

Company No. 3973353
Charity No. 1081949

**The Royal Association for Deaf people
(and subsidiary undertakings)
Report & Financial Statements
31 March 2016**

Chartered Accountants • Business Advisors



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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 2016

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 Martin Glover 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 2016

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
(and subsidiary undertaking)**

Report of the trustees

For the year ended 31 March 2016

The trustees present their report and the audited financial statements for the year ended 31 March 2016. 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

2015/16 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 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

Our teams listen to what Deaf people tell us they need, identify new opportunities for funding, and think creatively to deliver new services. During 2015/16 we commissioned research from Manchester University into the likely needs of Deaf people in the future which will assist our strategic planning for 2017-2022.

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

Report of the trustees

For the year ended 31 March 2016

We are proud of RAD's achievements this year, which is thanks to the great work done by our support staff, as well as our front line delivery staff. Our finance team continues to deliver finance services to Deaf Direct and [sonus].

We continue to develop our partnerships with other Deaf organisations, and those working with people who have other forms of sensory loss, and mainstream providers. This is becoming increasingly important; commissioners rarely commission services just for Deaf people.

During 2015/16 we have achieved (IIP) Gold, two Advocacy quality marks and the Contractors Health and Safety (CHAS) accreditation. We have also worked hard to develop the culture of a successful organisation and demonstrate great leadership.

We are proud of the creativity, commitment, dedication and hard work that the team have shown during 2015/16 and we know we have an excellent executive team in place to continue to grow and develop the organisation. Our Trustees have provided clear strategic leadership for the organisation.

Financial

The deficit for the year of £94,803 was the net effect of the gain on the disposal of a further property during the year of £468,494, and operating loss of £483,617 and unrealised losses on investments of £74,983.

Income from donations and legacies decreased by £98,008 (16%), mainly due to a large donation received during the previous year along with lower legacy income than the previous year. This was offset in part due to higher investment income due to higher levels of investment currently held pending a decision on how the future development fund is to be used.. Income from charitable activities (our operations) was higher than the previous year by £198,329 (9%) and a reversal of the decrease seen in the previous year. Within this, Interpreting's fee income decreased by £25,164 (3%). Income from our Advice, Advocacy and Employment work increased by £202,271 (62%) mainly due to new funding during the year, notably from the Big Lottery, HMRC, employment related funding and an increase in funding from local authorities. Children, Youth and Families income increased by £30,341 (31%). Income from Social Care work decreased by £36,619 (4%).

Expenditure increased versus the previous year by £272,977 (9%). This was mainly due to an increase in direct costs resulting from an increase in income from charitable activities along with some expenditure on designated funds previously set aside.

Governance

At the end of the year we had eight trustees, four of whom are Deaf.

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

Report of the trustees

For the year ended 31 March 2016

Strategic Plan

During the last financial year we have kept our Strategic Plan under review to ensure it remains fit for purpose.

Our strategic objectives fall into two main areas:

- Delivering high quality services in Deaf people's first language (usually British Sign Language)
- Supporting mainstream providers to become more accessible to Deaf people

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.

We have sold most of our property. The cost of repairs and maintenance and the general under-use of the buildings prompted this decision. The funds from the sale of these properties have been ring-fenced and will be used to develop and deliver services for Deaf people in the next decade and beyond. Decisions relating to the spending of these funds will be made in 2016/17.

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

We have continued to work hard on maintaining and improving RAD's relationships with the Deaf Clubs and wider Community. Through a programme of regular visits and contact in-between (visits) we have good relationships with key stakeholders. We have recognised that our local work benefits from ensuring that RAD has an increased profile and wider Deaf Community events; last year we enjoyed a very successful attendance at the England Deaf Darby and Joan (EDDJ) in Skegness; something we will be expanding on this coming year.

Through our open and honest communications we have clearly demonstrated that RAD is committed, interested and responsive to local Deaf communities – and this is evidenced in the manner in which we now work with Clubs and the greater sense of empowerment they are demonstrating.

We supported the members of Medway Deaf Club to secure new premises when their base at Medway Hospital closed unexpectedly. Now settled in their new home at the Palm Cottage Social Club in Gillingham, Club membership has increased with members enjoying a thriving social programme of fixtures. Buoyed by their success at winning Most Innovative Deaf Club at the RAD 175 Awards and newly confident in the potential of their base, the committee is keen to develop the skills and opportunities for Deaf people living in Kent. Over the coming year RAD will be supporting the committee to apply for grants and funding that will enable them to extend social and development opportunities. One final point of note of particular interest to Medway is that the Club is keen to demonstrate its gratitude to RAD by hosting a couple of fundraising events for the charity this coming year.

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

Report of the trustees

For the year ended 31 March 2016

The Deaf Clubs at Acton and Clapham are now settled following the building sales – with members at Clapham enjoying the wonderful refurbishment of the old RAD site. We have continued to work with the committee at Southend Deaf Club with regards to their funding application to buy the building and consider future use & development.

We have continued to build relationships with the Clubs at Colchester, West Ham and Romford, hosting our first RAD Deaf Clubs party at Romford in honour of the Club's 60th anniversary at the end of 2015.

As part of our commitment to empowering and developing Deaf people we have delivered iPad training in addition to supporting Health & Safety requirements i.e. Food Hygiene and First Aid training courses.

We have continued to develop our work in increasing mainstream societal awareness of Deaf people. As part of this work we have delivered in excess of 160 hours of Deaf Awareness training to a variety of service providers including hospital health trusts, local authorities, HM Prisons and private industry. We have also continued to develop our Quality Marks, commencing development work on marks for hospitals and Fire & Rescue services.

We have developed a new Quality Mark for the hotel and leisure industry to acknowledge their accessibility to Deaf people. In the coming year we will take this forward, alongside RAD's Legal Quality Mark.

Information, Advice and Guidance (IAG)

We have achieved our Advice Quality Standard – AQS. This standard will strengthen our offering in terms of partnership working moving forward.

All staff who provide IAG, formally to adults and/or families and young people and/or through advocacy/other services where information, advice and/or guidance is embedded into our support now hold their individual IAG level 3 qualifications; this will become core training for all service staff moving forward.

We took the strategic decision to apply for our first all-encompassing deaf/hard of hearing contract (in Essex) – as lead partner, with a delivery partner (Hearing Help Essex). We were successful; our role will be to coordinate and monitor the contract, establish robust financial procedures and report to the Local Authority. This is a new and developing partnership that has enabled a local provider to secure their first large countywide contract.

We have established a partnership with Hampshire Citizens Advice Bureau (CAB) and hope to develop services in the South of England through this partnership.

We have maintained IAG contracts in Camden, Sutton, Lambeth, RBKCC (Royal Borough of Kensington and Chelsea) and Southend service providing advice to over 200 people.

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

Report of the trustees

For the year ended 31 March 2016

Advocacy

Our advocacy service now holds the Quality Performance Mark (QPM). This standard works in conjunction with the Advocacy Code of Practice, enabling providers to demonstrate how they are meeting the different standards set out in the code.

We have seen an increase in Care Act 2014 Advocacy cases since the Act came into force however there is no evidence yet to suggest Local Authorities are putting additional funding into the commissioning of advocacy generally to accommodate this additional advocacy strand.

We secured our first Independent Mental Health Advocacy (IMHA) agreement with Springfield Hospital providing specialist Mental Health Advocacy to patients.

Our work continues in the South West where we have developed new partnerships with The Care Forum and Rethink. seAp has agreed to co-fund the 15 hour/week post in the South West for a further year in order that we can continue to grow our service and also deliver advocacy to Deaf people under current contracts.

We have secured a contract in Kent; with a large partnership lead by seAp and including other local and specialist providers; we have recruited an advocate located in Kent and hope to use this as a platform to further grow services in the county. We have also secured a spot purchase contract in Cornwall and we are currently discussing the option of building into the contract an element of engagement and development so that we can better develop our service and engage with Deaf people living in Cornwall,

Employment

Another challenging year for our employment service, having secured one year's funding from North London Job Centre Plus (JCP) last year and achieved great outcomes for people; (12 people secured paid employment and 6 volunteer work) our application to continue this work was rejected. We are currently redesigning the service model in order to reapply. (If we are successful through a reapplication we will submit applications in both West and East London.)

Information relating to the DWP's new Health and Work Programme 2017 is beginning to emerge; this will replace the current Work Programme and Work Choice. We are starting to explore partnership opportunities and hope to have some success with the Government's new programme.

We continue to attend various sector relevant events nationally in order to raise our profile and better engage with those commissioning and delivering employment programmes, eg, ERSA/IEP Conference.

Deaf Achieve continues to achieve great outcomes focussed on independence, financial capability and employability. We supported 163 people (London, Essex and Suffolk) through workshops, group and one to one support to achieve their individual objectives.

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

Report of the trustees

For the year ended 31 March 2016

Interpreting and Communication Services

The past year has seen a continued national state of flux within the communication services market. Significant government austerity measures have resulted in cuts to services for Deaf people. This national picture has been reflected in RAD's interpreting and communication service; something that the team has worked hard to redress.

The team has developed a more commercial approach and strategy to sales and service delivery – but has been careful to balance this with the needs of Deaf people and RAD's overarching Vision, Mission and Values. The implementation of a commercial sales plan combined with some key operational changes has resulted in slow but positive change of what has been a downward trend.

We have provided communication services for 3436 bookings across a wide variety of domains including employment, community and social domains. We have worked hard to increase the profile of RAD's communication service and were proud to provide interpreters for the Commonwealth Day Service at Westminster Abbey. 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. we have provided 66 hours of "free" interpreting.

Our work on the development of a national consortium of specialist agencies providing communication services for Deaf people has resulted in a strong network of organisations who, in addition to bidding for national tenders, are now supporting one another on an operational level. As part of the consortium we bid for two major government tenders (Ministry of Justice and Crown Commercial Services) and whilst we were unsuccessful with both, were pleased with the feedback received on the quality of our bids and strength of the consortium.

We are developing commercial links and partnerships with a more corporate client base; and as part of this have seen an increase in translation work; a service that we have given particular focus and increased income targets to for the coming year.

We have continued to increase the profile of RAD's communication services by attending a series of national meetings and events, including: Signature/NRCPD stakeholder meetings, NHS England consultations (including a series of events concerning the Accessible Information Standard), professional events including the Watch Your Language Conference, Commissioning in Government and Healthcare Procurement Expos to name but a few.

Our work to deliver video interpreting services to Maximus has been delayed (due to operational issues at their end) but we have been able to make progress into this market via the delivery of services as part of the HMRC pilot. From our dedicated office space in Romford we have been able to deliver 37 successful pre-booked video interpreting appointments for Deaf people needing to talk to HMRC staff.

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

Report of the trustees

For the year ended 31 March 2016

Remaining responsive to customer need and expectation continues to be a critical element of what we do. The team has delivered two interpreting roadshows (at Deaf Clubs) and ensured a regular attendance at Deaf Clubs and Community meetings & events. We have received feedback on 70% of bookings and are proud to maintain our 97% excellent or good service rating.

Social Care

Our Social Care Service provided 68 clients with additional needs with one to one support across our current geographical footprint - totalling 28,793 hours.

We have recently finalised a robust training plan for the service to ensure consistency and improve core training for all those delivering social care services.

Our Real Time monitoring and rota planning IT system is now installed / implemented and working well. This system allows us to plan and manage support more effectively as well as improve invoicing/charging and monitoring processes. It also meets commissioning requirements for domiciliary/community support services.

We have recognised the need to develop the current service to incorporate personal care services in order that Deaf people can get the personal care they need provided by people who have the required communication skills. Rates for personal care work make this unviable as a standalone service but as part of a package it makes it viable. We consulted with the team to assess their attitude towards providing personal care and received positive feedback; staff recognise the need to improve current personal care provision. Staff training has now commenced in order that we can include this in our portfolio moving forward.

We are continuing to prepare for a Care Quality Commission (CQC) inspection; improving systems and processes, collating evidence to support CQC's assessment process through their Key Lines of Enquiry (Safe, Caring, Effective, Well lead and Responsive) and improving overall quality. Our latest Quality Assurance report showed that 100% of the people who we support are happy with the service we provide.

Children, Family and Transition Services

We held a total of 96 events/activities/clubs for children and young people this year (a total of 1011 individual attendances in total). The sailing weekend was once again a huge success; Pioneer Sailing providing their support/facility free of charge so that the young people can enjoy this amazing experience at sea.

Our London Youth Hub continues to grow and we have now secured trust funding to deliver a specialist young person's advice service. The service is proving very popular and we plan to expand it in 2016-17.

After great results, the original London Youth Talent Match project led by 3SC; in partnership with Mencap and London Blind ended however we have secured a new Talent Match contract directly with London Youth.

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

Report of the trustees

For the year ended 31 March 2016

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 Forrest; 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 2016: equivalent to four months' outgoings (i.e. around £1,074,910 for the financial year 2016/17) for working capital and contingencies, in addition to the restricted and designated funds held. General funds as at 31 March 2016 were £589,561 (March 2015 £1,046,573). The trustees continue to ensure that funds can be easily accessed in case of a situation where four months' reserves are needed. The reduction in general funds during the year is mainly due to the operating deficit 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. Given the current levels of general funds, we are committed to reducing operating deficits 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 trustees continue to review the levels of reserves. Following the sale of some of our properties over the past two 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 will be made in 2016/17.

Funds held at 31 March 2016 are held for the following purposes:

Property and funds held for use by the Deaf Community	642,646
Funds designated for the development of services for Deaf people	5,492,149
Funds designated for future pension commitments	61,408
Funds designated for IT commitments	14,395
Remaining funds held as general funds	589,561
Total funds	£6,800,159

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

Report of the trustees

For the year ended 31 March 2016

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

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 of legacy income

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.

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

Report of the trustees

For the year ended 31 March 2016

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 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	Roger Beeson (resigned 22 July 2015)
Toby Burton	David Clarke (resigned 22 July 2015)
Sarah Reed	Mark Napier
Tyron Woolfe (resigned 30 November 2015)	Revd David Cloake
Eoin Heffernan	
David Cattermole (appointed 22 July 2015)	Shana Weinbaum

Five of the trustees listed above are deaf

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

Report of the trustees

For the year ended 31 March 2016

Appointment of trustees

Trustees are appointed for a three year term at an AGM and are allowed to stand for a second consecutive term. 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. The Chief Executive is then given the task of identifying candidates for potential appointment by the trustees.

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 2016 was 11 (2015 - 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:

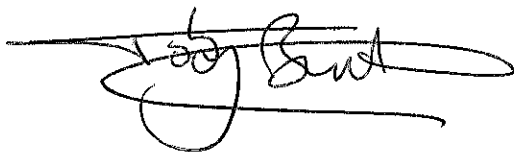
- there is no relevant audit information of which the company's auditors are unaware;
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

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

Approved by the trustees on 27 July 2016 and signed on their behalf by

Mr Toby Burton – Chairman

A handwritten signature in black ink, appearing to read 'Toby Burton', with a large, sweeping horizontal stroke underneath.

Independent Auditors' Report to the members 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 2016, which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group 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. Our audit work has been undertaken so that we might state to the charitable company's members 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, 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 report in accordance with this Act. 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 Report of the Trustees 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 2016, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

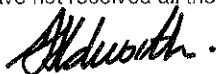
Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

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

- The parent charitable company has not kept adequate and sufficient accounting records have or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable 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
Old Ipswich Road
Colchester
Essex CO7 7QR

Date *22 August 2016*

**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 2016

Income	Note	2016		2015		Total £
		Restricted £	Unrestricted £	Restricted £	Unrestricted £	
Donations and legacies	2	-	372,191		517,914	517,914
Investment income	3	-	137,652		89,937	89,937
		-	509,843		607,851	607,851
<i>Income from charitable activities</i>						
Advice, advocacy, employment and legal services	4	356,698	167,634	155,303	166,758	322,061
Social Care	4	9,625	827,048	20,500	852,792	873,292
Children, youth and families	4	88,763	37,954	75,768	20,608	96,376
Education and training	4	-	19,847	-	56,964	56,964
Interpreting fees	4	-	717,774	-	742,938	742,938
Other services	4	67,972	64,176	-	67,531	67,531
		523,058	1,834,433	251,571	1,907,591	2,159,162
Other income						
Gain on the disposal of fixed assets		-	468,494	-	4,201,945	4,201,945
Total income		523,058	2,812,770	251,571	6,717,387	6,968,956
Expenditure						
<i>Costs of raising funds</i>						
Fundraising		-	37,025	-	33,127	33,127
<i>Charitable expenditure</i>						
Deaf Centres and Community Development		9,159	241,828	3,466	155,593	159,059
Advice, advocacy, employment and legal services		388,639	369,076	130,385	461,349	591,734
Social Care		37,357	1,057,648	37,460	1,024,624	1,062,104
Children, youth and families		92,591	94,101	76,737	63,596	140,333
Interpreting		-	1,024,711	453	1,023,430	1,023,883
Training and other services		-	3,513	-	72,431	72,431
Total expenditure		527,746	2,827,902	248,521	2,834,150	3,082,671
Net gains/(losses) on investments	12	-	(74,983)	-	49,040	49,040
Net income/(expenditure)	6	(4,688)	(90,115)	3,050	3,932,277	3,935,327
Transfers		-	-	-	-	-
Net movement in funds		(4,688)	(90,115)	3,050	3,932,277	3,935,327
Funds at 1 April 2015		114,700	6,890,274	111,650	2,957,997	3,069,647
Funds at 31 March 2016		110,012	6,800,159	114,700	6,890,274	7,004,974

The company has not prepared a separate income and expenditure account. The deficit for the year was £94,566 (2015: £3,935,327 surplus)

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

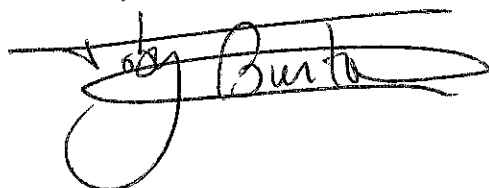
Balance sheet

As at 31 March 2016

	Note	Group		Company	
		2016	2015	2016	2015
			£	£	£
Fixed assets					
Tangible Fixed assets	9	586,746	608,789	586,746	608,789
Investments	10	47,829	47,995	47,832	47,998
		<u>634,575</u>	<u>656,784</u>	<u>634,578</u>	<u>656,787</u>
Current assets					
Debtors	11	1,138,842	472,916	1,255,541	531,223
Current asset investments	12	5,252,791	6,259,934	5,252,791	6,259,934
Cash at bank and in hand		123,260	64,264	7,042	6,200
		<u>6,514,893</u>	<u>6,797,114</u>	<u>6,515,374</u>	<u>6,797,357</u>
Creditors: amounts falling due within one year	13	<u>239,297</u>	<u>448,924</u>	<u>239,298</u>	<u>448,924</u>
Net current assets		<u>6,275,596</u>	<u>6,348,190</u>	<u>6,276,076</u>	<u>6,348,433</u>
Net assets	15	<u>6,910,171</u>	<u>7,004,974</u>	<u>6,910,654</u>	<u>7,005,220</u>
Funds					
Restricted funds		110,012	114,700	110,012	114,700
Unrestricted funds					
Designated funds		6,210,598	5,843,701	6,210,598	5,843,701
General funds		589,561	1,046,573	590,044	1,046,819
		<u>6,800,159</u>	<u>6,890,274</u>	<u>6,800,642</u>	<u>6,890,520</u>
Total funds	18	<u>6,910,171</u>	<u>7,004,974</u>	<u>6,910,654</u>	<u>7,005,220</u>

The approved statements on pages 15 to 32 were approved and authorised for issue by the trustees on 27 July 2016 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 2016

	2016		2015
	£	£	£
Cash used in operating activities	(1,414,733)		(3,422,432)
Cashflows from investing activities			
Interest received	94,994	42,395	
Investment proceeds on disposal	-	47	
Dividends received	871	885	
Acquisition of tangible fixed assets	(41,233)	500	
Sale of tangible fixed assets	486,771	5,099,812	
Cash provided by investing activities	541,403		5,143,639
Increase/(decrease) in cash and cash equivalents in the year	<u>(873,330)</u>		<u>1,721,207</u>

Notes to the cashflow statement

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

	2016	2015
	£	£
Net income/(expenditure) for the year	(94,803)	3,050
Interest received	(94,994)	(42,395)
Dividends received	(871)	(885)
Loss/(profit) on sale of tangible fixed assets	(468,494)	(4,201,945)
Loss/(gain) on investments	74,983	-
(Increase)/decrease in debtors	(665,926)	681,070
Increase/(decrease) in creditors	(209,627)	107,231
Depreciation and amortisation of goodwill	44,999	31,442
Net cash flow from operating activities	<u>(1,414,733)</u>	<u>(3,422,432)</u>

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

	March 2014	Cashflow	At 31 March 2015	Cashflow	At 31 March 2016
	£	£	£	£	£
Cash at bank and in hand	14,968	49,296	64,264	58,996	123,260
Current asset cash investments (cost)	658,456	5,555,148	6,213,604	(932,326)	5,281,278
	<u>673,424</u>	<u>5,604,444</u>	<u>6,277,868</u>	<u>(873,330)</u>	<u>5,404,538</u>

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

Notes to the financial statements

For the year ended 31 March 2016

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.

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 20.

- 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.

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 2016

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 2016

2. Donations and legacies

	Restricted £	Unrestricted £	2016 Total £	2015 Total £
Legacies	-	230,144	230,144	297,728
Donations, appeals, gifts and collections	-	142,047	142,047	220,186
Total	-	372,191	372,191	517,914

3. Investment income

	Restricted £	Unrestricted £	2016 Total £	2015 Total £
Dividends	-	871	871	885
Bank deposit interest	-	94,994	94,994	42,395
Rental income	-	41,787	41,787	46,657
	-	137,652	137,652	89,937

4. Income from Charitable activities

	Restricted £	Unrestricted £	2016 Total £	2015 Total £
Grants and contract income - Advice advocacy, employment and Legal Services				
Local Authority Agency Grants	137,143	33,865	171,008	104,648
Local Education and Health	-	15,409	15,409	-
Essex Learning Partnership	-	4,269	4,269	8,197
Integr8	-	20,671	20,671	27,808
Essex County Council - Carers grant	16,000	-	16,000	-
HMRC	26,959	-	26,959	-
Money Advice Service via A4E	-	3,472	3,472	5,138
DWP - employment work and assesments	-	53,636	53,636	31,277
Total - Statutory Sources	180,102	131,322	311,424	177,068
Big Lottery - Talent Match	35,898	-	35,898	37,235
Big Lottery - Deaf Achieve	140,698	-	140,698	35,536
Other incoming resources	-	36,312	36,312	72,222
	356,698	167,634	524,332	322,061

The Royal Association for Deaf people
(and subsidiary undertakings)

Notes to the financial statements

For the year ended 31 March 2016

4. Income from Charitable activities (continued)

	Restricted	Unrestricted	2016 Total	2015 Total
	£	£	£	£
Grants and contract income - Social Care				
Local Authority Agency Grants	-	33,957	33,957	44,671
Local Education and Health	-	-	-	28,595
Essex County Council - Carers	9,625	-	9,625	20,500
Total - Statutory Sources	9,625	33,957	43,582	93,766
Other incoming resources	-	793,091	793,091	779,526
	<u>9,625</u>	<u>827,048</u>	<u>836,673</u>	<u>873,292</u>
Grants and contract income - Children, youth and families				
Local Authority Agency Grants	-	2,300	2,300	19,987
Essex County Council - Essex Youthclubs	17,776	-	17,776	20,732
Trust Funding	19,495	-	19,495	-
Aiming High for Disabled children	19,360	-	19,360	20,000
Total - Statutory Sources	56,631	2,300	58,931	60,719
Children In Need	32,132	-	32,132	24,038
Other incoming resources	-	35,654	35,654	11,619
	<u>88,763</u>	<u>37,954</u>	<u>126,717</u>	<u>96,376</u>
Contract income - Education and training				
Total - Statutory Sources	-	-	-	-
Other incoming resources	-	19,847	19,847	56,964
	<u>-</u>	<u>19,847</u>	<u>19,847</u>	<u>56,964</u>
Income - Interpreting				
Grant Income - Statutory Sources	-	-	-	-
Other incoming resources	-	717,774	717,774	742,938
	<u>-</u>	<u>717,774</u>	<u>717,774</u>	<u>742,938</u>
Income - Other services				
Provision of back office support to other deaf organisations	-	61,045	61,045	59,573
HMRC	35,697	-	35,697	-
Big Potential	32,275	-	32,275	-
Other income	-	3,131	3,131	7,958
	<u>67,972</u>	<u>64,176</u>	<u>132,148</u>	<u>67,531</u>

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 2016

5. Expenditure on Charitable activities

	Fundraising		Deaf Centres and Community Development		Advice Service		Social Care		Children youth and families		Training and other Services		Interpreting		Support costs apportioned		Total 2016		2015	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Staff costs (note 7)	-	37,031	-	718,543	484,563	100,497	2,780	683,198	-	-	-	-	-	494,225	2,520,837	2,422,766	-	-	-	-
Caretaking and cleaning	-	7,480	-	-	-	-	-	-	-	-	-	-	-	3,961	11,441	14,271	-	-	-	-
Rent, rates, heating, lighting	-	10,528	-	12,763	13,047	1,117	-	8,166	-	-	-	-	-	66,524	112,145	123,187	-	-	-	-
Depreciation and amortisation	-	44,999	-	-	-	-	-	-	-	-	-	-	-	-	44,999	31,442	-	-	-	-
Repairs, maintenance, insurance	-	9,297	-	814	41	-	-	140	-	-	-	-	-	27,438	37,790	44,438	-	-	-	-
Postage and telephones	-	707	-	17,286	11,558	2,407	-	6,777	-	-	-	-	-	13,727	52,462	48,867	-	-	-	-
Printing and stationery	-	75	-	4,605	1,228	477	-	413	-	-	-	-	-	9,684	16,462	15,391	-	-	-	-
Transport and subsistence	-	4,624	-	70,439	26,686	6,088	(68)	58,559	-	-	-	-	-	10,034	176,362	182,410	-	-	-	-
Professional fees	-	-	-	68	1,320	-	-	-	-	-	-	-	-	28,597	29,985	34,835	-	-	-	-
Fundraising and publicity direct costs	28,580	-	-	-	-	-	-	-	-	-	-	-	-	-	28,580	25,794	-	-	-	-
University of Manchester research project	-	23,997	-	-	-	-	-	-	-	-	-	-	-	-	23,997	-	-	-	-	-
175 awards event costs	-	-	-	-	-	-	-	-	-	-	-	-	-	61,084	61,084	-	-	-	-	-
Expenditure from Future Development fund	-	10,675	-	-	-	-	-	-	-	-	-	-	-	-	10,675	-	-	-	-	-
Outsourced IT support	-	-	-	-	-	-	-	-	-	-	-	-	-	85,150	85,150	-	-	-	-	-
IT expenditure - one off	-	-	-	-	-	-	-	-	-	-	-	-	-	29,328	29,328	-	-	-	-	-
Office equipment, repairs, maintenance and hire	-	29,531	-	6,824	2,914	958	-	7,228	-	-	-	-	-	1,228	49,083	46,874	-	-	-	-
General expenses	-	13,961	-	7,519	16,611	18,076	-	7,193	-	-	-	-	-	2,761	66,121	87,884	-	-	-	-
Apportionment of shared premises and office costs	-	432	-	6,375	26,913	14,488	-	19,302	-	-	-	-	-	(68,303)	(783)	4,512	-	-	-	-
Total direct costs	28,580	193,737	584,881	845,236	584,881	144,108	2,712	790,976	144,108	144,108	2,712	801	233,735	765,418	3,355,648	3,082,671	-	-	-	-
Support costs apportioned based on direct costs	8,445	57,250	172,894	249,769	172,894	42,584	801	233,735	42,584	42,584	801	801	(765,418)	-	-	-	-	-	-	-
	37,025	250,987	757,715	1,095,005	757,715	186,692	3,513	1,024,711	186,692	186,692	3,513	801	-	-	3,355,648	3,082,671	-	-	-	-

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

Notes to the financial statements

For the year ended 31 March 2016

6. Net incoming resources for the year

This is stated after charging :

	2016	2015
	£	£
Depreciation	44,999	31,442
Trustees' directors and officers indemnity insurance	3,858	4,047
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	260	625
Auditors' remuneration:		
▪ Audit fee current year	10,000	9,594
▪ Audit fee prior year under accrued	170	83
▪ Non-audit services	-	-
Operating lease rentals:		
▪ Property	42,102	35,292
▪ Other	-	-
	<u>42,102</u>	<u>35,292</u>

Expenses reimbursed to trustees represent the reimbursement of travel and subsistence costs to 5 (2015-5) trustees relating to attendance at trustee meetings. These expenses, are subject to the charity's processes of internal controls.

As in previous years, all the trustees worked honorarily for the Association and accordingly received no remuneration for their services. No directors were paid for other paid work during the year (2015 £nil).

7. Staff costs and numbers

Staff costs were as follows:

	2016	2015
	£	£
Salaries and wages	1,844,834	1,808,404
Social security costs	147,275	144,255
Pension contributions	<u>121,314</u>	<u>113,210</u>
	2,113,423	2,065,869
Freelance, temp and agency staff, training and recruitment	<u>407,414</u>	<u>356,897</u>
	<u>2,520,837</u>	<u>2,422,766</u>

The following number of employees earned in excess of £60,000 (including pension contributions):

£60,000 - £70,000 3 (2015 £60,000 - £70,000 3)

The key management personnel of the Company and its subsidiaries are the Chief Executive, the Director of Services, the Director of Communication and Community Development and the Director of Finance and Administration whose employee benefits total £253,389

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

Notes to the financial statements

For the year ended 31 March 2016

7. Staff costs and numbers (continued)

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

	2016	2015
	No.	No.
Deaf Centres and Community Development	1	1
Advice, advocacy and employment	10	8
Children, Youth and Families	8	7
Social care	37	36
Interpreting	15	18
Governance	1	1
Fundraising and Publicity	2	3
	<u>74</u>	<u>74</u>

At 31 March 2016 there were 101 individuals (2015: 106 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 2016

9. Tangible fixed assets

	Freehold properties* £	Furniture, fittings, plant and equipment £	Totals £
COST			
At 1 April 2015	634,461	134,818	769,279
Additions in year	-	41,233	41,233
Disposals in year	(21,749)	(4,654)	(26,403)
At 31 March 2016	612,712	171,397	784,109
DEPRECIATION			
At 1 April 2015	53,868	106,622	160,490
Depreciation on disposals	(3,472)	(4,654)	(8,126)
Charge for the year	4,029	40,970	44,999
At 31 March 2016	54,425	142,938	197,363
NET BOOK VALUE			
At 31 March 2016	558,287	28,459	586,746
At 31 March 2015	580,593	28,196	608,789

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 2016

10. Fixed asset investments

	2016	2015
	£	£
a) Investment in subsidiary undertakings	<u>3</u>	<u>3</u>

At 31 March 2016 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 2016 the aggregate of the share capital and reserves of tRADe Limited was £(338) (2015 £(258)) and the deficit for the year then ended was £80 (2015 £74 surplus).

At 31 March 2016 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 2016 the aggregate of the share capital and reserves of RAD Deaf Legal Enterprises CIC was £(145) (2015 £12) and the deficit for the year then ended was £157 (2015 £136 surplus).

b) Listed investments:	£	
At 1 April 2015	47,995	
Investment proceeds on disposal	-	
Net unrealised gain/(loss) for the year	<u>(166)</u>	
At 31 March 2016	<u>47,829</u>	
Historical cost at 31 March 2016	<u>12,580</u>	
Net unrealised investment gains	<u>35,249</u>	
This is represented by:	£	
Home Retail Group ordinary shares	4,204	
Experian Group ordinary shares	31,427	
Burberry Group ordinary shares	12,198	
	<u>47,829</u>	<u>47,829</u>

c) Unlisted investments

DNUK Limited - historical cost at 1 April 2015	10,000	
Unrealised loss recognised in previous year	<u>(10,000)</u>	
	<u>-</u>	<u>-</u>
		<u>47,832</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 2016

11. Debtors	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	349,031	377,276	349,031	377,276
Other debtors	13,675	27,354	3,572	15,250
Accrued proceeds sale of St Cedd's, Romford	484,403	-	484,403	-
tRADe Limited	-	-	124,025	67,647
RAD Deaf Legal Enterprises CIC	-	-	2,777	2,764
Prepayments and accrued income	291,733	68,286	291,733	68,286
	<u>1,138,842</u>	<u>472,916</u>	<u>1,255,541</u>	<u>531,223</u>

12. Current Asset Investments	2016	2015
	£	£
COIF Charities Investment Fund	2,000,000	600,000
Unrealised Gain/(Loss) on COIF Investment Fund	(28,487)	46,330
	<u>1,971,513</u>	<u>646,330</u>
Current asset cash investments	<u>3,281,278</u>	<u>5,613,604</u>
	<u>5,252,791</u>	<u>6,259,934</u>

13. Creditors: amounts falling due within one year	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	46,421	50,552	46,421	50,552
Taxation and social security	34,173	37,362	34,173	37,362
Accruals	87,163	128,874	87,163	128,874
Deferred income (see note 14)	22,656	115,881	22,656	115,881
Other creditors	48,884	116,255	48,885	116,255
	<u>239,297</u>	<u>448,924</u>	<u>239,298</u>	<u>448,924</u>

14. Deferred Income

Deferred income comprises income received or invoiced in advance of work carried out

	2016
	£
Balance as at 1 April 2015	115,881
Amount released to incoming resources	(113,859)
Amount deferred in year	20,634
Balance as at 31 March 2016	<u>22,656</u>

15. Analysis of net assets between funds

	Restricted funds	Designated funds	General funds	Total funds
	£	£	£	£
Tangible fixed assets	-	586,746	-	586,746
Long term investments	-	-	47,829	47,829
Current asset investments	110,012	5,139,449	3,330	5,252,791
Cash	-	-	123,260	123,260
Net debtors less creditors	-	484,403	415,142	899,545
Net assets at 31 March 2016	<u>110,012</u>	<u>6,210,598</u>	<u>589,561</u>	<u>6,910,171</u>

The Royal Association for Deaf people
(and subsidiary undertakings)

Notes to the financial statements

For the year ended 31 March 2016

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.

The Association purchased freelance interpreting from Small Successes Limited. A Director of the company, Roger Beeson, was appointed as a Trustee on 20th July 2005 and resigned on 22 July 2015. The value of freelance interpreting purchased from the company up to his date of resignation was £nil (2015 £440). These services were purchased on a normal commercial basis.

The chairman of the charity up to 22 July 2015 was also chairman of [sonus]. During the period up to his resignation, the charity provided back office support services including finance and interpreting coordination to [sonus] to the value of £11,580 (2015 £21,758), [Sonus] the administration of staff BSL training courses to the charity. Up to the date of resignation these amounted to £nil (2015 £400).

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	
	2016	2015	2016	2015
	£	£	£	£
1 year	42,102	35,892	-	-
2-5 years	136,303	142,095	-	-
over 5 years	5,000	35,000	-	-
	<u>183,405</u>	<u>212,987</u>	<u>-</u>	<u>-</u>

18. Movements in funds

	At 1 April 2015	Incoming resources	Outgoing resources	Transfers & Investment Gains	At 31 March 2016
	£	£	£	£	£
Restricted funds:					
London Borough of Lambeth	-	9,222	(9,222)	-	-
Essex County Council	-	31,166	(24,933)	-	6,233
London Borough of Camden	-	37,706	(26,616)	-	11,090
London Borough of Sutton	-	5,753	(5,753)	-	-
Southend Borough Council	-	10,000	(10,000)	-	-
London Borough of Brent	-	12,005	(12,005)	-	-
Royal Borough of Kensington and Chelsea	-	6,700	(6,700)	-	-
Essex County Council - Essex Youth Clubs	-	17,776	(17,776)	-	-
Essex County Council - Carers grants	-	25,625	(20,500)	-	5,125
Essex County Council - independent choice and control fund	-	11,995	(11,995)	-	-
Aiming High for Disabled children	-	19,360	(19,360)	-	-
Plymouth advocacy	-	12,596	(10,497)	-	2,099
HMRC	-	62,666	(62,666)	-	-
Big Lottery - Talent Match	8,741	35,898	(44,639)	-	-
Total restricted funds carried forward	8,741	298,468	(282,662)	-	24,547

The Royal Association for Deaf people
(and subsidiary undertakings)

Notes to the financial statements

For the year ended 31 March 2016

18. Movements in funds (continued)

	At 1 April 2015 £	Incoming resources £	Outgoing resources £	Transfers & Investment Gains £	At 31 March 2016 £
Total restricted funds brought forward	8,741	298,468	(282,662)	-	24,547
Big Lottery - Deaf Achieve	24,472	140,698	(128,150)	-	37,020
Big Potential	-	32,275	(32,275)	-	-
The Drapers Company	4,000	-	(1,409)	-	2,591
BBC Children in Need	3,204	32,132	(28,010)	-	7,326
Colchester Building Fund	1,351	-	(574)	-	777
Trust funding Children and Family	-	19,495	(15,940)	-	3,555
John Came Charity	5,447	-	-	-	5,447
Catalyst Respite	289	-	-	-	289
Holiday Fund	326	-	-	-	326
Mika Brojer & Ben Steiner Memorial Fund	4,045	-	(4,045)	-	-
Co-op Deaf awareness to Children	2,645	-	(2,645)	-	-
Chelmsford Development Fund	2,534	-	(2,534)	-	-
Catalyst Equipment Pool Fund	332	-	-	-	332
Legal Advice Interpreting	3,140	-	-	-	3,140
Mid Surrey Valuing People Projects	30,856	-	(27,732)	-	3,124
London Client Holiday	5,300	-	-	-	5,300
Surrey Client Holiday	783	-	-	-	783
Acton Kitchen Fund	596	-	(596)	-	-
Jack Petchey Foundation	-	-	-	-	-
Achievement Award	1,184	-	(1,184)	-	-
Southend IT training project	1,000	-	-	-	1,000
Clapham Modification fees	14,455	-	-	-	14,455
Total restricted funds carried forward	114,700	523,068	(527,756)	-	110,012
Unrestricted funds:					
<i>Designated funds:</i>					
Property and Equipment Fund	608,789	-	(31,761)	9,718	586,746
Property Refurbishment Fund	10,000	-	(2,860)	-	7,140
RAD IT Infrastructure	37,513	-	(42,566)	15,000	9,947
Interpreting database and processing software	4,448	-	-	-	4,448
Future development fund	5,047,831	468,494	(24,176)	-	5,492,149
Staff additional pension contributions	75,685	-	(14,277)	-	61,408
Colchester and North Essex fund	11,250	-	-	-	11,250
Deaf club relocation fund	48,185	-	(10,675)	-	37,510
<i>Total designated funds</i>	<i>5,843,701</i>	<i>468,494</i>	<i>(126,315)</i>	<i>24,718</i>	<i>6,210,598</i>
General funds	1,046,573	2,344,276	(2,776,570)	(24,718)	589,561
Total unrestricted funds	6,890,274	2,812,770	(2,902,885)	-	6,800,159
Total funds	7,004,974	3,335,838	(3,430,641)	-	6,910,171

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

Notes to the financial statements

For the year ended 31 March 2016

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 provide funds for the provision of Youth Clubs in Essex

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.

Since 2009/10 Essex County Council have provided a grant, Aiming High for Disabled Children. The aim of this projects is to provide a variety of social and leisure opportunities across Essex for deaf children and young people.

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

HMRC funded a pilot project to provide accessible information, advice and video interpreting, which enabled Deaf people to understand and manage their tax and tax credits.

The Big Lottery Fund provided funds to deliver the Talent Match programme to help young people in 11 boroughs into careers, as part of a disability consortium led by 3SC.

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.

Mika Brojer & Ben Steiner Memorial Fund represents funds to be used for working with Deaf people with cancer.

Co-op Deaf awareness to Children represents donations towards Deaf awareness training for children.

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

The Chelmsford Development Fund represents donations for improvement to the Chelmsford Centre.

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

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

Notes to the financial statements

For the year ended 31 March 2016

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

Acton Kitchen fund represents money raised to refurbish the kitchen at St Saviours

Jack Petchey Foundation Achievement Award is an award scheme which enables Youth Clubs to recognise the effort, endeavour and achievement of young people in a practical and positive way

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.

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. Latest actuarial valuations show that the scheme is in deficit and needs to be funded before the scheme can be wound up. There has been an ongoing court case which has created difficulties in defining the potential scheme deficit and the required recovery plan. During the year a ruling was obtained on the court case and the recovery plan has been updated to reflect the most recent actuarial valuation of £17.5 million taking into consideration the court ruling. The Association will continue to pay annual contributions at the current level of £14,276.46 until 31 March 2017 and then increasing to £15,710.98 to 31 March 2020. This represents additional contributions of £61,409 subject to future actuarial valuations. A designated fund has been agreed to set aside funds needed for this recovery plan.

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

Notes to the financial statements

For the year ended 31 March 2016

20. Transition to FRS 102

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement of the charity to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was £31,729. No other restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided.

Reconciliation of group funds and balances	1 April 2014	31 March 2015
	£	£
Fund balances as previously stated	3,101,376	7,038,116
Short term compensated absences	(31,729)	(33,142)
	<u>3,069,647</u>	<u>7,004,974</u>
Fund balances as restated		

Reconciliation of income and expenditure for the year	Previously stated	At 31 March 2015 Effect of FRS102 transition	Restated
	£	£	£
Total incoming resources	6,968,958	-	6,968,958
Total resources expended	3,081,258	1,413	3,082,671
Net gains on investments	49,040	-	49,040
	<u>3,936,740</u>	<u>(1,413)</u>	<u>3,935,327</u>