

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	

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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.

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

Disclosure of information to auditors

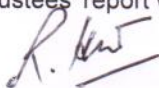
Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- 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

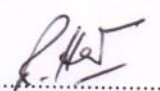
	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		146,914		178,089
Current assets					
Stocks	14	35,992		49,050	
Debtors	15	283,630		362,964	
Cash at bank and in hand		1,337,213		939,397	
		<u>1,656,835</u>		<u>1,351,411</u>	
Creditors: amounts falling due within one year	16	(200,014)		(134,137)	
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>

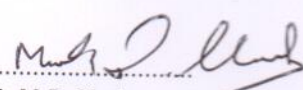
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, the members have not required the entity to obtain an audit for the year ended 30 June 2023. However, an audit has been carried out under section 144 of the Charities Act 2011.

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> </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

	2023 £	2022 £
Amounts falling due within one year:		
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