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**RNID**

The Royal National Institute for the Deaf 

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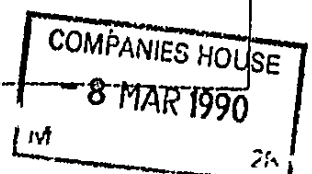
**FINANCIAL REPORT**

1st APRIL 1988 - 31st MARCH 1989

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THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Year ended

31st March 1989

# THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Annual report and financial statements for the year ended 31st March 1989

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## Contents

### Page:

1. Report of the Council of Management
  5. Movement of funds statement
  6. Balance sheet
  7. Income and expenditure account
  8. Notes forming part of the accounts
  18. Report of the auditors
- 

### Patron:

HRH The Duke of Edinburgh KG KT

### President:

The Rt. Hon. Jack Ashley CH,MP

### Vice-Presidents:

Sir Robert Armstrong GCB, CVO  
Sir Peter Baldwin KCB  
Lord Balfour of Burleigh (from 18th May 1988)  
The Rt. Hon Lord Campbell of Croy, PC, MC, DL (from 18th May 1988)  
The Rt. Hon. The Lord Chalfont, OBE, PC, MC, FRSA (from 24th August 1988)  
The Rt. Hon. Lord Jenkins of Hillhead, PC (from 18th May 1988)  
Lord Elwyn-Jones of Llanelli & Newham (from 18th May 1988)  
Dr. A. Kelly FRCS (from 18th May 1988)  
Sir Peter Parker M'CO (from 18th May 1988)  
Michael Reed OBE, BSc  
Sir John Rodgers Bt, DL, FRSA  
Dr. Esther Simpson (from 18th May 1988)  
John Whitney Esq. (from 18th May 1988)  
Lady Wright

### Chairman:

Mrs. Winifred Tumim JP, BA(Hons)Oxon, Dip.Soc. Studies, Dip.Linguistics

### Vice-Chairman:

Ms. J. Wilmot BA, DipLib (from 25th November 1988) (formerly Air  
Vice-Marshall P.F. King CB, OBE, QHS, FRCS(E))

### Honorary Treasurer:

Mr. Jack Shapiro

### Chief Executive and Secretary:

Mr. Michael Whitlam

### Registered office

105 Gower Street, London, WC1E 6AH

### Auditors

Stoy Hayward, 8 Baker Street, London, W1M 1DA.

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# THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

## Report of the Council of Management for the year ended 31st March 1989

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The Council presents its annual report, together with the accounts of the Institute for the year ended 31st March 1989.

The Royal National Institute for the Deaf is registered as a charity (No. 207720) in accordance with the National Assistance Act of 1948, and the Charities Act 1960 and is a company limited by guarantee (Company No. 454169). The Institute is concerned with deaf people of all ages and is established to promote and encourage the prevention and mitigation of deafness; the better treatment, education, training, employment and welfare of people with all conditions and degrees of deafness and generally to promote, safeguard and protect their interests.

The accounts this year continue to reflect a healthy position with continued growth. The revenue account shows a net income of £511,644, but the net movement of funds for the year shows an outflow of £632,519. This is accounted for in three ways. Firstly there has been a major investment of over £300,000 in an extension at the Roper House Residential Centre. This Centre was opened in May 1989 by the Minister of State for the Disabled, the Rt. Hon. Nicholas Scott. Secondly, the Institute continues to invest in computer technology to improve its administration, information and fund raising capabilities. Thirdly, the investment strategy emphasis has moved from short-term to long-term investments. This can be identified particularly through the significant drop in net current assets from just over £1 million, to approximately £500,000.

Central Finance and Administration show a higher level of expenditure partly through the growth in numbers of staff of the Institute but also as a result of increased expenditure on computerisation.

During the period of this report the Institute changed its investment managers, and the income from listed investments have increased significantly by a figure of more than 25%.

The Institute continued to pay large sums of non-recoverable VAT particularly on residential services. This is a burden which local authorities and the private sector do not have to bear, and is a matter that the Institute will need to monitor closely as the European regulations take effect.

There were two substantial grants or donations to the Institute negotiated during this period, which will ensure the development of two significant projects. Firstly the Department of Health agreed grant aid of £200,000 to the Institute for the development of a post-qualifying course for social workers through the Open University. Secondly, the Institute was awarded a donation of £664,000 from British Telecom, in order to establish the Text Users Help Scheme. This is a Scheme which will be reported in more detail in the next Annual Report, as it is of enormous significance to the deaf community. The donation included £500,000 to be given to deaf people who use text telephones to cover up to 60% of their call charges.

## THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

### Report of the Council of Management for the year ended 31st March 1989 (Continued)

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The development of a contract culture rather than a grant culture amongst central Government and Local Authorities will mean that in the coming months the Institute will need to ensure that it is well-placed to negotiate contracts in addition to grants. This will make particular administrative demands upon the Finance Department. However, the opportunities for the Institute to continue to grow will be presented through this mechanism, so that it can continue to serve the needs of deaf people fully.

These accounts report actual fiscal transactions and do not reflect the many contributions, such as the secondment from British Telecom of a senior marketing executive to help develop a marketing company.

#### Staff

The number of deaf and hard of hearing people employed in the Institute has grown steadily with a total of 514 staff employed, of whom 42 are deaf or hard of hearing. During the past 18 months the Institute has prepared an Equal Opportunities Policy which has now been agreed by the Council of Management. This policy document will influence our staffing of the Institute. Additionally, however, with the developments mentioned earlier in this report, quality will become even more important. This does mean that in the future the Institute will need to invest in its assets, particularly the staff assets, so that the Institute continues to give a quality service.

During the year, the policy of providing employees with information about the Institute has been continued through regular staff meetings and newsletters, to which employees have been encouraged to present their suggestions and views on the Institute's performance.

#### Membership of the Council of Management

The names of the persons who are presently members of the Council of Management or were at any time during the financial year ended 31st March 1989 are as follows:

Mr. D. Adams FRCS  
Mr. P. Bishop (from 17th May 1989)  
Mr. G.M. Chapman  
Mrs. W. Daunt  
Mrs. M.G. Davis  
Mr. W. Davison BA, MA (until 4th October 1988)  
Dr. J. Denmark M.Psy. Med, FRCS. Psych, DPM  
Mr. D.E. Downs JP  
Mr. D.M. Fleet  
Dr. A. Franks BSc, PhD, DSC, FInstP  
Mr. G. Fraser MA, BM, BCL, FRCS  
Brigadier J.F.M. Grear, OBE  
Mr. W.B. Harding  
Mr. K.R. Hartley  
Mr. A.H. Hartshorn (until 4th October 1988)  
Mrs. A. Heath MA(Oxon), ALA (from 4th October 1988)  
Mr. J.F. Hudson MISW, Dip DWEB (until 4th October 1988)  
Mr. E. Huntington MSc, FIS, Grad. IMA  
Miss E.M. Kennedy

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Report of the Council of Management for the year ended 31st March 1989 (Continued)

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Membership of the Council of Management (continued)

Dr. J.J. Knight OBE, PhD, CPhys, FInstP, FIOA (from 4th October 1988)  
Air Vice-Marshall P.F. King CB, OBE, QHS, FRCS(E)  
Dr. N. Kitson MB, BS, MRC Psych  
Dr. F.R. Lawson MSc, PhD, CEng, FIAS, MCIBS, MInstE, MIEH  
Ms. K. Meador (from 17th May 1989)  
Mr. C. Mayo MA (Cantab), Dip/FE(Lond)  
Mr. T. McLaren MBE, MISW  
Councillor S. Mercer  
Dr. G.W.G. Montgomery BA, MEd, PhD, HDip.Ed  
Mr. J. Morrish MA (until 4th October 1988)  
Dr. K.P. Murphy PhD  
Rev. B. Murray MISW, DWD (until 1st December 1988)  
Mr. A. Myers FCA (until 4th October 1988)  
Mr. C.D. Nelson BA(Hons), AICSA (from 4th October 1988)  
Mr. M.P. Nicholls  
Mr. S.J. Norris MA (until 3rd May 1989)  
Mr. D.A. Palmer JP, FCA, ATII  
Mrs. A.L. Porter (until 4th October 1988)  
Mr. C. Powell (from 17th May 1989)  
Mr. P. Redfern MA, CQSW, CDS (until 4th October 1988)  
Mr. M. Reed OBE, BSc  
Mr. G. Reynolds  
Mr. G. Rumsey  
Miss S. Savill BA(Hons), CertEd, CQSW, CDS  
Mr. J. Shapiro  
Mrs. P. Shaw MITT, MinstM, FRGS  
Mr. W.B. Shepherd FRICS, FSVA (until 15th February 1989)  
Mrs. V.L. Sober (until 12th January 1989)  
Mr. I. Spencer (until 6th January 1989)  
Mr. B. Symington  
Mrs. W. Tumim JP, BA(Hons)Oxon, Dip.Soc.Studies, Dip.Linguistics  
Miss S.M. Turner MA, DipEd, FISW  
Mr. W.H. Ward CQSW, CSWD (from 4th October 1988)  
Miss C.M. Williams FRCS  
Ms. J. Wilmot BA, DipLib  
Ms. F. Wilson (until 4th October 1988)

Format of the accounts

The format of the financial statements has been adjusted to take account of changes in the Institute's scope of activities and in order to comply with SORP2.

Results for the year

The income and expenditure account is set out on page 7 and shows the accounting result for the year, which has been transferred to general funds.

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Report of the Council of Management for the year ended 31st March 1989 (Continued)

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Transfer to reserves and other funds

A transfer amounting to £370,602 (1988 - £26,035) has been made from the general fund to the property fund and represents the purchases less the disposals at book value of property during the year.

Significant changes in tangible fixed assets

The movement in tangible fixed assets is set out in note 8 of these accounts.

Property values

In the opinion of the Council the market value of the properties is in excess of the net book value but in view of the specialised nature of the use of the properties, a current valuation is considered inappropriate.

Auditors

Stoy Hayward have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

By order of the Council of Management

Michael Whitlam

Secretary



The Royal National Institute for the Deaf,  
105 Gower Street,  
London, WC1E 6AH.

22nd September 1989

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Movement of funds statement for the year ended 31st March 1989

	<u>Note</u>	<u>1989</u> £	<u>1988</u> £
Revenue account			
Income			
Legacies	2	2,606,246	2,106,850
Other voluntary income	3	752,538	713,115
Investment and other income	4	431,026	375,121
Fees, contributions and grants	6	4,078,508	3,318,594
Designated funds		<u>116,292</u>	<u>41,751</u>
Total revenue income		<u>7,984,610</u>	<u>6,555,431</u>
Expenditure			
Expenditure on services to deaf and hard of hearing people	6	6,013,101	5,288,025
Grants to individuals and outside bodies		106,163	121,556
Fund raising costs		475,842	248,010
Computer services		154,065	84,539
Central finance and administration		642,920	392,809
Designated funds		<u>80,875</u>	<u>63,952</u>
Total revenue expenditure		<u>7,472,966</u>	<u>6,198,891</u>
Net income on revenue account		511,644	356,540
Non cash movement - depreciation		<u>258,958</u>	<u>216,888</u>
		<u>770,602</u>	<u>573,428</u>
Capital account			
Income			
Proceeds on sale of investments		1,279,202	281,187
Proceeds on sale of property and vehicles		<u>11,295</u>	<u>287,167</u>
		<u>1,290,497</u>	<u>568,354</u>
Expenditure			
Investments		2,016,341	605,652
Property		370,602	115,267
Other fixed assets		<u>306,675</u>	<u>321,262</u>
		<u>2,693,618</u>	<u>1,042,181</u>
Net expenditure on capital account		<u>(1,403,121)</u>	<u>(473,827)</u>
Net movement of funds for year (see note 17)		<u>(632,519)</u>	<u>99,601</u>

The notes on pages 8 to 17 form part of these accounts



THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Balance sheet at 31st March 1989

	<u>Note</u>	<u>1989</u>	<u>1988</u>
		£	£
Fixed assets			
Tangible assets	8	5,155,373	4,747,931
Investment in subsidiary company	9	2	2
Investments	10	3,490,426	2,734,661
		<hr/>	<hr/>
		8,645,801	7,482,594
Current assets			
Stocks	11	46,472	38,165
Debtors	12	761,494	645,072
Short term deposits		545,519	1,023,103
Cash at bank and in hand		63,038	83,925
		<hr/>	<hr/>
		1,416,523	1,790,265
Creditors			
Amounts falling due within one year	13	939,405	713,432
		<hr/>	<hr/>
Net current assets		477,118	1,076,833
		<hr/>	<hr/>
Total assets less current liabilities		9,122,919	8,559,427
Creditors			
Amounts falling due after more than one year	14	225,162	225,673
		<hr/>	<hr/>
		8,897,757	8,333,754
		<hr/>	<hr/>
Funds and reserves	15		
General Fund		4,408,913	4,250,929
Property Fund		4,360,260	3,989,658
Restricted funds		20,997	20,997
Designated funds		107,587	72,170
		<hr/>	<hr/>
		8,897,757	8,333,754
		<hr/>	<hr/>
Administered Funds	18		

Mrs. Winifred Tumim ) Chairman

Jack Shapiro ) Honorary Treasurer  
 ) 22nd September 1989

The notes on pages 8 to 17 form part of these accounts

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Income and expenditure account for the year ended 31st March 1989

	<u>1989</u> £	<u>1988</u> £
Net income on revenue account (see page 5)	511,644	356,540
Transfer of funds from administered fund (note 18)	33,315	-
Surplus on sale of investments	18,626	42,486
Surplus on sale of tangible fixed assets	418	195,439
	<u>564,003</u>	<u>594,465</u>
Transfer to designated funds (note 15)		
Income	116,292	41,751
Expenditure	<u>(80,875)</u>	<u>(63,952)</u>
	(35,417)	22,201
Result for the year and transfer to general fund (note 15)	<u>528,586</u>	<u>616,666</u>

The notes on pages 8 to 17 form part of these accounts

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Notes forming part of the accounts for the year ended 31st March 1989

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1. Accounting policies

There have been no changes in accounting policies during the year.

The financial statements have been prepared under the historical cost convention using the following accounting policies:

a) Income and expenditure

- i) Voluntary income is brought into the accounts when received and expenditure and other income is on the accruals basis.
- ii) Legacies are treated as income.
- iii) Fund raising costs are charged to revenue as and when incurred.
- iv) Expenditure includes non-recoverable value added tax.

b) Fixed assets

- i) Properties are valued at cost, or valuation at the time of receipt when acquired without consideration, less sale proceeds of part disposals plus expenditure of a capital nature.
- ii) Expenditure on additions or improvements to properties vested in the Official Custodian of Charities is capitalised.
- iii) The capitalised value of properties of whatever nature is represented by an equivalent transfer from the General Fund to the Property Fund.

c) Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets, except properties, over their expected useful lives at the following rates:

Furniture, fixtures and equipment	- 20% reducing balance
Motor vehicles	- 20% straight line
Computer equipment	- 20% straight line

No depreciation is provided on properties in view of the policy stated in b)iii) above and as it is the Institute's policy to maintain its properties in good condition so as to prolong their useful lives. Any depreciation involved would not be material.

1. Accounting policies (continued)

d) Stocks

Stocks are valued at the lower of cost and net realisable value.

e) Investments

- i) Investments are shown in the balance sheet at cost, or value at the time of receipt when acquired without consideration.
- ii) Profits or losses on sales of investments representing the General Fund are credited or charged to the income and expenditure account. Those relating to administered funds are transferred direct to the appropriate fund.

f) Subsidiary company

Group accounts have not been prepared as the Council is of the opinion that this would involve expense out of proportion to their value to Members of the Institute.

g) Leasing and hire purchase commitments

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of the rental obligations is charged to the income and expenditure account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to revenue on a straight line basis over the lease term.

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Notes forming part of the accounts for the year ended 31st March 1989 (Continued)

2. Legacies

	<u>1989</u> £	<u>1988</u> £
Cash	2,464,971	2,106,850
Investments	<u>141,275</u>	<u>-</u>
	<u>2,606,246</u>	<u>2,106,850</u>

3. Other voluntary income

	<u>1989</u> £	<u>1988</u> £
Voluntary donations and covenants	737,465	646,816
Special events and appeals		
Total income	34,940	120,348
Total expenses	<u>(19,867)</u>	<u>(54,049)</u>
	<u>15,073</u>	<u>66,299</u>
	<u>752,538</u>	<u>713,115</u>

4. Investment and other income

	<u>1989</u> £	<u>1988</u> £
Income from listed investments	302,849	237,035
Interest received	108,144	107,059
Rents and sundry income	13,193	19,726
Covenanted donations from RNID Cards Ltd. (note 9)	<u>6,840</u>	<u>11,301</u>
	<u>431,026</u>	<u>375,121</u>

5. Total expenditure is after charging:

Interest on finance leases	17,639	11,431
Depreciation	258,958	216,888
Payments under operating leases		
Land and buildings	63,517	56,931
Other	11,326	1,560
Auditors' remuneration		
Current year	25,605	19,492
Prior year	<u>2,781</u>	<u>3,467</u>

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Notes forming part of the accounts for the year ended 31st March 1989 (Continued)

6. Residential Centres and services to deaf and hard of hearing people

	1989		1988	
	Income	Expenditure	Income	Expenditure
	£	£	£	£
Centres for deaf and deaf/blind people in longer term support:				
Roper House, Canterbury	358,049	413,207	324,190	402,601
St. Anthony, Crowborough	452,627	481,646	383,223	468,097
Hostels for deaf people of working age:				
St. Nicholas, Wembley	211,165	150,511	138,171	156,683
Old Oak Road, Acton	3,247	16,975	3,249	6,261
Rehabilitation centres to provide social, occupational and vocation programmes for deaf and deaf/blind people with special needs:				
Court Grange, Newton Abbott	608,127	535,802	512,978	567,781
Richardson House, Blackburn	516,349	477,165	435,435	468,543
Long term support and rehabilitation centre:				
Poolemead, Bath, including supported housing at Pennard Court	1,434,970	1,283,756	1,278,306	1,210,808
	<u>3,584,534</u>	<u>3,359,062</u>	<u>3,075,552</u>	<u>3,280,774</u>
Education and employment services	154,361	382,492	56,367	247,582
Total	<u>3,738,895</u>	<u>3,741,554</u>	<u>3,131,919</u>	<u>3,528,356</u>
Community services and Tinnitus Support Services				
Regional services	45,485	361,509	16,121	220,615
Tinnitus support services	9,622	35,062	-	47,948
Deaf/blind services	262	46,256	-	21,516
Central community services	186	66,069	-	61,644
	<u>55,555</u>	<u>508,896</u>	<u>16,121</u>	<u>351,723</u>
Communication services				
Scientific and Technical Services				
London	341	259,627	16,852	282,819
Glasgow	32,220	165,868	25,799	142,538
Hearing Advisory Services				
London	870	61,738	-	59,262
Glasgow	704	5,081	-	-
Human Communication Services	13,020	245,246	-	101,638
Telephone exchange	148,733	129,671	69,102	128,546
Medical and Tinnitus research	11,260	91,871	9,049	70,411
Whittingham Hospital	29,561	28,137	23,758	24,198
	<u>236,709</u>	<u>977,239</u>	<u>144,560</u>	<u>809,412</u>

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Notes forming part of the accounts for the year ended 31st March 1989 (Continued)

6. Residential Centres and services to deaf and hard of hearing people  
(continued)

	<u>1989</u>		<u>1988</u>	
	Income	Expenditure	Income	Expenditure
	£	£	£	£
Advocacy and information services				
Library and information	5,288	259,751	5,878	273,850
Publications (including Sound Barrier)	42,061	267,898	20,116	141,073
Central advocacy costs	-	171,020	-	134,254
Campaigns	-	86,743	-	49,357
	<u>47,349</u>	<u>785,412</u>	<u>25,994</u>	<u>598,534</u>
Total	4,078,508	6,013,101	3,318,594	5,188,025

Fees, contributions and grants - analysis of income by source

	<u>1989</u>	<u>1988</u>
	£	£
Fees and contributions - residential care and training schemes:		
Local Authority fees and DSS contributions	3,504,201	2,918,931
Manpower Services Commission	<u>127,272</u>	<u>139,801</u>
	3,631,473	3,058,732
Central government grants:		
Manpower Services Commission	62,014	-
Department of Health and Social Security	82,000	40,487
Other government grants	64,561	23,758
Other grants - trusts, companies and other organisations	117,898	38,500
Other income for services to deaf and hard of hearing people	<u>120,562</u>	<u>157,117</u>
Total income as above	4,078,508	3,318,594

7. Employees

Staff costs consist of:		
Wages and salaries	3,863,882	3,080,556
Social security costs	315,870	247,476
Pension costs	<u>228,396</u>	<u>229,714</u>
	4,408,148	3,557,746

The average weekly number of employees during the year was as follows:

	Number	Number
Residential centres	298	305
Other services including central administration	<u>168</u>	<u>132</u>
	466	437

One employee received emoluments in the range of £30,001 - £35,000.

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Notes forming part of the accounts for the year ended 31st March 1989 (Continued)

8. Tangible assets

	Freehold property £	Long leasehold property £	Vested property £	Motor vehicles £	Furniture, fixtures and computer equipment £	Total £
Cost						
At beginning of year	1,559,000	48,375	2,382,283	183,738	1,464,713	5,638,109
Additions	323,264	-	47,338	46,916	259,759	677,277
Disposals	-	-	-	(18,646)	-	(18,646)
At end of year	<u>1,882,264</u>	<u>48,375</u>	<u>2,429,621</u>	<u>212,008</u>	<u>1,724,472</u>	<u>6,296,740</u>
Depreciation						
At beginning of year	-	-	-	93,295	796,883	890,178
Provided for the year	-	-	-	36,415	222,543	258,958
Disposals	-	-	-	(7,769)	-	(7,769)
At end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,941</u>	<u>1,019,426</u>	<u>1,141,367</u>
Net book value:						
At 31st March 1989	<u>1,882,264</u>	<u>48,375</u>	<u>2,429,621</u>	<u>90,067</u>	<u>705,046</u>	<u>5,155,373</u>
At 31st March 1988	<u>1,559,000</u>	<u>48,375</u>	<u>2,382,283</u>	<u>90,443</u>	<u>667,830</u>	<u>4,747,931</u>

The net book value of tangible fixed assets includes an amount of £196,970 (1988 - £140,194) in respect of assets held under finance leases. Total depreciation on these assets amounted to £47,591 in 1989 (1988 - £34,417).

Capital commitments	1989 £	1988 £
Contracted but not provided	89,612	102,650
Authorised but not contracted	<u>134,000</u>	<u>121,050</u>
	<u>223,612</u>	<u>223,700</u>

9. Investment in subsidiary company

The Institute holds 100% of the equity share capital in RNID Cards Limited, a company registered in England, which publishes and sells Christmas cards and related items. The surplus for the year is covenanted to the Institute (see note 4).



THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Notes forming part of the accounts for the year ended 31st March 1989 (Continued)

10. Investments

	<u>Listed</u>			<u>Unlisted</u>	<u>Total</u>
	General	Restricted and designated	Sinking Fund (note 14)		
	Fund	funds			
	£	£	£	£	£
Cost or as valued at date of receipt					
At beginning of year	2,723,687	5,000	3,418	2,556	2,734,661
Additions	2,015,914	-	427	-	2,016,341
Disposals	(1,255,576)	(5,000)	-	-	(1,260,576)
At end of year	3,484,025	-	3,845	2,556	3,490,426
Market value of listed investments:					
31st March 1989	3,830,902	-	5,743		3,836,645
31st March 1988	2,961,191	5,259	4,332		2,970,782

11. Stocks

	<u>1989</u>	<u>1988</u>
	£	£
Consumable stores	16,799	14,796
Special aids, publications etc.	29,673	23,369
	46,472	38,165

12. Debtors

Prepayments	32,857	6,408
Amounts due from administered funds	7,804	-
Amount due from subsidiary company	5,697	3,500
Other debtors - including residential fees	715,136	635,164
	761,494	645,072

Included in other debtors are two loans totalling to £110,000 made to local societies to assist in the purchase of freehold property for their use. These loans are secured by a first legal mortgage and are repayable within a maximum period of twenty-five years. Interest on one of these loans for £30,000 will only arise if and when the properties are sold.

Of the amount due from the subsidiary company £3,500 (1988 - £3,500) falls due for payment after more than one year.

13. Creditors falling due within one year

	<u>1989</u> £	<u>1988</u> £
Bank overdraft	38,371	-
Creditors for taxation and social security	111,259	92,429
Accruals	225,361	200,163
Amounts due to administered funds	-	6,146
Other creditors	499,892	378,891
Obligations under finance leases	<u>64,522</u>	<u>35,803</u>
	<u>939,405</u>	<u>713,432</u>

14. Creditors falling due after more than one year

Long term loan	114,929	114,929
Obligations under finance leases	<u>110,233</u>	<u>110,744</u>
	<u>225,162</u>	<u>225,673</u>

In 1981 with the consent of the Charity Commissioners the Funds amounting to £114,929 from the Tower House and the Bath Home for the Deaf were used to finance the Poolemead Project. This amount which is non interest bearing is repayable after 60 years. To finance this repayment a sinking fund has been set up in which an amount of £427.35 is invested annually in accumulative shares of the Charities Official Investment Fund (see note 10).

Obligations under finance leases are due as follows:

	<u>1989</u> £	<u>1988</u> £
Within 1 - 2 years	59,023	38,583
Within 2 - 5 years	<u>51,210</u>	<u>72,161</u>
	<u>110,233</u>	<u>110,744</u>

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Notes forming part of the accounts for the year ended 31st March 1989 (Continued)

15. Funds and reserves

	General Fund £	Property Fund £	Restricted Funds £	Designated Funds £
At beginning of year	4,250,929	3,989,658	20,997	72,170
Result for year as per income and expenditure account	528,586	-	-	-
Transfer from General Fund to Property Fund, equal to the net expenditure on properties in year (370,602)	-	370,602	-	-
Funds received in year	-	-	-	116,292
Expenditure in year	-	-	-	(80,875)
At end of year	4,408,913	4,360,260	20,997	107,587

The property fund represents the book value of the properties in which the Institute has an interest. Most of these properties require the consent of the Charity Commissioners if they were to be sold.

16. Commitments under operating leases

As at 31st March 1989, the company had annual commitments under non-cancellable operating leases set out below:

	<u>1989</u>		<u>1988</u>	
	Land and buildings £	Other £	Land and buildings £	Other £
Operating leases which expire:				
In two to five years	-	11,326	-	1,560
After five years	<u>67,120</u>	<u>-</u>	<u>63,517</u>	<u>-</u>
	67,120	11,326	63,517	1,560

17. Movement of funds for year

	<u>1989</u> £	<u>1988</u> £
The net movement of funds is represented by:		
Funds transferred from administered fund	(33,315)	-
Increase in stocks	8,307	3,522
Increase in debtors	116,422	148,280
Increase in creditors	(187,091)	(217,813)
(Decrease)/increase in bank balances and deposits	<u>(536,842)</u>	<u>165,612</u>
	(632,519)	99,601

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

Notes forming part of the accounts for the year ended 31st March 1989 (Continued)

18. Administered funds - Income and expenditure accounts

	Opportunities for Volunteering £	Television for the Deaf £	Former College of Deaf Welfare £
Income			
Grant from DHSS	72,000	-	-
Donations	-	2,842	-
Investment and other income	<u>1,323</u>	<u>11,936</u>	<u>-</u>
	73,323	14,778	-
Less: Expenditure	<u>81,691</u>	<u>52,923</u>	<u>-</u>
Deficiency for the year	(8,368)	(38,145)	-
Balance as per last accounts	3,022	132,931	33,315
Transfer of funds to RNID	<u>-</u>	<u>-</u>	<u>(33,315)</u>
Balance of funds as at 31st March 1989	<u>(5,346)</u>	<u>94,786</u>	<u>-</u>

Net assets statements as at 31st March 1989

	Opportunities for Volunteering £	Television for the Deaf £	Former College of Deaf Welfare £
Cash and bank balances	2,373	131,500	-
Due to RNID	(7,719)	(85)	-
Creditors	<u>-</u>	<u>(36,629)</u>	<u>-</u>
Net assets	<u>(5,346)</u>	<u>94,786</u>	<u>-</u>

The Former College of Deaf Welfare Fund (established to provide training for social workers for the deaf) has now been transferred to the Institute in order to reimburse the funds of the Institute for establishing a distance learning programme for social workers.

THE ROYAL NATIONAL INSTITUTE FOR THE DEAF

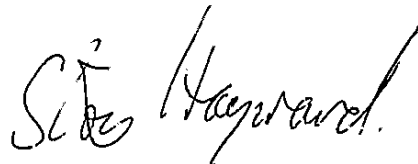
Report of the auditors

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To the members of The Royal National Institute for the Deaf

We have audited the financial statements on pages 5 to 17 in accordance with auditing standards.

In our opinion the financial statements give a true and fair view of the state of the Institute's affairs at 31st March 1989 and of the result and source and application of funds for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in cursive script, reading 'Stoy Hayward'.

Stoy Hayward,  
Chartered Accountants,  
8 Baker Street,  
London, W1M 1DA.

22nd September 1989