Analysis of net assets between funds**

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

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	186,374	186,374
Current assets	4,995	102,505	107,500
Creditors due within one year	-	(11,103)	(11,103)
<b>Total</b>	<u>4,995</u>	<u>277,776</u>	<u>282,771</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Analysis of net assets between funds (continued)**

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

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	200,645	200,645
Current assets	4,995	161,683	166,678
Creditors due within one year	-	(17,618)	(17,618)
Provisions for liabilities and charges	-	(39,000)	(39,000)
<b>Total</b>	<u>4,995</u>	<u>305,710</u>	<u>310,705</u>

**20. Pension commitments**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund.

The Charity operates a defined benefit pension scheme.

The charity contributes to the Cumbria Local Government pension scheme on behalf of some of its employees to provide benefits based on final pensionable pay. Contributions are charged to the income and expenditure account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

At the year end date £1,033 was outstanding in respect of contributions payable to the pension schemes by the charity (2021 - £1,873).

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>At 31 March 2022 %</b>	<i>At 31 March 2021 %</i>
Discount rate	<b>2.8</b>	2.1
Inflation assumption	<b>3.4</b>	2.7
Future salary increases	<b>4.9</b>	4.2
Future pension increases	<u><b>3.5</b></u>	<u>2.8</u>

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**20. Pension commitments (continued)**

	<b>At 31 March 2022 Years</b>	<i>At 31 March 2021 Years</i>
Mortality rates (in years)		
- for a male aged 65 now	<b>22.6</b>	22.7
- at 65 for a male aged 45 now	<b>24.1</b>	24.3
- for a female aged 65 now	<b>25.3</b>	25.3
- at 65 for a female aged 45 now	<b>27.1</b>	27.2
	<hr/> <hr/>	<hr/> <hr/>

The Charity's share of the assets in the scheme was:

	<b>At 31 March 2022 £</b>	<i>At 31 March 2021 £</i>
Equities	<b>1,357,000</b>	1,390,000
Corporate bonds	<b>653,000</b>	637,000
Property	<b>352,000</b>	290,000
Cash and other liquid assets	<b>108,000</b>	148,000
Other	<b>1,396,000</b>	1,154,000
<b>Total fair value of assets</b>	<hr/> <b>3,866,000</b> <hr/>	<hr/> 3,619,000 <hr/>

The actual return on scheme assets was £348,000 (2021 - £582,000).

The amounts recognised in the Statement of financial activities are as follows:

	<b>2022 £</b>	<i>2021 £</i>
Current service cost	<b>1,000</b>	1,000
Interest income	<b>(75,000)</b>	(74,000)
Interest cost	<b>75,000</b>	78,000
<b>Total amount recognised in the Statement of financial activities</b>	<hr/> <b>1,000</b> <hr/>	<hr/> 5,000 <hr/>



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**20. Pension commitments (continued)**

Movements in the present value of the defined benefit obligation were as follows:

	<b>2022 £</b>
Opening defined benefit obligation	<b>3,658,000</b>
Current service cost	<b>1,000</b>
Interest cost	<b>75,000</b>
Actuarial (gains)/losses	<b>(16,000)</b>
Benefits paid	<b>(101,000)</b>
<b>Closing defined benefit obligation</b>	<b>3,617,000</b>

Movements in the fair value of the Charity's share of scheme assets were as follows:

	<b>2022 £</b>
Opening fair value of scheme assets	<b>3,619,000</b>
Expected return on assets	<b>75,000</b>
Actuarial gains	<b>273,000</b>
Benefits paid	<b>(101,000)</b>
<b>Closing fair value of scheme assets</b>	<b>3,866,000</b>

The actuarial valuation at the year end date resulted in an asset position for the Scheme of £249,000. This is not reflective of the true position given the current economic conditions in place as the charity will not receive any economic benefit or repayment of scheme monies therefore an asset ceiling has been applied to reflect a £nil position on the balance sheet. This asset ceiling has been offset against actuarial gains and losses within the Statement of Financial Activities within the financial statements.

**21. Related party transactions**

The charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the charity at 31 March 2022.