

Company No. 3973353
Charity No. 1081949

**The Royal Association for Deaf people
(and subsidiary undertakings)
Report & Financial Statements
31 March 2017**

Chartered Accountants • Business Advisors



4 & 5 The Cedars
Apex 12
Old Ipswich Road
Colchester
Essex
CO7 7QR

Tel: 01206 842000
Fax: 01206 842100

Email: info@griffin-chapman.co.uk
Website: www.griffin-chapman.co.uk

Partners: Carolynn Pissarro FCA TEP • Dan Aldworth FCCA EMAAT
Associates: Amanda Tinkler FCCA • Michael Graves AIT • Adrian Shakespeare FCCA
Commercial Consultant: Alex Scarfe BA (Hons) PG Dip Legal Practice

Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales

**The Royal Association for Deaf people
(and subsidiary undertakings)**

Legal and administrative details

For the year ended 31 March 2017

Status	<p>The Association was founded in 1841 and registered in accordance with the Charities Act 1960, with the registered number 207358. The activities, assets and liabilities of the Association were transferred to this charitable company with effect from 1 October 2000.</p> <p>The charitable company is limited by guarantee, incorporated on 11 April 2000 and registered as a charity on 9 August 2000, with the new registered number 1081949.</p>	
Governing document	<p>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.</p>	
Company number	3973353	
Charity number	1081949	
Registered office and operational address	<p>Century House South Riverside Office Centre North Station Road Colchester Essex CO1 1RE</p>	
Honorary Officers	<p>Mr Toby Burton Mr Thomas Mulloy Mr David Cattermole</p>	<p>Chairman Vice Chairman Honorary Treasurer</p>
Patrons and officers	<p>Her Majesty The Queen The Most Revd and Rt Hon Justin Welby Archbishop of Canterbury</p>	<p>Patron President</p>
Chief Executive	<p>Dr Jan Sheldon</p>	
Executive Team	<p>Miss Sue Mountford Mrs Amanda Casson-Webb Ms Lesley Frearson</p>	<p>Director of Services Director of Communication Services and Community Development Director of Finance and Administration</p>
Bankers	<p>National Westminster Bank plc Park Royal Branch 1 Abbey Road London NW10 7RA</p>	

**The Royal Association for Deaf people
(and subsidiary undertakings)**

Legal and administrative details

For the year ended 31 March 2017

Insurers	Arthur J. Gallagher Temple Point 7th Floor 1 Temple Row Birmingham B2 5LG
Solicitors	Fisher Jones Greenwood Charter Court Newcomen Way Severalls Business Park Colchester, Essex CO4 9YA
Auditors	Griffin Chapman Chartered Accountants 4 & 5 The Cedars Apex 12 Old Ipswich Road Colchester Essex CO7 7QR

**The Royal Association for Deaf people
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Report of the trustees

For the year ended 31 March 2017

The trustees present their report and the audited financial statements for the year ended 31 March 2017. This report meets the requirements for a directors' report for Companies Act purposes.

The Legal and administrative information is set out on pages 1 and 2 and forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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 2015).

Objects of the Association for the public benefit

The objects of the Association are to promote the social, spiritual and general welfare of profoundly Deaf people. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Association's aims and objectives and in planning future activities and setting the grant making policy for the year.

Strategic Report

Organisational structure

The Association is incorporated in England and Wales and is governed by a board of trustees who constitute the membership in terms of the Companies Act. Management is delegated to a Chief Executive who works with a team of three directors who are responsible for the full range of the Association's activities. We have an agreed scheme of delegation.

Related parties and connected organisations

The Association has a wholly owned trading subsidiary (tRADe Ltd) which as in the previous three years, provides the back office finance services to other Deaf organisations. During 2012/13 we incorporated RAD Deaf Legal Enterprise Community Interest Company, a 100% owned subsidiary. There was no activity in this company during the year.

Review of activities

2016/17 has been a year of significant financial challenges. We have had growth in some services and income reduction in other areas. New areas of work such as training and translation services have progressed well and have been developed through excellent partnership development and high level engagement with key stakeholders. Existing areas of work have been affected by the reduction of government funding and policy decisions. Of particular note has been the impact of the reduction of Access to Work (AtW) funding which has resulted in the need to restructure RAD Communication Services and a general reduction in funding which is impacting upon all RAD services.

**The Royal Association for Deaf people
(and subsidiary undertaking)**

Report of the trustees

For the year ended 31 March 2017

Our teams listen to what Deaf people tell us they need, identify new opportunities for funding, and think creatively to deliver new services. During 2016/17 we launched our new Strategic Plan (2017 -2022). This plan presents a clear vision for the future and identifies our strategic ambitions for the next five years. Our new Strategic Plan is based upon our 'ideathon' work during 2016 which involved working with external partners to explore different ways of income generation. The 'ideathon' resulted in the development of three business cases for trustee consideration. Two of these business cases (linked to fundraising) will be implemented in 17/18. We have also developed a five year breakeven plan which will mean that by 2022 we will have cut operating costs and increased unrestricted income.

Financial

The surplus for the year of £72,458 was the net effect of an operating loss of £238,601 and significant unrealised gains on investments of £311,059 (2016 unrealised loss of £74,983).

Income from donations and legacies increased by £124,921 (34%), mainly due to significantly higher legacy income than the previous year. Investment income remained consistent with the previous year, whilst funds are held in the future development fund until a decision is made on how this is to be used. Income from charitable activities (our operations) was marginally higher than the previous year by £31,060 (1%) and continued the growth seen in the previous year. Within this, Interpreting fee income increased by £18,906 (3%). Income from our Advice, Advocacy and Employment work increased slightly by £2,880 (1%) following a significant increase in the previous year. Children, Youth and Families income decreased by £18,811 (15%). We saw a growth in our training income which increased by £21,967 (110%). Income from Social Care work decreased slightly again this year by £11,038 (1%).

Whilst income increased versus the previous year, expenditure decreased by £94,326 (3%). This reflects a continuing effort to work more efficiently and cost effectively as possible.

Governance

At the end of the year we had nine trustees, five of whom are Deaf.

**The Royal Association for Deaf people
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Report of the trustees

For the year ended 31 March 2017

Strategic Plan

During the last financial year we have launched our Strategic Plan for 2017 -2022. We have four key ambitions for the next five years. These are:

- **To deliver the services Deaf people want and need**
- **To support mainstream providers to be accessible to Deaf people**
- **To ensure financial sustainability**
- **To be an exemplary employer**

The current financial operating climate is challenging for many charities and we are no exception. Our strategic plan takes this into consideration and we will continue to maximise every opportunity to develop our services both in terms of our offer and our geographical footprint. We are working towards a five year breakeven plan.

During 2016/17 trustees agreed to invest in the development of a fundraising team to support the development of an unrestricted income stream. The trustees see this as an important development and one which will help to secure the long term financial sustainability of the charity.

**Results in specific areas of operations
Deaf Community Development**

We have continued to maintain RAD's commitment to being responsive to local Deaf communities by maintaining open and honest communication with all Deaf Clubs. Through our programme of regular scheduled and unscheduled visits, we are pleased with the continued success and improvements we have seen with our relationships with all Clubs.

The past year has seen continued success within the Clubs affected by RAD's property strategy – the Clubs at Clapham and Acton are very well established and settled, enjoying a good relationship with their new Landlords and we are working with the committee at West Ham to help them negotiate a potential move to new premises. Of particular note is the success seen at Medway Deaf Club – with RAD's support the Club submitted a successful bid to Awards for All and have been granted monies that will enable them to develop local services and opportunities for their members.

Our presence at the UK Deaf 50+ England Deaf Derby and Joan (EDDJ) continues to be an important event in our calendar; in addition to benefits of accessing so many Deaf people in one setting, we are finding that the event is enabling RAD to collect data and establish relationships for other areas of work, i.e. Communication Services. In addition to this event, over the past year we have also enjoyed successful attendances at the City Lit Deaf Day and British Deaf Association (BDA) Congress.

**The Royal Association for Deaf people
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Report of the trustees

For the year ended 31 March 2017

A core part of our service is working with mainstream service providers to promote the Deaf community and increase Deaf Awareness. This is primarily delivered via our Deaf Awareness Training, a popular and increasingly in-demand service that we are immensely proud of. Recent developments over the past year have seen us increase this work by developing links with one Hospital Trust and one Fire & Rescue Service, with the aim of establishing Quality Marks for these services.

Information, Advice and Guidance (IAG)

We completed a structural change in the way in which we manage IAG Services. This service was previously managed by our Advocacy Service Manager. However, in order to improve efficiencies, we changed the way that services are managed; incorporating all services, with the exception of Community Support and Advocacy under one Operational Manager's remit. This change has helped to better manage delivery of IAG; reducing down-time and achieving contractual targets.

We have maintained IAG contracts at City Lit (London) and in the London boroughs of Camden, Royal Borough of Kensington and Chelsea (RBKC) and Lambeth. We also continue to deliver IAG in Essex and Southend. We secured a new contract in the London Borough of Brent.

Our funding efforts have been restricted due to the current level of financial reserves and the reduction in local authority funding. Our IAG service in Sutton ceased (due to funding challenges).

Whilst welfare benefits cases have historically counted for a large percentage of IAG cases, we have seen this growing over the last year. Approximately 40% of cases can be attributed to Personal Independence Payment (PIP) – specifically the inaccessibility of the process. We are working with the Department for Work and Pensions (DWP) in an effort to improve this situation.

Advocacy

We have achieved success in our advocacy service through the continued development of robust partnerships with larger advocacy providers. We have secured contracts in Cornwall, Oxfordshire, Suffolk, Dorset, Torbay and Hounslow. We have recruited a new sessional staff member in Cornwall and we continue to work closely with large advocacy providers to ensure that Deaf people are included in contract provision.

We continue to see reduced Local Authority advocacy funding, specifically in relation to non-statutory community advocacy.

In order to continue advocating for people, where local authority advocacy funding is not available, we have developed a befriending model which we can use to apply into different funding streams. We successfully secured funding in partnership with Hearing Help Essex and Support for Sight to deliver a county-wide (Essex) befriending service; this funding is specifically to support those who are older (60+).

**The Royal Association for Deaf people
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Report of the trustees

For the year ended 31 March 2017

We have supported 40 cases through our partnership work in the South West with seAp, 32 of which were health complaints cases (IHCA).

Employment

We successfully secured funding under the Job Centre Plus (JCP) Flexible Support Fund (FSF) to deliver employability support to Deaf people in North London. This contract requires us to achieve sustainable job and volunteer outcomes. Within only four months of securing funding we had achieved 100% of our 16+ hours/week job outcomes. To date we have achieved 80% of all contractual targets (six months into an eighteen month contract).

We have been accepted onto the DWP's Dynamic Purchasing System (DPS) for the Provision of Work Focused Activities nationally. The DPS will allow Job Centre Plus offices nationally to purchase services that meet the specific needs of local people. We have experienced some challenges with individual JCP offices since being accepted onto the system – purely through lack of knowledge amongst JCP personnel. We are working with Employment Related Services Association (ERSA) and JCP centrally to increase awareness amongst JCP staff/managers.

We have worked hard to engage with potential primes through the commissioning of the DWP's Work and Health Programme. The three frontrunners in each Contract Package Area have been announced. We are working with those who have achieved success (at this stage) in an effort to be selected as a preferred supply chain provider.

We have worked with 259 Deaf people this year under our Deaf Achieve funding; achieving positive outcomes (eg improved independence, increased friendships, reduced isolation). We have also commenced engaging with The Big Lottery in an effort to prepare for Deaf Achieve 3; this funding ends in February 2018. It is a long process to prepare and bid for Reaching Communities funding; particularly given that this is our third application to a significantly over-subscribed fund.

We secured funding to pilot an employability service in The London Borough of Islington; we hope to achieve good employability outcomes to evidence the need for continued funding.

We have secured funding under The Big Lottery/ESF's Building Better Opportunities (BBO) in partnership with Ixion (Stoke/Staffordshire and Essex) and Papworth Trust (Essex). The Big Lottery and European Social Fund (ESF) is investing in local projects to tackle the root causes of poverty, promoting social inclusion and driving local jobs and growth. Delivery will commence during the early part of 2017/18.

**The Royal Association for Deaf people
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Report of the trustees

For the year ended 31 March 2017

Interpreting and Communication Services

The past year has seen significant change for Communication Services. In spite of our best efforts to change our approach in delivering this core service in what is an ever challenging socioeconomic climate, the financial impact on RAD continued to present an unsustainable risk. Following a complex analysis of the business we took the decision to cease our supply to Access to Work customers; the impact of which resulted in us making the entire staff team of interpreters and one booking coordinator redundant.

In line with our organisational values and behaviours these changes were communicated clearly and planned very well in advance; the result of which could be seen in a successful consultation and redundancy process.

From communications with other agencies we know that our position is not unique and that difficult decisions are being made across the country.

Moving forward the team will continue to maintain a more commercial approach and strategy to sales and service delivery. The balance of achieving this whilst maintaining RAD's overarching Vision, Mission and Values will be monitored by Key Performance Indicators that focus on both financial and quality-based outcomes.

In the past year we provided communication services for 3470 bookings across a wide variety of domains and, in addition to the income generating communication services, as part of our charitable services for Deaf people needing interpreters for personal events such as funerals etc. delivered 44 hours of "free" interpreting.

We have tendered for a number of contracts this year and are pleased to report several successes: re-securing our place on the INTRAN Framework (and increasing our geographical area on this contract to include Hertfordshire); securing a place on a Framework that covers East & West Sussex, Surrey, Hampshire and unitary authorities in Kent and Connect Physical Health.

These successes are further supplemented by an extension on contracts in Kent and Camden – and the sale of our interpreting database to Islington Council.

We have continued to develop our translation services and are pleased to report that we delivered 4 bookings, in a wide variety of domains including local authorities and statutory services.

We were successful in our tender to continue to deliver Video Interpreting services to the HMRC and following the decision to restructure our service delivery are in negotiations to partner SignLive, a national Deaf owned company to ensure we are able to maintain this contract.

**The Royal Association for Deaf people
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Report of the trustees

For the year ended 31 March 2017

Social Care/Community Support

We have delivered a total of 27,536 community support hours this year across Essex, Surrey, London and Medway.

We have de-registered the service from The Care Quality Commission (CQC). We are not conducting any regulated activity and therefore cannot be a registered provider. Given that we have not had any success under Local Authority (LA) framework agreements to provide community support – due to our costs. Currently, all of our community support work that is purchased directly from local authorities is done so directly (on an individual client package basis) through a matching process that does not usually require us to be an approved framework provider.

Given the de-registration from CQC we are no longer required to employ a Registered Manager for our service. The Registered Manager/Quality Manager post has changed to reflect this; we now have a dedicated Quality Manager across RAD. This post is responsible for all quality reporting, the ongoing management of all quality standards as well as developing new and improved quality initiatives. The post reports directly to our Director of Finance/Admin,

Reduced staffing levels have challenged the service this year. We carried out a recruitment drive, reducing the essential criteria in an effort to widen the recruitment pool. We have worked hard to improve staffing levels through a flexible approach to recruitment and training and a change in operational management. These efforts have resulted in improved staffing levels which will allow us to fulfil contractual obligations moving into 2017/18.

Children, Family and Transition Services

Our bid to The People's Postcode Lottery (Dreamfund), in partnership with MyBank and Royal Society for Blind Children (RSBC) was successful. Money Mechanics will equip deaf, blind and partially sighted young people aged between 16 and 25 (living in London, The East of England and the South) with the money management, employability, and life skills that they need to be financially confident. Work has commenced to train our staff and prepare accessible materials; it is anticipated that delivery will commence in July 2017.

Trust funding has been a favoured option for our children and young people's services previously. However, we are unable to access these funding streams due to the reserves currently being held. This has limited our options to fund/develop services for families, children and young people.

Two of our team are in the process of securing their formal Advocacy qualification; this will allow us to work with larger providers in an effort to develop/secure funding for children's advocacy – a much needed service that is currently unavailable.

**The Royal Association for Deaf people
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Report of the trustees

For the year ended 31 March 2017

We secured £30k to deliver a healthy living project over three years in The London Borough of Croydon (LBC). This is focussed on families and will include a series of workshops/activities to improve health and wellbeing within the family. (Funded by LBC.)

Over 100 children (including sibling/family members) attended our annual Christmas party. Boots (the retailer) donated Christmas gifts (for the children) and the food for the event. We also carried out a fundraising event; raising money from shoppers pre-Christmas.

We recruited a Youth Mentor to work with our team under the current Talent Match (London) programme (London Youth partnership). She is focussing on outreach in an effort to engage hidden clients so that we can successfully achieve our project targets/outcomes.

Our befriending model continues to result in success; most recently in The London Borough of Waltham Forest. This service can be used on an individual basis where it is identified that a young person would benefit from a befriender. We continue to sell this service to local authorities for both adults and young people.

Two of our team are in the process of working towards their Professional Careers qualification (level 4). We are doing this in partnership with City Lit; who are funding the training. We are providing a one day/week careers advice service at the college where our staff are being well supported/mentored as they progress towards achieving their qualification.

Since the Intergr8 project ended we have developed and branded our own Intergr8 model; supporting children who are disengaged and/or at risk of exclusion (from school) to re-engage and achieve. This support is being purchased directly by schools.

We have also developed a befriending service model which has been purchased by The London Borough of Waltham Forest; 10 young people so far and we will continue to promote this service more widely now it has been tried and tested.

Reserves policy

The trustees continue to anticipate difficult economic conditions ahead and have resolved and intend to work towards holding general funds at 31 March 2018 equivalent to four months' outgoings (i.e. around £923,415 for the financial year 2017/18) for working capital and contingencies, in addition to the restricted and designated funds held. General funds as at 31 March 2017 were £752,524 (March 2016 £589,561). The trustees continue to ensure that funds can be easily accessed in case of a situation where four months' reserves are needed. The increase in general funds during the year is mainly due to the operating surplus for the year. Trustees are aware that general reserves have reduced following operating deficits in recent years as a result of austerity and fluctuating income and that the level of General reserves is below the stated policy of holding four months' outgoings. We continue to monitor the level of reserves and are committed to reducing operating deficits to ensure we work towards holding General Funds in line with our Reserves Policy and to ensure long term financial sustainability going forward in order that RAD can continue to provide the services Deaf people need and are working to a five year break even plan.

**The Royal Association for Deaf people
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Report of the trustees

For the year ended 31 March 2017

The trustees continue to review the levels of reserves. Following the sale of some of our properties over recent years we are holding unusually high levels of unrestricted reserves.

Based on this review and the increased political and economic uncertainty in the short and medium term, the trustees have decided:

- To hold non-liquid assets including property currently used by the Deaf community in a separate designated fund
- To set a target for general reserves of 4 months' running costs, and to aim ensure funds remain accessible to meet this target.
- To consider and decide on proposals for investment of the funds released from the sale of properties in order to achieve returns that will support services for the Deaf community going forward and will ensure that the five year breakeven plan is achieved. Decisions relating to the spending of these funds started during 2016/17 resulting in funds allocated for the development of Fundraising, PR & Marketing. Further decisions will be taken in the coming year.

Funds held at 31 March 2017 are held for the following purposes:

Property and funds held for use by the Deaf Community	625,228
Funds designated for the development of services for Deaf people	4,525,040
Funds designated for development of Fundraising, PR & Marketing	912,917
Funds designated for IT commitments	13,859
Remaining funds held as general funds	752,524

Total funds £6,829,568

Investment policy and performance

In view of the persisting low interest rates we continue to review our cash management policies on a regular basis to take advantage of the best rates offered by financial institutions. Some stocks which were inherited are being held until the price improves before disposal.

Grant making policy

From time to time, when resources and other commitments permit, the trustees make small grants (usually not more than £250) to groups of Deaf people to encourage and develop community activities.

Risk management

The trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties that RAD faces
- The establishment of policies, systems and procedures to mitigate these risks. This includes the use of external expertise where appropriate

**The Royal Association for Deaf people
(and subsidiary undertaking)**

Report of the trustees

For the year ended 31 March 2017

We continue to feel the effects of public expenditure controls. These are expected to intensify over the forthcoming years. Bearing these factors in mind the major risks facing RAD are as follows:

- a) Failure of all services to achieve budgeted income targets especially in a period of reduced and more tightly controlled public expenditure
- b) Failure to achieve legacy income targets
- c) Failure to reach fundraising targets

We have set some challenging fundraising targets which link to the charity's five year breakeven plan. Fundraising is a new area of work and it is possible it may take time to establish the best fundraising methodologies for the charity. This will be kept under review throughout the forthcoming year.

We ended the year with sufficient reserves to cover potential deficits for the immediate future, and to mitigate the risks above we aim to maintain the current level of reserves at four months' outgoings. We are striving to reduce our reliance on legacies and trustees are working on a five year breakeven plan to ensure future sustainability.

Pay policy for senior staff

Annual pay increases for all staff are agreed by the Trustees as part of the budget setting process for the following year. The salary of the Chief Executive is agreed by the Trustees. Any changes to salary levels of the Chief Executive over and above the annual agreed pay increase are agreed by the Trustees.

Responsibilities of the trustees

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the year then ended.

In preparing those financial statements which give a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis

**The Royal Association for Deaf people
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Report of the trustees

For the year ended 31 March 2017

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Martin Glover (resigned 27 July 2016)	Thomas Mulloy (appointed 27 July 2016)
Patrick Sheill (appointed 27 July 2016)	Mark Napier
Margaret Joachim (appointed 27 July 2016)	Toby Burton
Sarah Reed	Eoin Heffernan
Revd David Cloake (resigned 27 July 2016)	David Cattermole
Shana Weinbaum	

Six of the trustees listed above are Deaf

Appointment of trustees

Trustees are appointed for a three year term at an AGM and are allowed to stand for a second consecutive term (subject to invitation from the Chair). Trustees can stand subsequently for re-appointment but must leave the board for a period of one year. When new trustees are needed, members of the existing board are reviewed and any skills gap identified.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2017 was 11 (2016 - 11). The trustees have no beneficial interest in the charitable company.

Statement of disclosure of information to auditors

We, the directors of the company who held office at the date of approval of these Financial Statements, as set out above, each confirm as far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware;
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

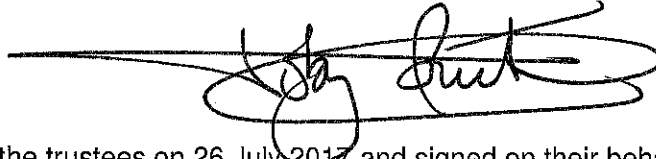
Griffin Chapman were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

**The Royal Association for Deaf people
(and subsidiary undertaking)**

Report of the trustees

For the year ended 31 March 2017

This report has been prepared in accordance with the provisions applicable to small companies entitled to the small companies exemption.

A handwritten signature in black ink, appearing to read 'Toby Burton', is written over a horizontal line. The signature is stylized and cursive.

Approved by the trustees on 26 July 2017 and signed on their behalf by

Mr Toby Burton – Chairman

Independent Auditor's Report to the members and trustees of The Royal Association for Deaf people

We have audited the financial statements of The Royal Association for Deaf people for the year ended 31 March 2017 which comprise the Group Statement of Financial Activities, the Group and the Parent Charitable Company Balance Sheet, the Group Charitable Company Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its 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 charitable company and the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report⁶ to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2017, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Trustees have been prepared in accordance with applicable legal requirements.

(Continued)

Independent Auditor's Report to the members and trustees of The Royal Association for Deaf people

(Continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Daniel Aldworth (Senior Statutory Auditor)
For and on behalf of Griffin Chapman, Statutory Auditor

4 & 5 The Cedars
Apex 12
Od Ipswich Road
Colchester
Essex CO7 7QR

Date **2 August 2017**

**The Royal Association for Deaf people
(and subsidiary undertakings)**
**Consolidated Statement of financial activities
(Incorporating an income and expenditure account)**
For the year ended 31 March 2017

Income	Note	2017		2016		Total	
		Restricted £	Unrestricted £	Restricted £	Unrestricted £		
Donations and legacies	2	-	497,112		372,191	372,191	
Investment income	3	-	137,058		137,652	137,652	
		-	634,170		509,843	509,843	
<i>Income from charitable activities</i>							
Advice, advocacy, employment and legal services	4	397,212	130,000	527,212	356,698	167,634	524,332
Social Care	4	-	825,635	825,635	9,625	827,048	836,673
Children, youth and families	4	85,512	22,394	107,906	88,763	37,954	126,717
Education and training	4	-	41,814	41,814	-	19,847	19,847
Interpreting fees	4	17,700	718,980	736,680	-	717,774	717,774
Other services	4	83,281	66,023	149,304	67,972	64,176	132,148
		583,705	1,804,846	2,388,551	523,058	1,834,433	2,357,491
Other Income							
Gain on the disposal of fixed assets		-	-	-	-	468,494	468,494
Total income		583,705	2,439,016	3,022,721	523,058	2,812,770	3,335,828
Expenditure							
<i>Costs of raising funds</i>							
Fundraising		-	40,109	40,109	-	37,025	37,025
<i>Charitable expenditure</i>							
Deaf Centres and Community Development		6,290	173,867	180,157	9,159	241,828	250,987
Advice, advocacy, employment and legal services		383,017	396,488	779,505	388,639	369,076	757,715
Social Care		3,432	1,021,362	1,024,794	37,357	1,057,648	1,095,005
Children, youth and families		72,444	96,412	168,856	92,591	94,101	186,692
Interpreting		17,700	978,395	996,095	-	1,024,711	1,024,711
Training and other services		57,773	14,033	71,806	-	3,513	3,513
Total expenditure		540,656	2,720,666	3,261,322	527,746	2,827,902	3,355,648
Net gains/(losses) on investments	12	-	311,059	311,059	-	(74,983)	(74,983)
Net income/(expenditure)	6	43,049	29,409	72,458	(4,688)	(90,115)	(94,803)
Transfers		-	-	-	-	-	-
Net movement in funds		43,049	29,409	72,458	(4,688)	(90,115)	(94,803)
Funds at 1 April 2016		110,012	6,800,159	6,910,171	114,700	6,890,274	7,004,974
Funds at 31 March 2017		153,061	6,829,568	6,982,629	110,012	6,800,159	6,910,171

The company has not prepared a separate income and expenditure account. The surplus for the year was £72,458 (2016: £94,803 deficit)

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the financial statements.

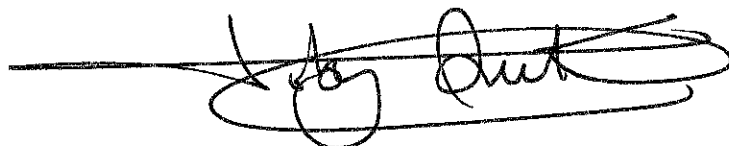
The Royal Association for Deaf people (Limited by guarantee)
 (and subsidiary undertakings)
 Company number 3973353

Balance sheet

As at 31 March 2017

		Group		Company	
	Note	2017	2016	2017	2016
			£	£	£
Fixed assets					
Tangible Fixed assets	9	569,221	586,746	569,221	586,746
Investments	10	59,830	47,829	59,833	47,832
		<u>629,051</u>	<u>634,575</u>	<u>629,054</u>	<u>634,578</u>
Current assets					
Debtors	11	480,054	1,138,842	487,517	1,255,541
Current asset investments	12	6,122,940	5,252,791	6,122,940	5,252,791
Cash at bank and in hand		<u>7,330</u>	<u>123,260</u>	<u>272</u>	<u>7,042</u>
		<u>6,610,324</u>	<u>6,514,893</u>	<u>6,610,729</u>	<u>6,515,374</u>
Creditors: amounts falling due within one year	13	<u>256,746</u>	<u>239,297</u>	<u>256,746</u>	<u>239,298</u>
Net current assets		<u>6,353,578</u>	<u>6,275,596</u>	<u>6,353,983</u>	<u>6,276,076</u>
Net assets	15	<u>6,982,629</u>	<u>6,910,171</u>	<u>6,983,037</u>	<u>6,910,654</u>
Funds					
Restricted funds		153,061	110,012	153,061	110,012
Unrestricted funds					
Designated funds		6,077,044	6,210,598	6,077,044	6,210,598
General funds		<u>752,524</u>	<u>589,561</u>	<u>752,932</u>	<u>590,044</u>
		<u>6,829,568</u>	<u>6,800,159</u>	<u>6,829,976</u>	<u>6,800,642</u>
Total funds	18	<u>6,982,629</u>	<u>6,910,171</u>	<u>6,983,037</u>	<u>6,910,654</u>

The approved statements on pages 17 to 33 were approved and authorised for issue by the trustees on 26 July 2017 and signed on their behalf by:



Mr Toby Burton - Chairman

The Royal Association for Deaf people
(and subsidiary undertakings)

Statement of Cash Flows

For the year ended 31 March 2017

	2017 £	£	£	2016 £
Cash used in operating activities		342,641		(1,414,733)
Cashflows from investing activities				
Interest received	115,521		94,994	
Investment proceeds on disposal	-		-	
Dividends received	245		871	
Acquisition of tangible fixed assets	(3,246)		(41,233)	
Sale of tangible fixed assets	-		486,771	
	<u>112,520</u>			<u>541,403</u>
Increase/(decrease) in cash and cash equivalents in the year		<u>455,161</u>		<u>(873,330)</u>

Notes to the cashflow statement

1. Reconciliation of net income to net cash flow from operating activities

	2017 £	2016 £
Net income/(expenditure) for the year	72,458	(94,803)
Interest received	(115,521)	(94,994)
Dividends received	(245)	(871)
Loss/(profit) on sale of tangible fixed assets	-	(468,494)
Loss/(gain) on investments	(311,059)	74,983
(Increase)/decrease in debtors	658,788	(665,926)
Increase/(decrease) in creditors	17,449	(209,627)
Depreciation and amortisation of goodwill	20,771	44,999
Rounding	-	-
Net cash flow from operating activities	<u>342,641</u>	<u>(1,414,733)</u>

2. Analysis of changes in cash and current asset investment during the year

	March 2015 £	Cashflow £	At 31 March 2016 £	Cashflow £	At 31 March 2017 £
Cash at bank and in hand	64,264	58,996	123,260	(115,930)	7,330
Current asset cash investments (cost)	<u>6,213,604</u>	<u>(932,326)</u>	<u>5,281,278</u>	<u>571,091</u>	<u>5,852,369</u>
	<u>6,277,868</u>	<u>(873,330)</u>	<u>5,404,538</u>	<u>455,161</u>	<u>5,859,699</u>

**The Royal Association for Deaf people
(and subsidiary undertakings)**

Notes to the financial statements

For the year ended 31 March 2017

1. Accounting policies

- a) These financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Companies Act 2006.

The Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are prepared in sterling, which is the functional currency of the entity.

- b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.
- c) Grants are recognised in full in the statement of financial activities in the year in which they are receivable, unless these relate to a specific future period in which case they are deferred.
- d) Legacy income is recognised when entitlement to the income is probable. Receipt of legacy income, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.
- e) Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

Redundancy costs are charged to the income statement in the year in which an irrevocable commitment is made to incur the costs.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on the direct cost of the activity.

Other expenditure represents those items not falling into any other heading.

- f) Freehold properties other than investment properties are shown at trustees' valuation made in 1952 together with the cost of subsequent additions. Fixed assets (other than freehold properties) are stated at historical cost less aggregate depreciation.

**The Royal Association for Deaf people
(and subsidiary undertakings)**

Notes to the financial statements

For the year ended 31 March 2017

1. Accounting policies (continued)

g) Depreciation is provided at rates calculated to write off the cost (or valuation) of each asset over its expected useful life. The depreciation rates in use are as follows:

Freehold property	2% straight line basis (excluding land)
Leasehold property	Evenly over the shorter of the outstanding portion of the lease or 50 years
Furniture fittings and equipment	20% straight line basis
Computer and office equipment	33% straight line basis

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities.

- h) Investment properties are stated at market value based on the trustees' valuation. This is based on annual rental income over a 10 year period. It is the Association's policy to keep valuations up to date such that when investments are sold there is no gain or loss arising.
- i) Listed and current asset investments are stated at market value at the balance sheet date. The gain or loss for the period is taken to the statement of financial activities.
- j) Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.
- k) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and administration costs.
- l) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- m) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- n) The costs of generating funds relate to the costs incurred by the charitable company in raising funds for the charitable work.
- o) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.
- p) The Association has a group personal pension plan that is available to all employees. During the year the association also participated in a multi-employer money purchase pension scheme. Contributions to this scheme ceased during the year with no active members remaining in the scheme. Defined contributions are paid into the scheme on a monthly basis. All pension costs are charged to the statement of financial activities as incurred.

In accordance with FRS 102 the Association accounts for pension costs on the basis of contributions to the Scheme in the year.

The Royal Association for Deaf people
(and subsidiary undertakings)

Notes to the financial statements

For the year ended 31 March 2017

2. Donations and legacies

	Restricted £	Unrestricted £	2017 Total £	2016 Total £
Legacies	-	460,310	460,310	230,144
Donations, appeals, gifts and collections	-	36,802	36,802	142,047
Total	-	497,112	497,112	372,191

3. Investment income

	Restricted £	Unrestricted £	2017 Total £	2016 Total £
Dividends	-	245	245	871
Bank deposit interest	-	115,521	115,521	94,994
Rental income	-	21,292	21,292	41,787
Total	-	137,058	137,058	137,652

4. Income from Charitable activities

	Restricted £	Unrestricted £	2017 Total £	2016 Total £
Grants and contract income - Advice advocacy, employment and Legal Services				
Local Authority Agency Grants	112,585	2,064	114,649	171,008
Local Education and Health	-	11,473	11,473	15,409
Essex Learning Partnership	-	-	-	4,269
Integr8	-	802	802	20,671
Essex County Council - Carers grant	-	-	-	16,000
HMRC	27,653	-	27,653	26,959
Money Advice Service via A4E	-	-	-	3,472
MOPAC	29,875	-	29,875	-
Hearability Sensory grant	49,981	-	49,981	-
DWP - employment work and assessments	-	36,823	36,823	53,636
Total - Statutory Sources	220,094	51,162	271,256	311,424
Big Lottery - Talent Match	39,770	-	39,770	35,898
Big Lottery - Deaf Achieve	137,348	-	137,348	140,698
Other incoming resources	-	78,838	78,838	36,312
Total	397,212	130,000	527,212	524,332

The Royal Association for Deaf people
(and subsidiary undertakings)

Notes to the financial statements

For the year ended 31 March 2017

4. Income from Charitable activities (continued)

	Restricted	Unrestricted	2017 Total	2016 Total
	£	£	£	£
Grants and contract income - Social Care				
Local Authority Agency Grants	-	33,957	33,957	33,957
Essex County Council - Carers	-	-	-	9,625
Total - Statutory Sources	-	33,957	33,957	43,582
Other incoming resources	-	791,678	791,678	793,091
	-	825,635	825,635	836,673
Grants and contract income - Children, youth and families				
Local Authority Agency Grants	-	-	-	2,300
Essex County Council/Action for Children short breaks 12-18	18,373	-	18,373	17,776
Trust Funding	3,000	-	3,000	19,495
Befriending funding	36,983	-	36,983	-
Frank Barnes	11,117	-	11,117	-
Essex County Council/Action for Children short breaks 6-11	16,039	-	16,039	19,360
Total - Statutory Sources	85,512	-	85,512	58,931
Children In Need	-	-	-	32,132
Other incoming resources	-	22,394	22,394	35,654
	85,512	22,394	107,906	126,717
Contract income - Education and training				
Total - Statutory Sources	-	-	-	-
Other incoming resources	-	41,814	41,814	19,847
	-	41,814	41,814	19,847
Income - Interpreting				
Income - Statutory Sources - HMRC	17,700	-	17,700	-
Other incoming resources	-	718,980	718,980	717,774
	17,700	718,980	736,680	717,774
Income - Other services				
Provision of back office support to other deaf organisations	-	59,795	59,795	61,045
HMRC	37,609	-	37,609	35,697
Big Potential	45,672	-	45,672	32,275
Other income	-	6,228	6,228	3,131
	83,281	66,023	149,304	132,148

Unsolicited unrestricted grants are treated as donations. Restricted grants, above, are for activities in furtherance of the charity's objects.

The Royal Association for Deaf people
(and subsidiary undertakings)

Notes to the financial statements

For the year ended 31 March 2017

5. Expenditure on Charitable activities

	Fundraising		Deaf Centres and Community Development		Advice Service		Social Care		Children and youth and families		Training and other Services		Interpreting		Support costs apportioned		Total 2017		2016		
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
Staff costs (note 7)	-	36,056	-	36,056	486,587	713,877	93,907	667	707,462	480,123	2,500,679	2,520,837	-	-	-	-	8,842	11,441	-	-	
Caretaking and cleaning	-	4,666	-	4,666	-	-	-	-	-	-	-	-	-	-	-	-	4,176	8,842	-	-	
Rent, rates, heating, lighting	-	3,094	-	3,094	11,277	13,896	1,786	-	3,696	69,857	103,606	112,145	-	-	-	-	69,857	112,145	-	-	
Depreciation and amortisation	-	20,771	-	20,771	-	-	-	-	-	-	20,771	44,989	-	-	-	-	-	20,771	44,989	-	
Repairs, maintenance, insurance	-	9,797	-	9,797	1,337	1,583	-	-	9	20,473	33,209	37,730	-	-	-	-	20,473	37,730	-	-	
Postage and telephones	-	358	-	358	11,397	16,380	1,667	-	7,261	11,453	48,516	52,462	-	-	-	-	11,453	48,516	-	-	
Printing and stationery	-	74	-	74	1,741	3,440	26	-	447	7,299	13,027	16,462	-	-	-	-	7,299	13,027	-	-	
Transport and subsistence	-	4,521	-	4,521	31,445	58,467	4,399	(144)	59,525	8,144	166,357	176,362	-	-	-	-	8,144	176,362	-	-	
Professional fees	-	-	-	-	1,426	-	-	-	-	-	28,234	29,985	-	-	-	-	28,234	29,985	-	-	
Fundraising and publicity direct costs	32,563	-	-	-	-	-	-	-	-	-	32,563	28,580	-	-	-	-	32,563	28,580	-	-	
University of Manchester research project	-	15,639	-	15,639	-	-	-	-	-	-	15,639	23,987	-	-	-	-	15,639	23,987	-	-	
175 awards event costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Expenditure from Future Development fund	-	30,192	-	30,192	-	-	-	-	-	-	30,192	10,675	-	-	-	-	30,192	10,675	-	-	
Ideation and preparation of business cases	-	15,039	-	15,039	-	-	-	-	-	-	15,039	85,150	-	-	-	-	15,039	85,150	-	-	
Outsourced IT support	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
IT expenditure - one off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Office equipment, repairs, maintenance and hire	-	-	-	-	2,497	11,137	634	-	8,095	3,848	26,211	29,328	-	-	-	-	3,848	29,328	-	-	
General expenses	-	3,622	-	3,622	23,292	3,986	23,178	-	3,065	23,913	81,056	49,083	-	-	-	-	23,913	49,083	-	-	
Payments to partner organisations	-	-	-	-	43,108	-	-	-	-	-	43,108	66,121	-	-	-	-	-	43,108	66,121	-	-
Apportionment of shared premises and office costs	-	-	-	-	18,738	9,208	11,490	-	19,126	(58,475)	519	(793)	-	-	-	-	(58,475)	519	-	-	
Allocation of support costs relating to restricted funds	-	432	-	432	-	-	-	-	-	57,773	-	-	-	-	-	-	(57,773)	-	-	-	
Total direct costs	32,563	146,261	-	146,261	632,845	831,984	137,087	57,773	808,686	613,600	3,261,322	3,355,648	-	-	-	613,600	3,261,322	-	-	-	
Support costs apportioned based on direct costs	7,546	33,896	-	33,896	146,660	192,810	31,769	13,510	187,409	(613,600)	-	-	-	-	-	-	(613,600)	-	-	-	
	40,109	180,157	-	180,157	779,505	1,024,794	168,856	71,806	996,095	-	3,261,322	3,355,648	-	-	-	-	-	3,261,322	-	-	

**The Royal Association for Deaf people
(and subsidiary undertakings)**

Notes to the financial statements

For the year ended 31 March 2017

7. Staff costs and numbers (continued)

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2017	2016
	No.	No.
Deaf Centres and Community Development	1	1
Advice, advocacy and employment	12	10
Children, Youth and Families	8	8
Social care	36	37
Interpreting	10	15
Governance	1	1
Fundraising and Publicity	2	2
	70	74

At 31 March 2017 there were 97 individuals (2016: 101 employed on a full and part-time basis).

8. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The Royal Association for Deaf people
(and subsidiary undertakings)

Notes to the financial statements

For the period ended 31 March 2017

9. Tangible fixed assets

	Freehold properties* £	Furniture, fittings, plant and equipment £	Totals £
COST			
At 1 April 2016	612,712	171,397	784,109
Additions in year	-	3,246	3,246
Disposals in year	-	-	-
At 31 March 2017	612,712	174,643	787,355
DEPRECIATION			
At 1 April 2016	54,425	142,938	197,363
Depreciation on disposals	-	-	-
Charge for the year	4,029	16,742	20,771
At 31 March 2017	58,454	159,680	218,134
NET BOOK VALUE			
At 31 March 2017	554,258	14,963	569,221
At 31 March 2016	558,287	28,459	586,746

All property and equipment are held in furtherance of the Association's charitable objectives.

* Freehold properties are shown at trustees' valuation made in 1952 together with the cost of subsequent additions.

The Charity's Freehold Properties are mainly used for charitable purposes and therefore no valuation has been carried out.

The Green Lanes property which is included within Freehold Properties was seriously damaged by fire; it has not been written off as its net book value is lower than any proceeds which would be received from its sale.

The Royal Association for Deaf people
(and subsidiary undertakings)

Notes to the financial statements

For the year ended 31 March 2017

10. Fixed asset investments

	2017	2016
	£	£
a) Investment in subsidiary undertakings	<u>3</u>	<u>3</u>

At 31 March 2017 the Association owned 100% of the share capital (2 x £1 ordinary shares) of tRADe Limited (company number 2693994) which was established to undertake the commercial activities of the Association. At 31st March 2017 the aggregate of the share capital and reserves of tRADe Limited was £(263) (2016 £(338)), turnover of £59,795 (2016 56,365), administrative expenses of £59,720 (2016 £56,445), the surplus for the year then ended was £75 (2016 £80 deficit).

At 31 March 2017 the Association owned 100% of the share capital (1 x £1 ordinary shares) of RAD Deaf Legal Enterprise Community Interest Company (company number 8203500) which was formed to establish a legal service for Deaf people. At 31st March 2017 the aggregate of the share capital and reserves of RAD Deaf Legal Enterprises CIC was £(145) (2016 £145) and the deficit for the year then ended was £nil (2016 £157 deficit). The company was dormant throughout the year.

b) Listed investments:	£	
At 1 April 2016	47,829	
Investment proceeds on disposal	-	
Net unrealised gain/(loss) for the year	<u>12,001</u>	
At 31 March 2017	<u>59,830</u>	
Historical cost at 31 March 2017	<u>12,580</u>	
Net unrealised investment gains	<u>47,250</u>	
This is represented by:	£	
Sainsbury PLC (formerly Home Retail Group ordinary shares)	2,207	
Experian Group ordinary shares	41,848	
Burberry Group ordinary shares	15,775	
	<u>59,830</u>	<u>59,830</u>
c) Unlisted Investments		
DNUK Limited - historical cost at 1 April 2016	10,000	
Unrealised loss recognised in previous year	<u>(10,000)</u>	
	<u>-</u>	<u>59,833</u>

During 2011/12, the trustees agreed to invest £10,000 in DNUK Limited, a company established to co-ordinate the implementation of Video Relay Service for the member Deaf organisations. £5,000 had been invested at 31 March 2012 with a further £5,000 investment made in April 2012. During the year to 31 March 2014, the trustees decided to write down the carrying value of these shares to nil due to uncertainty of any future returns.

The Royal Association for Deaf people
(and subsidiary undertakings)

Notes to the financial statements

For the year ended 31 March 2017

11. Debtors	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	290,435	349,031	283,388	349,031
Other debtors	3,765	13,675	3,765	3,572
Accrued proceeds sale of St Cedd's, Romford	-	484,403	-	484,403
tRADe Limited	-	-	14,366	124,025
RAD Deaf Legal Enterprises CIC	-	-	144	2,777
Prepayments and accrued income	185,854	291,733	185,854	291,733
	<u>480,054</u>	<u>1,138,842</u>	<u>487,517</u>	<u>1,255,541</u>

12. Current Asset Investments	2017	2016
	£	£
COIF Charities Investment Fund	2,000,000	2,000,000
Unrealised Gain/(Loss) on COIF Investment Fund	270,571	(28,487)
	<u>2,270,571</u>	<u>1,971,513</u>
Current asset cash investments	3,852,369	3,281,278
	<u>6,122,940</u>	<u>6,259,934</u>

13. Creditors: amounts falling due within one year	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	52,435	46,421	52,435	46,421
Taxation and social security	36,021	34,173	36,021	34,173
Accruals	114,385	87,163	114,385	87,163
Deferred income (see note 14)	24,157	22,656	24,157	22,656
Other creditors	29,748	48,884	29,748	48,885
	<u>256,746</u>	<u>239,297</u>	<u>256,746</u>	<u>239,298</u>

14. Deferred Income	2017
	£
Deferred income comprises income received or invoiced in advance of work carried out	
Balance as at 1 April 2016	22,656
Amount released to incoming resources	(21,760)
Amount deferred in year	23,261
Balance as at 31 March 2017	<u>24,157</u>

15. Analysis of net assets between funds	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	569,221	-	569,221
Long term investments	-	-	59,830	59,830
Current asset investments	153,061	5,507,823	462,056	6,122,940
Cash	-	-	7,330	7,330
Net debtors less creditors	-	-	223,308	223,308
Net assets at 31 March 2017	<u>153,061</u>	<u>6,077,044</u>	<u>752,524</u>	<u>6,982,629</u>

**The Royal Association for Deaf people
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16. Related Party Transactions

The group has taken advantage of the exemption that transactions entered into between two or more members of a group, do not need to be disclosed, provided that any subsidiary which is party to the transaction is wholly owned by such a member.

During the year ended 31 March 2012, the Charity's Chief Executive became a Director (as The Charity's representative) of Deaf Network UK Limited, a company in which the charity has invested.

17. Operating lease commitments

The charitable company had annual commitments under operating leases expiring as follows:

	Property		Equipment	
	2017	2016	2017	2016
	£	£	£	£
1 year	43,392	42,102	-	-
2-5 years	115,728	136,203	-	-
over 5 years	-	5,000	-	-
	<u>159,120</u>	<u>183,305</u>	<u>-</u>	<u>-</u>

18. Movements in funds

	At 1 April 2016	Incoming resources	Outgoing resources	Transfers & Investment Gains	At 31 March 2017
	£	£	£	£	£
Restricted funds:					
London Borough of Lambeth	-	9,222	(9,222)	-	-
Essex County Council	6,233	-	(6,233)	-	-
London Borough of Camden	11,090	26,616	(26,616)	-	11,090
London Borough of Sutton	-	6,254	(6,254)	-	-
Southend Borough Council	-	10,000	(10,000)	-	-
London Borough of Brent	-	4,221	(4,221)	-	-
Royal Borough of Kensington and Chelsea	-	6,800	(6,800)	-	-
Essex County Council/Action for Children Short Breaks 12-18	-	18,373	(18,373)	-	-
Essex County Council - Carers grants	5,125	-	(5,125)	-	-
Essex County Council - Sensory grants	-	36,876	(27,657)	-	9,219
Essex County Council/Action for Children Short Breaks 6-11	-	16,039	(16,039)	-	-
Plymouth advocacy	2,099	12,596	(12,596)	-	2,099
Befriending funding	-	36,983	(23,015)	-	13,968
Frank Barnes	-	11,117	(8,092)	-	3,025
MOPAC Victims Fund grant	-	29,875	(27,385)	-	2,490
HMRC	-	82,962	(82,962)	-	-
Hearability Sensory Grant	-	49,981	(37,486)	-	12,495
Big Lottery - Talent Match	-	39,770	(37,001)	-	2,769
Total restricted funds carried forward	24,547	397,685	(365,077)	-	57,155

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Notes to the financial statements

For the year ended 31 March 2017

18. Movements in funds (continued)

	At 1 April 2016 £	Incoming resources £	Outgoing resources £	Transfers & Investment Gains £	At 31 March 2017 £
Total restricted funds brought forward	24,547	397,685	(365,077)	-	57,155
Big Lottery - Deaf Achieve	37,020	137,348	(140,268)	-	34,100
Big Potential	-	45,672	(20,165)	-	25,507
The Drapers Company	2,591	-	-	-	2,591
BBC Children In Need	7,326	-	(1,869)	-	5,457
Colchester Building Fund	777	-	(770)	-	7
Trust funding Children and Family	3,555	3,000	(5,055)	-	1,500
John Came Charity	5,447	-	-	-	5,447
Catalyst Respite	289	-	-	-	289
Holiday Fund	326	-	-	-	326
Catalyst Equipment Pool Fund	332	-	-	-	332
Legal Advice Interpreting	3,140	-	-	-	3,140
Mid Surrey Valuing People Projects	3,124	-	(1,932)	-	1,192
London Client Holiday	5,300	-	-	-	5,300
Surrey Client Holiday	783	-	-	-	783
Southend IT training project	1,000	-	-	-	1,000
Clapham Modification fees	14,455	-	(5,520)	-	8,935
Total restricted funds carried forward	110,012	583,705	(540,656)	-	153,061
Unrestricted funds:					
<i>Designated funds:</i>					
Property and Equipment Fund	586,746	-	(5,236)	(12,289)	569,221
Property Refurbishment Fund	7,140	-	-	10,000	17,140
RAD IT Infrastructure	9,947	-	(15,536)	15,000	9,411
Interpreting database and processing software	4,448	-	-	-	4,448
Future development fund	5,492,149	-	(30,078)	(937,031)	4,525,040
Fundraising, PR & Marketing development fund	-	-	(3,825)	916,742	912,917
Staff additional pension contributions	61,408	-	(14,277)	(47,131)	-
Colchester and North Essex fund	11,250	-	-	-	11,250
Deaf club relocation fund	37,510	-	(30,182)	20,289	27,617
<i>Total designated funds</i>	<i>6,210,598</i>	<i>-</i>	<i>(99,134)</i>	<i>(34,420)</i>	<i>6,077,044</i>
General funds	589,561	2,750,075	(2,621,532)	34,420	752,524
Total unrestricted funds	6,800,159	2,750,075	(2,720,666)	-	6,829,568
Total funds	6,910,171	3,333,780	(3,261,322)	-	6,982,629

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For the year ended 31 March 2017

18. Movements in funds (continued)

Purposes of restricted funds

The London Borough of Lambeth, London Borough of Havering, London Borough of Sutton, London Borough of Camden, Royal Borough of Kensington and Chelsea, Essex County Council and Southend Borough Council provide for an information and advice service to Deaf people in the respective boroughs.

Essex County Council provides short breaks funding through Action for Children

Essex County Council provide a Deaf Carers Support grant. The aim of this is to provide support for deaf carers through signposting, home visits, information and advice, advocacy and support groups as well as the provision of respite breaks from their caring role.

Plymouth advocacy provides for the delivery of advocacy services in the Plymouth area.

Following an initial pilot project in the previous year, HMRC funding provides accessible information, advice and video interpreting, which enables Deaf people to understand and manage their tax and tax credits.

Befriending funding is provided by various local authorities to provide befriending support to adults and young people.

Frank Barnes provided funding to support families and to be provide liaison work with the school

MOPAC victims fund grant provides funds to work with victims of Hate crime

Hearability Sensory Grant provides funding for three organisations to provide sensory support. RAD provide management support for this contract to their partner organisations

The Big Lottery Fund provided funds to deliver the Talent Match programme to help young people in 11 boroughs into careers.

The Big Lottery fund - Deaf Achieve is a Reaching Communities project to work with isolated Deaf people in London and Essex, helping them into learning, volunteering and work opportunities.

Funding was received from the Drapers Company towards a project for IT training for Deaf elderly people. Some expenditure on equipment was made during the year and this will be followed with training next year.

BBC Children in Need made a grant towards helping deaf children in Essex attend mainstream social and leisure activities, plus "taster" sessions and family events.

The Duveen trust and Scouloudi foundation provide funding to support the activities of the Children, Family and Transition team.

The holiday fund is to be used in the following way:

- (a) one part of the maintenance of the fabric of St Francis Church & Institute at Redhill.
- (b) one part distributed in gifts of £10 to deserving old age Deaf pensioners of Redhill.
- (c) the remaining third for providing holidays to Deafblind of Redhill district.

John Came Charity represents donations to selected Deaf people.

The Catalyst Respite fund is for the provision of respite for carers in North East Essex.

The Colchester Fund represents donations used to provide meeting facilities for Colchester Deaf Club.

The Catalyst Equipment Pool represents funds to maintain a pool of equipment available to anyone in North East Essex to borrow free of charge.

Legal Advice Interpreting provides funds to cover interpreting for advice clients receiving legal advice

Mid Surrey Valuing People Projects is funding for several projects run for Surrey County Council

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Notes to the financial statements

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18. Movements in funds (continued)

Purposes of restricted funds

London Client Holiday is a fund to provide communication support to Learning Disability clients in the London area for holidays and outings

Surrey Client Holiday is a fund to provide communication support to Learning Disability clients in the Surrey area for holidays and outings

The Southend IT training project is a grant received from The Rosca Trust towards an IT training project for elderly Deaf people.

Clapham Modification fees relates to donations given for the provision of premises for the Deaf clubs meeting at St Bede's.

Designated funds

The property and equipment fund represents the net book value of tangible fixed assets, less those financed by restricted funds.

Property Refurbishment Fund includes funds set aside towards the estimated cost of property maintenance and refurbishment required over the next few years.

Investment Property Fund represents the balance sheet value of Investment Properties.

RAD IT Infrastructure and Interpreting database and processing software represents funds set aside to upgrade the Associations infrastructure, notably in relation to IT upgrades. The trustees set aside a further £15,000 during the year for future IT infrastructure upgrades.

Future development fund represents the profit on the sale of the organisations property. These proceeds are to be ring-fenced for the future development of services.

Fundraising PR & Marketing represents funds designated from the Future Development fund to staff a team for a three year period to grow the RAD's fundraising activity with a view to increasing unrestricted reserves. This is an essential part of the organisation's five year breakeven plan.

Colchester and North Essex fund represents funds set aside from the sale of the Colchester centre to provide support to Deaf organisations in Colchester and North Essex.

Staff additional pension contributions represents funds set aside for potential additional future pension contributions (see note 19 below)

General funds include funds held as part of the reserves policy of 4 months.

19. Pension scheme

The Trustees of one of the multi-employer schemes- Federated Flexiplan No 1 is in the process of winding up the scheme. The scheme was previously in deficit and employers within the scheme were on a repayment plan to remove the deficit. The trustees of the scheme have now informed all employers that as of 31 March 2017, the scheme requires no further contributions from employers and there will be no further liabilities for any employers within the scheme. As a result of this, the designated fund set aside for future contributions has been released back to general reserves.