

Annual Accounts

Year to 31 December 2022



Table of Contents

Trustee Report..... 3-5

Statement of Financial Activities..... 6

Balance Sheet..... 7

Notes to the Accounts..... 8-10

Trustee Report

For the year to 31 December 2022

Section A - Reference & Administration Details

| | |
|-------------------|---|
| Charity Name | Open Ears |
| Charity number | 1181896 |
| Charity Address | 6 Westfield Road Leicester Leicestershire LE3 6HR |
| Charity Trustees | Anthea Owen (Chair) Christine Pitts Julia Chapman (Treasurer) Mary Bucknall (Vice-Chair) Marylin Kilsby |
| Associate Members | Emily Owen Marilyn Baker Susanne Willdig Tracy Williamson |

Section B - Structure, Governance & Management

| | |
|-------------------------------------|---|
| Description of the charity's trusts | Open Ears is constituted by its Foundation CIO Constitution (Dated 4/1/2019) |
| Management of the charity | the charity is managed by its trustees. |
| Selection of new trustees | The existing trustees are responsible for the selection of new individuals. The final decision is made by a vote of this group. |

Section C - Objectives & Activities

A summary of the objectives and activities of the charity are set out in its governing document

Open Ears is a non-denominational Christian charity for people who have various degrees of impaired hearing, mainly (but not exclusively) those who communicate orally, assisted by hearing aids or cochlear implants and lip-reading.

Objectives:

The objectives of the charity are, for the public benefit:

- The advancement of the Christian religion among the hearing impaired

- The relief of need, hardship or sickness, in particular the relief of those with hearing impairments.

Trustee Report - Continued.....

For the year to 31 December 2022

Activities:

The activities of the charity are:

- Provide pastoral support to those in need.
- Organize fellowship/bible teaching events.
- Provide publications/information.
- Provide training/demonstrations to church leaders to highlight the needs of those with impaired hearing and offer advice on suitable equipment e.g., loop systems

Section D - Achievements & Performance

▪ **Technology:**

Due to the increasing age profile of our members, we have continued to meet online via Zoom for the time being, but we hope to return to holding face-to-face events in the future.

▪ **Magazine - Hearing Eye:**

Four editions of the magazine 'Hearing Eye' were produced with a circulation of about 225 per issue which included postal and email copies being sent to our members and other interested people. We continue to look for new and creative content to include within this magazine to reach the needs of our members and feedback to date has been positive. We have employed a part time General Administrator for one year initially, from 1st December 2022, who will have the responsibility of printing and distributing the magazine each quarter.

▪ **Cards:**

We send our members Christmas and Easter cards, and a birthday card where we are aware of this date. The aim being to help out members feel supported and included, as well as encouraging them to consider the true meaning of Easter and Christmas.

▪ **Focus on Corporate Prayer:**

We continue to meet for prayer at our three-monthly formal Trustee and Team meetings and have held online community prayer meetings for our members. These have been well received and, going forward, we plan to hold prayer times with our members more regularly.

▪ **Social Media:**

We are currently looking at how we reach and communicate to our members as well as trying to grow our membership. In an effort to reach more people we have employed someone to run our social media accounts on a part time basis for one year initially, from 1st December 2022.

▪ **Online Events:**

We have successfully held several online conferences, prayer meetings and quiz evenings for our members. Positive feedback has been received regarding these meetings and we

continue to look for additional ways to support and reach out to our members.

- **National and International:**

We continue to support Churches for All (UK) and Church Ear (Europe) charities and their work with the hard of hearing.

- **Donations:**

There is no subscription fee, and we are grateful that several members donate to Open Ears, enabling the aims of the charity to be fulfilled. Where applicable, Gift Aid is claimed.

Trustee Report - Continued.....

For the year to 31 December 2022

- **Giving:**

Open Ears gives 10% of its received income to other charitable organizations working to improve life for those with hearing loss.

Section E - Financial Review

Charity's policy on reserves:

The charity's previous policy was to have as a minimum level of reserves funds equivalent to three months' worth of expenditure. However with the current worldwide economic situation as it is, as a result of the Pandemic and the low level of regular income we are receiving, the trustees have taken a decision to increase this to twelve months.

Section F - Declaration

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees:

| | |
|-----------|----------------------|
| Signed | Mary Bucknall |
| Name: | Mary Bucknall |
| Position: | Vice Chair & Trustee |
| Date: | 12 July 2023 |

Statement of Financial Activities

January - December 2022

| | Jan - Dec 2022 | Jan - Dec 2021 (PY) |
|--|------------------|---------------------|
| Income | | |
| Donations | 5,823 | 4,908 |
| Total Charitable Income | 5,823 | 4,908 |
| Expenditure | | |
| Bank Charges | 74 | |
| Charitable Contributions | | 1,137 |
| Consultancy | 4,328 | 4,358 |
| Insurance | 497 | 508 |
| IT | 172 | 144 |
| Legal and Professional Fees | 200 | |
| Magazine | 1,861 | 1,606 |
| Miscellaneous Costs | | 61 |
| Payroll Expenses | 825 | |
| Printing, Postage and Stationery | 378 | 591 |
| Subscriptions | 405 | 377 |
| Website | 180 | 252 |
| Total Expenditures | 8,920 | 9,033 |
| Net Charitable Income / (Expenditure) | (3,097) | (4,125) |
| Other Income | | |
| Interest Received | 505 | 6 |
| Net Other Income | 505 | 6 |
| Net Income / (Expenditure) | £ (2,591) | £ (4,119) |

Balance Sheet

As of December 31, 2022

| | As of Dec 31, 2022 | As of Dec 31, 2021 (PY) |
|---|-----------------------|----------------------------|
| Cash at bank and in hand | | |
| Current Account | 5,433 | 4,677 |
| Deposit Account | 60,000 | 60,000 |
| Total Cash at bank and in hand | 65,433 | 64,677 |
| Debtors | | |
| Accrued Income | 272 | 166 |
| Prepayments | 0 | 3,932 |
| Total Debtors | 272 | 4,098 |
| Net Current Assets | 65,704 | 68,775 |
| Creditors: Amounts falling due within one year | | |
| Current Liabilities | | |
| Accruals | 358 | 468 |
| Other Creditors | 0 | 370 |
| Total Current Liabilities | 358 | 838 |
| Total Creditors: amounts falling due within one year | 358 | 838 |
| Net Current Assets / (Liabilities) | 65,346 | 67,937 |
| Total Net Assets / (Liabilities) | £65,346 | £67,937 |
| Charity Funds | | |
| Funds - Restricted | 51,221 | 60,141 |
| Funds - Unrestricted | 14,125 | 7,796 |
| Total Charity Funds | £65,346 | £67,937 |

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small company's regime and in accordance with FRS102 SORP.

Signed on behalf of the charity's trustees:

Signed: Anthea Owen
Name: Anthea Owen
Position: Chair of Trustees
Date: 12 July 2023

Notes to the Accounts

For the year to 31 December 2022

1 Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognized at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, and with the Charities Act 2011.

1.2 Going Concern

The accounts have been prepared on a going concern basis. The trustees have no concerns about the charity's ability to continue for the next 12 months.

1.3 Change of accounting policy

The accounts present a true and fair view and no changes have been made to the accounting policies.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

1.5 Material prior year errors

No material prior year errors have been identified in the reporting period.

2 Accounting policies

2.1 Reconciliation with previous Generally Accepted Accounting Practice (GAAP)

There are no differences between funds under previous GAAP and those determined under FRS 102.

2.2 Recognition of income

These are included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources.
- it is more likely than not that the trustees will receive the resources.
- The monetary value can be measured with sufficient reliability.

The recognition of income criteria is explained for different sources of income below:

- **Grants and donations:** Grants and donations are only included in the SoFA when the general income recognition criteria are met. In the case of performance related grants, income must only be recognized to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).
- **Legacies:** Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.
- **Government grants:** The charity has not received government grants in the reporting period.
- **Tax reclaims on donations and gifts:** Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered

to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have been specified otherwise.

Notes to the Accounts - Continued.....

For the year to 31 December 2022

2.2 Recognition of income - Continued.....

- **Contractual income and performance related grants:** These are only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.
- **Donated goods:** Donated goods are measured at fair value (the amount for which the assets could be exchanged) unless it is impractical to do so. The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognized on receipt. In the reporting period in which the stocks are distributed, they are recognized as an expense at the carrying amount of the stocks at distribution.
- **Donated goods for resale:** These are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale and recognized in 'Income from other trading activities' with the corresponding stock recognized in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognized as 'Income from other trading activities'.
- **Goods donated for on-going use by the charity:** These are recognized as tangible fixed assets and included in the SoFA as incoming resources when receivable.
- **Gifts in kind for use by the charity:** These are included in the SoFA as income from donations when receivable.
- **Donated services and facilities:** Donated services and facilities are included in the SoFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.
- **Donated services and facilities that are consumed immediately:** These are recognized as income with an equivalent amount recognized as an expense under the appropriate heading in the SoFA.
- **Volunteer help:** The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.
- **Offsetting:** There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.
- **Income from interest, royalties and dividends:** This is included in the accounts when receipt is probable, and the amount receivable can be *measured reliably*.

2.3 Expenditure and Liabilities

- **Liability recognition:** Liabilities are recognized where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.
- **Deferred income:** No material item of deferred income has been included in the accounts.

- **Creditors:** The charity has creditors which are measured at settlement amounts less any trade discounts.
- **Provisions for liabilities:** A liability is measured on recognition of its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

Notes to the Accounts - Continued.....

For the year to 31 December 2022

2.4 Assets

- **Tangible fixed assets for use by charity:** These are capitalized if they can be used for more than one year and cost at least £1,000. They are valued at cost and depreciated over five years on a straight-line basis.
- **Debtors:** Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

3 3 Restricted & Unrestricted Funds

3.1 Creation of Charitable Incorporated Company (CIO):

- Open Ears (1181896) was registered as a new CIO Charity on 6 February 2019.
- Open Ears (284487) transferred its charity status to this new CIO charity (1181896) during 2019 and on 21 September 2019 transferred its assets and liabilities as well.
- On 18 November 2019, Open Ears (284487) was transferred to and merged with Open Ears (1181896). This merger was registered on 15 January 2020.
- Open Ears (284487) has been removed from the Register of Charities.
- This merger is now listed in the Register of Mergers maintained by the Charity Commission

3.2 Restricted & Unrestricted Funds:

- The restricted funds can only be spent on UK activities.
- The restricted funds are the net assets transferred in 2019 to the newly created CIO charity (see Notes to the Accounts for more information), less amounts spent subsequently on UK activities.
- Funds received after this date are not subject to any restriction and may be spent on UK or International activities.

4 Paid Employees

4.1 Staff Costs:

| | Jan - Dec 2022 | Jan - Dec 2021 (PY) |
|-----------------------|----------------|---------------------|
| Salaries and wages | 825 | - |
| Social security costs | - | - |
| Pension costs | - | - |

| | Jan - Dec 2022 | Jan - Dec 2021 (PY) |
|--------------------------|----------------|---------------------|
| Other employee benefits | - | - |
| Website | - | - |
| Total Staff Costs | £ 825 | £ - |

- **Higher paid employees:** No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.
- **Payments to Trustees:** No amounts were paid to Trustees for their services to the charity.

4.211.2 Average head count in the year

Two new employees were hired on a fixed one-year contract commencing on 1 December 2022. These employees assist the Trustees in the Governance of the charity as well as managing social media.