

PORTSMOUTH DEAF ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

PORTSMOUTH DEAF ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J Howl (Secretary)	
	Mr D Jackson (Chairman)	
	Mrs L Jackson	(Appointed 5 December 2023)
	Mrs J Howl	(Appointed 5 December 2023)
Charity number	201907	
Principal address	279 Arundel Street	
	Fratton	
	Hampshire	
	Portsmouth	
	PO1 1LX	
Independent examiner	Carpenter Box	
	53 Kent Road	
	Southsea	
	Hampshire	
	United Kingdom	
	PO5 3HU	
Bankers	NatWest	
	130 Commercial Road	
	Portsmouth	
	Hampshire	
	PO1 1ES	

PORTSMOUTH DEAF ASSOCIATION

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PORTSMOUTH DEAF ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's constitution, the Charities Act 2011 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102

Objectives and activities

The charity's objects are:

To promote the mental, moral and physical welfare of the deaf,
To co-operate fully with national and local statutory bodies concerned with the welfare of the deaf,
To compile and keep an accurate register,
To assist in placing deaf persons in employment, and in the enlightenment of employers in trade board, insurance and other regulations,
To consider vocational training for adolescent deaf,
To arrange recreational activities,
To provide for the spiritual needs of the deaf,
To guard the deaf against exploitation,
To raise funds, and
To make the needs of the deaf better known in the community.

The policies adopted in furtherance of these objects have not changed during the year.

The trustees have complied with the duty in section 17(5) of the Charities Act 2011 to have regard to the public benefit guidance published by the Charity Commission.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake to help and assist disabled people in the community by improving their lifestyles for the better.

Chairman's report

Achievements and performance

As the number of deaf people using the Deaf Centre continue to be diminish, its usage is now becoming limited.

Current trustees have several duties in acting in accordance with the charity's purposes which benefit both the charity's beneficiaries as well as for the public benefit, and to run the charity in a responsible manner, including ensuring good financial health.

Sadly, these duties have resulted in the trustees having some very difficult discussions to make about the future of this charity and have come to a painful decision to close the Deaf Centre on 1st February 2025 which is owned and managed by this charity.

Please note that this has no impact on the Portsmouth Deaf Club, which is a different organisation, but which may of course have to find other premises to use for its meetings. We are liaising with the committee of Portsmouth Deaf Club.

PORTSMOUTH DEAF ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

We have acknowledged and thanked local clubs/groups and Urbond for their functions on our premises, to ensure our premises are used regularly and that their financial contributions so received which has kept this charity going.

Finding members and new people to become trustees is difficult and we have recognised and appreciated the support that we have received from three officers and two co-opt trustees in the past year to keep this charity going.

The officers, namely Mr D Jackson, Mr J Howl and Miss G Perryman, in their post of chairman, secretary and treasurer respectively. It was with deep regret that Miss G Perryman has resigned recently. The co-opt trustees, namely Mrs L Jackson and Mrs J Howl have given their full support to the committee, and we have conveyed our thanks to them.

In conclusion, this charity continues to support members of Portsmouth Deaf Club whenever possible.

Acting Treasurer's Report for the Financial Year 2023-2024

After examining the accounts for the financial year 2023-2024, it has shown a loss of income of £8,459.00 which represent an income loss of 10.1%. On 1st April 2023, the fund balance was £83,941.00 and on 31st March 2024, the fund balance was £75,432.00. Now the income that PDA do rely upon has been reduced and in the light of the increasing outgoings that PDA must pay of which is not matched nor exceeded. This has followed on from the previous financial year 2022-2023 which has resulted in an income loss of 2.5%.

The current financial year 2024-2025 has seen even further drop in the fund balance indicating a possible higher income loss.

Analysis of the income so received during the financial year 2023-2024 shows that they are based on hall hire bookings, rental income, occasional donation(s) and other incomes. Further analysis on the costings of hall hires bookings have revealed that they have not increased in line with the cost of living for the past 7-8 years. The only course of action really is to review the hall hires costs in line with the average of the hall hires costs by other Community Centres, Church Halls and Working Men Clubs which ideally will be the primary action of the new trustees should they take over from the current trustees. This action may result in other user groups dropping out. The Deaf Club may have to accept increased costs too. The area in which the Deaf Centre is based is regarded as "a poor area" and as you know that the Portsmouth City Council, like other Councils, must watch their spending. So, any assistance from Portsmouth City Council cannot be relied upon.

Now the Deaf Centre is fast becoming a white elephant unless a very large amount of funds is found most likely in six figures to replace the existing kitchen fittings with hygienically stainless-steel units, improve first floor with the appropriate fittings and decorations and other works which is most unlikely to happen.

That is the reason that the current trustees feel that its far better to close the Deaf Centre to prevent further income drain.

Financial review

The Association had a net deficit on operations for the year of £9,271 before transfers (2023: £2,977 deficit). At 31 March 2024 there were total unrestricted funds of £315,111 (2023: Total unrestricted funds of £324,382).

There is a designated fund equivalent to the value of fixed assets.

Reserves

It is the policy of the charity that unrestricted free funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trust's scheme authorises the trustees to make and hold investments using the general funds of the charity. The investments are held in accordance with the trustees powers.

PORTSMOUTH DEAF ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Risk

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

One potential future scenario is the sale of the current site in Fratton. The Deaf Centre has instructed a valuation report to determine the market value of the freehold, in the event that it were to be sold.

Structure, governance and management

The charity was established by a charitable trust deed on 22 September 1966.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr J Howl (Secretary)	
Mr D Jackson (Chairman)	
Miss G Perryman (Treasurer)	(Resigned 10 July 2024)
Mrs L Jackson	(Appointed 5 December 2023)
Mr A Miller	(Resigned 8 April 2023)
Mr S Hawkins	(Resigned 8 April 2023)
Mrs D Hawkins	(Resigned 8 April 2023)
Mrs J Howl	(Appointed 5 December 2023)
Mr D Palmer	(Resigned 8 April 2023)
Mrs B Maynard	(Resigned 8 April 2023)

The Trustees are elected/re-elected at every Annual General Meeting, normally held in September of each year, from a list of current memberships of the Association.

Mrs L Jackson and Mrs J Howl were reappointed during the year as co-opted trustees.

The Trustees and representatives from various centre users form an Executive Committee and meet once a month. The Executive Committee is responsible for ensuring the organisation carries out its objects and operates within its powers according to the constitution. This Executive Committee comprises both hearing and deaf persons who work closely with the Portsmouth Deaf Club which is constituted and run by the deaf community in Portsmouth.

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

.....
Mr D Jackson (Chairman)

Trustee

Dated:

PORTSMOUTH DEAF ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF PORTSMOUTH DEAF ASSOCIATION

I report to the trustees on my examination of the financial statements of Portsmouth Deaf Association (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Timothy Millett FCA
Carpenter Box

53 Kent Road
Southsea
Hampshire
PO5 3HU
United Kingdom

Dated:

PORTSMOUTH DEAF ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	2	389	-	389	296	-	296
Investments	3	353	-	353	97	-	97
Other income	4	30,680	-	30,680	24,303	-	24,303
Total income		31,422	-	31,422	24,696	-	24,696
<u>Expenditure on:</u>							
Charitable activities for the Deaf Community and Operation of the Deaf Centre							
	5	40,693	-	40,693	27,673	-	27,673
Net outgoing resources before transfers		(9,271)	-	(9,271)	(2,977)	-	(2,977)
Gross transfers between funds		812	(812)	-	818	(818)	-
Net expenditure for the year/ Net movement in funds		(8,459)	(812)	(9,271)	(2,159)	(818)	(2,977)
Fund balances at 1 April 2023		83,941	240,441	324,382	86,100	241,259	327,359
Fund balances at 31 March 2024		75,482	239,629	315,111	83,941	240,441	324,382

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

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

PORTSMOUTH DEAF ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	9		89,629		90,441
Investment properties			150,000		150,000
			<u>239,629</u>		<u>240,441</u>
Current assets					
Debtors	10	2,249		1,113	
Cash at bank and in hand		77,345		91,866	
		<u>79,594</u>		<u>92,979</u>	
Creditors: amounts falling due within one year	11	(4,112)		(9,038)	
Net current assets			<u>75,482</u>		<u>83,941</u>
Total assets less current liabilities			<u>315,111</u>		<u>324,382</u>
Income funds					
Designated unrestricted funds			239,629		240,441
General unrestricted funds			75,482		83,941
			<u>315,111</u>		<u>324,382</u>

The financial statements were approved by the Trustees on

.....
Mr D Jackson (Chairman)
Trustee

PORTSMOUTH DEAF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Portsmouth Deaf Association is an unincorporated registered charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The accounts 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 charity will continue to adopt the going concern basis in the preparation of its Financial Statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

PORTSMOUTH DEAF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (Continued)

1.5 Expenditure

Expenses are included in the financial statements as they become due.

Expenses include VAT where applicable as the Charity cannot reclaim it.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Nil
Fixtures, fittings & equipment	10%-20% reducing balance or 20% straight line

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

Freehold property is not depreciated. The building is well maintained and the residual value is such that any depreciation charge is not appropriate.

1.7 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the charity 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 Cash and cash equivalents

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

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are recognised at transaction price.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers.

PORTSMOUTH DEAF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Government Grants

Government grants, including amounts received under the local authority small business grants, and government support relating to subsidised rates, are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Donations and legacies

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Donations and gifts	389	296

3 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	353	97

4 Other income

	2024 £	2023 £
Rental income	7,273	6,698
Room hire	23,377	17,570
Other income	30	35
	30,680	24,303

PORTSMOUTH DEAF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Charitable activities for the Deaf Community and Operation of the Deaf Centre

	2024 £	2023 £
Depreciation and impairment	812	818
Signing and interpretation	454	375
Repairs and renewals	8,493	3,562
Premises expenses	21,365	17,636
Telephone and travel	792	1,062
Independent examiners fees	1,489	1,050
Insurance	3,549	2,746
Sundry expenses	453	424
Legal and professional	3,286	-
	<u>40,693</u>	<u>27,673</u>

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year (2023 - £nil).

7 Employees

There were no employees during the year.

8 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

PORTSMOUTH DEAF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2023	87,159	77,055	164,214
At 31 March 2024	87,159	77,055	164,214
Depreciation and impairment			
At 1 April 2023	-	73,773	73,773
Depreciation charged in the year	-	812	812
At 31 March 2024	-	74,585	74,585
Carrying amount			
At 31 March 2024	87,159	2,470	89,629
At 31 March 2023	87,159	3,282	90,441

No formal valuation has been carried out on the freehold property, although the trustees believe the value to be approximately £750,000. The investment element of the property has been valued by the trustees at £150,000 on the basis of the rental income stream.

10 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	2,249	1,113

11 Creditors: amounts falling due within one year

	2024 £	2023 £
Other creditors	-	4,200
Accruals and deferred income	4,112	4,838
	4,112	9,038

PORTSMOUTH DEAF ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

12 Analysis of net assets between funds

	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
Fund balances at 31 March 2024 are represented by:			
Tangible assets	-	89,629	89,629
Investment properties	-	150,000	150,000
Current assets/(liabilities)	75,482	-	75,482
	<u>75,482</u>	<u>239,629</u>	<u>315,111</u>

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £
Fund balances at 31 March 2023 are represented by:			
Tangible assets	-	90,441	90,441
Investment properties	-	150,000	150,000
Current assets/(liabilities)	83,941	-	83,941
	<u>83,941</u>	<u>240,441</u>	<u>324,382</u>

13 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).