
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)

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**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
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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.

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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.

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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.

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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
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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.

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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.

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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.

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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
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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.

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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
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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.

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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.

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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.

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**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.

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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>

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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.

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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>
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of tangible fixed assets	(7,289)	<i>-</i>
	<hr/>	<hr/>
Net cash used in investing activities	(7,289)	<i>-</i>
	<hr/>	<hr/>
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>
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	939,397	<i>560,765</i>
	<hr/> <hr/>	<hr/> <hr/>

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

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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.

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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.

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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.

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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.

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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.

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NOTES TO THE FINANCIAL STATEMENTS
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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	31,932	31,932	122,474
Donations	11,726	11,726	9,124
Similar incoming resources	41	41	164
Subtotal	11,767	11,767	9,288
Total 2022	43,699	43,699	131,762

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	2,037,403	2,037,403	1,368,504

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NOTES TO THE FINANCIAL STATEMENTS
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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
Total 2022	<u>54,042</u>	<u>54,042</u>	<u>45,619</u>

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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

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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>

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NOTES TO THE FINANCIAL STATEMENTS
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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>

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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).

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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).

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**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).

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**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.

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**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.

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**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>

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**NOTES TO THE FINANCIAL STATEMENTS
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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>

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NOTES TO THE FINANCIAL STATEMENTS
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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>

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**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

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NOTES TO THE FINANCIAL STATEMENTS
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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>