

ACTION FOR DEAFNESS

England & Wales · Charity number 1122579

Details

Other names	WEST SUSSEX DEAF & HARD OF HEARING ASSOCIATION
Status	Registered
Legal form	Charitable company
Company number	06205458
Registered	2008-02-04
Register	View on the Charity Commission register

Contact

Address	Action for Deafness 22-24 Sussex Road Haywards Heath RH16 4EA
Phone	01444415582
Email	info@actionfordeafness.org.uk
Website	www.actionfordeafness.org.uk

Activities

Objects: TO ENABLE PERSONS WHO ARE DEAF, DEAFENED, HARD OF HEARING OR DEAFBLIND AND TO PROVIDE THEM WITH OPPORTUNITIES FOR INDEPENDENT LIVING BY THE PROVISION OF AN INFORMATION AND ADVICE SERVICE, RESOURCE CENTRES AND BY THE PROVISION OF GRANTS.

Activities: Provision of services for deaf and hard of hearing people .

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Disability
- **Who:** People With Disabilities

Geography

- **Area of benefit:** WEST SUSSEX
- Brighton And Hove
- East Sussex
- Surrey
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2024-06-30	£2,005,435	£2,057,402	£1,564,268	14
2023-06-30	£2,199,858	£1,991,486	£1,603,735	14
2022-06-30	£2,135,690	£1,750,287	£1,395,363	11
2021-06-30	£1,545,946	£1,356,661	£1,009,960	11
2020-06-30	£1,417,738	£1,488,660	£820,674	15

Trustees

Name	Role	Appointed
Brian Thomas Cook		2022-12-05
Eamonn Sean Skyrme		2016-11-22
JANE SHAW		2024-12-17

Accounts

Charity registration number 1122579

Company registration number 06205458 (England and Wales)

ACTION FOR DEAFNESS

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

ACTION FOR DEAFNESS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R Hewitt Mr M D Clark Mr E S Skyrme Mr B T Cook	
Key Management Personnel	Jane Shaw (CEO) Tom Horwood (CEO)	(CEO until 30 June 2024, advisor to the Board from 1 July 2024) (Appointed 10 June 2024)
Charity number	1122579	
Company number	06205458	
Registered office	22 Sussex Road Haywards Heath West Sussex RH16 4EA	
Auditor	Crowe U.K. LLP Medway Bridge House 1-8 Fairmeadow Maidstone Kent ME14 1JP	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Accountants	Carpenter Box Amelia House Crescent Road Worthing BN11 1RL	

ACTION FOR DEAFNESS

CONTENTS

	Page
Trustees' report	1 - 7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 25

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2024

The trustees present their annual report together with the audited financial statements of the charitable company for the period 1 July 2023 to 30 June 2024. 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 charitable company 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

The charitable purposes of the company are to enable persons who are Deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, Resource Centres and by the provision of grants.

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)'.

b. Strategies for achieving objectives

Action for Deafness' ('AFD') strategic aim is to support the concepts of empowerment, independent living and social inclusion. The charitable company believes that by providing the services for their client base, significant success is achieved in helping those who are in some way vulnerable in our society.

c. Activities undertaken to achieve objectives

Adult rehabilitation audiology services were provided on behalf of two NHS Integrated Care Boards (ICBs): NHS Sussex ICB and NHS Surrey Heartlands ICB. AFD also provided audiology services for patients on a non-contractual basis from other ICBs who exercised their patient choice. Any surplus from this work will be used by AFD to provide services to its users.

d. Patrons

AFD is fortunate to have the following four patrons and gratefully acknowledges their support: The Rt. Hon. the Lord Soames of Fletching, Annette Crosbie OBE, Judy Parfitt and Julia Donaldson CBE.

e. Principal funding and contracts

AFD had contracts with two ICBs – NHS Sussex ICB and NHS Surrey Heartlands ICB. AFD is contracted to provide audiology services for those aged 55 or over from bases in these areas. There is no guaranteed income from the contracts as patients have a choice of service provider and the fees follow the patient. AFD also has a second contract with NHS Sussex ICB to provide audiology services to those under the age of 55 and for more complex cases.

Achievements and performance

a. Review of activities

To become a Qualified Provider of services to the NHS it was necessary to obtain accreditation from the United Kingdom Accreditation Service (UKAS). AFD was very proud to become the first organisation in the country to be accredited against the IQIPS V1 standards by the UK Accreditation Service in December 2012. The charitable company must complete the UK Accreditation Service (UKAS) online tool annually in order to confirm ongoing compliance with the 128 standards and the charitable company is also inspected on an annual basis in order to retain accreditation. AFD is also accredited to deliver complex audiology services. AFD was accredited against IQIPS V2 in June 2022. This was reconfirmed in May 2024.

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

The charitable company is required to complete and submit annually both the NHS Safeguarding Standards Assurance online tool and the Data Protection online tool for each ICB with which contracts are in place.

All staff are trained to adhere to the NHS Information Governance policies to ensure compliance with data protection and client confidentiality initiatives. A robust mandatory training programme for staff is in place.

Action For Deafness is proud of its more than 30-year history of support for people who are Deaf and hard-of-hearing, and its high reputation among patients and the clinical community. It once again demonstrated to the NHS excellent performance in its audiology contracts. AFD carried out nearly 17,500 booked appointments with patients, an increase of about 6% on the previous year, and recorded over 8,000 walk-in appointments. AFD supported nearly 14,000 individual patients during the year.

In May 2024, the UK Accreditation Service carried out its annual accreditation assessment and concluded:

"The Service is welcoming, friendly, and responsive to patient needs. All members work extremely hard to ensure that they provide the best patient-centred care that they can and that all those who have contact with the service benefit from the best possible experience."

This conclusion is echoed by the numerous examples of positive patient and GP feedback that AFD receives continually.

b. Additional charitable services

Funding the charitable activities has always been the core objective for AFD. AFD provides drop-in services at Haywards Heath and Worthing for patients who require repairs, re-tubing, batteries, information and signposting. AFD also provides grants for independent weekly Deaf Hubs at both Haywards Heath and Worthing for service users to meet and socialise and to attend presentations including mental health awareness, fire safety, WSCC sensory services and others.

Replacement aids are available, free of charge, to patients who have lost their hearing aid.

Grants are available for Deaf and hard of hearing service users to assist with specific projects and initiatives.

AFD can provide equipment and environmental aids free of charge to vulnerable patients or war veterans.

The AFD information service is supported by the web site: www.actionfordeafness.org.uk.

AFD also provides a private audiology service for those patients who do not wish to use the NHS service and a private wax removal by micro-suction service.

c. Staff

Jane Shaw, our CEO retired at the end of the financial year after nearly 30 years with AFD, starting off as a volunteer, Trustee and Chair before being appointed Volunteer Services Coordinator and then CEO in 2007. The trustees are extremely grateful for Jane's commitment and dedication to seeing the organisation through many changes leading to the charity's high reputation for exemplary patient services in delivering audiology services.

The trustees are pleased to welcome Tom Horwood, an experienced CEO in public services and former national charity Chair, who was appointed as CEO of AFD in June 2024. The trustees look forward to taking the charity forward under his management.

The trustees would also like to thank all staff for their hard work and commitment to the charity throughout the year.

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 30 JUNE 2024**

d. Fundraising activities and income generation

The trustees are grateful to all those who provided funds in this year, including:

D Abrahams
Adur East Lions Club
Mr G Boyd
Mrs E Carter
Miss P Chittenden
Mr J Eccles
Mr J Hinze
NHS Surrey Heartlands Integrated Care Board
NHS Sussex Integrated Care Board
Mr C Pettet
Sompting Masonic Lodge
Mr A Tait
K Whiteley
Mr P Wilkins

In addition, the trustees are very grateful to have received a legacy from the Estate of the late Miss MJ Kennedy.

There are other contributors to whom gratitude is due, but who wish to remain anonymous. Donations are also received electronically via Just Giving, Memory Giving and Top Cash Back. Thanks are also due to those clients who made donations on site or via BACS transfer and to the friends and families of those who nominate AFD as the recipient of funeral collections.

AFD can only operate within the resources available but the trustees believe it is doing so efficiently. This remains a constant challenge.

e. Investment policy and performance

The trustees' policy remains unchanged in that they are unwilling to risk the charitable company's funds, so no amounts have been invested and all funds are held as deposits with banks which are considered to be low risk.

f. Fundraising policy

AFD is registered with the Fundraising Regulator. All fundraising activities have been carried out according to the requirements of the Fundraising Regulator and in accordance with AFD's Fundraising Policy. No complaints have been received.

The charitable company does not engage professional fundraisers or commercial participators in fundraising activity.

- All fundraising schemes carried out on behalf of the charitable company must be approved by the CEO and carried out in accordance with the charitable company's fundraising policy.
- AFD is not aware of any failure to comply with the fundraising policy
- All charitable company fundraising activities carried out are approved and monitored by the CEO and reported at trustee meetings
- The charitable company has received no complaints about fundraising for the charitable company.
- The charitable company's fundraising policy explicitly forbids unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure in the course of, or relating to, fundraising for the charitable company.

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

Financial review

a. Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the financial year 2024-25. The trustees have considered relevant information, including the charity's principal risks and uncertainties, the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. Whilst the audiology contract always has an uncertain future it is considered that there are sufficient reserves to continue to service our beneficiaries. Should the contracts cease the charity will then be in a better position for fundraising from other sources in order for it to continue to fulfil its objectives. Based on these assessments and having regard to the resources available to the charity, the trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and financial statements.

b. Reserves policy

At the year end all funds are unrestricted and amount to £1,564,268 (2023: £1,603,735). It is the policy of the trustees to maintain a level of reserves sufficient to cover three months anticipated expenditure which is approximately £520,000 (2023: £540,000). Free Reserves is currently £1,424,667 (2023: £1,456,821) which significantly exceeds this requirement. The surplus of £904,667 (2023 - £916,821) will be retained to address any shortfalls in income or to respond to market conditions as required in addition to funding additional activities.

The trustees prepare and review a financial risk analysis annually which considers the impact of reduced income scenarios on reserves. This takes account of various cost saving options relating to audiology and overheads.

c. Financial results

The charitable company has delivered high quality services to nearly 14,000 patients, achieved its contractual targets, and provided much-appreciated charitable services. A lower number of appointments and some higher-than-expected costs (due to senior recruitment and responding to last year's data breach) resulted in a modest deficit. The Business Plan for 2024/25 takes steps to maximise efficiency and income in the coming year.

Structure, governance and management

a. Constitution

Action for Deafness is registered as a charitable company limited by guarantee. The company is constituted under a Memorandum of Association dated 5 April 2007 (company number 06205458) and is a registered charity number 1122579. It is exempt from the use of the word "Limited".

b. Trustees

The management of the charitable company is the responsibility of the trustees who are elected and co-opted under the terms of the Memorandum of Association. The persons who served as trustees during the year, together with their relevant position on the Board and any office held are listed on the Legal and Administrative Information page.

The trustees held 5 meetings during the year. The meetings attendance record is as follows:

Trustee	Meetings Attended
Mr R Hewitt	5
Mr M Clark	5
Mr B Cook	5
Mr E Skyrme	3

c. Organisational structure and decision-making policies

The day to day running of the charitable company's activities is delegated to the CEO who reports to the trustees. The CEO operates under a wide-ranging delegated responsibility. It has always been the policy that where trustee expertise may be helpful, the CEO and individual trustees work together.

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

The business of AFD is managed through an Executive Committee formed of all the appointed trustees. The committee meets formally at least four times a year and on additional occasions where decisions are required before the next formal meeting.

The trustees have given the CEO the authority needed to conduct the day to day working business of the charitable company and the CEO attends and reports to each meeting of the Executive Committee. Decisions regarding major expenditure are taken by the trustees.

d. Policies adopted for the induction and training of trustees

The charitable company relies upon the guidance issued by the Charities Commission in relation to the induction and training of trustees.

e. Pay policy for key management personnel

The trustees consider the board of directors, who are the trustees, and the CEO the key management personnel of the charitable company in charge of direction and governance, controlling, running and operating the charitable company on a day to day basis. All trustees give of their time freely and no trustee received remuneration in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charitable company, the trustees benchmark the CEO's salary against pay levels in other charitable organisations of a similar size and nature. The senior management team determine all other salaries using market forces, CPI and performance as benchmarks.

f. Compliance with the Charity Governance Code

The trustees maintain an ongoing review of governance with reference to guidance from the Charity Commission, the Fundraising Regulator and the Charity Commission Governance Code.

Compliance with operational governance is confirmed by UKAS annually and by NHS reporting standards on a monthly basis.

The trustees have reviewed the organisation's governance for compliance with the Charity Commission Governance Code and have a clear knowledge of minor areas of risk for improvement. This review found no areas with material deficiencies.

g. Streamlined Energy and Carbon Reporting (SECR)

Compliance with Streamlined Energy and Carbon Reporting (SECR) is not a legal requirement for AFD. We do have an Environmental Policy statement in which we recognise that our operations impact on the environment at local level. As such we are committed to safeguarding the environment and striving to prevent pollution.

AFD has an Environmental, Social and Governance (ESG) Strategy which sets out the status of the work and current and planned activity.

h. Financial risk management

The trustees manage risk by way of a risk register which considers the key areas of governance, operational, financial, environmental and compliance. Each area is reviewed for potential risk, potential impact of risk and steps for mitigation. The trustees, together with the CEO, review all operations and update the register annually.

Financial risk and reserves are further managed using budgetary control and monthly management accounts reporting. Sources of both current and future income are considered during risk reviews. At the year end all reserves are unrestricted but the trustees have previously set aside designated funds in order to ensure that assets which are critical to the operation of the charitable company can be purchased when the need arises.

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

The operational team is small which allows the charitable company to be flexible and responsive to changes in the needs of its client base. The Executive Committee has adopted a policy of individual trustees taking an active role in the work of the charitable company and should problems arise solutions are found quickly and effectively.

On 24 July 2023, it came to the attention of the Chief Executive Officer that the security of data had been breached by a member of staff who was leaving. The incident was reported to the trustees, all affected patients, the NHS Commissioners, the Information Commissioner's Office, the Charity Commission, UKAS, HCPC and the Police via Action Fraud. The ICO, the NHS commissioners, the Charity Commission and UKAS subsequently confirmed that they considered the matter closed.

Plans for future periods

The overall aim is to continue to provide services as efficiently and effectively as possible to meet the current and future demands of beneficiaries. It is not the trustees' intention to over-extend the resources available, but it is the intention to meet the complementary objectives of the charitable remit and operate with business-like discipline.

The trustees are aware that NHS Sussex ICB has carried forward legacy contractual arrangements and intends to commence re-procurement in the future. A firm timetable has not been confirmed, but the trustees continue to consider their options, noting that the contract represents the majority of the charity's income.

The mission statement of the charitable company is "Making things happen for Deaf and hard of hearing people". The trustees and staff will continue to enhance and improve the services to meet the needs of service users. They will continue to:

- seek additional funding
- work closely with the NHS ICBs
- apply financial management and control on all activities
- seek to maintain capability within the staff

Members' liability

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

Statement of trustees' responsibilities

The trustees (who are also the directors of the company 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 year. 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 company 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 company will continue in business.

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

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

Disclosure of information to auditors

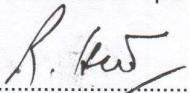
Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditor

The auditors, Crowe U.K. LLP, have indicated their willingness to continue in office. The trustees will propose a motion reappointing the auditors at the next AGM.

The trustees' report was approved by the Board of Trustees.


.....
Mr R Hewitt
trustee
Dated: 17.12.2024


.....
Mr B T Cook
trustee
Dated: 17/12/2024

ACTION FOR DEAFNESS

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ACTION FOR DEAFNESS

Opinion

We have audited the financial statements of Action For Deafness for the year ended 30 June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the 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 Financial Reporting Standard 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 30 June 2024 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

ACTION FOR DEAFNESS

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ACTION FOR DEAFNESS

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In 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 directors' report included within the trustees' 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
- 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.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

ACTION FOR DEAFNESS

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ACTION FOR DEAFNESS

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management as well as revenue recognition, specifically in reference to the benefit assertion. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, and reading minutes of meetings of those charged with governance. We also reviewed a sample of revenue transactions around the year end to ensure appropriate recognition.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Weekes
Senior Statutory Auditor
For and on behalf of
Crowe U.K LLP
Statutory Auditor
Medway Bridge House
1-8 Fairmeadow
Maidstone
Kent
ME14 1JP

.19th December 2024.....

ACTION FOR DEAFNESS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £
Income and endowments from:					
Donations and legacies	3	21,800	12,500	34,300	18,639
Charitable activities	4	1,923,270	-	1,923,270	2,158,111
Investments	5	24,248	-	24,248	9,775
Other income	6	36,117	-	36,117	13,333
Total income		<u>2,005,435</u>	<u>12,500</u>	<u>2,017,935</u>	<u>2,199,858</u>
Expenditure on:					
Raising funds	7	50	-	50	189
Charitable activities	8	2,057,352	-	2,057,352	1,991,297
Total expenditure		<u>2,057,402</u>	<u>-</u>	<u>2,057,402</u>	<u>1,991,486</u>
Net income/(expenditure)		<u>(51,967)</u>	<u>12,500</u>	<u>(39,467)</u>	<u>208,372</u>
Transfers between funds		<u>12,500</u>	<u>(12,500)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(39,467)</u>	<u>-</u>	<u>(39,467)</u>	<u>208,372</u>
Reconciliation of funds:					
Fund balances at 1 July 2023		<u>1,603,735</u>	<u>-</u>	<u>1,603,735</u>	<u>1,395,363</u>
Fund balances at 30 June 2024		<u><u>1,564,268</u></u>	<u><u>-</u></u>	<u><u>1,564,268</u></u>	<u><u>1,603,735</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ACTION FOR DEAFNESS

BALANCE SHEET

AS AT 30 JUNE 2024

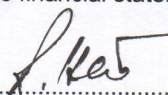
		2024	2023
	Notes	£	£
Fixed assets			
Tangible assets	13	139,601	146,914
Current assets			
Stocks	14	76,316	35,992
Debtors	15	365,774	283,630
Cash at bank and in hand		1,151,849	1,337,213
		1,593,939	1,656,835
Creditors: amounts falling due within one year	16	169,272	200,014
Net current assets		1,424,667	1,456,821
Total assets less current liabilities		1,564,268	1,603,735
The funds of the charitable company			
Unrestricted funds		1,564,268	1,603,735
		1,564,268	1,603,735

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, the members have not required the entity to obtain an audit for the year ended 30 June 2023. However, an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charity.

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

The financial statements were approved by the trustees on 17 December 2024


Mr R Hewitt
Trustee


Mr B T Cook
Trustee

Company registration number 06205458 (England and Wales)

ACTION FOR DEAFNESS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(170,392)		401,308
Investing activities					
Purchase of tangible fixed assets		(39,220)		(13,267)	
Investment income received		24,248		9,775	
Net cash used in investing activities			(14,972)		(3,492)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(185,364)		397,816
Cash and cash equivalents at beginning of year			1,337,213		939,397
Cash and cash equivalents at end of year			1,151,849		1,337,213

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

Charity information

Action for Deafness is a private company, limited by guarantee, domiciled in England and Wales, registration number 06205458. The registered charity number is 1122579. The registered office of the company is 22 Sussex Road, Haywards Heath, West Sussex RH16 4EA. The principal object of the company is to enable persons who are deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, resource centres and by the provision of grants.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees have considered relevant information, including the charity's principal risks and uncertainties, the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

Whilst the audiology contract always has an uncertain future it is considered that there are sufficient reserves to continue to service our beneficiaries. Should the contracts cease the charity will then be in a better position for fundraising from other sources in order for it to continue to fulfil its objectives.

Based on these assessments and having regard to the resources available to the charity, the trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Charitable funds

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

1.4 Income

Income from government contracts and grants is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, funeral collections, legacies and similar income are recognised when received.

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.

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.5 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 accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the charitable company 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 company's objectives, as well as any associated costs.

All expenditure is inclusive of irrecoverable VAT. The irrecoverable element of VAT is included as a separate cost within the accounts.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Tangible fixed assets

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially measured at cost and subsequently measured 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 costs.

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 bases:

Short-term leasehold property	11% straight-line method over the term of the lease
Fixtures and fittings	25% diminishing balance
Office equipment	25% diminishing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company 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).

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.10 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.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.12 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 charitable company 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.

1.13 Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as based 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.

1.14 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charitable company'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.

There are not considered to be any critical accounting estimates or judgements.

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	21,800	12,500	34,300	18,573	-	18,573
Membership fees	-	-	-	66	-	66
	<u>21,800</u>	<u>12,500</u>	<u>34,300</u>	<u>18,639</u>	<u>-</u>	<u>18,639</u>

4 Income from charitable activities

	Total funds 2024 £	Total funds 2023 £
Audiology fees	1,882,586	2,153,347
Microsuction fees	40,684	4,764
	<u>1,923,270</u>	<u>2,158,111</u>
Analysis by fund		
Unrestricted funds	<u>1,923,270</u>	<u>2,158,111</u>

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>24,248</u>	<u>9,775</u>

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Lost hearing aids	-	13,333
Cost recovery for data breach	<u>36,117</u>	<u>-</u>
	<u>36,117</u>	<u>13,333</u>

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

7 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other fundraising costs	50	189

8 Expenditure on charitable activities

	Charitable activities 2024 £	Charitable activities 2023 £
Direct costs		
Staff costs	684,621	638,950
Depreciation and impairment	46,533	44,442
Audiology consumables	728,489	811,499
Equipment installation of storage	1,853	5,765
PPE and scrubs	6,205	8,344
Rent, rates and utilities	141,163	134,611
Travel, subsistence and entertainment	4,709	4,366
Printing and stationery	-	784
Postage and carriage	20,041	16,323
Telephone	21,415	13,259
Non-recoverable input VAT	42,441	29,566
Staff training costs	4,646	3,061
Staff recruitment costs	16,500	3,750
Agency staff costs	82,102	43,883
Website costs	1,621	1,035
Marketing costs	7,183	7,486
Other charitable expenditure	(40,325)	13,498
	1,769,197	1,780,622
Grant funding of activities (see note 9)	12,000	10,599
Share of support and governance costs (see note 10)		
Support	212,876	161,436
Governance	63,279	38,640
	2,057,352	1,991,297
Analysis by fund		
Unrestricted funds	2,057,352	1,991,297

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

9 Grants payable

	Total funds 2024 £	Total funds 2024 £
Other	12,000	10,599

10 Support costs allocated to activities

		2024 £	2023 £
	Basis of allocation		
Repairs and maintenance	Direct	48,327	54,906
Sundry expenses	Direct	35,476	29,538
Insurance	Direct	21,105	17,752
Bank charges	Direct	5,402	5,352
Bad debts	Direct	-	(776)
Subscriptions	Direct	5,835	620
Computer costs	Direct	64,934	54,044
Data breach expenditure	Direct	31,798	-
Governance costs		63,278	38,640
		276,155	200,076
Analysed between:			
Charitable activities		276,155	200,076

	2024 £	2023 £
Governance costs comprise:		
Audit fees	7,200	6,990
Legal and professional	29,249	18,817
Accountancy fees	26,829	12,833
	63,278	38,640

11 Trustees

During the year, no trustees received any remuneration or benefits (2023 - £nil)

During the year ended 30 June 2024, expenses totalling £326 were reimbursed or paid directly to trustees (2023 - £72).

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

12 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Management	2	3
Clinical	7	7
Administrative	5	4
Total	14	14

Employment costs

	2024 £	2023 £
Wages and salaries	596,609	556,639
Social security costs	61,975	57,202
Other pension costs	25,719	25,109
	684,303	638,950

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	-

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	108,934	195,469

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

13 Tangible fixed assets

	Short-term leasehold property	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost				
At 1 July 2023	122,309	585,469	143,275	851,053
Additions	-	1,874	37,346	39,220
At 30 June 2024	122,309	587,343	180,621	890,273
Depreciation and impairment				
At 1 July 2023	67,950	518,804	117,385	704,139
Depreciation charged in the year	13,590	17,135	15,808	46,533
At 30 June 2024	81,540	535,939	133,193	750,672
Carrying amount				
At 30 June 2024	40,769	51,404	47,428	139,601
At 30 June 2023	54,359	66,665	25,890	146,914

14 Stocks

	2024 £	2023 £
Hearing aids, accessories and assistive listening equipment	76,316	35,992

15 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	259,150	215,646
Other debtors	19,558	9,733
Prepayments and accrued income	69,295	58,251
	348,003	283,630
Amounts falling due after more than one year:		
Other debtors	17,771	-
Total debtors	365,774	283,630

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

16 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	18,132	17,599
Trade creditors	129,236	165,645
Other creditors	6,146	4,855
Accruals and deferred income	15,758	11,915
	<u>169,272</u>	<u>200,014</u>

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 July 2023 £	Incoming resources £	Transfers £	At 30 June 2024 £
Donation for purchase of 3D ear scanner	-	12,500	(12,500)	-
	<u>-</u>	<u>12,500</u>	<u>(12,500)</u>	<u>-</u>

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

18 Unrestricted funds

These are unrestricted funds which are material to the charitable company's activities made up as follows:

	Movement in funds				Movement in funds				
	Balance at 1 July 2022	Incoming resources	Resources expended	Transfers	Balance at 1 July 2023	Incoming resources	Resources expended	Transfers	Balance at 30 June 2024
	£	£	£	£	£	£	£	£	£
General fund	1,217,274	2,199,858	(1,991,486)	31,175	1,456,821	2,005,435	(2,057,402)	19,813	1,424,667
Fixed asset reserve	178,089	-	-	(31,175)	146,914	-	-	(7,313)	139,601
	<u>1,395,363</u>	<u>2,199,858</u>	<u>(1,991,486)</u>	<u>-</u>	<u>1,603,735</u>	<u>2,005,435</u>	<u>(2,057,402)</u>	<u>12,500</u>	<u>1,564,268</u>

The trustees set up a designated fixed asset reserve to cover the assets which the trustees consider essential to the operations of the charitable company.

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

19 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £
Fund balances at 30 June 2024 are represented by:				
Tangible assets	139,601	-	139,601	146,914
Current assets	1,424,667	-	1,424,667	1,456,821
	<u>1,564,268</u>	<u>-</u>	<u>1,564,268</u>	<u>1,603,735</u>

20 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	99,000	99,000
Between two and five years	242,050	342,700
	<u>341,050</u>	<u>441,700</u>

The property leases each had break clauses which were not invoked. Consequently there are new commitments based on the rental payments due.

21 Related party transactions

Susan Craney, the wife of a trustee, a training session at a cost of £181 (2023: £nil) during the period. There were £nil amounts outstanding at 30 June 2024 (2023: £nil).

22 Cash generated from operations

	2024 £	2023 £
(Deficit)/surplus for the year	(39,467)	208,372
Adjustments for:		
Investment income recognised in statement of financial activities	(24,248)	(9,775)
Depreciation and impairment of tangible fixed assets	46,533	44,442
Movements in working capital:		
(Increase)/decrease in stocks	(40,324)	13,058
(Increase)/decrease in debtors	(82,144)	79,334
(Decrease)/increase in creditors	(30,742)	65,877
Cash (absorbed by)/generated from operations	<u>(170,392)</u>	<u>401,308</u>

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

23 Analysis of changes in net funds

	At 1 July 2023 £	Cash flows £	At 30 June 2024 £
Cash at bank and in hand	1,337,213	(185,364)	1,151,849
	<u>1,337,213</u>	<u>(185,364)</u>	<u>1,151,849</u>

Accounts

Charity Registration No. 1122579

Company Registration No. 06205458 (England and Wales)

ACTION FOR DEAFNESS

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

ACTION FOR DEAFNESS

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R Hewitt Mr M D Clark Mr E S Skyrme Mr B T Cook	(Appointed 5 December 2022)
Key Management Personnel	Jane Shaw (CEO) Stuart Barter (COO) Andy Wells (Clinical Lead) Jenny Easey (Admin Manager)	(Appointed 1 July 2023) (Resigned 30 June 2023) (Resigned 31 August 2023)
Charity number	1122579	
Company number	06205458	
Registered office	22 Sussex Road Haywards Heath West Sussex RH16 4EA	
Auditor	Crowe U.K. LLP Riverside House 40-46 High Street Maidstone Kent ME14 1JH	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Accountants	Carpenter Box Amelia House Crescent Road Worthing BN11 1RL	

ACTION FOR DEAFNESS

CONTENTS

	Page
Trustees' report	1 - 7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 25

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 JUNE 2023

The trustees present their annual report together with the audited financial statements of the charitable company for the period 1 July 2022 to 30 June 2023. 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 charitable company 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

The charitable purposes of the company are to enable persons who are Deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, Resource Centres and by the provision of grants.

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)'.

b. Strategies for achieving objectives

Action for Deafness' ('AFD') strategic aim, much in line with other organisations both public and private, is to support the concepts of empowerment, independent living and social inclusion. The charitable company believes that by providing the services for their client base, significant success is achieved in helping those who are in some way vulnerable in our society.

c. Activities undertaken to achieve objectives

Adult rehabilitation audiology services were provided on behalf of two NHS Integrated Care Boards (ICBs) – NHS Sussex ICB and NHS Surrey Heartlands ICB. AFD also provided audiology services for patients on a non-contractual basis from other ICBs who exercised their patient choice. Any surplus from this work will be used by AFD to provide services to its users.

d. Patrons

AFD is fortunate to have the following four patrons and gratefully acknowledges their support: The Rt. Hon. the Lord Soames of Fletching, Annette Crosbie OBE, Judy Parfitt and Julia Donaldson CBE.

e. Principal funding and contracts

AFD had contracts with two ICBs – NHS Sussex ICB and NHS Surrey Heartlands ICB. AFD is contracted to provide audiology services for those aged 55 or over from bases in these areas. There is no guaranteed income from the contracts as patients have a choice of service provider and the fees follow the patient. AFD also has a second contract with NHS Sussex ICB to provide audiology services to those under the age of 55 and for more complex cases.

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 30 JUNE 2023**

Achievements and performance

a. Review of activities

To become a Qualified Provider of services to the NHS it was necessary to obtain accreditation from the United Kingdom Accreditation Service (UKAS). AFD was very proud to become the first organisation in the country to be accredited against the IQIPS V1 standards by the UK Accreditation Service in December 2012. The charitable company must complete the UK Accreditation Service (UKAS) online tool annually in order to confirm ongoing compliance with the 128 standards and the charitable company is also inspected on an annual basis in order to retain accreditation. AFD is also accredited to deliver complex audiology services. AFD was accredited against IQIPS V2 in June 2022 and this was reconfirmed in June 2023.

The charitable company is required to complete and submit annually both the NHS Safeguarding Standards Assurance online tool and the Data Protection online tool for each ICB with which contracts are in place.

All staff are trained to adhere to the NHS Information Governance policies to ensure compliance with data protection and client confidentiality initiatives. A robust mandatory training programme for staff is in place.

b. Additional charitable services

Funding the charitable activities has always been the core objective for AFD and now that the NHS Audiology contracts are generating a surplus, AFD is providing financial support for additional charitable services.

AFD provides drop-in services at Haywards Heath and Worthing for patients who require repairs, re-tubing, batteries, information and signposting. AFD also runs weekly Deaf Hubs at both Haywards Heath and Worthing for service users to meet and socialise over coffee and biscuits and to attend presentations including mental health first aid, WSCC sensory services and others.

Replacement aids are available, free of charge, to patients who have lost their hearing aid.

Grants are available for Deaf and hard of hearing service users to assist with specific projects and initiatives.

AFD can provide equipment and environmental aids free of charge to vulnerable patients or war veterans.

The AFD information service is supported by the web site: www.actionfordeafness.org.uk.

AFD also provides a private audiology service for those patients who do not wish to use the NHS service and a private wax removal by micro-suction service.

c. Staff

The trustees would like to thank the Chief Executive Officer (CEO), Jane Shaw, for all her hard work in managing the company. The trustees also extend thanks to Jane and all staff for their commitment to the charitable company.

d. Fundraising activities and income generation

The trustees are grateful to all those who provided funds in this year.

NHS Sussex ICB
NHS Surrey Heartlands ICB
Adur East Lions Club
Mr H J Hinze
Mr & Mrs Freedman
Mr A Knight
Mr M McLaren
Dr A Bentovim
Mrs J Ibbotson
Funeral collection in memory of the late Peter Bartlett
Miss A John

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

d. Fundraising activities and income generation (continued)

Miss P Chittenden

Funeral collection in memory of the late Rev William Kemm

Independent State of Cuckfield

Funeral collection in memory of the late Mrs Gertrude Mortimer

Funeral collection in memory of the late Grace Thrusell

Mrs J Fairbrother

Mrs N Matthews

Yvonne Dean

There are many other contributors to whom gratitude is due, but who wish to remain anonymous. Donations are also received electronically via Just Giving, Memory Giving and Top Cash Back. Thanks are also due to those clients who made donations on site or via BACS transfer and to the friends and families of those who nominate AFD as the recipient of funeral collections.

AFD can only operate within the resources available but the trustees believe it is doing so efficiently. This remains a constant challenge.

e. Investment policy and performance

The trustees' policy remains unchanged in that they are unwilling to risk the charitable company's funds, so no amounts have been invested and all funds are held as deposits with banks which are considered to be low risk.

f. Fundraising policy

AFD is registered with the Fundraising Regulator. All fundraising activities have been carried out according to the requirements of the Fundraising Regulator and in accordance with AFD's Fundraising Policy. No complaints have been received.

The charitable company does not engage professional fundraisers or commercial participators in fundraising activity.

- All fundraising schemes carried out on behalf of the charitable company must be approved by the CEO and carried out in accordance with the charitable company's fundraising policy.
- AFD is not aware of any failure to comply with the fundraising policy
- All charitable company fundraising activities carried out are approved and monitored by the CEO and reported at trustee meetings
- The charitable company has received no complaints about fundraising for the charitable company.
- The charitable company's fundraising policy explicitly forbids unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure in the course of, or relating to, fundraising for the charitable company.

Financial review

a. Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees have considered relevant information, including the charity's principal risks and uncertainties, the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. Based on these assessments and having regard to the resources available to the charity, the trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and financial statements

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

b. Reserves policy

At the year end all funds are unrestricted and amount to £1,603,735 (2022 - £1,395,363). It is the policy of the Trustees to maintain a level of reserves sufficient to cover three months anticipated expenditure which is approximately £540,000 (2022 - £320,000). Free Reserves is currently £1,456,821 (2022 - £1,217,274) which significantly exceeds this requirement. The surplus of £916,821 (2022 - £897,274) will be retained to address any shortfalls in income or to respond to market conditions as required in addition to funding additional charitable activities.

The trustees prepare and review a financial risk analysis annually which considers the impact of reduced income scenarios on reserves. This takes account of various cost saving options relating to audiology and overheads.

c. Financial results

The charitable company has had a successful year with referral volumes and income higher than last year and with close control over costs this has resulted in a significant surplus at the year end.

Due to the increase in workload AFD has recruited additional administrative support staff and if the increase in referral volumes continues during next year, AFD will also increase operational management support and clinical headcount. The business plan for 2023/2024 takes this additional activity into account and indicates another surplus at year end.

Structure, governance and management

a. Constitution

Action for Deafness is registered as a charitable company limited by guarantee. The company is constituted under a Memorandum of Association dated 5 April 2007 (company number 06205458) and is a registered charity number 1122579. It is exempt from the use of the word "Limited".

b. Trustees

The management of the charitable company is the responsibility of the trustees who are elected and co-opted under the terms of the Memorandum of Association. The persons who served as trustees during the year, together with their relevant position on the Board and any office held are listed on the Legal and Administrative Information page.

The trustees' meetings during the year were all held virtually on Zoom. The meetings attendance record is as follows:

Trustee	Meetings Attended
Mr R Hewitt	5
Mr M Clark	5
Mr B Cook	3 (All meetings since appointment)
Mr E Skyrme	4

c. Organisational structure and decision-making policies

The day to day running of the charitable company's activities is delegated to the CEO who reports to the trustees. The CEO operates under a wide-ranging delegated responsibility. It has always been the policy that where trustee expertise may be helpful, the CEO and individual trustees work together.

The business of AFD is managed through an Executive Committee formed of all the appointed trustees. The committee meets formally at least four times a year and on additional occasions where decisions are required before the next formal meeting.

The trustees have given the CEO the authority needed to conduct the day to day working business of the charitable company and the CEO attends and reports to each meeting of the Executive Committee. Decisions regarding major expenditure are taken by the trustees.

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

d. Policies adopted for the induction and training of trustees

The charitable company relies upon the guidance issued by the Charities Commission in relation to the induction and training of trustees.

e. Pay policy for key management personnel

The trustees consider the board of directors, who are the trustees, and the senior management team comprise the key management personnel of the charitable company in charge of direction and governance, controlling, running and operating the charitable company on a day to day basis. All trustees give of their time freely and no trustee received remuneration in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charitable company, the trustees benchmark the CEO's salary against pay levels in other charitable organisations of a similar size and nature. The senior management team determine all other salaries using market forces, CPI and performance as benchmarks.

f. Compliance with the Charity Governance Code

The trustees maintain an on-going review of governance with reference to guidance from the Charity Commission, the Fundraising Regulator and the Charity Commission Governance Code.

Compliance with operational governance is confirmed by UKAS annually and by NHS reporting standards on a monthly basis.

The trustees have reviewed the organisation's governance for compliance with the Charity Commission Governance Code and have a clear knowledge of minor areas of risk for improvement. This review found no areas with material deficiencies.

g. Streamlined Energy and Carbon Reporting (SECR)

Compliance with Streamlined Energy and Carbon Reporting (SECR) is not a legal requirement for AFD. We do have an Environmental Policy statement in which we recognise that our operations impact on the environment at local level. As such we are committed to safeguarding the environment and striving to prevent pollution.

AFD has an Environmental, Social and Governance (ESG) Strategy which sets out the status of the work and current and planned activity. AFD has made a good start and has achieved some good deliverables, based on meeting regulatory requirements and delivering some easy wins. The next stage for the organisation is to identify more opportunities, prioritise them and start to develop processes for data capture and reporting.

h. Financial risk management

The trustees manage risk by way of a risk register which considers the key areas of governance, operational, financial, environmental and compliance. Each area is reviewed for potential risk, potential impact of risk and steps for mitigation. The trustees, together with the CEO, review all operations and update the register annually.

Financial risk and reserves are further managed using budgetary control and monthly management accounts reporting. Sources of both current and future income are considered during risk reviews. At the year end all reserves are unrestricted but the trustees have previously set aside designated funds in order to ensure that assets which are critical to the operation of the charitable company can be purchased when the need arises.

The operational team is small which allows the charitable company to be flexible and responsive to changes in the needs of its client base. The Executive Committee has adopted a policy of individual trustees taking an active role in the work of the charitable company and should problems arise solutions are found quickly and effectively.

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 30 JUNE 2023**

Subsequent events

Subsequent to the year end, on 24 July 2023, it came to the attention of the Chief Executive Officer that the security of data had been breached by a member of staff who was leaving. The incident was reported to the Trustees, all affected patients, the NHS Commissioners, The ICO, the Charity Commission, UKAS, HCPC and the Police via Action Fraud. The ICO, the NHS commissioners, the Charity Commission and UKAS subsequently confirmed that they considered the matter closed but at the date of this report the Police and HCPC are continuing investigations. The Trustees are confident however that there is no financial effect on these accounts but will be covered fully in the following year's report and accounts where all relevant costs will be included.

Plans for future periods

The overall aim is to continue to provide services as efficiently and effectively as possible to meet the current and future demands of beneficiaries. It is not the trustees' intention to over extend the resources available, but it is the intention to meet the complementary objectives of the charitable remit and operate with business like discipline.

The mission statement of the charitable company is "Making things happen for Deaf and hard of hearing people". The trustees and staff will continue to enhance and improve the services to meet the needs of service users. They will continue to:

- seek additional funding
- work closely with the NHS ICBs
- apply financial management and control on all activities
- seek to maintain capability within the staff

Members' liability

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

Statement of trustees' responsibilities

The trustees (who are also the directors of the company 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 year. 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 company 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 company will continue in business.

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

ACTION FOR DEAFNESS

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

Disclosure of information to auditors

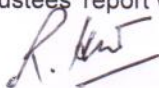
Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditor

The auditors, Crowe U.K. LLP, have indicated their willingness to continue in office. The designated trustees will propose a motion reappointing the auditors at the next AGM.

The trustees' report was approved by the Board of Trustees.



.....
Mr R Hewitt

trustee

Dated: 7/12/23



.....
Mr M D Clark

trustee

Dated: 7.12.23

ACTION FOR DEAFNESS

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ACTION FOR DEAFNESS

Opinion

We have audited the financial statements of Action for Deafness for the year ended 30 June 2023 which comprise Statement of Financial Activities, the Balance Sheet, the 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 Financial Reporting Standard 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 30 June 2023 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

ACTION FOR DEAFNESS

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ACTION FOR DEAFNESS

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, and reading minutes of meetings of those charged with governance.

ACTION FOR DEAFNESS

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ACTION FOR DEAFNESS

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Weekes

Senior Statutory Auditor
For and on behalf of

Crowe U.K LLP

Statutory Auditor

Riverside House
40-46 High Street
Maidstone
Kent
ME14 1JH

11 December 2023

ACTION FOR DEAFNESS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<u>Income and endowments from:</u>			
Donations and legacies	3	18,639	43,699
Charitable activities	4	2,158,111	2,037,403
Investments	5	9,775	546
Other income	6	13,333	54,042
Total income		2,199,858	2,135,690
<u>Expenditure on:</u>			
Raising funds	7	189	266
Charitable activities	8	1,991,297	1,750,021
Total resources expended		1,991,486	1,750,287
Net income for the year/ Net movement in funds		208,372	385,403
Fund balances at 1 July 2022		1,395,363	1,009,960
Fund balances at 30 June 2023		1,603,735	1,395,363

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

ACTION FOR DEAFNESS

BALANCE SHEET

AS AT 30 JUNE 2023

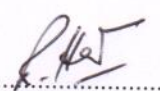
	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		146,914		178,089
Current assets					
Stocks	14	35,992		49,050	
Debtors	15	283,630		362,964	
Cash at bank and in hand		1,337,213		939,397	
		<u>1,656,835</u>		<u>1,351,411</u>	
Creditors: amounts falling due within one year	16	<u>(200,014)</u>		<u>(134,137)</u>	
Net current assets			1,456,821		1,217,274
Total assets less current liabilities			<u>1,603,735</u>		<u>1,395,363</u>
Income funds					
Unrestricted funds			1,603,735		1,395,363
			<u>1,603,735</u>		<u>1,395,363</u>

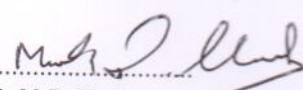
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, the members have not required the entity to obtain an audit for the year ended 30 June 2023. However, an audit has been carried out under section 144 of the Charities Act 2011.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charity.

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

The financial statements were approved by the trustees on 7th December 23.


Mr R Hewitt
Trustee


Mr M D Clark
Trustee

Company Registration No. 06205458

ACTION FOR DEAFNESS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	21		401,308		385,375
Investing activities					
Purchase of tangible fixed assets		(13,267)		(7,289)	
Investment income received		9,775		546	
Net cash used in investing activities			(3,492)		(6,743)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			397,816		378,632
Cash and cash equivalents at beginning of year			939,397		560,765
Cash and cash equivalents at end of year			1,337,213		939,397

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

Charity information

Action for Deafness is a private company, limited by guarantee, domiciled in England and Wales, registration number 06205458. The registered charity number is 1122579. The registered office of the company is 22 Sussex Road, Haywards Heath, West Sussex RH16 4EA. The principal object of the company is to enable persons who are Deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, Resource Centres and by the provision of grants.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees have considered relevant information, including the charity's principal risks and uncertainties, the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. Based on these assessments and having regard to the resources available to the charity, the trustees have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Charitable funds

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

1.4 Income

Income from government contracts and grants is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations, funeral collections and similar income are recognised when received.

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.

1.5 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 accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

Expenditure on raising funds includes all expenditure incurred by the charitable company 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 company's objectives, as well as any associated costs.

All expenditure is inclusive of irrecoverable VAT. The irrecoverable element of VAT is included as a separate cost within the accounts.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.7 Tangible fixed assets

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially measured at cost and subsequently measured 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 costs.

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 bases:

Short-term leasehold property	11% straight-line method over the term of the lease
Fixtures and fittings	25% diminishing balance
Office equipment	25% diminishing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company 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).

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 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.

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

1 Accounting policies

(Continued)

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.12 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 charitable company 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.

1.13 Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as based 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.

1.14 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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

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

2 Critical accounting estimates and judgements

In the application of the charitable company'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.

There are not considered to be any critical accounting estimates or judgements.

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	18,573	11,726
NHS Covid 19 relief grant	-	31,932
Membership fees	66	41
	<u>18,639</u>	<u>43,699</u>

4 Charitable activities

	Total funds	Total funds
	2023	2022
	£	£
Audiology fees	2,153,347	2,036,723
Microsuction fees	4,764	680
	<u>2,158,111</u>	<u>2,037,403</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	9,775	546
	<u>9,775</u>	<u>546</u>

6 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Lost hearing aids	13,333	54,042
	<u>13,333</u>	<u>54,042</u>

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Other fundraising costs	189	266
	<u>189</u>	<u>266</u>

8 Charitable activities

	Total funds 2023	Total funds 2022
	£	£
Staff costs	638,950	485,768
Depreciation and impairment	44,442	50,303
Audiology consumables	811,499	799,425
Equipment installation of storage	5,765	3,557
PPE and scrubs	8,344	7,186
Rent, rates and utilities	134,611	120,027
Travel, subsistence and entertainment	4,366	2,071
Printing and stationery	784	4,590
Postage and carriage	16,323	17,660
Telephone	13,259	12,283
Committee expenses	-	109
Non-recoverable input VAT	29,566	17,817
Staff training costs	3,061	3,016
Staff recruitment costs	3,750	17,950
Agency staff costs	43,883	54,093
Website costs	1,035	-
Marketing costs	7,486	-
Stock adjustment	13,059	(7,986)
Other staff costs	439	7,371
	<u>1,780,622</u>	<u>1,595,240</u>
Grant funding of activities (see note 9)	10,599	-
Share of support costs (see note 10)	161,436	124,781
Share of governance costs (see note 10)	38,640	30,000
	<u>1,991,297</u>	<u>1,750,021</u>

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

9 Grants payable

	Total funds 2023 £	2022 £
Other	10,599	-
	<u>10,599</u>	<u>-</u>

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

10 Support costs	Support costs £	Governance costs £	2023 Support costs £	Governance costs £	2022 £	Basis of allocation
Repairs and maintenance	54,906	-	54,906	-	28,137	Direct
Sundry expenses	29,538	-	29,538	-	25,789	Direct
Insurance	17,752	-	17,752	-	8,182	Direct
Bank charges	5,352	-	5,352	-	6,159	Direct
Advertising	-	-	-	-	5,661	Direct
Bad debts	(776)	-	(776)	-	776	Direct
Subscriptions	620	-	620	-	1,142	Direct
Computer costs	54,044	-	54,044	-	48,935	Direct
Audit fees	-	6,990	6,990	-	6,490	Governance
Legal and professional	-	18,817	18,817	-	9,747	Governance
Accountancy fees	-	12,833	12,833	-	13,763	Governance
	161,436	38,640	200,076	30,000	154,781	
Analysed between						
Charitable activities	161,436	38,640	200,076	30,000	154,781	

Governance costs includes payments to the auditors of £6,990 (2022- £6,490) for audit fees.

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

11 Trustees

During the year, no trustees received any remuneration or benefits (2022 - £nil)

During the year ended 30 June 2023, expenses totalling £72 were reimbursed or paid directly to trustees (2022 - £69).

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Management	3	2
Clinical	7	6
Administrative	4	3
Total	14	11

Employment costs	2023 £	2022 £
Wages and salaries	556,639	424,392
Social security costs	57,202	42,348
Other pension costs	25,109	19,028
	638,950	485,768

The number of employees whose annual remuneration was £60,000 or more were:

	2023 Number	2022 Number
In the band £70,001 - £80,000	1	1

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

13 Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 July 2022	122,309	584,409	131,068	837,786
Additions	-	1,060	12,207	13,267
At 30 June 2023	122,309	585,469	143,275	851,053
Depreciation and impairment				
At 1 July 2022	54,360	496,582	108,755	659,697
Depreciation charged in the year	13,590	22,222	8,630	44,442
At 30 June 2023	67,950	518,804	117,385	704,139
Carrying amount				
At 30 June 2023	54,359	66,665	25,890	146,914
At 30 June 2022	67,949	87,827	22,313	178,089

14 Stocks

	2023 £	2022 £
Hearing aids, accessories and assistive listening equipment	35,992	49,050

15 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	215,646	305,194
Other debtors	9,733	6,349
Prepayments and accrued income	58,251	51,421
	283,630	362,964

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	17,599	14,487
Trade creditors	165,645	95,062
Other creditors	4,855	3,855
Accruals and deferred income	11,915	20,733
	200,014	134,137

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

17 Unrestricted funds

These are unrestricted funds which are material to the charitable company's activities made up as follows:

	Balance at 1 July 2021 £	Movement in funds			Balance at 1 July 2022 £	Movement in funds			Transfers £	Balance at 30 June 2023 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
General fund	788,857	2,135,690	1,750,287	43,014	1,217,274	2,199,858	(1,991,486)	31,175	1,456,821	
Fixed asset reserve	221,103	-	-	(43,014)	178,089	-	-	(31,175)	146,914	
	1,009,960	2,135,690	1,750,287	-	1,395,363	2,199,858	(1,991,486)	-	1,603,735	

The trustees set up a designated fixed asset reserve to cover the assets which the trustees consider essential to the operations of the charitable company.

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

18 Analysis of net assets between funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fund balances at 30 June 2023 are represented by:		
Tangible assets	146,914	178,089
Current assets	1,456,821	1,217,274
	<u>1,603,735</u>	<u>1,395,363</u>

19 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	99,000	37,000
Between two and five years	342,700	-
	<u>441,700</u>	<u>37,000</u>

The property leases each had break clauses which were not invoked. Consequently there are new commitments based on the rental payments due.

20 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>195,469</u>	<u>182,901</u>

ACTION FOR DEAFNESS

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

21	Cash generated from operations	2023 £	2022 £	
	Surplus for the year	208,372	384,857	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(9,775)	(546)	
	Depreciation and impairment of tangible fixed assets	44,442	(50,303)	
	Movements in working capital:			
	Decrease/(increase) in stocks	13,058	(7,986)	
	Decrease/(increase) in debtors	79,334	(130,120)	
	Increase in creditors	65,877	88,321	
	Cash generated from operations	401,308	385,921	
22	Analysis of changes in net funds			
		At 1 July 2022 £	Cash flows £	At 30 June 2023 £
	Cash at bank and in hand	939,397	397,816	1,337,213
		939,397	397,816	1,337,213

Accounts

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

ACTION FOR DEAFNESS
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the company, its Trustees and advisers	1
Trustees' report	2 - 9
Independent auditor's report on the financial statements	10 - 14
Statement of financial activities	15
Balance sheet	16 - 17
Statement of cash flows	18
Notes to the financial statements	19 - 38

ACTION FOR DEAFNESS
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2022**

Trustees	Mr R Hewitt, Chair Mr M Clark, Treasurer Mrs A Rees, Trustee (resigned 9 May 2022) Mr E Skyrme, Trustee Mr J Taylor, Trustee (resigned 19 May 2022)
Company registered number	06205458
Charity registered number	1122579
Registered office	22 Sussex Road Haywards Heath West Sussex RH16 4EA
Chief executive officer	Jane Shaw
Auditor	Crowe U.K. LLP Statutory Auditor Riverside House 40-46 High Street Maidstone Kent ME14 1JH
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Accountants	GMBC LLP Marine House 151 Western Road Haywards Heath West Sussex RH16 3LH

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2022

The Trustees present their annual report together with the audited financial statements of the company for the period 1 July 2021 to 30 June 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 company 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

The charitable purposes of the company are to enable persons who are deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, Resource Centres and by the provision of grants.

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)'.

b. Strategies for achieving objectives

Action for Deafness' strategic aim, much in line with other organisations both public and private, is to support the concepts of empowerment, independent living and social inclusion. The company believes that by providing the services for their client base, significant success is achieved in helping those who are in some way vulnerable in our society.

c. Activities undertaken to achieve objectives

Adult rehabilitation audiology services were provided on behalf of three NHS Clinical Commissioning Groups (CCGs) – East Sussex, West Sussex and Surrey Heartlands. AFD also provided audiology services for patients on a non contractual basis from other CCGs who exercised their patient choice. Any surplus from this work will be used by AFD to provide services to its users.

d. Patrons

Action for Deafness is fortunate to have the following 4 patrons and gratefully acknowledges their support: The Rt. Hon. Sir Nicholas Soames, Annette Crosbie CBE, Judy Parfitt and Julia Donaldson CBE.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Objectives and activities (continued)

e. Principal funding and contracts

AFD had contracts with three NHS CCGs throughout the year: West Sussex CCG, East Sussex CCG and Surrey Heartlands CCG. The CCGs were statutorily abolished on 1 July 2022 and replaced by Integrated Care Boards (ICBs). AFD's contracts will now be with NHS Sussex ICB (formerly Crawley, Horsham & Mid Sussex, Coastal West Sussex and East Sussex CCGs) and Surrey Heartlands ICB (formerly Surrey Heartlands CCG).

AFD is contracted to provide audiology services for those aged 55 or over from bases in these areas. There is no guaranteed income from the contracts as patients have a choice of service provider and the fees follow the patient. AFD also has a second contract with Horsham & Mid Sussex CCG to provide audiology services to those under the age of 55 and for more complex cases.

Achievements and performance

a. Review of activities

Funding the charitable activity has always been the core objective for AFD and now that the NHS Audiology contracts have started to generate a surplus the Trustees will review how the company can provide financial support for other services in a COVID safe manner.

To become a Qualified Provider of services to the NHS it was necessary to obtain accreditation from the United Kingdom Accreditation Service (UKAS). AFD was very proud to become the first organisation in the country to be accredited against the IQIPS standards by the UK Accreditation Service in December 2012. The company must complete the UK Accreditation Service (UKAS) online tool annually in order to confirm ongoing compliance with the 128 standards and the company is also inspected on an annual basis in order to retain accreditation. AFD is also accredited to deliver complex audiology services. Accreditation against IQIPS Version 1 was reconfirmed on June 2022 (for the 11th year in succession) and accreditation against IQIPS Version 2 was also confirmed.

The company is required to complete and submit annually both the NHS Safeguarding Standards Assurance online tool and the Data Protection online tool for each CCG with which contracts are in place.

All staff are trained to adhere to the NHS Information Governance policies to ensure compliance with data protection and client confidentiality initiatives. A robust mandatory training programme for staff is in place.

b. Staff

The Trustees would like to thank the CEO, Jane Shaw, for all her hard work in managing the company. The Trustees also extend thanks to Jane and all staff for their commitment to the company.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Achievements and performance (continued)

c. Fundraising activities and income generation

The Trustees are grateful to all those who provided funds in this year.

East Sussex NHS CCG
West Sussex CCG
Surrey Heartlands NHS CCG
Mid Sussex DC
Adur and Worthing DC
Sussex Masonic Giving
Waitrose Haywards Heath
Mrs S Woodard
Mr C Arthorne
Mrs B Moore
Mr A West
Mrs E Gautrey
Top Cash Back
Adur East Lions Club
Miss J A Crutchfield
The Late Hilda Cox
Mrs S Woodard
Mrs E Rothera
Mrs P Chittenden
Mr J Hinze
Mr J Bromley
Mr & Mrs J Dean
Mr K Shaw
Mr J Saunders & Mr M Evans
Mrs J Booker
Mrs I Birt
Mrs J Pettet
Mrs M Hayden
Mrs E Clarke
Mr A Roberts
Mr B J Radford
Mr & Mrs C Carter
Mrs L Rutherford
Mr A Gulston
Mrs J Skelton
Mr S Manvell

There are many other contributors to whom gratitude is due, but who wish to remain anonymous. Donations are also received electronically via Just Giving, Memory Giving and Top Cash Back. Thanks are also due to those clients who made donations on site or via BACS transfer and to the friends and families of those who nominate AFD as the recipient of funeral collections.

AFD can only operate within the resources available but the Trustees believe it is doing so efficiently. This remains a constant challenge.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Achievements and performance (continued)

d. Investment policy and performance

The Trustees' policy remains unchanged in that they are unwilling to risk the company's capital.

e. Fundraising policy

AFD is registered with the Fundraising Regulator. All fundraising activities have been carried out according to the requirements of the Fundraising Regulator and in accordance with AFD's Fundraising Policy. No complaints have been received.

The company does not engage professional fundraisers or commercial participators in fundraising activity.

- All fundraising schemes carried out on behalf of the company must be approved by the CEO and carried out in accordance with the company's fundraising policy
- AFD is not aware of any failure to comply with the fundraising policy
- All company fundraising activities carried out are approved and monitored by the CEO and reported at Trustee meetings
- The company has received no complaints about fundraising for the company
- The company's fundraising policy explicitly forbids unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure in the course of, or relating to, fundraising for the company

Financial review

a. Reserves policy

At the year end all funds are unrestricted and amount to £1,395,363. It is the policy of the Trustees to maintain a level of reserves sufficient to cover three months anticipated expenditure which is approximately £320,000. Free Reserves is currently £1,217,000 which significantly exceeds this requirement. The balance of £897,000 will be retained to address any shortfalls in income or to respond to market conditions as required.

The Trustees prepare and review a financial risk analysis annually which considers the impact of reduced income scenarios on reserves. This takes account of various cost saving options relating to audiology and overheads.

b. Financial review

The company has had a successful year with referral volumes and income returning to pre-pandemic levels and with close control over costs this has resulted in a significant surplus at the year end. Due to the increase in workload AFD has recruited additional administrative support staff and as the increase in referral volumes is expected to continue during next year AFD also plans to increase operational management support and clinical headcount.

NHS Sussex has approached AFD to provide audiology services to additional patients across Sussex and this is expected to increase patient referrals and income during 2022-2023. Although this will require additional expenditure on premises, booths and resources, the business plan for next year indicates another surplus at year end.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Structure, governance and management

a. Constitution

Action for Deafness is registered as a charitable company limited by guarantee. The company is constituted under a Memorandum of Association dated 5 April 2007 (company number 06205458) and is a registered charity number 1122579. It is exempt from the use of the word "Limited".

b. Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. The persons who served as Trustees during the year, together with their relevant position on the Board and any office held are listed on the Reference and Administrative Details on page 1.

The Trustees' meetings during the year were all held virtually on Zoom. The meetings attendance record is as follows:

Trustee	Meetings Attended
Mr R Hewitt	5 of 5
Mr M Clark	5 of 5
Mrs A Rees	4 of 5
Mr E Skyrme	5 of 5
Mr J Taylor	4 of 5

c. Organisational structure and decision-making policies

The day to day running of the company's activities is delegated to the Chief Executive Officer (CEO) who reports to the Trustees. The CEO operates under a wide-ranging delegated responsibility. It has always been the policy that where trustee expertise may be helpful, the CEO and individual Trustees work together.

The business of AFD is managed through an Executive Committee formed of all the appointed Trustees. The committee meets formally at least four times a year and on additional occasions where decisions are required before the next formal meeting.

The Trustees have given the CEO the authority needed to conduct the day to day working business of the company and the CEO attends and reports to each meeting of the Executive Committee. Decisions regarding major expenditure are taken by the Trustees.

d. Policies adopted for the induction and training of Trustees

The company relies upon the guidance issued by the Charities Commission in relation to the induction and training of Trustees.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Structure, governance and management (continued)

e. Pay policy for key management personnel

The Trustees consider the board of directors, who are the Trustees, and the senior management team who are the senior managers and senior audiologists, comprise the key management personnel of the company in charge of direction and governance, controlling, running and operating the company on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the company, the Trustees benchmark the CEO's salary against pay levels in other charitable organisations of a similar size and nature. The senior management team determine all other salaries using market forces, CPI and performance as benchmarks.

f. Compliance with the Charity Governance Code

The Trustees maintain an on-going review of governance with reference to guidance from the Charity Commission, the Fundraising Regulator and the Charity Commission Governance Code.

Compliance with operational governance is confirmed by UKAS annually and by NHS reporting standards on a monthly basis.

The Trustees have reviewed the organisation's governance for compliance with the Charity Commission Governance Code and have a clear knowledge of minor areas of risk for improvement. This review found no areas with material deficiencies.

g. SECR reporting

Compliance with Streamlined Energy and Carbon Reporting (SECR) is not a legal requirement for AFD. We do have an Environmental Policy statement in which we recognise that our operations impact on the environment at local level. As such we are committed to safeguarding the environment and striving to prevent pollution.

h. Financial risk management

The Trustees manage risk by way of a risk register which considers the key areas of governance, operational, financial, environmental and compliance. Each area is reviewed for potential risk, potential impact of risk and steps for mitigation. The Trustees, together with the CEO, review all operations and update the register annually.

Financial risk and reserves are further managed using budgetary control and monthly management accounts reporting. Sources of both current and future income are considered during risk reviews. At the year end all reserves are unrestricted but the Trustees have previously set aside designated funds in order to ensure that assets which are critical to the operation of the company can be purchased when the need arises.

The operational team is small which allows the company to be flexible and responsive to changes in the needs of its client base. The Executive Committee has adopted a policy of individual Trustees taking an active role in the work of the company and should problems arise solutions are found quickly and effectively.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Plans for future periods

The overall aim is to continue to provide services as efficiently and effectively as possible to meet the current and future demands of beneficiaries. It is not the Trustees' intention to over extend the resources available, but it is the intention to meet the complementary objectives of the charitable remit and operate with business like discipline.

The mission statement of the company is "Making things happen for deaf and hard of hearing people". The Trustees and staff will continue to enhance and improve the services to meet the needs of service users. They will continue to:

- seek additional funding
- work closely with the NHS ICBs
- apply financial management and control on all activities
- seek to maintain capability within the staff

Funding the charitable activity has always been the core objective for AFD and now that the NHS Audiology contracts have started to generate a surplus again, the Trustees will start to identify how the company can provide financial support for other services in a COVID safe manner.

Members' liability

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company 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 year. 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 company 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 company will continue in business.

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

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2022

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Crowe U.K. LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at the next AGM.

Approved by order of the members of the board of Trustees on 7 February 2023 and signed on their behalf by:



Mr R Hewitt
(Chair of Trustees)



Mr M Clark
(Treasurer)

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS

Opinion

We have audited the financial statements of Action for Deafness (the 'charitable company') for the year ended 30 June 2022 which comprise the Statement of financial activities, the Balance sheet, the 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 Financial Reporting Standard 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 30 June 2022 and of income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS (CONTINUED)

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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 our audit:

- the information given in the Trustees' report, which includes the Directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; 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

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS (CONTINUED)

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Charity Commission regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS (CONTINUED)

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.



Ian Weekes

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

Riverside House
40-46 High Street
Maidstone
Kent
ME14 1JH

7 February 2023

Crowe U.K. LLP is eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	4	43,699	43,699	131,762
Charitable activities	5	2,037,403	2,037,403	1,368,504
Other trading activities	6	-	-	7
Investments	7	546	546	54
Other income	8	54,042	54,042	45,619
Total income		2,135,690	2,135,690	1,545,946
Expenditure on:				
Raising funds	9	266	266	300
Charitable activities	10	1,750,021	1,750,021	1,356,361
Total expenditure		1,750,287	1,750,287	1,356,661
Net movement in funds		385,403	385,403	189,285
Reconciliation of funds:				
Total funds brought forward		1,009,960	1,009,960	820,675
Net movement in funds		385,403	385,403	189,285
Total funds carried forward		1,395,363	1,395,363	1,009,960

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

The notes on pages 19 to 38 form part of these financial statements.

ACTION FOR DEAFNESS
(A company limited by guarantee)
REGISTERED NUMBER: 06205458

BALANCE SHEET
AS AT 30 JUNE 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	178,089	221,103
		<u>178,089</u>	<u>221,103</u>
Current assets			
Stocks	17	49,050	41,064
Debtors	18	362,964	232,844
Cash at bank and in hand		939,397	560,765
		<u>1,351,411</u>	<u>834,673</u>
Creditors: amounts falling due within one year	19	(134,137)	(45,816)
Net current assets		<u>1,217,274</u>	<u>788,857</u>
Total assets less current liabilities		<u>1,395,363</u>	<u>1,009,960</u>
Total net assets		<u><u>1,395,363</u></u>	<u><u>1,009,960</u></u>
Charity funds			
Unrestricted funds	21	1,395,363	1,009,960
Total funds		<u><u>1,395,363</u></u>	<u><u>1,009,960</u></u>

ACTION FOR DEAFNESS
(A company limited by guarantee)
REGISTERED NUMBER: 06205458

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2022

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

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

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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 on 07 February 2023 and signed on their behalf by:



Mr R Hewitt
(Chair of Trustees)



Mr M Clark
(Treasurer)

The notes on pages 19 to 38 form part of these financial statements.

ACTION FOR DEAFNESS
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	2022 £	<i>2021</i> £
Cash flows from operating activities		
Net cash used in operating activities	385,921	<i>98,808</i>
Cash flows from investing activities		
Purchase of tangible fixed assets	(7,289)	<i>-</i>
Net cash used in investing activities	(7,289)	<i>-</i>
Change in cash and cash equivalents in the year	378,632	<i>98,808</i>
Cash and cash equivalents at the beginning of the year	560,765	<i>461,957</i>
Cash and cash equivalents at the end of the year	939,397	<i>560,765</i>

The notes on pages 19 to 38 form part of these financial statements

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

1. General information

Action for Deafness is a private company, limited by guarantee, domiciled in England and Wales, registration number 06205458. The registered charity number is 1122579. The registered office of the company is 22 Sussex Road, Haywards Heath, West Sussex RH16 4EA. The principal object of the company is to enable persons who are deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, Resource Centres and by the provision of grants.

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.

Action for Deafness 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

The Trustees draw attention to the fact a material uncertainty exists that may cast significant doubt on the charitable company's ability to continue as a going concern.

There is no confirmation or approval in relation to the renewal of the NHS contracts which make up the majority of the charitable company's funding. The current contracts expire in March 2023. The going concern assessment is considered for a period of at least twelve months from when the financial statements are authorised for issue. Without the comfort of these contracts being in place at the date of approval of these financial statements this represents a material uncertainty on the ability to continue as a going concern.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.3 Income

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

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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

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 accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the company 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 company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT. The irrecoverable element of VAT is included as a separate cost within the accounts.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

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 bases:

Short-term leasehold property	- 11% straight-line method over the term of the lease
Fixtures and fittings	- 25% reducing balance
Office equipment	- 25% reducing balance

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 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 company 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.

2.11 Financial instruments

The company 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.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.13 Pensions

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

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

2. Accounting policies (continued)

2.14 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 company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The charity makes judgements, estimates and assumptions that affect the application of policies and the carrying values of assets and liabilities, income and expenses. The resulting accounting estimates calculated using these judgements will, by definition, seldom equal the related actual results but are based on the experience of the Directors (or Trustees) and the expectations of future events. The estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reviewed. Such basis includes all support costs being allocated to charitable activities.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Grants			
NHS Covid 19 relief grant	31,932	31,932	95,637
Mid Sussex District Council Covid 19 grant	-	-	6,000
Worthing Borough Council additional restrictions grant	-	-	15,000
HMRC JRS grant	-	-	5,837
Subtotal detailed disclosure	<u>31,932</u>	<u>31,932</u>	<u>122,474</u>
Donations	11,726	11,726	9,124
Similar incoming resources	41	41	164
Subtotal	<u>11,767</u>	<u>11,767</u>	<u>9,288</u>
Total 2022	<u><u>43,699</u></u>	<u><u>43,699</u></u>	<u><u>131,762</u></u>

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Audiology fees received	2,036,723	2,036,723	1,368,184
Microsuction fees	680	680	320
Total 2022	<u><u>2,037,403</u></u>	<u><u>2,037,403</u></u>	<u><u>1,368,504</u></u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

6. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Fundraising	-	-	7
	<u> </u>	<u> </u>	<u> </u>

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Interest received	546	546	54
	<u> </u>	<u> </u>	<u> </u>

8. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Other incoming resources	-	-	(623)
Lost hearing aids	54,042	54,042	46,242
	<u> </u>	<u> </u>	<u> </u>
Total 2022	<u>54,042</u>	<u>54,042</u>	<u>45,619</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

9. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Fund raising	266	266	300

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Audiology services	1,750,021	1,750,021	1,356,361

11. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Audiology services	1,544,936	205,085	1,750,021	1,356,361

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

11. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	493,138	493,138	421,517
Audiology consumables	799,426	799,426	559,259
PPE and scrubs costs	7,186	7,186	7,462
Stock adjustment	(7,986)	(7,986)	3,413
Rent, rates and utilities	120,026	120,026	110,514
Travel and entertaining	2,071	2,071	199
Printing and stationery	4,590	4,590	3,620
Postage and carriage	17,660	17,660	19,505
Telephone	12,283	12,283	19,234
Committee expenses	109	109	165
Staff training costs	3,016	3,016	870
Staff recruitment costs	17,950	17,950	-
Non recoverable input VAT	17,817	17,817	17,649
Agency staff costs	54,093	54,093	4,394
Equipment storage	3,557	3,557	953
Total 2022	<u>1,544,936</u>	<u>1,544,936</u>	<u>1,168,754</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Depreciation	50,303	50,303	60,111
Advertising	5,661	5,661	1,436
Computer costs	48,935	48,935	37,125
Sundry expenses	25,789	25,789	22,452
Repairs and maintenance	28,138	28,138	19,910
Subscriptions	1,142	1,142	132
Insurance	8,182	8,182	9,207
Interest payable	-	-	488
Equipment hire	-	-	1,192
Accountancy	13,763	13,763	14,088
Auditors' remuneration	6,490	6,490	5,900
Legal and professional fees	9,747	9,747	11,569
Provision for specific bad debt	776	776	(100)
Bank charges	6,159	6,159	4,097
Total 2022	<u>205,085</u>	<u>205,085</u>	<u>187,607</u>

12. Auditors' remuneration

	2022 £	<i>2021 £</i>
Auditors' remuneration	<u>6,490</u>	<u>5,900</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

13. Staff costs

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	424,392	364,151
Social security costs	42,348	33,780
Contribution to defined contribution pension schemes	19,028	16,911
Other employee benefits	7,370	6,675
	493,138	421,517

There were no statutory redundancy payments included in the Wages and salaries figure above during the current year (2021 - £9,180).

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

	2022 No.	2021 No.
Management	2	2
Clinical	6	7
Administrative	3	2
	11	11

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	1	-

14. Key management personnel

The cost of key management personnel:

The key management personnel include the Trustees, a senior manager and a clinical lead. The Trustees received no remuneration during the year (2021 - £nil).

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

15. Trustees' remuneration and expenses

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

During the year ended 30 June 2022, expenses totalling £69 were reimbursed or paid directly to 1 Trustees (2021 - £NIL).

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

16. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 July 2021	122,309	582,813	125,375	830,497
Additions	-	1,596	5,693	7,289
At 30 June 2022	122,309	584,409	131,068	837,786
Depreciation				
At 1 July 2021	40,770	467,306	101,318	609,394
Charge for the year	13,590	29,276	7,437	50,303
At 30 June 2022	54,360	496,582	108,755	659,697
Net book value				
At 30 June 2022	67,949	87,827	22,313	178,089
At 30 June 2021	81,539	115,507	24,057	221,103

17. Stocks

	2022 £	2021 £
Hearing aids, hearing aid accessories and assistive listening devices	49,050	41,064

The amount of stocks recognised as an expense in the Statement of financial activities was £798,626 (2021 - £570,134).

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

18. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	305,193	183,271
Other debtors	6,349	6,382
Prepayments and accrued income	51,422	43,191
	<u>362,964</u>	<u>232,844</u>

19. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	95,062	22,799
Other taxation and social security	14,487	9,705
Other creditors	3,855	2,749
Accruals and deferred income	20,733	10,563
	<u>134,137</u>	<u>45,816</u>

20. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at amortised cost	<u>1,294,240</u>	<u>744,600</u>
	2022 £	2021 £
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(115,895)</u>	<u>(33,362)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, stocks and trade debtors.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

21. Statement of funds

Statement of funds - current year

	Balance at 1 July 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2022 £
Unrestricted funds					
Designated funds					
Fixed assets reserve	221,103	-	-	(43,014)	178,089
General funds					
General fund	788,857	2,135,690	(1,750,287)	43,014	1,217,274
Total Unrestricted funds	1,009,960	2,135,690	(1,750,287)	-	1,395,363

Aim and use of designated funds:

The Trustees set up a designated fixed asset reserve in a prior year to cover the assets which the Trustees consider essential to the operations of the charity.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

21. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 July 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 June 2021 £</i>
Unrestricted funds					
Designated funds					
Fixed assets reserve	281,214	-	-	(60,111)	221,103
General funds					
General fund	539,460	1,545,947	(1,356,661)	60,111	788,857
Total Unrestricted funds	<u>820,674</u>	<u>1,545,947</u>	<u>(1,356,661)</u>	<u>-</u>	<u>1,009,960</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

22. Summary of funds

Summary of funds - current year

	Balance at 1 July 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2022 £
Designated funds	221,103	-	-	(43,014)	178,089
General funds	788,857	2,135,690	(1,750,287)	43,014	1,217,274
	<u>1,009,960</u>	<u>2,135,690</u>	<u>(1,750,287)</u>	<u>-</u>	<u>1,395,363</u>

Summary of funds - prior year

	<i>Balance at 1 July 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 June 2021 £</i>
Designated funds	281,214	-	-	(60,111)	221,103
General funds	539,460	1,545,947	(1,356,661)	60,111	788,857
	<u>820,674</u>	<u>1,545,947</u>	<u>(1,356,661)</u>	<u>-</u>	<u>1,009,960</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	178,089	178,089
Current assets	1,351,411	1,351,411
Creditors due within one year	(134,137)	(134,137)
Total	<u>1,395,363</u>	<u>1,395,363</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	221,103	221,103
Current assets	834,673	834,673
Creditors due within one year	(45,816)	(45,816)
Total	<u>1,009,960</u>	<u>1,009,960</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022**

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

	2022 £	2021 £
Net income for the year (as per Statement of financial activities)	385,403	189,285
Adjustments for:		
Depreciation charges	50,303	60,111
(Increase)/decrease in stocks	(7,986)	3,413
Increase in debtors	(130,120)	(161,439)
Increase in creditors	88,321	7,438
Net cash provided by operating activities	385,921	98,808

25. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	58	58
Notice deposits (less than 3 months)	939,339	560,707
Total cash and cash equivalents	939,397	560,765

26. Analysis of changes in net debt

	At 1 July 2021 £	Cash flows £	At 30 June 2022 £
Cash at bank and in hand	560,765	378,632	939,397
	560,765	378,632	939,397

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

27. Pension commitments

The company 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 pension cost charge represents contributions payable by the company to the fund and amounted to £19,028 (2021 - £16,911). Contributions totalling £3,755 (2021 - £2,749) were payable to the fund at the balance sheet date and are included in creditors.

28. Operating lease commitments

At 30 June 2022 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	<i>2021</i> £
Not later than 1 year	37,000	99,000
Later than 1 year and not later than 5 years	-	37,000
Total	37,000	<i>136,000</i>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2022 £	<i>2021</i> £
Operating lease rentals	99,000	<i>99,000</i>

Accounts

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

CHARITY COMMISSION

17 FEB 2022

RECORDED
RECEIVED

ACTION FOR DEAFNESS
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the company, its Trustees and advisers	1
Trustees' report	2 - 10
Independent auditors' report on the financial statements	11 - 14
Statement of financial activities	15
Balance sheet	16 - 17
Statement of cash flows	18
Notes to the financial statements	19 - 38

ACTION FOR DEAFNESS
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2021

Trustees Mr R Hewitt, Chair
 Mr M Clark, Treasurer
 Mrs A Rees, Trustee
 Mr E Skyrme, Trustee
 Mr J Taylor, Trustee

**Company registered
number** 06205458

**Charity registered
number** 1122579

Registered office 22 Sussex Road
 Haywards Heath
 West Sussex
 RH16 4EA

Chief executive officer Jane Shaw

Auditor Crowe U.K. LLP
 Statutory Auditor
 Riverside House
 40-46 High Street
 Maidstone
 Kent
 ME14 1JH

Bankers CAF Bank Limited
 25 Kings Hill Avenue
 Kings Hill
 West Malling
 Kent
 ME19 4JQ

Accountants Brian Cook Associates
 Marine House
 151 Western Road
 Haywards Heath
 West Sussex
 RH16 3LH

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2021

The Trustees present their annual report together with the audited financial statements of the company for the period 1 July 2020 to 30 June 2021. 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 company 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

The charitable purposes of the company are to enable persons who are deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, Resource Centres and by the provision of grants.

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)'.

b. Strategies for achieving objectives

Action for Deafness' strategic aim, much in line with other organisations both public and private, is to support the concepts of empowerment, independent living and social inclusion. The company believes that by providing the services for their client base, significant success is achieved in helping those who are in some way vulnerable in our society.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Adult rehabilitation audiology services were provided on behalf of three NHS Clinical Commissioning Groups (CCGs) – East Sussex, West Sussex and Surrey Heartlands. AFD also provided audiology services for patients on a non-contractual basis from other CCGs who exercised their patient choice. Any surplus from this work will be used by AFD to provide services to its users.

The COVID outbreak in March 2020 had a significant impact on income and service provision. In order to protect the safety of staff and patients all bases closed on 19 March 2020 and operations moved off site. Staff continued to work remotely to provide support and services to as many patients as possible.

All outreach bases (apart from the one in Steyning Medical Centre) and the two Resource Centres were closed permanently, all social activities and training were suspended indefinitely and demonstration and sale of assistive listening devices was stopped.

The reduction in income meant that several staff had to be furloughed and some were made redundant. The future of the company had to be reassessed and AFD had to demonstrate to the NHS commissioners that the audiology service was COVID proof before consent could be given to restart.

Audiology services restarted on 13 July 2020. Patients are seen for one face to face appointment only and are fitted with hearing aids that can be programmed and fine-tuned remotely. All other services are handled remotely. Ongoing support is provided by email, telephone and Zoom.

Now that the NHS Audiology contracts have started to generate a small surplus the trustees will review how the company can provide financial support for other services in a COVID safe manner

d. Patrons

Action for Deafness is fortunate to have the following 4 patrons and gratefully acknowledges their support: The Rt. Hon. Sir Nicholas Soames, Annette Crosbie CBE, Judy Parfitt and Julia Donaldson CBE.

e. Principal funding and contracts

AFD has contracts with three NHS CCGs: West Sussex CCG, East Sussex CCG and Surrey Heartlands CCG.

AFD is contracted to provide audiology services for those aged 55 or over from bases in these areas. There is no guaranteed income from the contracts as patients have a choice of service provider and the fees follow the patient. AFD also has a second contract with the West Sussex CCG to provide audiology services to those under the age of 55 and for more complex cases.

The Commissioners are aware that AFD has only been able to deliver services from its two main bases from July 2020 onwards. Services from Steyning Health Centre restarted on 8 August 2020. Mitigating funding was received from the CCGs to help with the loss of income during the first National Lockdown when the NHS suspended all audiology services. Mid Sussex and Worthing District Councils also provided a business support grant for the same period.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Achievements and performance

a. Review of activities

The loss of income resulting from the Covid pandemic meant that AFD had to reduce head count and service provision. Most outreach bases and the two Resource Centres were closed, all social activities and training remain suspended.

Funding the charitable activity has always been the core objective for AFD and now that the NHS Audiology contracts have started to generate a small surplus the trustees will review how the company can provide financial support for other services in a COVID safe manner. This, however, will be challenging as income levels have still not recovered to pre-pandemic levels and other sources of financial support for services are not forthcoming. In addition, much uncertainty remains about the impact of the pandemic in the coming months.

To become a Qualified Provider of services to the NHS it was necessary to obtain accreditation from the United Kingdom Accreditation Service (UKAS). AFD was very proud to become the first organisation in the country to be accredited against the IQIPS standards by the UK Accreditation Service in December 2012. The company must complete the UK Accreditation Service (UKAS) online tool annually in order to confirm ongoing compliance with the 128 standards and the company is also inspected on an annual basis in order to retain accreditation. AFD is also accredited to deliver complex audiology services. Accreditation was reconfirmed in June 2021.

The company is required to complete and submit annually both the NHS Safeguarding Standards Assurance online tool and the Data Protection online tool for each CCG with which contracts are in place.

All staff are trained to adhere to the NHS Information Governance policies to ensure compliance with data protection and client confidentiality initiatives. A robust mandatory training programme for staff is in place.

b. Staff

The Trustees would like to thank the CEO, Jane Shaw, for all her hard work in managing the company. The Trustees also extend thanks to Jane and all staff for their commitment to the company during what has been a very difficult and challenging time. New operations have been devised and successfully implemented.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Achievements and performance (continued)

c. Fundraising activities and income generation

The Trustees are grateful to all those who provided funds in this year.

East Sussex NHS CCG
West Sussex CCG
Surrey Heartlands NHS CCG
Mid Sussex DC
Adur and Worthing DC
Sussex Masonic Giving
Waitrose Haywards Heath
Mrs S Woodard
Mr C Arthorne
Mrs B Moore
Mr A West
Mrs E Gautrey
Top Cash Back
Adur East Lions Club
Miss J A Crutchfield
The Late Hilda Cox
Mrs S Woodard
Mrs E Rothera
Mrs P Chittenden
Mr J Hinze
Mr J Bromley
Mr & Mrs J Dean
Mr K Shaw
Mr J Saunders & Mr M Evans
Mrs J Booker
Mrs I Birt
Mrs J Pettet
Mrs M Hayden
Mrs E Clarke
Mr A Roberts
Mr B J Radford
Mr & Mrs C Carter
Mrs L Rutherford
Mr A Gulston
Mrs J Skelton

There are many other contributors to whom gratitude is due, but who wish to remain anonymous. Donations are also received electronically via Just Giving, Memory Giving and Top Cash Back. Thanks are also due to those clients who made donations on site or via BACS transfer and to the friends and families of those who nominate AFD as the recipient of funeral collections.

AFD can only operate within the resources available but the Trustees believe it is doing so efficiently. This remains a constant challenge.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Achievements and performance (continued)

d. Investment policy and performance

The Trustees' policy remains unchanged in that they are unwilling to risk the company's capital.

e. Fundraising policy

AFD is registered with the Fundraising Regulator. All fundraising activities have been carried out according to the requirements of the Fundraising Regulator and in accordance with AFD's Fundraising Policy. No complaints have been received.

The company does not engage professional fundraisers or commercial participators in fundraising activity.

- All fundraising schemes carried out on behalf of the company must be approved by the CEO and carried out in accordance with the company's fundraising policy
- AFD is not aware of any failure to comply with the fundraising policy
- All company fundraising activities carried out are approved and monitored by the CEO and reported at Trustee meetings
- The company has received no complaints about fundraising for the company
- The company's fundraising policy explicitly forbids unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure in the course of, or relating to, fundraising for the company

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

AFD carried out a cost reduction initiative over the last 12 months in response to reduced referral volumes and the COVID pandemic. This position will continue to be monitored during the next financial year and appropriate action taken if forecast income or expenditure varies from plan.

The 2021-2022 financial budget forecasts a surplus for the year of around £8,080. This indicates that AFD will be financially viable over the longer term if the estimate of patient numbers is accurate.

The NHS contracts have been extended to 31 March 2023.

b. Reserves policy

At the year end all funds are unrestricted and amount to £1,009,960. It is the policy of the Trustees to maintain a level of reserves sufficient to cover three months anticipated expenditure which is approximately £397,000. Free Reserves is currently £789,000 which significantly exceeds this requirement. The balance of £392,000 will be retained to address any shortfalls in income or to respond to market conditions as required.

The Trustees prepare and review a financial risk analysis annually which considers the impact of reduced income scenarios on reserves. This takes account of various cost saving options relating to audiology and overheads.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

c. Financial review

The company has had a challenging year due to the reduction in patient referrals and the need to stop face to face appointments because of the COVID outbreak. This had a significant impact on income and service provision and in order to protect the safety of staff and patients all bases were closed and operations moved off site. Staff continued to work remotely to provide support and services to as many patients as possible.

Audiology services restarted on 13 July 2020 but due to the need to prove the new COVID proof pathway and procedures, patient numbers were limited. Fees from the audiology contract with the NHS were low during the first six months, but in 2021 onwards as infection rates started to decline and the vaccination programme began to gain momentum, new referrals started to come through from GPs and more patients were seen. In June 2021 AFD's income matched pre-pandemic levels.

Mitigating funding was received from NHS England to help with the loss of income during the first National Lockdown when the NHS suspended all audiology services. Mid Sussex and Worthing District Councils also provided a business support grant for the same period.

Structure, governance and management

a. Constitution

Action for Deafness is registered as a charitable company limited by guarantee. The company is constituted under a Memorandum of Association dated 5 April 2007 (company number 06205458) and is a registered charity number 1122579. It is exempt from the use of the word "Limited".

b. Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. The persons who served as Trustees during the year, together with their relevant position on the Board and any office held are listed on the Reference and Administrative Details on page 1.

The Trustees' meetings during the year were all held virtually on Zoom. The meetings attendance record is as follows:

Trustee	Meetings Attended
Mr R Hewitt	5 of 5
Mr M Clark	5 of 5
Mrs A Rees	3 of 5
Mr E Skyrme	3 of 5
Mr J Taylor	4 of 5

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The day to day running of the company's activities is delegated to the Chief Executive Officer (CEO) who reports to the Trustees. The CEO operates under a wide-ranging delegated responsibility. It has always been the policy that where trustee expertise may be helpful, the CEO and individual Trustees work together.

The business of AFD is managed through an Executive Committee formed of all the appointed Trustees. The committee meets formally at least four times a year and on additional occasions where decisions are required before the next formal meeting.

The Trustees have given the CEO the authority needed to conduct the day to day working business of the company and the CEO attends and reports to each meeting of the Executive Committee. Decisions regarding major expenditure are taken by the Trustees.

d. Policies adopted for the induction and training of Trustees

The company relies upon the guidance issued by the Charities Commission in relation to the induction and training of Trustees.

e. Pay policy for key management personnel

The Trustees consider the board of directors, who are the Trustees, and the senior management team who are the senior managers and senior audiologists, comprise the key management personnel of the company in charge of direction and governance, controlling, running and operating the company on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 16 and note 30 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the company, the Trustees benchmark the CEO's salary against pay levels in other charitable organisations of a similar size and nature. The senior management team determine all other salaries using market forces, CPI and performance as benchmarks.

f. Compliance with the Charity Governance Code

The Trustees maintain an on-going review of governance with reference to guidance from the Charity Commission, the Fundraising Regulator and the Charity Commission Governance Code.

Compliance with operational governance is confirmed by UKAS annually and by NHS reporting standards on a monthly basis.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Structure, governance and management (continued)

g. Financial risk management

The Trustees manage risk by way of a risk register which considers the key areas of governance, operational, financial, environmental and compliance. Each area is reviewed for potential risk, potential impact of risk and steps for mitigation. The Trustees, together with the CEO, review all operations and update the register annually.

Financial risk and reserves are further managed using budgetary control and monthly management accounts reporting. Sources of both current and future income are considered during risk reviews. At the year end all reserves are unrestricted but the Trustees have previously set aside designated funds in order to ensure that assets which are critical to the operation of the company can be purchased when the need arises.

The operational team is small which allows the company to be flexible and responsive to changes in the needs of its client base. The Executive Committee has adopted a policy of individual Trustees taking an active role in the work of the company and should problems arise solutions are found quickly and effectively.

Plans for future periods

The overall aim is to continue to provide services, albeit reduced, as efficiently and effectively as possible to meet the current and future demands of beneficiaries. It is not the Trustees' intention to over-extend the resources available, but it is the intention to meet the complementary objectives of the charitable remit and operate with business-like discipline.

The mission statement of the company is "Making things happen for deaf and hard of hearing people". The Trustees and staff will continue to enhance and improve the services to meet the needs of service users. They will continue to:

- seek additional funding
- work closely with the Clinical Commissioning Groups
- apply financial management and control on all activities
- seek to maintain capability within the staff

Funding the charitable activity has always been the core objective for AFD and now that the NHS Audiology contracts have started to generate a small surplus again, the Trustees will review how the company can provide financial support for other services in a COVID safe manner.

Members' liability

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company 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 year. 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 company 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 company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Crowe U.K. LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at the next AGM.

Approved by order of the members of the board of Trustees on behalf by:

2 November 2021

and signed on their



Mr R Hewitt
(Chair of Trustees)



Mr M Clark
(Treasurer)

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS

Opinion

We have audited the financial statements of Action for Deafness (the 'charitable company') for the year ended 30 June 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and related 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 Financial Reporting Standard 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 30 June 2021 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement (set out on page 10), the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Charities Act 2011.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included:

- enquiries of management about their own identification and assessment of the risks of irregularities;
- reviewing board minutes and making enquiries of management regarding any non-compliance with laws and regulations and fraud;
- reviewing the revenue, supplier payments and payroll systems for significant deficiencies or susceptibility to fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates and judgements; and
- reviewing journal entries, in particular any journal entries posted with unusual account combinations.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

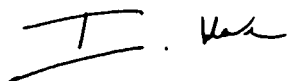
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS (CONTINUED)

Use of our report

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. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an Auditors' 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 charity and the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Weekes (Senior Statutory Auditor)

For and on behalf of
Crowe U.K. LLP

Statutory Auditor
Riverside House
40-46 High Street
Maidstone
Kent
ME14 1JH

Date: 9 November 2021

Crowe U.K. LLP is eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	4	131,762	131,762	106,728
Charitable activities	5	1,368,504	1,368,504	1,245,848
Other trading activities	6	7	7	2,353
Investments	7	54	54	441
Other income	8	45,619	45,619	62,368
Total income		1,545,946	1,545,946	1,417,738
Expenditure on:				
Raising funds	9	300	300	206
Charitable activities	10	1,356,361	1,356,361	1,488,454
Total expenditure		1,356,661	1,356,661	1,488,660
Net movement in funds		189,285	189,285	(70,922)
Reconciliation of funds:				
Total funds brought forward		820,674	820,674	891,596
Net movement in funds		189,285	189,285	(70,922)
Total funds carried forward		1,009,959	1,009,959	820,674

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

The notes on pages 19 to 38 form part of these financial statements.

ACTION FOR DEAFNESS
(A company limited by guarantee)
REGISTERED NUMBER: 06205458

BALANCE SHEET
AS AT 30 JUNE 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	221,103	281,215
		<u>221,103</u>	<u>281,215</u>
Current assets			
Stocks	17	41,064	44,477
Debtors	18	232,844	71,403
Cash at bank and in hand		560,765	461,957
		<u>834,673</u>	<u>577,837</u>
Creditors: amounts falling due within one year	19	(45,816)	(38,378)
Net current assets		<u>788,857</u>	<u>539,459</u>
Total assets less current liabilities		<u>1,009,960</u>	<u>820,674</u>
Total net assets		<u>1,009,960</u>	<u>820,674</u>
Charity funds			
Unrestricted funds	21	1,009,960	820,674
Total funds		<u>1,009,960</u>	<u>820,674</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)
REGISTERED NUMBER: 06205458

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2021

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

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

However, an audit is required in accordance with section 144 of the Charities Act 2011.

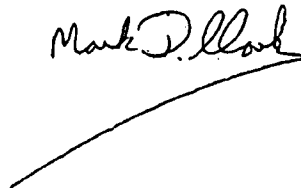
The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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 on 2 November 2021 and signed on their behalf by:



Mr R Hewitt
(Chair of Trustees)



Mr M Clark
(Treasurer)

The notes on pages 19 to 38 form part of these financial statements.

ACTION FOR DEAFNESS
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	98,808	117,000
Cash flows from investing activities		
Purchase of tangible fixed assets	-	(236)
Net cash provided by/(used in) investing activities	-	(236)
Change in cash and cash equivalents in the year	98,808	116,764
Cash and cash equivalents at the beginning of the year	461,957	345,193
Cash and cash equivalents at the end of the year	560,765	461,957

The notes on pages 19 to 38 form part of these financial statements

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

1. General information

Action for Deafness is a private company, limited by guarantee, domiciled in England and Wales, registration number 06205458. The registered charity number is 1122579. The registered office of the company is 22 Sussex Road, Haywards Heath, West Sussex RH16 4EA. The principal object of the company is to enable persons who are deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, Resource Centres and by the provision of grants.

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.

Action for Deafness 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

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

AFD carried out a cost reduction initiative over the last 12 months in response to reduced referral volumes and the COVID pandemic. This position will continue to be monitored during the next financial year and appropriate action taken if forecast income or expenditure varies from plan.

The 2021-2022 financial budget forecasts a surplus for the year of around £8,080. This indicates that AFD will be financially viable over the longer term if the estimate of patient numbers is accurate

The NHS contracts have been extended to 31 March 2023.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company 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 company 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 company, 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

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 accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the company 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 company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT. The irrecoverable element of VAT is included as a separate cost within the accounts.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

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 bases:

Short-term leasehold property	- 11% straight-line method over the term of the lease
Fixtures and fittings	- 25% reducing balance
Office equipment	- 25% reducing balance

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.8 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.

2.9 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.

2.10 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 company 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.

2.11 Financial instruments

The company 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.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

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

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

2. Accounting policies (continued)

2.15 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 company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The charity makes judgements, estimates and assumptions that affect the application of policies and the carrying values of assets and liabilities, income and expenses. The resulting accounting estimates calculated using these judgements will, by definition, seldom equal the related actual results but are based on the experience of the Directors (or Trustees) and the expectations of future events. The estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reviewed. Such basis includes all support costs being allocated to charitable activities.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

4. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Grants			
NHS Covid 19 relief grant	95,637	95,637	-
Mid Sussex District Council	-	-	25,000
Mid Sussex District Council Covid 19 grant	6,000	6,000	-
Worthing Borough Council	-	-	25,000
Worthing Borough Council additional restrictions grant	15,000	15,000	-
HMRC JRS grant	5,837	5,837	39,932
Subtotal detailed disclosure	122,474	122,474	89,932
Donations	9,124	9,124	14,404
Legacies	-	-	1,884
Similar incoming resources	164	164	508
Subtotal	9,288	9,288	16,796
Total 2021	131,762	131,762	106,728

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Audiology fees received	1,368,184	1,368,184	1,184,276
Resource centre sales	-	-	19,659
Deaf services	-	-	8,138
Microsuction fees	320	320	33,775
Total 2021	1,368,504	1,368,504	1,245,848

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

6. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Fundraising	7	7	2,353

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Interest received	54	54	441

8. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Other incoming resources	(623)	(623)	9,422
Lost hearing aids	46,242	46,242	52,946
Total 2021	45,619	45,619	62,368

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

9. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Fund raising	300	300	206

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Deaf services	1,356,361	1,356,361	1,488,454

11. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Deaf services	1,168,754	187,607	1,356,361	1,488,454

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

11. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	421,517	421,517	554,842
Audiology consumables	559,259	559,259	439,571
Purchases for Resource Centre	-	-	29,754
Miscellaneous purchases	-	-	2,769
PPE costs	7,462	7,462	-
Stock adjustment	3,413	3,413	(10,405)
Rent, rates and utilities	110,514	110,514	168,547
Travel and entertaining	199	199	11,809
Printing and stationery	3,620	3,620	4,498
Postage and carriage	19,505	19,505	11,252
Telephone	19,234	19,234	17,646
Committee expenses	165	165	616
Staff training costs	870	870	1,652
Non recoverable input VAT	17,649	17,649	17,058
Agency staff costs	4,394	4,394	7,494
Equipment storage	953	953	-
Total 2021	<u><u>1,168,754</u></u>	<u><u>1,168,754</u></u>	<u><u>1,257,103</u></u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Depreciation	60,111	60,111	75,618
Advertising	1,436	1,436	2,843
Computer costs	37,125	37,125	39,083
Sundry expenses	22,452	22,452	24,851
Repairs and maintenance	19,910	19,910	28,125
Subscriptions	132	132	294
Insurance	9,207	9,207	8,845
Interest payable	488	488	488
Equipment hire	1,192	1,192	3,323
Accountancy	14,088	14,088	13,113
Auditors' remuneration	5,900	5,900	5,400
Legal and professional fees	11,569	11,569	6,064
Loss on disposal of fixed assets	-	-	17,869
Trustees expenses reimbursed	-	-	263
Provision for specific bad debt	(100)	(100)	415
Bank charges	4,097	4,097	4,757
Total 2021	<u>187,607</u>	<u>187,607</u>	<u>231,351</u>

12. Auditors' remuneration

	2021 £	<i>2020 £</i>
Auditors' remuneration	<u>5,900</u>	<u>5,400</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

13. Staff costs

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	364,151	482,091
Social security costs	33,780	46,197
Contribution to defined contribution pension schemes	16,911	21,533
Other employee benefits	6,675	5,021
	<u>421,517</u>	<u>554,842</u>

Statutory redundancy payments made during the current year and included in the Wages and salaries figure above amounted to £9,180 (2020 - £6,110).

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

	2021 No.	2020 No.
Management	2	3
Clinical	7	8
Services	-	2
Administrative	2	2
	<u>11</u>	<u>15</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

14. Key management personnel

The cost of key management personnel:

	2021 £	2020 £
Salaries	106,792	187,598
National insurance	12,311	19,909
Pension costs	6,999	10,195
Total	126,102	217,702

The key management personnel include the Trustees, a senior manager and a clinical lead. The Trustees received no remuneration during the year (2020 - £nil).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 30 June 2021, expenses totalling £NIL were reimbursed or paid directly to Trustees (2020 - £263 to 1 Trustee).

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

16. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 July 2020	122,309	582,813	125,375	830,497
At 30 June 2021	122,309	582,813	125,375	830,497
Depreciation				
At 1 July 2020	27,180	428,804	93,299	549,283
Charge for the year	13,590	38,502	8,019	60,111
At 30 June 2021	40,770	467,306	101,318	609,394
Net book value				
At 30 June 2021	81,539	115,507	24,057	221,103
At 30 June 2020	95,129	154,010	32,076	281,215

The net book value of assets held under finance leases or hire purchase contracts, included above, is as follows: Office equipment £NIL (2020 - £2,857).

17. Stocks

	2021 £	2020 £
Hearing aids, hearing aid accessories and assistive listening devices	41,064	44,477

The amount of stocks recognised as an expense in the Statement of financial activities was £570,134 (2020 - £461,689).

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

18. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	183,271	31,678
Other debtors	6,382	36
Prepayments and accrued income	43,191	39,689
	<u>232,844</u>	<u>71,403</u>

19. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	22,799	17,762
Other taxation and social security	9,705	5,272
Obligations under finance lease and hire purchase contracts	-	2,974
Other creditors	2,749	3,195
Accruals and deferred income	10,563	9,175
	<u>45,816</u>	<u>38,378</u>

20. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at amortised cost	<u>744,600</u>	<u>493,635</u>
	2021 £	2020 £
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(33,362)</u>	<u>(29,911)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, obligations under finance leases and accruals.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

21. Statement of funds

Statement of funds - current year

	Balance at 1 July 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2021 £
Unrestricted funds					
Designated funds					
Fixed assets reserve	281,214	-	-	(60,111)	221,103
General funds					
General fund	539,460	1,545,947	(1,356,661)	60,111	788,857
Total Unrestricted funds	820,674	1,545,947	(1,356,661)	-	1,009,960

Aim and use of designated funds:

The Trustees set up a designated fixed asset reserve in a prior year to cover the assets which the Trustees consider essential to the operations of the charity.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

21. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 July 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 June 2020 £</i>
Unrestricted funds					
Designated funds					
Fixed assets reserve	374,465	-	-	(93,251)	281,214
General funds					
General fund	517,132	1,417,738	(1,488,661)	93,251	539,460
Total Unrestricted funds	<u>891,597</u>	<u>1,417,738</u>	<u>(1,488,661)</u>	<u>-</u>	<u>820,674</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

22. Summary of funds

Summary of funds - current year

	Balance at 1 July 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2021 £
Designated funds	281,214	-	-	(60,111)	221,103
General funds	539,460	1,545,947	(1,356,661)	60,111	788,857
	<u>820,674</u>	<u>1,545,947</u>	<u>(1,356,661)</u>	<u>-</u>	<u>1,009,960</u>

Summary of funds - prior year

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2020 £
Designated funds	374,465	-	-	(93,251)	281,214
General funds	517,132	1,417,738	(1,488,661)	93,251	539,460
	<u>891,597</u>	<u>1,417,738</u>	<u>(1,488,661)</u>	<u>-</u>	<u>820,674</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	221,103	221,103
Current assets	834,673	834,673
Creditors due within one year	(45,816)	(45,816)
Total	<u>1,009,960</u>	<u>1,009,960</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	281,215	281,215
Current assets	577,837	577,837
Creditors due within one year	(38,378)	(38,378)
Total	<u>820,674</u>	<u>820,674</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

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

	2021 £	2020 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	189,285	(70,922)
Adjustments for:		
Depreciation charges	60,111	75,618
Loss on the sale of fixed assets	-	17,869
Decrease/(increase) in stocks	3,413	(10,405)
(Increase)/decrease in debtors	(161,439)	200,860
Increase/(decrease) in creditors	7,438	(96,020)
Net cash provided by operating activities	98,808	117,000

25. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	58	58
Notice deposits (less than 3 months)	560,707	461,899
Total cash and cash equivalents	560,765	461,957

26. Analysis of changes in net debt

	At 1 July 2020 £	Cash flows £	Other non- cash changes £	At 30 June 2021 £
Cash at bank and in hand	461,957	98,808	-	560,765
Finance leases	(2,974)	5,229	(2,255)	-
	458,983	104,037	(2,255)	560,765

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

27. Pension commitments

The company 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 pension cost charge represents contributions payable by the company to the fund and amounted to £16,911 (2020 - £21,533). Contributions totalling £2,749 (2020 - £3,195) were payable to the fund at the balance sheet date and are included in creditors.

28. Operating lease commitments

At 30 June 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	99,000	99,000
Later than 1 year and not later than 5 years	37,000	136,000
Total	136,000	235,000

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2021 £	2020 £
Operating lease rentals	99,000	99,000

Accounts

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

ACTION FOR DEAFNESS
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the company, its Trustees and advisers	1
Trustees' report	2 - 11
Independent auditors' report on the financial statements	12 - 14
Statement of financial activities	15
Balance sheet	16 - 17
Statement of cash flows	18
Notes to the financial statements	19 - 38

ACTION FOR DEAFNESS
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2020

Trustees Mr R Hewitt, Chair
 Mr M Clark, Treasurer
 Mrs A Rees, Trustee
 Mr E Skyrme, Trustee
 Mr J Taylor, Trustee

**Company registered
number** 06205458

**Charity registered
number** 1122579

Registered office 22 Sussex Road
 Haywards Heath
 West Sussex
 RH16 4EA

Chief executive officer Jane Shaw

Auditor Crowe U.K. LLP
 Statutory Auditor
 Riverside House
 40-46 High Street
 Maidstone
 Kent
 ME14 1JH

Bankers CAF Bank Limited
 25 Kings Hill Avenue
 Kings Hill
 West Malling
 Kent
 ME19 4JQ

Accountants Brian Cook Associates
 Marine House
 151 Western Road
 Haywards Heath
 West Sussex
 RH16 3LH

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2020

The Trustees present their annual report together with the audited financial statements of the company for the 1 July 2019 to 30 June 2020. 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) (second edition - October 2019) 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 company 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

The charitable purposes of the company are to enable persons who are deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, Resource Centres and by the provision of grants.

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)'.

b. Strategies for achieving objectives

Action for Deafness' strategic aim, much in line with other organisations both public and private, is to support the concepts of empowerment, independent living and social inclusion. The company believes that by providing the services for their client base, significant success is achieved in helping those who are in some way vulnerable in our society.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Adult rehabilitation audiology services were provided on behalf of seven NHS Clinical Commissioning Groups (CCGs) in East & West Sussex and East Surrey. AFD also provided audiology services for patients from other CCGs who exercised their patient choice, on a non-contractual basis. The surplus from this work was used by AFD to provide a wide range of services to its users.

AFD had 12 bases which were fully operational; until the COVID-19 outbreak in March 2020. The bases were in Haywards Heath, Worthing, Bognor Regis, Burgess Hill, Crawley, East Grinstead, Heathfield, Henfield, Horsham, Lewes, Shoreham-by-Sea and Steyning. Haywards Heath and Worthing were open five full days each week. All other bases were outreach bases and were open as many days each week as necessary to meet demand, which fluctuated throughout the year. From these 12 bases a wide range of services was provided for the client base, including support and advice, demonstration and sale of assistive listening devices. A hearing aid maintenance service was offered for re-tubing hearing aids and supplying batteries.

A private Audiology service was also available for those who wish to have private treatment.

The provision of Deaf Awareness Training generated a small income this year as demand was very low. Lip reading classes also generated a small income, but this did not cover the significant costs involved. Communication Tactics Training was offered to all new hearing aid users and their family and friends from the two main bases, Haywards Heath and Worthing.

There is a large, well fitted conference room at both head office and Worthing, which were offered to groups of service users.

The information service was enhanced by the production of a quarterly electronic newsletter and a website which is frequently updated: www.actionfordeafness.org.uk

AFD's Facebook, Instagram and Twitter accounts are updated regularly and are all well used by the client base.

The COVID-19 outbreak in March 2020 had a significant impact on income and service provision. In order to protect the safety of staff and patients all bases closed on 19 March 2020 and operations moved off site. Staff continued to work remotely to provide support and services to as many patients as possible.

All outreach bases and the two Resource Centres were closed permanently, all social activities and training were suspended indefinitely and demonstration and sale of assistive listening devices was stopped.

The reduction in income meant that several staff had to be furloughed and some were made redundant. The future of the organisation had to be reassessed and AFD had to demonstrate to the NHS commissioners that the audiology service was COVID-19 proof before consent could be given to restart.

Audiology services restarted on 13 July 2020 after the year end. Patients can only be seen by appointment and are seen for one face to face appointment only. Patients are fitted with hearing aids that can be programmed remotely. All other services are handled remotely. Ongoing support is provided by email, telephone and Zoom.

If, as forecast, income from the NHS Audiology contracts starts to generate a small surplus later in the year, the company will review how it can provide financial support for other services in a COVID-19 safe manner.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Objectives and activities (continued)

d. Patrons

We were very sorry to lose one of our Patrons, Dame Vera Lynn DBE when she died in June and will miss her support. Action for Deafness is fortunate to have the following 4 patrons and gratefully acknowledges their support: The Rt. Hon. Sir Nicholas Soames MP, Annette Crosbie CBE, Judy Parfitt and Julia Donaldson CBE.

e. Volunteers

Along with many other voluntary organisations, AFD valued its volunteers who were invaluable members of the team. Unfortunately, due to the COVID-19 outbreak the safety of volunteers can no longer be guaranteed so the service has been discontinued.

f. Principal funding and contracts

AFD has contracts with seven NHS CCGs; Crawley CCG, Horsham & Mid Sussex CCG, Coastal West Sussex CCG, High Weald, Lewes & Havens CCG, Hastings & Rother CCG, Eastbourne & Hailsham CCG and East Surrey CCG. From 1 April 2020 Crawley, Horsham & Mid Sussex and Coastal West Sussex merged to become West Sussex CCG, High Weald, Lewes & Havens, Eastbourne & Hailsham and Hastings & Rother CCGs merged to form East Sussex CCG and East Surrey CCG became Surrey Heartlands CCG.

AFD is contracted to provide audiology services for those aged 55 or over from bases in these areas. There is no guaranteed income from the contracts as patients have a choice of service provider and the fees follow the patient. AFD also has a second contract with the West Sussex CCG to provide audiology services to those under the age of 55 and for more complex cases.

The Commissioners are aware that AFD will only be able to deliver services from its two main bases from July 2020 onwards. Services from Steyning HC restarted on 8 August 2020.

To become a Qualified Provider under the new NHS initiative it was necessary to obtain national accreditation from the United Kingdom Accreditation Service (UKAS). AFD was very proud to become the first organisation in the country to be accredited against the IQIPS standards by the UK Accreditation Service in December 2012.

All sites are inspected and all staff are observed to demonstrate compliance. The company must complete the UK Accreditation Service (UKAS) online tool annually in order to confirm ongoing compliance with the 128 standards and the company is also inspected on an annual basis in order to retain accreditation. AFD is also accredited to deliver complex audiology services.

The company is required to complete and submit annually both the NHS Safeguarding Standards Assurance online tool and the Information Governance online tool for each CCG with which contracts are in place.

All staff and volunteers are trained to adhere to the NHS Information Governance policies to ensure compliance with data protection and client confidentiality initiatives. A robust mandatory training programme for staff and volunteers is in place.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Achievements and performance

a. Review of activities

The COVID-19 outbreak in March 2020 had a significant impact on income and service provision. In order to protect the safety of staff and patients all bases closed on 19 March 2020 and operations moved off site. Staff continued to work remotely to provide support and services to as many patients as possible.

The loss of income resulting from this has meant that AFD has had to reduce head count and service provision. Most outreach bases and the two Resource Centres have been closed, all social activities and training have been suspended and demonstration and sale of assistive listening devices has been stopped.

Funding the charitable activity has always been the core objective for AFD and once the NHS Audiology contracts start to generate a small surplus later in the year, the company will review how it can provide financial support for other services in a COVID-19 safe manner. This, however, is becoming increasingly challenging as income levels have dropped and other sources of financial support for services have not been forthcoming.

b. Staff

The Trustees would like to thank the CEO, Jane Shaw, for all her hard work in managing the company. The Trustees also extend thanks to Jane and all staff for their commitment to the company during what has been a very difficult and challenging time.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Achievements and performance (continued)

c. Fundraising activities and income generation

The Trustees are grateful to all those who provided funds in this year.

Crawley Clinical Commissioning Group
Coastal West Sussex Clinical Commissioning Group
Horsham & Mid Sussex Clinical Commissioning Group
East Sussex CCG
Surrey Heartlands CCG

Mr G Butler
Mr W. Harrison
Amazon Smile
Paypal giving fund
Mr R. Mason
Ms Diana James
Mrs I Snelling
Mr and Mrs J Dean
The Shelley
Mr and Mrs M. Phillips
Betty Deller
Brook Barn Lodge
Waitrose Community Fund
Mrs Sahana Still
Top Charity
Wilson Memorial Trust
Ferring village market
Adur East Lions Club
Mr B Sitford
Mr H Hinze
Amanda Peach
Mr C Richardson
Mr & Mrs K Shaw
Mr D J Dalton
Peter Murrell in memory of cousin Jill Oakley

There are many other contributors to whom gratitude is due, but who wish to remain anonymous. Donations are also received electronically via Just Giving, Memory Giving and Top Cash Back. Thanks are also due to those clients who made donations in the Resource Centres or in the outreach clinics and to the friends and families of those who nominate AFD as the recipient of funeral collections.

AFD can only operate within the resources available but the Trustees believe it is doing so efficiently. This remains a constant challenge.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Achievements and performance (continued)

d. Investment policy and performance

The Trustees' policy remains unchanged in that they are unwilling to risk the company's capital.

e. Fundraising policy

AFD is registered with the Fundraising Regulator. All fundraising activities have been carried out according to the requirements of the Fundraising Regulator and in accordance with AFD's Fundraising Policy. No complaints have been received.

The company does not engage professional fundraisers or commercial participators in fundraising activity.

- All fundraising schemes carried out on behalf of the company must be approved by the Fundraising Co-ordinator and CEO and carried out in accordance with the company's fundraising policy
- AFD is not aware of any failure to comply with the fundraising policy
- All company fundraising activities carried out are approved and monitored by the CEO and reported at Trustee meetings
- The company has received no complaints about fundraising for the company
- The company's fundraising policy explicitly forbids unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure in the course of, or relating to, fundraising for the company

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

AFD has carried out a cost reduction initiative over the last 6 months in response to reduced referral volumes and the COVID-19 pandemic and has significantly reduced expenditure. This position will be monitored during the year and appropriate action taken if forecast income or expenditure varies from plan.

The 2020-2021 financial budget indicates a deficit for the year of around £120,000 but generates a surplus of £3,000 over the last 6 months. This indicates that AFD will be financially viable over the longer term if the estimate of patient numbers is accurate. This excludes income from Off Contract and Microsuction which could be another opportunity for income generation when it is safe to reintroduce.

The NHS had intended to re-procure contracts with all providers during 2020. However, following the COVID-19 outbreak the existing contract has been rolled over to April 2021 and AFD has been asked to extend provision of services through to at least April 2023 thus ensuring a continued income during this period.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Financial review (continued)

b. Reserves policy

At the year end all funds are unrestricted and amount to £820,674. It is the policy of the Trustees to maintain a level of reserves sufficient to cover three months anticipated expenditure which is approximately £308,000. Free Reserves is currently £539,000 which significantly exceeds this requirement. The balance of £231,000 will be retained to address any shortfalls in income or to respond to market conditions as required.

The Trustees prepare and review a financial risk analysis annually which considers the impact of reduced income scenarios on reserves. This takes account of various cost saving options relating to audiology and overheads.

c. Financial review

The company has had a challenging year due to reductions in tariffs, reductions in patient referrals and the need to stop face to face appointments from 19 March 2020 because of the COVID-19 outbreak. This had a significant impact on income and service provision and in order to protect the safety of staff and patients all bases closed and operations moved off site. Staff continued to work remotely to provide support and services to as many patients as possible.

The loss of income resulting from this meant that AFD had to reduce head count and service provision. Most outreach bases and the two Resource Centres have been closed, all social activities and training have been suspended and demonstration and sale of assistive listening devices was stopped. The total one off costs associated with the closure of bases and the reduction of services amounted to £22,890 which is included within the deficit for the year.

Audiology services restarted on 13 July 2020 but due to the need to prove the new COVID-19 proof pathway and procedures, patient numbers were limited. Fees from the audiology contract with the NHS were low during July but started to build from August onwards as more patients from the referral backlog were seen and new referrals started to come through from GPs.

Structure, governance and management

a. Constitution

Action for Deafness is registered as a charitable company limited by guarantee. The company is constituted under a Memorandum of Association dated 5 April 2007 (company number 06205458) and is a registered charity number 1122579. It is exempt from the use of the word "Limited".

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Structure, governance and management (continued)

b. Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association. The persons who served as Trustees during the year, together with their relevant position on the Board and any office held are listed on the Reference and Administrative Details on page 1.

Trustees meetings attendance record:

Trustee	Meetings Attended
Mr R Hewitt	6 of 6
Mr M Clark	5 of 6
Mrs A Rees	4 of 6
Mr E Skyrme	4 of 6
Mr J Taylor	5 of 6

c. Organisational structure and decision-making policies

The day to day running of the company's activities is delegated to the Chief Executive Officer (CEO) who reports to the Trustees. The CEO operates under a wide ranging delegated responsibility. It has always been the policy that where trustee expertise may be helpful, the CEO and individual trustees work together.

The business of AFD is managed through an Executive Committee formed of all the appointed Trustees. The committee meets formally at least four times a year and on additional occasions where decisions are required before the next formal meeting.

The Trustees have given the CEO the authority needed to conduct the day to day working business of the company and the CEO attends and reports to each meeting of the Executive Committee. Decisions regarding major expenditure are taken by the Trustees.

d. Policies adopted for the induction and training of Trustees

The company relies upon the guidance issued by the Charities Commission in relation to the induction and training of Trustees.

e. Pay policy for key management personnel

The Trustees consider the board of directors, who are the Trustees, and the senior management team, who are the senior managers and senior audiologists, comprise the key management personnel of the company in charge of direction and governance, controlling, running and operating the company on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 16 and note 30 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the company, the Trustees benchmark the CEO's salary against pay levels in other charitable organisations of a similar size and nature. The senior management team determine all other salaries using market forces, CPI and performance as benchmarks.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Structure, governance and management (continued)

f. Compliance with the Charity Governance Code

Compliance with operational governance is confirmed by UKAS annually and by NHS reporting standards on a monthly basis.

g. Financial risk management

The Trustees manage risk by way of a risk register which considers the key areas of governance, operational, financial, environmental and compliance. Each area is reviewed for potential risk, potential impact of risk and steps for mitigation. The Trustees, together with the CEO, review all operations and update the register annually.

Financial risk and reserves are further managed using budgetary control and monthly management accounts reporting. Sources of both current and future income are considered during risk reviews. At the year end all reserves are unrestricted but the Trustees have previously set aside designated funds in order to ensure that assets which are critical to the operation of the company can be purchased when the need arises.

The operational team is small which allows the company to be flexible and responsive to changes in the needs of its client base. The Executive Committee has adopted a policy of individual Trustees taking an active role in the work of the company and should problems arise solutions are found quickly and effectively.

Plans for future periods

The overall aim is to continue to provide services, albeit reduced, as efficiently and effectively as possible to meet the current and future demands of beneficiaries. It is not the Trustees' intention to over-extend the resources available, but it is the intention to meet the complementary objectives of the charitable remit and operate with business-like discipline.

The mission statement of the company is "Making things happen for deaf and hard of hearing people". The Trustees and staff will continue to enhance and improve the services to meet the needs of service users. They will continue to:

- seek additional funding
- work closely with the Clinical Commissioning Groups
- apply financial management and control on all activities
- continue to use social media and other digital media effectively for the benefit of service users and as a marketing tool
- seek to maintain capability within the staff

Funding the charitable activity has always been the core objective for AFD and once the NHS Audiology contracts start to generate a small surplus later in the year, the company will review how it can provide financial support for other services in a COVID safe manner.

Members' liability

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up.

ACTION FOR DEAFNESS
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company 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 company 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 company will continue in business.

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

Disclosure of information to auditors

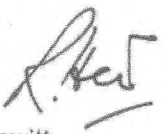
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Crowe U.K. LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at the next AGM.

Approved by order of the members of the board of Trustees on 3 November 2020 and signed on their behalf by:


Mr R Hewitt
(Chair of Trustees)


Mr M Clark
(Treasurer)

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS

Opinion

We have audited the financial statements of Action for Deafness (the 'charitable company') for the year ended 30 June 2020 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 30 June 2020 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; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS (CONTINUED)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

ACTION FOR DEAFNESS
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ACTION FOR DEAFNESS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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.

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Weekes (Senior Statutory Auditor)

For and on behalf of
Crowe U.K. LLP

Statutory Auditor
Riverside House
40-46 High Street
Maidstone
Kent
ME14 1JH

3 November 2020

Crowe U.K. LLP is eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	4	106,728	106,728	26,941
Charitable activities	5	1,245,848	1,245,848	1,949,045
Other trading activities	6	2,353	2,353	3,412
Investments	7	441	441	377
Other income	8	62,368	62,368	59,263
Total income		1,417,738	1,417,738	2,039,038
Expenditure on:				
Raising funds	9	206	206	8,722
Charitable activities	11	1,488,454	1,488,454	2,209,660
Total expenditure		1,488,660	1,488,660	2,218,382
Net movement in funds		(70,922)	(70,922)	(179,344)
Reconciliation of funds:				
Total funds brought forward		891,597	891,597	1,070,941
Net movement in funds		(70,922)	(70,922)	(179,344)
Total funds carried forward		820,675	820,675	891,597

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

The notes on pages 19 to 38 form part of these financial statements.

ACTION FOR DEAFNESS
(A company limited by guarantee)
REGISTERED NUMBER: 06205458

BALANCE SHEET
AS AT 30 JUNE 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	17	281,214	374,464
		<u>281,214</u>	<u>374,464</u>
Current assets			
Stocks	18	44,477	34,072
Debtors	19	71,403	272,263
Cash at bank and in hand		461,957	345,193
		<u>577,837</u>	<u>651,528</u>
Creditors: amounts falling due within one year	20	(38,377)	(134,395)
Net current assets		<u>539,460</u>	<u>517,133</u>
Total assets less current liabilities		<u>820,674</u>	<u>891,597</u>
Total net assets		<u><u>820,674</u></u>	<u><u>891,597</u></u>
Charity funds			
Unrestricted funds	22	820,674	891,597
Total funds		<u><u>820,674</u></u>	<u><u>891,597</u></u>

ACTION FOR DEAFNESS
(A company limited by guarantee)
REGISTERED NUMBER: 06205458

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2020

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

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

However, an audit is required in accordance with section 144 of the Charities Act 2011.

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 on 03 November 2020 and signed on their behalf by:


Mr R Hewitt
(Chair of Trustees)


Mr M Clark
(Treasurer)

The notes on pages 19 to 38 form part of these financial statements.

ACTION FOR DEAFNESS
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	117,000	134,960
Cash flows from investing activities		
Proceeds from the sale of tangible fixed assets	-	13,000
Purchase of tangible fixed assets	(236)	(28,080)
Net cash used in investing activities	(236)	(15,080)
Change in cash and cash equivalents in the year	116,764	119,880
Cash and cash equivalents at the beginning of the year	345,193	225,313
Cash and cash equivalents at the end of the year	461,957	345,193

The notes on pages 19 to 38 form part of these financial statements

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

1. General information

The registered office of the company is 22 Sussex Road, Haywards Heath, West Sussex RH16 4EA. The company number is 06205458 and the registered charity number is 1122579. The principal object of the company is to enable persons who are deaf, deafened, hard of hearing or deafblind and to provide them with opportunities for independent living by (without limitation) the provision of an information and advice service, Resource Centres and by the provision of grants.

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) (second edition - October 2019) - 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.

Action for Deafness 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

After making appropriate enquiries, the Trustees have a reasonable expectation that the company 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.

AFD has carried out a cost reduction initiative over the last 6 months in response to reduced referral volumes and the COVID-19 pandemic and has significantly reduced expenditure. This position will be monitored during the year and appropriate action taken if forecast income or expenditure varies from plan.

The 2020-2021 financial budget indicates a deficit for the year of around £120,000 but generates a surplus of £3,000 over the last 6 months. This indicates that AFD will be financially viable over the longer term if the estimate of patient numbers is accurate. This excludes income from Off Contract and Microsuction which could be another opportunity for income generation when it is safe to reintroduce.

The NHS had intended to re-procure contracts with all providers during 2020. However, following the COVID-19 outbreak the existing contract has been rolled over to April 2021 and AFD has been asked to extend provision of services through to at least April 2023 thus ensuring a continued income during this period.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.3 Income

All income is recognised once the company 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 company 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 company, 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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

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 accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the company 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 company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT. The irrecoverable element of VAT is included as a separate cost within the accounts.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

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 bases:

Short-term leasehold property	- 11% straight-line method over the term of the lease
Fixtures and fittings	- 25% reducing balance
Office equipment	- 25% reducing balance

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 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.

2.9 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.

2.10 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 company 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.

2.11 Financial instruments

The company 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.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

2. Accounting policies (continued)

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.14 Pensions

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

2.15 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 company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The charity makes judgements, estimates and assumptions that affect the application of policies and the carrying values of assets and liabilities, income and expenses. The resulting accounting estimates calculated using these judgements will, by definition, seldom equal the related actual results but are based on the experience of the Directors (or Trustees) and the expectations of future events. The estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reviewed. Such basis includes all support costs being allocated to charitable activities.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

4. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Grants			
Mid Sussex District Council	50,000	50,000	-
HMRC JRS Grant	39,932	39,932	-
Subtotal	<u>89,932</u>	<u>89,932</u>	<u>-</u>
 Donations	 14,404	 14,404	 25,629
Legacies	1,884	1,884	200
Membership fees	508	508	1,112
Subtotal	<u>16,796</u>	<u>16,796</u>	<u>26,941</u>
 Total 2020	 <u>106,728</u>	 <u>106,728</u>	 <u>26,941</u>

5. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Audiology fees received	1,184,276	1,184,276	1,862,415
Resource centre sales	19,659	19,659	40,552
Deaf services	8,138	8,138	19,971
Microsuction fees	33,775	33,775	26,107
Total 2020	<u>1,245,848</u>	<u>1,245,848</u>	<u>1,949,045</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

6. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Fundraising	2,353	2,353	3,412

7. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Interest received	441	441	377

8. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Other incoming resources	9,422	9,422	13,721
Lost hearing aids	52,946	52,946	45,542
Total 2020	62,368	62,368	59,263

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

9. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Fund raising	206	206	295
Magazine costs - News and Views	-	-	8,427
Total 2020	<u>206</u>	<u>206</u>	<u>8,722</u>

10. Grant costs

	Grants to Institutions 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Grants paid	-	-	8,471
	<u>-</u>	<u>-</u>	<u>8,471</u>

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Deaf services	1,488,454	1,488,454	2,209,660
	<u>1,488,454</u>	<u>1,488,454</u>	<u>2,209,660</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

12. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Deaf services	1,257,103	-	231,351	1,488,454	2,209,659

Analysis of direct costs

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	554,842	554,842	817,372
Audiology consumables	439,571	439,571	611,370
Purchases for Resource Centre	29,754	29,754	56,444
Miscellaneous purchases	2,769	2,769	1,907
Stock adjustment	(10,405)	(10,405)	27,912
Rent, rates and utilities	168,547	168,547	186,672
Travel and entertaining	11,809	11,809	22,073
Printing and stationery	4,498	4,498	12,998
Postage and carriage	11,252	11,252	9,850
Telephone	17,646	17,646	16,762
Committee expenses	616	616	770
Motor expenses	-	-	3,585
Worthing expansion	-	-	1,454
Staff training costs	1,652	1,652	35,800
Non recoverable input VAT	17,058	17,058	33,382
Agency staff costs	7,494	7,494	88,473
Total 2020	1,257,103	1,257,103	1,926,824

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

12. Analysis of expenditure by activities (continued)

Analysis of support costs

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Depreciation	75,618	75,618	102,172
Advertising	2,843	2,843	6,510
Computer costs	39,083	39,083	41,660
Sundry expenses	24,851	24,851	38,635
Repairs and maintenance	28,125	28,125	38,179
Subscriptions	294	294	541
Insurance	8,845	8,845	12,180
Interest payable	488	488	366
Equipment hire	3,323	3,323	1,012
Accountancy	13,113	13,113	13,113
Auditors' remuneration	5,400	5,400	5,300
Legal and professional fees	6,064	6,064	6,182
Loss on disposal of fixed assets	17,869	17,869	2,891
Trustees expenses reimbursed	263	263	278
Provision for specific bad debt	415	415	1,035
Bank charges	4,757	4,757	4,310
Total 2020	<u>231,351</u>	<u>231,351</u>	<u>274,364</u>

13. Auditors' remuneration

	2020 £	<i>2019 £</i>
Auditors' remuneration	<u>5,400</u>	<u>5,300</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

14. Staff costs

Staff costs were as follows:

	2020	<i>2019</i>
	£	£
Wages and salaries	482,091	<i>714,411</i>
Social security costs	46,197	<i>67,697</i>
Contribution to defined contribution pension schemes	21,533	<i>27,654</i>
Other employee benefits	5,021	<i>7,610</i>
	554,842	<i>817,372</i>

Staff termination payments made during the current year and included in the Wages and salaries figure above amounted to £6,110 (2019 - £49,218). The payments related to statutory redundancy and payments in lieu of notice. The payments in lieu of notice have been calculated from the employment contracts.

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

	2020	<i>2019</i>
	No.	No.
Management	3	<i>4</i>
Clinical	8	<i>11</i>
Services	2	<i>3</i>
Administrative	2	<i>4</i>
	15	<i>22</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	<i>2019</i>
	No.	No.
In the band £60,001 - £70,000	1	<i>1</i>

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

15. Key management personnel

The cost of key management personnel:

	2020	<i>2019</i>
	£	£
Salaries	187,598	<i>241,347</i>
National insurance	19,909	<i>26,389</i>
Pension costs	10,195	<i>12,263</i>
Total	217,702	<i>279,999</i>

The key management personnel include the Trustees, senior managers and senior audiologists. The Trustees received no remuneration during the year (2019 - £nil).

16. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 30 June 2020, expenses totalling £263 were reimbursed or paid directly to 1 Trustee (2019 - £278 to 2 Trustees). The expenses related to travel costs for meetings.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

17. Tangible fixed assets

	Short-term leasehold property £	Fixtures and fittings £	Office equipment £	Total £
Cost				
At 1 July 2019	122,309	629,493	125,375	877,177
Additions	-	236	-	236
Disposals	-	(46,916)	-	(46,916)
At 30 June 2020	122,309	582,813	125,375	830,497
Depreciation				
At 1 July 2019	13,590	406,515	82,607	502,712
Charge for the year	13,590	51,336	10,692	75,618
On disposals	-	(29,047)	-	(29,047)
At 30 June 2020	27,180	428,804	93,299	549,283
Net book value				
At 30 June 2020	95,129	154,009	32,076	281,214
At 30 June 2019	108,719	222,978	42,767	374,464

The net book value of assets held under finance leases or hire purchase contracts, included above, is as follows: Office equipment £2,857 (2019 - £3,809).

18. Stocks

	2020 £	2019 £
Hearing aids, hearing aid accessories and assistive listening devices	44,477	34,072

The amount of stocks recognised as an expense in the Statement of financial activities was £461,605 (2019 - £697,633).

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

19. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	31,678	209,135
Other debtors	36	11,600
Prepayments and accrued income	39,689	51,528
	<u>71,403</u>	<u>272,263</u>

20. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	17,761	80,502
Other taxation and social security	5,272	25,338
Obligations under finance lease and hire purchase contracts	2,974	3,966
Pension creditor	3,195	3,760
Accruals and deferred income	9,175	20,829
	<u>38,377</u>	<u>134,395</u>

21. Financial instruments

	2020 £	2019 £
Financial assets		
Financial assets measured at amortised cost	<u>493,635</u>	<u>565,928</u>
	2020 £	2019 £
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(29,910)</u>	<u>(105,297)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, obligations under finance leases and accruals.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

22. Statement of funds

Statement of funds - current year

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2020 £
Unrestricted funds					
Designated funds					
Fixed assets reserve	374,465	-	-	(93,251)	281,214
General funds					
General fund	517,132	1,417,737	(1,488,660)	93,251	539,460
Total Unrestricted funds	891,597	1,417,737	(1,488,660)	-	820,674

Aim and use of designated funds:

The trustees set up a designated fixed asset reserve in a prior year to cover the assets which the trustees consider essential to the operations of the charity.

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

22. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 July 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 June 2019 £</i>
Unrestricted funds					
Designated funds					
Fixed assets reserve	464,448	-	-	(89,983)	374,465
Grant making fund	4,466	-	(4,466)	-	-
	<u>468,914</u>	<u>-</u>	<u>(4,466)</u>	<u>(89,983)</u>	<u>374,465</u>
General funds					
General fund	602,027	2,039,038	(2,213,916)	89,983	517,132
	<u>602,027</u>	<u>2,039,038</u>	<u>(2,213,916)</u>	<u>89,983</u>	<u>517,132</u>
Total Unrestricted funds	<u>1,070,941</u>	<u>2,039,038</u>	<u>(2,218,382)</u>	<u>-</u>	<u>891,597</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

23. Summary of funds

Summary of funds - current year

	Balance at 1 July 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 30 June 2020 £
Designated funds	374,465	-	-	(93,251)	281,214
General funds	517,132	1,417,737	(1,488,660)	93,251	539,460
	<u>891,597</u>	<u>1,417,737</u>	<u>(1,488,660)</u>	<u>-</u>	<u>820,674</u>

Summary of funds - prior year

	<i>Balance at 1 July 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 30 June 2019 £</i>
Designated funds	468,914	-	(4,466)	(89,983)	374,465
General funds	602,027	2,039,038	(2,213,916)	89,983	517,132
	<u>1,070,941</u>	<u>2,039,038</u>	<u>(2,218,382)</u>	<u>-</u>	<u>891,597</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

24. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	281,214	281,214
Current assets	577,837	577,837
Creditors due within one year	(38,377)	(38,377)
Total	<u>820,674</u>	<u>820,674</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	374,464	374,464
Current assets	651,528	651,528
Creditors due within one year	(134,395)	(134,395)
Total	<u>891,597</u>	<u>891,597</u>

ACTION FOR DEAFNESS
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(70,922)	(179,344)
Adjustments for:		
Depreciation charges	75,618	102,172
Loss on the sale of fixed assets	17,869	2,891
(Increase)/decrease in stocks	(10,405)	27,912
Decrease in debtors	200,860	131,113
(Decrease)/increase in creditors	(96,020)	50,216
Net cash provided by operating activities	117,000	134,960

26. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	58	49
Notice deposits (less than 3 months)	461,899	345,144
Total cash and cash equivalents	461,957	345,193

27. Analysis of changes in net debt

	At 1 July 2019 £	Cash flows £	Other non- cash changes £	At 30 June 2020 £
Cash at bank and in hand	345,193	116,764	-	461,957
Finance leases	(3,966)	1,695	(703)	(2,974)
	341,227	118,459	(703)	458,983

ACTION FOR DEAFNESS
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

28. Pension commitments

The company 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 pension cost charge represents contributions payable by the company to the fund and amounted to £21,533 (2019 - £27,654). Contributions totalling £3,195 (2019 - £3,760) were payable to the fund at the balance sheet date and are included in creditors.

29. Operating lease commitments

At 30 June 2020 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	<i>2019</i> £
Not later than 1 year	99,000	<i>99,000</i>
Later than 1 year and not later than 5 years	136,000	<i>235,000</i>
Total	235,000	<i>334,000</i>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2020 £	<i>2019</i> £
Operating lease rentals	99,000	<i>83,532</i>

30. Related party transactions

Communication support services (sign language) have been provided to the company by D Hewitt who is related to Mr R Hewitt (chairman and Trustee). The total costs incurred during the year amounted to £439 (2019 - £700). All other transactions relating to the trustees are referred to in note 16.