

**Cheshire Deaf Society**  
**Operating As DSN**  
**Annual Report and Financial Statements**  
**For the year ended 30 March 2023**



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A list of our directors and their qualifications can be viewed at our registered office.

# **CHESHIRE DEAF SOCIETY OPERATING AS DSN Contents**

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# **CHESHIRE DEAF SOCIETY OPERATING AS DSN**

## **Trustees' report (including directors' report)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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The Council of management present their report and financial statements for the year ended 30 March 2023.

#### **Officers & Council of Management**

Cheshire Deaf Society (operating as DSN) is both a registered charity and a company limited by guarantee. The society is governed by trustees collectively known as the Council of Management. The members of the Council are both Directors of the company for the purposes of the Companies Act 2006 and charity trustees for the purposes of the Charities Act 2006.

The members of Council are responsible for the policy and strategy of the Society. They have special responsibility to ensure that all aspects of the Society's activities are properly conducted and carried out in full compliance with the Society's Memorandum and Articles of Association, although day to day management is the responsibility of the Chief Executive Officer and senior staff.

#### **The Council of Management**

The following were members of the Council of Management during the year:

##### **Chair**

Mr Steve Crump (resigned 27 April 2022)  
Mr D Fardoe (appointed 27 April 2022)

##### **Vice Chair**

Mr J Mander (appointed 27 April 2022, appointed Vice Chair 25 January 2023)

##### **Treasurer**

Mr R Edwards (resigned 13 July 2022)  
Mrs J Stringer (appointed 13 July 2022)

**Secretary** held by Chief Executive Officer – Mr D Horrocks (resigned 15 August 2023), Mrs G Reeder (appointed 15 August 2023)

#### **Members of the board of trustees**

Mr P Morley  
Mr D Pane  
Mrs T L Longergan (appointed 12 July 2022)  
Mr D Ball (appointed 26 July 2023)  
Mrs L Holmes (appointed 26 July 2023)

#### **Auditors**

DJH Mitten Clarke Audit Limited  
Chester House Lloyd Drive  
Cheshire Oaks Business Park  
Ellesmere Port  
Cheshire CH65 9HQ

#### **Bankers**

National Westminster Bank  
33 Eastgate Street  
Chester  
CH1 1LG

#### **Solicitors**

Butcher & Barlow  
2-3 Royal Mews  
Gadbrook Park  
Northwich  
Cheshire CW9 7UD

# **CHESHIRE DEAF SOCIETY**

## **OPERATING AS DSN**

### **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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Services are currently offered from four local centres:

- Northwich (Registered Office)
- Chester
- Macclesfield
- Warrington (Training services only)

Supported accommodation services are located at Stepping Stones, Lavender Lodge and two cluster homes, all based in Northwich.

#### **Governing Document**

The organisation is a charitable company limited by guarantee and as such it does not have a share capital. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

#### **Recruitment and Appointment of Council of Management**

The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as members of the Council of Management. Under the requirements of the Memorandum and Articles of Association the members of the Council are elected to serve for a period of three years, after which they must be re elected at the next Annual General Meeting of members.

The Council seeks to ensure that the needs of D/deaf people are appropriately reflected through the diversity of the trustee body. To enhance the potential pool of trustees the charity continually seeks to identify D/deaf individuals, who would be willing to become members of the Council, through networking with other organisations in the local area and throughout the local D/deaf communities.

Traditional business skills are also well represented on the Council. To maintain this broad skill mix, Council members are requested to provide an up-to-date list of their skills and in the event of particular skills being lost to retirements from the Council, new individuals are approached to offer themselves for election. DSN will continue to actively look to enhance the skill base of the Council of Management through personal development of existing members and appointment of new trustees where appropriate.

Mr D Horrocks was appointed as CEO and started his role on 1st October 2022. He subsequently resigned on 15 August 2023 and Mrs G Reeder was appointed as interim CEO.



# **CHESHIRE DEAF SOCIETY OPERATING AS DSN**

## **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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#### **Trustee Induction and Training**

Most trustees are familiar with the practical work of the charity, having already been involved with the charity, or the local D/deaf community, in one form or another. Additionally, new trustees are invited and encouraged to visit the charity's various offices and meet with the Chief Executive Officer and Chair to familiarise themselves with the charity and the context within which it operates.

A trustee induction pack is provided which includes the following information:

- Trustee role description
- The history of Deafness Support Network
- Organisation charts
- Annual review and service leaflets
- The Essential Trustee (An introduction & what you need to know)
- Statutory and Management Accounts
- Memorandum and Articles of Association
- Minutes of previous Council and members' meetings
- Organisational risk register

An annual trustee strategy session, held off-site for one day each year, also addresses issues of trustee development and considers the strategic development of the organisation.

#### **Risk Management**

The Council of Management conducts a regular review of the major risks to which the charity is exposed. A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate and manage the risks the charity faces - appropriate assurances being given to the officers and trustees by the Organisational Management Team (OMT).

OMT met every two weeks to discuss operational issues and ensure that associated risks are identified, managed, and mitigated in a pro-active manner. This approach to risk management is further underpinned and informed by an annual review of DSN's policies which ensures a more rounded approach to stakeholder involvement in the identification and management of risk.

DSN continually works to improve its reporting framework to enhance strong governance. The reporting dashboard for trustees and senior managers continues to be revised as appropriate and has proved to be of significant benefit to trustees and senior managers in monitoring operational performance. This is a live process which will continue to develop to ensure it best meets business needs.

# **CHESHIRE DEAF SOCIETY**

## **OPERATING AS DSN**

### **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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#### **Organisational Structure**

Under its constitution, the charity has a Council of Management of more than 3 members who meet quarterly and are responsible for the strategic direction and policy of the charity. The Company Secretary, who is also the Chief Executive Officer, sits on the Council but has no voting rights. As of 30 March 2023, there were a total of 6 members, with an additional 2 new Trustees now registered with the Charity Commission and Companies House at the time of writing.

A scheme of delegation is in place and day to day responsibility for the provision of the service rests with the Chief Executive Officer, along with the OMT. The Chief Executive Officer is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The OMT has responsibility for the day-to-day operational management of the charity, individual supervision of the staff and ensuring staff continue to develop their skills and working practices in line with good practice.

#### **Related Parties**

In so far as it is complementary to the charity's objectives, the charity is guided by both local and national policy. Services are delivered in partnership and attract funding from various organisations that include:

- Children's and Adult Social Care Service (Sensory Services), through contracts with Cheshire East Council, Cheshire West & Chester Council, Flintshire County Council and Wrexham County Borough Council.
- Supported Living contracts, through Cheshire West & Chester Council and social care teams in numerous local authorities.

*DSN has a wholly owned subsidiary company, DSN Cymru, which is currently dormant.*

#### **Objectives and Activities**

The object of the Charity as stated in our Memorandum and Articles of Association is the relief of D/deaf persons in Cheshire, the north-west, and North-Wales. DSN deliver this by providing the best choice and quality of services DSN can, as efficiently as DSN can, for as many people as possible, within the resources available to us.

DSN reviews its aims and objectives each year, seeking to deliver activities and outcomes that achieve them. This report will highlight achievements against those objectives and describe some of the activities carried out. DSN have referred to the guidance contained in the Charity Commission's general guidance on public benefits when reviewing our aims and objectives and in planning for our future activities. The charity seeks to meet its objectives through working to a set of agreed values and priorities.



# **CHESHIRE DEAF SOCIETY OPERATING AS DSN**

## **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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#### **Achievements and Performance**

Our main activities during the year are described below. Traditionally all our activities have focused upon providing services and support to D/deaf people. This focus has further expanded into the provision of full sensory loss services (D/deaf and visually impaired), enabling ever more citizens to take a full and active role in wider society and to further our charitable purposes for the public benefit.

DSN has been successful in retaining contracts and securing alternative investment streams to further develop services for the D/deaf community of Cheshire and surrounding areas. DSN has been able to respond to real challenges by demonstrating the quality of the services DSN provides and the value DSN delivers through efficient and effective deployment of resources. DSN will continue to focus on Quality and Value, Person Centered Care, and Innovation in the years ahead.

DSN has successfully maintained the core of its established services across Cheshire while expanding its reach and service provision into North Wales. DSN continues to deliver high quality services valued by users and commissioners alike. DSN has maintained, and in some cases enhanced, its service delivery for sensory communities throughout the year.

DSN focuses continually on introducing operational efficiencies by re-designing service delivery and enhancing its partnerships with commissioners. OMT works hard at fostering ever-improving relationships with key commissioners and funders to ensure DSN is in the strongest possible position for upcoming and longer-term contract negotiations.

To avoid over-reliance on limited funding pools, DSN looks continuously at opportunities to develop alternative income streams. This strategy allows DSN to be better equipped to make informed assessments of all funding opportunities and develop a shared understanding of our priorities and objectives and how they will be achieved. It also ensures DSN allocates our limited resources to opportunities that will provide the most beneficial outcome for DSN and its service users.

When identifying suitable opportunities DSN considers our key skills and track record, emerging government policy and available resources (both internal and external). DSN's efforts have been focused on enhancing our community engagement in addition to the pursuit of grants and trust funding.

Every year, DSN publishes and distributes to all stakeholders an annual Achievement Report. This is aligned to an annual action plan which highlights several key areas in which the charity wishes to make solid progress in the year ahead. The action plan is developed through trustee engagement and through consultation with stakeholders and is in line with the overall strategic themes and priorities as laid out in our plan.

DSN formally reviews all policies and procedures annually and this was completed during this financial year. This exercise considers changes in legislation, regulations, and developments in good practice. OMT undertakes this process and changes made to any policies and procedures are highlighted to and ratified at board level by all trustees and shared with all staff at all locations.

#### **Compliance**

In these challenging financial times, and to help funders decide to invest in our services, it is important that DSN evidence what DSN are doing and how DSN deliver value for money. By looking at the services DSN provides and measuring the impact of those services on peoples' lives, DSN can demonstrate the value of the work DSN does to commissioners, funders, and the communities DSN serve. This commitment helps us to raise the profile of DSN and increases awareness of the high-quality help and support that DSN consistently delivers.

# **CHESHIRE DEAF SOCIETY OPERATING AS DSN**

## **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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DSN collects information in the form of facts and figures, e.g., how many people DSN has supported, how many pieces of equipment DSN have supplied, how many training courses DSN has delivered, etc., and feedback from service users and other stakeholders using questionnaires, meetings, and capturing comments, compliments, complaints, etc.

#### **Corporate Social Responsibility (CSR)**

DSN is committed to delivering excellent services for our community, with an emphasis on meeting evolving user needs and enhanced innovation. DSN aim to deliver this commitment whilst ensuring that impact on the environment is minimised and that all activities are conducted safely by well-trained and qualified employees.

Overall responsibility for developing and reviewing the effectiveness of corporate policies on social, ethical, and environmental matters lies with the DSN Organisational Management Team. These policies are communicated and applied across all departments to ensure compliance with the policies. DSN's policies and procedures, including those relating to social, environmental, health and safety, employment, and ethical matters, are communicated to all staff via the induction training, on-going personal developmental training, and internal communications. All policies and procedures are reviewed annually, and updates are communicated to staff.

Whilst as an organisation our major focus is on meeting the needs of D/deaf people, their families and carers in Cheshire and surrounding areas, DSN has broadened its reach to provide sensory services to include the blind and partially sighted in some areas. DSN continually strives to engage and interact with the wider community and to have a voice on wider issues of social importance.

As a result of this outward facing attitude, DSN are delighted to have worked in partnership with other charitable and public benefit organisations to raise awareness of over-arching social issues including the combatting of social isolation and loneliness, awareness raising and the fight against hate crime (DSN offices act as a safe space, published in the local area for the reporting of hate crime) and the development of youth services.

#### **Operations Division Social Care**

For the year to 30th March 2023, DSN is pleased to report continued provision of our social care contracts with the four local authorities. DSN are currently in contract with Cheshire West and Chester (CWaC), Cheshire East Council (CEC), Flintshire County Council (FCC), and Wrexham County Borough Council (WCBC).

We continue to effectively monitor our service delivery and adhere to all contractual monitoring requirements. In addition to this DSN utilises its commitment to capture service user experience and satisfaction, enabling us to use the qualitative and quantitative data to improve customer experience and deliver sustainable improvements. Our compliance officer is constantly looking at new and initiative ways to collect data.

The model also allows us to inform the commissioners in the local authorities of our success measures, including outputs, outcomes, and impact for our service(s) users.



# **CHESHIRE DEAF SOCIETY OPERATING AS DSN**

## **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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#### **Health Awareness and Deafness (HANd)**

This project aims to improve understanding of wider health and well-being issues from a D/deaf perspective. The "topic" for the workshops are co-produced with the D/deaf attendees and Initiatives included in the HANd project vary depending on people's wishes. DSN are delighted to have secured funding from Cheshire East Physical Health Support Grants for 2023-2024.

The Executive - Operations (now CEO) is the DSN representative and active participant of The Sector Leadership Group (CWaC) who collectively are involved in the development of the new Care Communities and the Developing Connected Communities programme. DSN continues to be the voice for D/deaf communities on all such matters.

Health inequalities continue to be experienced by D/deaf people such as making their own GP appointments, accessing pharmacy services, and arriving for a hospital appointment to find an interpreter has not been booked. DSN will continue to address barriers to service provision whilst promoting new and innovative ways of Health education.

DSN continues to deliver health messages and support people in a variety of different ways and continues to spread the word about mental health, supporting staff and service users alike. DSN believes that there is no health without mental health.

#### **DSN Retail Ltd (Positive Hearing)**

DSN Retail hasn't traded during the financial year and ceased to trade completely on 8 June 2023. All assets and activities have been transferred into DSN.

Positive Hearing LLP (Audiology) continues to operate as a partnership. This partnership operates from DSN's registered office at 144 London Road, Northwich. Since the cessation of DSN Retail, a share of the profits from the LLP is transferred directly to DSN.

#### **Community Engagement**

Following the resignation of the Community Engagement Officer (in April 2023), DSN appointed a part-time Community Liaison Officer (on 3 July 2023). This post promotes our work in the Community and provides information to potential new service users.

DSN used a legacy fund to purchase a new Community vehicle. This enables out-reach work and the promotion of services across Cheshire and North Wales, particularly in the more remote, rural areas covered by DSN.

#### **D/deafness & Dementia**

DSN's research project alongside the University of Manchester has been suspended due to maternity leave. It is expected to recommence from March 2024 for a further 12 months.

#### **I'm Hear!**

Following our successful bid for a further 3 years of funding, the I'm Hear! Project, funded by BBC Children in Need is continuing, and the project will run until 30th June 2025.

The I'm Hear project offers support, tailored to meet the communication needs of each individual child and their family. Bespoke resources are used to improve communication; use of different coping strategies; how to include a D/deaf child in family activities; ways to avoid conflict with siblings; signposting to support services; identifying social activities or clubs in which a child is interested and wants to participate. Children aged 8+ are signposted to DSN's "Youth Vibe", where they can meet and interact with other D/deaf children and siblings. Since the project started on 1st October 2014, DSN has supported over 200 D/deaf children/young people, aged from birth to 18 years, and their families across Cheshire East, Cheshire West and Chester, Halton, Warrington, Liverpool, and the Wirral.



# **CHESHIRE DEAF SOCIETY OPERATING AS DSN**

## **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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As the new cohort of children and families increased, we restarted the group activities in early 2023. We offer two larger 'Family Events' for both children and families supported through the new funding, and also past project participants. These group activities enable parents to meet other parents of D/deaf children, to practice communication and share experiences.

Under the funding, we have returned to our original core service, offering up to 10 home-based communication sessions with families of D/deaf children. To ensure the support is flexible, we can also offer remote sessions via video, or a hybrid arrangement using a mix of in-person and remote sessions. We are able to do this using tablets provided in June 2020, through our successful application for booster funding from BBC Children in Need.

#### **Youth Service - Youth Vibe**

DSN's Youth Service, Youth Vibe, provides opportunities and activities for young people aged between 8 to 19 years and linked to D/deafness: D/deaf; hearing impaired; friends and siblings of/or Children of D/deaf Adults (CODA). DSN also supports young D/deaf adults up to 25 years, taking them on as young volunteers, and supporting them to achieve their Duke of Edinburgh's Award. Our current Youth Vibe delivers:

- Accessible youth activities for D/deaf young people 8-19 years
- Young Leaders programme for young people aged 13-25 years

Our membership database now includes children and young people from Cheshire and surrounding areas with 20-30 attending each week. This figure includes young people that are D/deaf or hearing impaired, Children of D/deaf Adults (CODA) and hearing friends and siblings. There is a variety of communication methods used amongst this cohort of young people, from BSL, speech and sign, signed supported English and speech.

#### **Incus Training**

*Incus* - A standard in sensory inclusion for Care Providers, and the training department for DSN.

A Care Home in Puddington (Chapel House) has recently met our Gold Standard in *incus* in Care and we continue to work with them to maintain their standards.

Deaf Awareness Training is also part of our remit, and this training is available to any organisation where it would benefit staff within their working environment.

Further agreements have also been reached, in that *incus* Training will take on the responsibility for all "in house" staff training which began on 1st April 2023.

BSL tuition is now available from Level 1 to Level 6 and Level 6 interpreter, and interest from schools and other education establishments has begun to increase. The BSL Act and recognition of BSL as a language has prompted this growth.

#### **Supported Living Service**

Deafness Support Network's Supported Living Service continues to provide a stable and happy home environment.

The service we provide is a highly specialist service, due to the complexities of our Tenants, all of whom are Deaf, or Deaf Blind, with a Learning Disability, and other complex needs.

We have four homes all close to each other in the Northwich area, where there is a vibrant Deaf Community, who welcome our Tenants into the wider local Deaf Community, providing social interactions, friendship, and activities for them to join in.

# **CHESHIRE DEAF SOCIETY OPERATING AS DSN**

## **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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Due to the complex needs of our Tenants, it is important our staff are trained and skilled in all aspects of the care/support needs of our Tenants. Most of our staff are Deaf themselves and prove to be positive role models for our Tenants. It is our policy that all our staff are required to achieve a minimum of level 2 British Sign Language (BSL), we also require them to be skilled in "total communication" techniques due to the complex requirements of our tenants and their communication needs.

The Supported Living Service staff are committed to supporting each individual tenant to achieve the highest possible level of independence, which varies immensely from one tenant to another. It is essential as a staff group that we provide the opportunities and the support required to enable each tenant to reach their own full potential. We work within an Outcome Framework specifically designed for each tenant, this enables us to map each tenant's set goals, aspirations and achievements or, on occasion, to acknowledge where we have not been able to move a Tenant forward with a specific target or set outcome.

Our Supported Living Service is committed to delivering a person-centred approach, tailored to everyone's needs and making sure we value each of our tenant's abilities and individualities.

Our services are regularly inspected and monitored by Cheshire West and Chester Council and the Care Quality Commission. Due to the specialist service, we provide, we have Tenants who reside with us from out of the catchment areas, therefore we also work closely with the placement Authorities which include Stockport, Rochdale, Bradford, Wirral, Warrington, Liverpool, Oxfordshire and Birmingham.

We have recently purchased 2 modern properties within the Northwich area. These properties will allow tenants to live in better quality environments and the properties will remain fit for purpose for many years to come.

#### **Day Services**

The Tannery is the focus of our Day Services provision, based in Northwich. The Tannery is a specialist service for Deaf and deaf blind people with complex needs from across the region.

We pride ourselves on providing a person-centred day service, tailored to the needs of each service user. We believe each person is best placed to lead their own personal learning and development plan. This programme is developed by working with each person and getting to know their personalities, capabilities, and aspirations. An essential part of a person's development and learning is to encourage and enable them to reach their full potential.

Our staff team are Deaf themselves, and use a Total Communication approach, due to the varying communication methods used by our Service Users. Total communication is central to the development and confidence building of each of our service users, leading to a further increase in their personal growth, independence, and development.

Our staff and volunteers are qualified in British Sign Language (BSL) for those service users who use this method of communication and Objects of Reference, and Hands-On Sign Language are used with our Deaf blind service users. However due to the complex needs of some of our service users, it is important we use other appropriate methods to ensure that the services we provide are fully inclusive. Staff are always creative in finding ways of modifying and adapting their communication to meet the needs of each service user.

DSN's Day Service not only provides, training, life skills, workshops, and activities, including a weekly gym session provided by a qualified gym instructor, but also a safe place where they meet and share friendships and communication and continue to develop their social skills. The Tannery prevents isolation and loneliness.



# **CHESHIRE DEAF SOCIETY**

## **OPERATING AS DSN**

### **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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#### **Communication Service**

DSN's Communication Services provides an excellent and professional service.

We hold a Register of British Sign Language Interpreters. It is important to us that all Interpreters who wish to join our register are qualified and have undergone the necessary stringent checks. This enables us to contract them to work in the community, including monitoring their abilities to ensure we match the right person for each job they are assigned to.

We are continuing to see a growth in bookings as services realise local provision has the advantage of knowing the area and potentially knowing the Client, ensuring the Interpreter meets the needs of the booking and the customer.

We also provide note takers and palantypists for meetings if required. We not only provide face to face Interpreters, but also virtual Interpreters as and when required.

Communication is important to everyone, as we all know poor communication can lead to all kinds of problems, some extremely serious and possibly fatal outcomes, particularly, in health appointments. It is important BSL Interpreters are booked for every appointment, always ensuring, the information health professionals are sharing is in the patients first and preferred language, BSL, and provided by a qualified interpreter as the guidance stipulates. Hopefully with the introduction of the Accessible Information Standard, all Deaf people will receive the communication support they require.

Becoming an official BSL Interpreter requires extensive training, often at university level, and takes many years. Currently, there are fewer than 1000 qualified Interpreters in the UK. DSN are committed to increasing the number of Interpreters, we employ 2 fully qualified Interpreters and 2 Trainee Interpreters, who are at the end of their training, and both will hopefully become qualified by the end of 2023.

#### **Financial Review**

##### **Statement of Financial Activities - Income and expenditure**

DSN have delivered a financial performance at operational level that is broadly in line with the results from the previous year. Looking at this performance in more detail, income has increased to £2,403,780 compared with £2,207,407 in 2022. Management of operating expenditure has continued this year and remains a focus of the Board, however, due to the increased and revised service provision within the Social Care and Supported Living services and investment in IT infrastructure, expenditure has increased to £2,696,955 compared with £2,201,855 in 2022.

The net effect of the above is an operational deficit of £293,175 compared with an operational surplus of £5,552 in 2022. Following the loss on revaluation of our investment portfolio and the gain linked to our responsibilities under the Local Government Pension Scheme ("LGPS") our overall net deficit was £2,608 compared with a net surplus of £677,829 in 2022.

##### **Balance Sheet**

In terms of our Balance Sheet, our investment portfolio reduced by a market revaluation of £163,433. Furthermore, there were withdrawals of £868,000 taken from the investments during the year. These withdrawals have funded the purchase of the new Youth vehicle, one of the new properties, and have assisted with cashflow. The investment fund valuation excludes the investment income received in the year which is shown in the Income and Expenditure statement. At the year end the valuation of investments was £2,204,103 compared with £3,235,536 in 2022.

# **CHESHIRE DEAF SOCIETY**

## **OPERATING AS DSN**

### **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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At 30 March 2023 there were cash balances of £109,594 compared with £91,232 in 2022. Current assets cover current liabilities in a ratio of 2.09: 1. The value of our liability under the LGPS reduced by £454,000 to an asset figure of £271,000. Further details are disclosed within the notes to the accounts. Our net assets at 30 March 2023 were £4,325,558 (2022: £4,328,166).

Additional commentary on our investment policy, reserves and focus on financial sustainability are detailed later in this report.

#### **Internal Controls**

To provide reasonable assurance against material misstatements, DSN have in place effective internal controls covering income, expenditure, and commitments. The appropriate management information is prepared and reviewed regularly by both the Organisational Management Team and the Board of Trustees. Through a combination of these internal controls and our annual budgets approved by the trustees, DSN seek to ensure that the charity is committed to a sustainable level of expenditure and retains adequate resources to continue as a going concern.

The trustees along with the Organisational Management Team continue to ensure that adequate consideration is given to the longer-term funding challenges that may arise when applying for or considering new or continuing service provision. Over the coming years DSN will aim to retain, expand, or secure our current service provision in line with our Mission Statement and in support of the charity's beneficiaries.

#### **Investment Policy**

The governing documents of the charity (Memorandum & Articles of Association) provide the trustees with the power to invest any monies not immediately required for any purpose, as considered appropriate.

Having considered the options available and financial advice received, the trustees selected a long-term partner to provide guidance and professional services to facilitate the optimisation of returns, within agreed risk and ethical parameters. The Fund is managed by CCLA who are one of the UK's largest charity fund managers according to the latest Charity Finance Survey. CCLA only manages investments for charities, religious organisations, and the public sector and as such understand the particular needs and challenges facing charity investors.

DSN also utilises a high interest treasury account operated by NatWest.

The trustees have decided to continue utilising some portion of the established Free Reserves to support the delivery of the adopted organisational strategy.

The trustees, with regard to the liquidity requirements of the organisation and to the reserves policy, operate a policy of maintaining the available funds necessary to meet day-to-day operational requirements.

The performance of our investment has provided an invaluable contribution in recent years that helps to support funding in much needed services such as youth provision, which may otherwise go unfunded.

#### **Reserves Policy**

The trustees receive information from the Organisational Management Team that forecasts the expected level of income for the next 12 months based on the best evidence that is reasonably available. They then assess associated opportunities, contingencies, and risks. The trustees have examined the charity's reserves in the context of the key risks identified.



# **CHESHIRE DEAF SOCIETY**

## **OPERATING AS DSN**

### **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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In the light of current economic conditions and the likelihood of short to medium term reductions in the level or availability of funding, the trustees have elected to utilise a proportion of Free Reserves to develop and maintain the provision of existing services. Free Reserves are defined as Total Funds less Designated or Restricted Funds less amounts invested in tangible and intangible fixed assets. As per the Balance Sheet, at 30 March 2023, Free Reserves were calculated to be £2,259,388 (2022: £2,754,176).

There was an expectation from the trustees that there would be deficits over previous years, given their commitment to funding services that otherwise would not be funded. However, the Trustees' emphasis now is to reduce ongoing deficits by managing costs and increasing income wherever possible. The 2024-2025 budget should reflect this.

The trustees agreed to commit funds to allow the charity to continue providing vital services. In addition, reserves should:

- meet the cost of approximately 6 months' operational expenditure.
- meet legislative standards at our newly purchased properties to become HMO's and reflect modern working practices.

#### **Outlook for Future Periods**

Although our funding streams are consistent there are concerns about the future. Before the pandemic struck, public spending on adult social care provision had fallen in real terms over the past decade and now, as a result in the global economic downturn, DSN anticipates that funding will be further squeezed. Our ability to plan for the future of our contracts and services remains uncertain and the lack of legislative progress on matters relating to Health and Social Care.

As previously reported, DSN has upskilled staff to meet the increasing requirement from Local Authorities for more generic workers. The multi-skilled staff DSN employs put us in a strong position to meet any new contracts or current contractual redesigns. The skill base DSN have also opens the possibility of more partnership opportunities should they arise. Given the outlook for the UK, DSN believes that funders will be looking for added value that DSN can provide within the contracts.

There is ongoing restructuring of funding streams within Local Authorities which may impact on the funding DSN receive for the provision of our Supported Living Service. DSN remains fully involved in user assessments and on-going commissioner negotiations in respect of Supporting People and Care funding. This is consistent with the charity's overall approach going forward.

Our financial prudence and management of reserves leaves DSN well placed to meet these challenges and DSN continues to actively target income generation from non-traditional resources. The economic downturn will impact for the next couple of years at a minimum and DSN know this will present us with challenges, but DSN also hopes there will be opportunities. Therefore, DSN will continue with the strategy of extending our funding base, which has been successful to date.

By embracing wider health and social care agendas and demonstrating a commitment to effective partnership development to deliver sensory-centric services that will meet the criteria for success in these areas, DSN will continue to provide valued specialist services. This will help to safeguard essential programmes and develop new initiatives in the years ahead.

Our ongoing investment in the Positive Hearing programme and the continued research work into Dementia and sensory loss are good examples of taking appropriate routes to secure continued growth. DSN continue to positively engage with users and commissioners. DSN strongly believe this enables us to deliver innovative person-led services leading to a reputation for quality, effectiveness, and value.



# **CHESHIRE DEAF SOCIETY**

## **OPERATING AS DSN**

### **Trustees' report (including directors' report) (continued)**

### **FOR THE YEAR ENDED 30 MARCH 2023**

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#### **Financial Sustainability**

Our budget for the next financial year (to 30 March 2024) shows a deficit of £455,459. This budget reflects anticipated reductions in income, expenditure to continue unfunded but necessary services and research and a requirement to make a cash payment of £108,000 (paid over 12 months) to the Local Government Pension Scheme.

The Charity continues to work hard to manage and reduce the use of agency staff, which has an adverse impact on financial performance. Our investment strategy and effective management of reserves provides DSN with the opportunity to invest in our staff and services to ensure that DSN continues to innovate and achieve a sustainable balance of high quality and efficient services.

#### **Responsibilities of the Council of Management**

Company law requires the Council of Management as Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Society and of the surplus or deficit for that year. In preparing those financial statements the Council is required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements.
- Prepare financial statements on a going concern basis unless it is inappropriate to presume the Society will continue in existence.

The Council is responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Society and to enable its members to ensure that financial statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information to auditors**

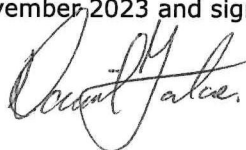
Each of the Council of management has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

#### **Annual General Meeting**

To raise public awareness of the charity's work and to demonstrate that its aims continue to be carried out for the public benefit, the charity holds its Annual General Meeting in public. The 46th Annual General Meeting will be held in December 2023, at which the Council's FY22/23 Report and Statement of Accounts will be ratified.

Approved by the Council of Management on 11 November 2023 and signed on its behalf by

Mr D Fardoe (Chair) 144 London Road Northwich  
Cheshire CW9 5HH



# **CHESHIRE DEAF SOCIETY OPERATING AS DSN**

## **Independent auditor's report**

### **TO THE COUNCIL OF MANAGEMENT OF CHESHIRE DEAF SOCIETY**

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#### **Opinion**

We have audited the financial statements of Cheshire Deaf Society (the 'charity') for the year ended 30 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 Council of management with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Council of management are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# **CHESHIRE DEAF SOCIETY**

## **OPERATING AS DSN**

### **Independent auditor's report (continued)**

#### **TO THE COUNCIL OF MANAGEMENT OF CHESHIRE DEAF SOCIETY**

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##### **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; or
- we have not received all the information and explanations we require for our audit.

##### **Responsibilities of Council of management**

As explained more fully in the statement of trustees' responsibilities, the Council of management, who are also the directors of the charity for the purpose 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 Council of management 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 Council of management are responsible for assessing the charity'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 Council of management 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 risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error as fraud may involve deliberate concealment, by for example, forgery or intentional misrepresentations or through collusion. The extent to which our procedures are capable of detecting irregularities including fraud is detailed below.

##### **Our approach was as follows**

We understood how the charity is complying with relevant frameworks by making enquiries of management and those responsible for legal and compliance procedures. We assessed the susceptibility of the charity's financial statements to material misstatement including how fraud might occur by discussing with the management and the board of trustees. We enquired of management as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding we designed specific audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and obtaining additional corroborative evidence as required.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# **CHESHIRE DEAF SOCIETY OPERATING AS DSN**

## **Independent auditor's report (continued)**

### **TO THE COUNCIL OF MANAGEMENT OF CHESHIRE DEAF SOCIETY**

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#### **In our opinion, based on the work undertaken in the course of our audit:**

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

#### **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.



**Mrs D D Lea FCA, FCCA (Senior Statutory Auditor)**  
**DJH Mitten Clarke Audit Limited**

**Accountants**  
**Statutory Auditor**

30/11/2023

Chester House  
LLoyd Drive  
Ellesmere Port  
Cheshire  
United Kingdom  
CH65 9HQ

DJH Mitten Clarke Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# CHESHIRE DEAF SOCIETY OPERATING AS DSN

## Statement of financial activities including income and expenditure account

FOR THE YEAR ENDED 30 MARCH 2023

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
<b><u>Income and endowments from:</u></b>									
Donations and legacies	3	2,549	-	1,000	3,549	79,642	-	-	79,642
<u>Charitable activities</u>									
Supported Living	4	1,592,574	-	9,663	1,602,237	1,497,354	-	-	1,497,354
Communication services	4	247,551	-	-	247,551	206,501	-	-	206,501
Day Services	4	67,265	-	-	67,265	82,880	-	-	82,880
Social Care	4	251,281	-	34,125	285,406	165,345	-	17,500	182,845
Training Service	4	54,819	-	-	54,819	49,303	-	-	49,303
Youth Services	4	41,389	-	-	41,389	661	-	9,477	10,138
Projects	4	4,483	-	-	4,483	7,417	-	-	7,417
Other trading activities	5	-	-	-	-	3,068	-	-	3,068
Investments	6	75,673	-	-	75,673	88,259	-	-	88,259
Other income	7	21,408	-	-	21,408	-	-	-	-
<b>Total income</b>		<b>2,358,992</b>	<b>-</b>	<b>44,788</b>	<b>2,403,780</b>	<b>2,180,430</b>	<b>-</b>	<b>26,977</b>	<b>2,207,407</b>
<b><u>Expenditure on:</u></b>									
Events and Fundraising	8	-	-	-	-	37,063	-	-	37,063
Charitable activities	9	2,655,434	-	41,521	2,696,955	2,138,985	-	25,807	2,164,792
<b>Total resources expended</b>		<b>2,655,434</b>	<b>-</b>	<b>41,521</b>	<b>2,696,955</b>	<b>2,176,048</b>	<b>-</b>	<b>25,807</b>	<b>2,201,855</b>



# CHESHIRE DEAF SOCIETY OPERATING AS DSN

## Statement of financial activities (continued) including income and expenditure account

### FOR THE YEAR ENDED 30 MARCH 2023

Net gains/(losses) on investments	13	(163,433)	-	-	(163,433)	297,277	-	-	297,277
<b>Net (outgoing)/incoming resources</b>		(459,875)	-	3,267	(456,608)	301,659	-	1,170	302,829
<b>Net (outgoing)/incoming resources</b>		(459,875)	-	3,267	(456,608)	301,659	-	1,170	302,829
<b>Other recognised gains and losses</b>									
Actuarial gain on defined benefit pension schemes		454,000	-	-	454,000	375,000	-	-	375,000
<b>Net movement in funds</b>		(5,875)	-	3,267	(2,608)	676,659	-	1,170	677,829
Fund balances at 31 March 2022		3,799,105	500,000	29,061	4,328,166	3,122,446	500,000	27,891	3,650,337
<b>Fund balances at 30 March 2023</b>		3,793,230	500,000	32,328	4,325,558	3,799,105	500,000	29,061	4,328,166

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.

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Balance sheet**  
**AS AT 30 MARCH 2023**

		<b>2023</b>		<b>2022</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	<b>15</b>	1,566,170		1,073,990	
Investments	<b>16</b>	2,204,103		3,235,536	
		<u>3,770,273</u>		<u>4,309,526</u>	
<b>Current assets</b>					
Debtors	<b>17</b>	435,020		381,584	
Cash at bank and in hand		109,594		91,232	
		<u>544,614</u>		<u>472,816</u>	
<b>Creditors: amounts falling due within one year</b>	<b>18</b>	260,329		271,176	
		<u></u>		<u></u>	
Net current assets		284,285		201,640	
<b>Total assets less current liabilities</b>		<u>4,054,558</u>		<u>4,511,166</u>	
<b>Provisions for liabilities</b>		-		(183,000)	
<b>Net assets excluding pension surplus/ (deficit)</b>		<u>4,054,558</u>		<u>4,328,166</u>	
Defined benefit pension surplus/(deficit)		271,000		-	
<b>Net assets</b>		<u><u>4,325,558</u></u>		<u><u>4,328,166</u></u>	
<b>The funds of the charity</b>					
Restricted income funds	<b>19</b>	32,328		29,061	
Unrestricted funds - general		3,339,230		3,424,105	
Unrestricted funds - designated	<b>20</b>	500,000		500,000	
Pension reserve		454,000		375,000	
		<u>4,325,558</u>		<u>4,328,166</u>	

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Balance sheet (continued)**  
**AS AT 30 MARCH 2023**

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The charitable company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

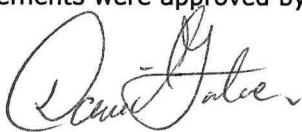
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 Council of management on 11 November 2023

Mr D J R Fardoe  
**Trustee**



Company registration number 01323762 (England and Wales)

**Cheshire Deaf Society**  
**OPERATING AS DSN**  
**Statement of cash flows**  
**For the year ended 30 March 2023**

		<b>2023</b>		<b>2022</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>				
Cash absorbed by operations	<b>27</b>	(393,835)		(127,383)
<b>Investing activities</b>				
Purchase of tangible fixed assets		(531,477)	(13,699)	
Proceeds from disposal of investments		868,000	-	
Investment income received		75,674	88,259	
<b>Net cash generated from investing activities</b>		412,197		74,560
<b>Net cash used in financing activities</b>		-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>		18,362		(52,823)
Cash and cash equivalents at beginning of year		91,232		144,055
<b>Cash and cash equivalents at end of year</b>		109,594		91,232

# **CHESHIRE DEAF SOCIETY**

## **OPERATING AS DSN**

### **Notes to the financial statements**

#### **FOR THE YEAR ENDED 30 MARCH 2023**

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#### **1 Accounting policies**

##### **Charity information**

Cheshire Deaf Society is a private company limited by guarantee incorporated in England and Wales. The registered office is 144 London Road, Northwich, Cheshire CW9 5HH.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity'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 charity is a Public Benefit Entity as defined by FRS 102.

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 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 Council of management have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Council of management continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Charitable funds**

Unrestricted funds are available to further the aims and objectives of the charity.

Restricted funds are subject to specific conditions by donors 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.

Designated funds are held as a contingency to cover fixed costs in the event of a shortfall in funding for ongoing projects and services.

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

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.



**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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**1 Accounting policies**

**(Continued)**

**1.5 Expenditure**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates. All costs are allocated between the expenditure categories of the SOFA on the basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned based on estimated usage.

Support costs include central functions and have been allocated to activity cost categories on the basis consistent with the use of resources and apportioned based on direct costs of the activity concerned.

**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. The costs of minor additions or those costing below £500 are not capitalised. No depreciation is provided in respect of freehold land and buildings, since, in the opinion of the trustees, the ongoing maintenance of the properties maintains the residual value of the freehold properties above their original cost. Depreciation is provided for property improvements included within the accounts.

Depreciation of assets 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:

Property improvements	10% on cost
Fixtures and fittings	20% and 14% on cost
Motor vehicles	25% and 17% on cost

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

**1.7 Fixed asset investments**

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

**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, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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**1 Accounting policies**

**(Continued)**

**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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

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

**1.11 Taxation**

As a charity, DSN is exempt from the tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

**1.12 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

# CHESHIRE DEAF SOCIETY

## OPERATING AS DSN

### Notes to the financial statements (continued)

### FOR THE YEAR ENDED 30 MARCH 2023

#### 1 Accounting policies

(Continued)

DSN is a member of the Cheshire Pension Scheme which is funded by contributions from the employees and the charity as an employer. The assets of the scheme are held separately in a fund administered for the benefit of local authority employees and those other schedule bodies and is managed in accordance with the local government pension scheme regulations 2014 (as amended). The scheme is a multi-employer defined benefit final salary scheme where the share of assets and liabilities applicable to each employee is not identified.

Accordingly these financial statement include pension costs payable on a defined contribution basis in accordance with section 28 FRS 102. Contributions to the scheme are based on the applicable participating organisation taken as a whole. The pension charge recorded in these accounts is the amount of contributions payable in the accounting year together with an agreed additional payment of £108,000 in respect of pension deficit.

Alternatively, employees may opt to join the Group Personal Pension scheme operated by NOW pensions as a defined contribution scheme which is funded by contributions from employees and the charity as employer. The charity has a group personal pension scheme operated by Friends Life which is now closed to new members.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Council of management 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.

#### 3 Donations and legacies

	Unrestricted funds general	Restricted funds	Total	Unrestricted funds general
	2023	2023	2023	2022
	£	£	£	£
Donations and gifts	2,549	1,000	3,549	5,397
Legacies receivable	-	-	-	74,245
	<u>2,549</u>	<u>1,000</u>	<u>3,549</u>	<u>79,642</u>

# CHESHIRE DEAF SOCIETY OPERATING AS DSN

## Notes to the financial statements (continued)

### FOR THE YEAR ENDED 30 MARCH 2023

#### 4 Charitable activities

	Supported Communication Living 2023	2023	Day Services 2023	2023	Social Care 2023	2023	Training Service 2023	2023	Youth Services 2023	2023	Projects 2023	2023	Total 2023	Total 2022
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Charitable activities	1,602,237	247,551	67,265	285,406	54,819	41,389	4,483	2,303,150	2,036,438					
Analysis by fund														
Unrestricted funds - general	1,592,574	247,551	67,265	251,281	54,819	41,389	4,483	2,259,362	2,009,461					
Restricted funds	9,663	-	-	34,125	-	-	-	43,788	26,977					
	1,602,237	247,551	67,265	285,406	54,819	41,389	4,483	2,303,150	2,036,438					

#### Specific grants recognised within the above income figures

	Supported Communication Living 2023	2023	Day Services 2023	2023	Social Care 2023	2023	Training Service 2023	2023	Youth Services 2023	2023	Projects 2023	2023	Total 2023	Total 2022
	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Cheshire West and Chester	6,714	-	-	9,942	-	-	-	-	-	-	-	-	16,656	
Armed Forces	-	-	-	34,125	-	-	-	-	-	-	-	-	34,125	
BBC Children in Need	-	-	-	10,227	-	-	-	-	34,027	-	-	-	44,254	
Cheshire East Health and Wellbeing	-	-	-	9,923	-	-	-	-	-	-	-	-	9,923	
Sign Health	-	-	-	999	-	-	-	-	-	-	-	-	999	
Ovingdean Hall	-	-	-	-	-	-	-	-	5,058	-	-	-	5,058	
Big Lottery	-	-	-	-	-	-	-	-	-	1,544	-	-	1,544	
	6,714	-	-	65,216	-	-	-	-	39,085	1,544	1,544	-	112,559	

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
Notes to the financial statements (continued)  
**FOR THE YEAR ENDED 30 MARCH 2023**

4 Charitable activities		(Continued)							
For the year ended 30 March 2022									
		Supported Living	Communication services	Day Services	Social Care	Training Service	Youth Services	Projects	Total 2022
	£	£	£	£	£	£	£	£	£
Charitable activities	1,497,354	206,501	82,880	182,845	49,303	10,138	7,417	2,036,438	
Analysis by fund									
Unrestricted funds - general	1,497,354	206,501	82,880	165,345	49,303	661	7,417	2,009,461	
Restricted funds	-	-	-	17,500	-	9,477	-	26,977	
	1,497,354	206,501	82,880	182,845	49,303	10,138	7,417	2,036,438	

**CHESHIRE DEAF SOCIETY**  
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**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

4 Charitable activities	(Continued)									
	Specific grants included within the above income figures									
	Supported Living	Communication services	Day Services	Social Care	Training Service	Youth Services	Projects	Total 2022		
	£	£	£	£	£	£	£	£		
BBC Children in Need	-	-	-	-	-	9,477	-	9,477		
Cheshire West & Chester	12,583	-	-	-	-	-	-	12,583		
Armed Forces	-	-	-	17,500	-	-	-	17,500		
Cheshire West Voluntary Action	514	-	-	-	-	-	-	514		
NHS Cheshire CCG	-	-	-	-	-	-	4,247	4,247		
	13,097	-	-	17,500	-	9,477	4,247	44,321		



**CHESHIRE DEAF SOCIETY**  
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**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**5 Income from other trading activities**

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising events	-	3,068
	<u>          </u>	<u>          </u>

**6 Income from investments**

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	75,673	88,259
	<u>          </u>	<u>          </u>

**7 Other income**

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	21,408	-
	<u>          </u>	<u>          </u>

Included within the above is an amount of £17,000 received from DSN Retail Limited.

**8 Events and Fundraising**

	Total 2023 £	Unrestricted funds general 2022 £
<u>Fundraising and publicity</u>		
Fundraising costs	-	37,063
	<u>          </u>	<u>          </u>
	-	37,063
	<u>          </u>	<u>          </u>

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**9 Expenditure on charitable activities**

	Supported living	Communication services	Day Services	Social care	Training service	Youth service	Projects	Total
	2023	2023	2023	2023	2023	2023	2023	2023
	£	£	£	£	£	£	£	£
<b>Direct costs</b>								
Staff costs	775,431	80,630	59,859	306,389	45,611	70,670	43,482	1,382,072
Other direct costs	146,662	141,435	3,569	57,050	15,539	15,094	44,146	423,495
	922,093	222,065	63,428	363,439	61,150	85,764	87,628	1,805,567
<b>Share of support and governance costs (see note 10)</b>								
Support	505,668	51,683	38,369	178,405	47,222	36,670	27,871	885,888
Governance	3,139	321	238	1,108	293	228	173	5,500
	1,430,900	274,069	102,035	542,952	108,665	122,662	115,672	2,696,955
<b>Analysis by fund</b>								
Unrestricted funds - general	1,430,900	274,069	102,035	514,892	108,665	109,201	115,672	2,655,434
Restricted funds	-	-	-	28,060	-	13,461	-	41,521
	1,430,900	274,069	102,035	542,952	108,665	122,662	115,672	2,696,955

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**9 Expenditure on charitable activities**

Expenditure on charitable activities																	(Continued)	
Previous year:		Supported living		Communication services		Day Services		Social care		Training service		Youth service		Projects		Total		
	2022	£	2022	£	2022	£	2022	£	2022	£	2022	£	2022	£	2022	£	2022	
Direct costs																		
Staff costs	616,700		100,922		72,839		227,875		21,287		31,655		80,384		1,151,662			
Other direct costs	135,132		75,314		2,314		30,704		16,318		8,255		30,992		299,029			
	751,832		176,236		75,153		258,579		37,605		39,910		111,376		1,450,691			
Share of support and governance costs (see note 10)																		
Support	379,768		62,148		44,855		140,327		13,109		19,493		49,501		709,201			
Governance	2,623		429		310		970		91		135		342		4,900			
	1,134,223		238,813		120,318		399,876		50,805		59,538		161,219		2,164,792			
Analysis by fund																		
Unrestricted funds - general	1,134,223		238,813		120,318		399,876		50,805		33,731		161,219		2,138,985			
Restricted funds	-		-		-		-		-		25,807		-		25,807			
	1,134,223		238,813		120,318		399,876		50,805		59,538		161,219		2,164,792			

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**10 Support costs**

	<b>Support costs</b>	<b>Governance costs</b>	<b>2023</b>	<b>Support costs</b>	<b>Governance costs</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	472,332	-	472,332	357,783	-	357,783
Travel	7,829	-	7,829	6,975	-	6,975
Administration and premises	334,192	-	334,192	238,161	-	238,161
Postage and printing	6,459	-	6,459	6,479	-	6,479
Financial costs	1,444	-	1,444	738	-	738
Depreciation	31,045	-	31,045	13,197	-	13,197
General expenses	-	-	-	5,793	-	5,793
Legal and professional	32,587	-	32,587	80,075	-	80,075
Audit fees	-	5,500	5,500	-	4,900	4,900
	<u>885,888</u>	<u>5,500</u>	<u>891,388</u>	<u>709,201</u>	<u>4,900</u>	<u>714,101</u>
Analysed between						
Charitable activities	<u>885,888</u>	<u>5,500</u>	<u>891,388</u>	<u>709,201</u>	<u>4,900</u>	<u>714,101</u>

Governance costs includes payments to the auditors of £5,500 (2022 - £4,900) for audit fees.

**11 Council Of Management**

None of the Council of management received any remuneration or benefits from the charity during the year.

**12 Employees**

The average monthly number of employees during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Executive	3	3
Operations	19	18
Supported Living	36	34
Finance & Administration	8	8
Total	<u>66</u>	<u>63</u>

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**12 Employees** **(Continued)**

<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,492,183	1,251,391
Social security costs	130,052	99,214
Pension costs	197,008	178,866
	<u>1,819,243</u>	<u>1,529,471</u>

The above figures include £108,000 of additional contributions to the defined benefit scheme (LGPS) for 2023 and 2022.

Total number of employees whose remuneration was above £60,000

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
£80,000 - £90,000	1	1

**13 Gains and losses on investments**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Gains/(losses) arising on:		
Revaluation of investments	(163,433)	297,277
	<u>(163,433)</u>	<u>297,277</u>

**14 Taxation**

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

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**15 Tangible fixed assets**

	Freehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 31 March 2022	1,290,886	73,020	133,913	1,497,819
Additions	446,102	52,692	32,683	531,477
Disposals	-	-	(9,930)	(9,930)
At 30 March 2023	1,736,988	125,712	156,666	2,019,366
<b>Depreciation and impairment</b>				
At 31 March 2022	263,196	49,764	110,870	423,830
Depreciation charged in the year	738	29,349	9,209	39,296
Eliminated in respect of disposals	-	-	(9,930)	(9,930)
At 30 March 2023	263,934	79,113	110,149	453,196
<b>Carrying amount</b>				
At 30 March 2023	1,473,054	46,599	46,517	1,566,170
At 30 March 2022	1,027,691	23,256	23,043	1,073,990

**16 Fixed asset investments**

	Listed investments
	£
<b>Cost or valuation</b>	
At 31 March 2022	3,235,536
Valuation changes	(163,433)
Disposals	(868,000)
At 30 March 2023	2,204,103
<b>Carrying amount</b>	
At 30 March 2023	2,204,103
At 30 March 2022	3,235,536



**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**17 Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	299,574	239,626
Other debtors	-	68,936
Prepayments and accrued income	135,446	73,022
	<u>435,020</u>	<u>381,584</u>

**18 Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	64,930	28,319
Trade creditors	150,786	118,093
Accruals and deferred income	44,613	124,764
	<u>260,329</u>	<u>271,176</u>

**19 Restricted funds**

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

	<b>At 31 March 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 30 March 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
National Lottery	5,115	-	-	5,115
Home Bonus grant	1,075	-	(1,075)	-
Fundraising balances	4,201	1,000	-	5,201
Armed forces	9,193	34,125	(28,060)	15,258
BBC Children in Need	9,477	9,663	(12,386)	6,754
	<u>29,061</u>	<u>44,788</u>	<u>(41,521)</u>	<u>32,328</u>

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**19 Restricted funds**

**(Continued)**

<b>Previous year:</b>	<b>At 31 March 2021</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 30 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
National Lottery	5,115	-	-	5,115
Cheshire East	1,075	-	-	1,075
Fundraising balances	4,201	-	-	4,201
Armed forces	17,500	17,500	(25,807)	9,193
BBC Children in Need	-	9,477	-	9,477
	<u>27,891</u>	<u>26,977</u>	<u>(25,807)</u>	<u>29,061</u>

The Cheshire East New Home Bonus Grant has been utilised against the provision of the Youth Service.

Fundraising Income of £1,000 was received towards the production of a promotional video. Further funds have since been received and the video was produced and released in September 2023.

The Armed Forces Grant was received for the provision of services to Armed Forces veterans. This service should have ended in March 2023, but due to staffing issues during 2022, the service was postponed and has been extended to August 2023.

The BBC Children in Need grant was received for the Youth Vibe Project.

**20 Unrestricted funds - designated**

These are unrestricted funds which are material to the charity's activities.

	<b>At 31 March 2022</b>	<b>At 30 March 2023</b>
	<b>£</b>	<b>£</b>
Emergency funds	<u>500,000</u>	<u>500,000</u>
<b>Previous year:</b>	<b>At 31 March 2021</b>	<b>At 30 March 2022</b>
	<b>£</b>	<b>£</b>
Emergency funds	<u>500,000</u>	<u>500,000</u>

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**21 Unrestricted funds**

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	<b>At 31 March 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 30 March 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General funds	3,799,105	2,358,992	(2,655,434)	(163,433)	3,339,230
Pension fund	-	-	-	454,000	454,000
	<u>3,799,105</u>	<u>2,358,992</u>	<u>(2,655,434)</u>	<u>290,567</u>	<u>3,793,230</u>
	<u><u>3,799,105</u></u>	<u><u>2,358,992</u></u>	<u><u>(2,655,434)</u></u>	<u><u>290,567</u></u>	<u><u>3,793,230</u></u>
<b>Previous year:</b>	<b>At 31 March 2021</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 30 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
General funds	3,122,446	2,180,430	(2,176,048)	297,277	3,424,105
Pension fund	-	-	-	375,000	375,000
	<u>3,122,446</u>	<u>2,180,430</u>	<u>(2,176,048)</u>	<u>672,277</u>	<u>3,799,105</u>
	<u><u>3,122,446</u></u>	<u><u>2,180,430</u></u>	<u><u>(2,176,048)</u></u>	<u><u>672,277</u></u>	<u><u>3,799,105</u></u>



**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**22 Analysis of net assets between funds**

Fund balances at 30 March 2023 are represented by:

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Restricted funds	Total
	2023	2023	2023	2023	2022	2022	2022	2022
	£	£	£	£	£	£	£	£
Tangible assets	1,566,170	-	-	1,566,170	1,073,990	-	-	1,073,990
Investments	1,704,103	500,000	-	2,204,103	2,735,536	500,000	-	3,235,536
Current assets/(liabilities)	251,957	-	32,328	284,285	172,579	-	29,061	201,640
Provisions including pensions	271,000	-	-	271,000	(183,000)	-	-	(183,000)
	3,793,230	500,000	32,328	4,325,558	3,799,105	500,000	29,061	4,328,166

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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**23 Operating lease commitments**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Within one year	86,723	30,052
	<u>86,723</u>	<u>30,052</u>

**24 Post Balance Sheet Events**

In April 2023 the Charity sold an existing property for £154,879 and purchased a new property for £425,000. A withdrawal of £450,000 was made from the Investment portfolio to finance the acquisition.

**25 Related party transactions**

Remuneration of £19,312 (2022 - £18,539) was paid to Mrs L Birtles, who is daughter of the trustee Mr P Morley. The remuneration was paid to carry out her role on behalf of the Training Service.

DSN Retail Ltd ceased to trade on 8 June 2023. During the financial year the company paid a donation of £17,000 to DSN (2022 - nil).

**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

**26 Pension Cost**

The charity participates in the Cheshire county council pension scheme, a multi-employer defined benefit final salary scheme where the share of the assets and liabilities applicable to each employer is not identifiable. The scheme is administered for the benefit of local authority employees and other bodies and is managed in accordance with technical actuarial standard 100: Principles for Technical Actuarial Work, which came into force on 1 July 2017.

The employers contribution made to the scheme in the year was with an employers contribution of between 5.5% and 8.5% of pensionable pay. During the year to 31st of March 2023 and 31 March 2022 Deafness Support Network made additional payments of £108,000 towards the pension deficit. This is in addition to the statutory contributions.

Whilst the scheme currently shows a surplus position, DSN are required to continue to make payments of £108,000 per year due to the time between actuarial valuations. The board of trustees have agreed in principle that the charity will exit the scheme as of 31 March 2024 so that future additional contributions to the scheme are not required.

The results and assumptions of the most recent valuation of the scheme are as follows:-

Valuation date	30 March 2023	30 March 2022
Valuation method	Projected unit credit	Projected unit credit
Value of assets	£2,691,000	£2,849,000
Value of liabilities	£2,420,000	£3,032,000
Funding level for accrued benefits	111.2%	93.9%
Investment returns on accumulated assets	10.00%	7.00%
Salary scale increase per annum	3.70%	4.00%
Pension increases per annum	3.00%	3.30%
Discount rate	4.75%	2.70%
Rate of Consumer Price Index	3.30%	3.30%
Rate of price inflation	3.00%	3.85%

<b>27 Cash generated from operations</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
(Deficit)/surplus for the year	(456,608)	302,829
Adjustments for:		
Investment income recognised in statement of financial activities	(75,673)	(88,259)
Fair value gains and losses on investments	163,433	(297,277)
Depreciation and impairment of tangible fixed assets	39,296	19,504
Movements in working capital:		
(Increase) in debtors	(53,436)	(136,331)
(Decrease)/increase in creditors	(10,847)	72,151
<b>Cash absorbed by operations</b>	<b>(393,835)</b>	<b>(127,383)</b>



**CHESHIRE DEAF SOCIETY**  
**OPERATING AS DSN**  
**Notes to the financial statements (continued)**  
**FOR THE YEAR ENDED 30 MARCH 2023**

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**28 Analysis of changes in net funds**

The charity had no material debt during the year.