

REGISTRAR OF COMPANIES

The Commonwealth Society for the Deaf

Annual Report and Financial Statements

31 May 2015

Company Limited by Guarantee
Registration Number 2739343 (England and Wales)

Charity Registration Number
1013870



Contents

Reports

Reference and administrative details of the charity, its directors and advisers	1
Directors' report	3
Independent auditor's report	13

Financial Statements

Statement of financial activities	15
Balance sheet	16
Principal accounting policies	17
Notes to the financial statements	19

Reference and administrative details of the charity, its directors and advisers

Patron	HRH The Duke of York KG KCVO ADC
Vice Patrons	Dame Mary Perkins The Rt. Hon. Malcolm Bruce MP
Directors	Philip Shaw MA, MBA Hamid Daya BSc FRCS (ORL) (Medical Adviser) Soren Presser-Velder Lic.rer.pol. (Honorary Treasurer) Graham P Frost BSc(Hons) MSc RHAD MIOA MIET Malcolm Garner PhD Denise Goldman MSc, PhD David Greenberg PhD Reena Pastakia FCA, BSc, FRSA (resigned 29 September 2015) Elwina Timehin MBChB MRCP MSc
Chief Executive	Lucy Carter MA (until August 2015) Emma Judge (from August 2015)
Registered office	c/o UCL Ear Institute 332-336 Gray's Inn Road London WC1X 8EE
Company registration number	2739343 (England and Wales)
Charity registration number	1013870
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	The Co-operative Bank Delf House Southway Skelmersdale WN8 6WT Lloyds TSB plc Butler Place Branch Caxton Street London SW1H 0PR

Reference and administrative details of the charity, its directors and advisers

Investment Managers	Smith and Williamson Investment Management 25 Moorgate London EC2R 6AY
----------------------------	---

Directors' report Year to 31 May 2015

The directors, who are also the trustees for the purposes of the Charities Act, present their statutory report together with the financial statements of The Commonwealth Society for the Deaf for the year ended 31 May 2015. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and it is also the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 17 and 18 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws and the requirements of Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005.

The Commonwealth Society for the Deaf is also known as Sound Seekers.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The following directors were in office at the date of approval of the financial statements and served throughout the year ended 31 May 2015, except where shown.

Director	Appointed /Resigned
Philip Shaw MA, MBA (Chair)	Appointed November 2014
Hamid Daya BSc FRCS (ORL) (Vice-Chair)	Appointed November 2014
Reena Pastakia	
Soren Presser-Velder Lic.rer.pol. (Honorary Treasurer)	
Dermot A Dougan BSc FBDO MIADO MSc	Resigned December 2014
Graham P Frost BSc(Hons) MSc RHAD MIOA MIET	
Michael Nolan PhD (Hon Technical Adviser)	Resigned December 2014
Denise Goldman, MSc, PhD	
Elwina Timehin MBChB MRCP MSc	
David Greenberg BSc, PhD	
Malcolm Garner	

In accordance with Article 41 and Article 46, appropriate Directors will retire by rotation at the Annual General Meeting and if eligible, may also offer themselves for re-election.

Upon joining the Board of Directors, directors are provided with a pack including information provided by the Charity Commission explaining their legal responsibilities, together with relevant information about the charity, including a copy of the charity's governing documents.

No directors received any remuneration from the charity during the year (2014 - £nil). £401 (2014 - £2,395) was reimbursed to directors during the year and relates to costs incurred in the UK and visiting the charity's overseas projects. The Board of Directors incurred £3,038 of expenses in carrying out their duties, these were not reclaimed from the charity.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of directors' responsibilities

The directors (who are also trustees of Commonwealth Society for the Deaf for the purposes of charity law) are responsible for preparing the directors' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the directors are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Each of the directors confirms that:

- ♦ so far as the director is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ♦ the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of directors' responsibilities (continued)

The directors are responsible for the maintenance and integrity of financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Structure and management reporting

The Board of Directors delegates responsibility for the day to day management of the Charity to the Chief Executive, who reports to the Board at each of their meetings, which take place at least four times per year, plus the AGM. The Board have also set up the following Committees:

The Projects Committee, to which the Chief Executive reports on developments. This Committee also has delegated responsibilities, as well as providing advice and submitting recommendations to the Board of Directors.

The Fundraising Committee, which reports to the Board of Directors. The Committee is independent of any external advice procured by Sound Seekers.

The Finance and Audit Committee, which reports to the Board of Directors. This Committee also has delegated responsibilities, as well as providing advice and submitting recommendations to the Board of Directors.

Risk management

The directors have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity and its finances. The directors believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES

Activities and specific objectives

The charity's main purpose is to improve the lives of people with hearing loss in the developing world. Currently, we are focusing on sub-Saharan Africa.

Our work encompasses:

- ◆ increasing understanding of hearing loss and the needs of sufferers in developing countries;
- ◆ providing training and materials to enable promulgation about prevention of hearing loss and ear care more generally; and

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Activities and specific objectives (continued)

- ♦ providing training, facilities and equipment in those countries to enable screening, diagnosis, treatment and rehabilitation; and
- ♦ improving access of children and adults with hearing loss to education, social support and technology.

Public benefit statement

The directors (who also act as trustees for the charitable activities of The Commonwealth Society for the Deaf) confirm that they have complied with their duty under section 17 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed its guidance in this area. The annual report gives a detailed description of the activities undertaken by the charitable company during the period in furtherance of its charitable purposes, and the directors are satisfied that all such activities provide a public benefit.

Summary of the year's activities

This year has been simultaneously exciting and challenging. We have started new projects, and improved our holistic service offering, successfully launching our Access to Education project, Primary Ear and Hearing Care, a reconditioning hearing aids hub in Zambia, and supporting the first teaching of a new Africa-based Audiology Diploma.

Ebola and Boko Haram's activities have been challenging, with the former testing health care systems beyond their limits and both stopping the flow of volunteer audiologists. In addition, the fundraising climate is still very demanding. We have invested in some fundraising consultancy work, to broaden out unrestricted income.

We have furthermore become more well known and are often invited to present at conferences, write articles or take part in summits. We were delighted to be successful in the DfID Aid Match competition, not just for the matching of funds raised for Malawi, but for the implied commentary on the quality of Sound Seekers' work. And the Specsavers partnership continues to be a great support: we are honoured to work with a company which has such a good reputation, and whose other overseas charity work matches our own values so closely.

Finally, after three years, Lucy Carter has resigned from her role as CEO. She has worked closely with the new CEO, Emma Judge, to enable Sound Seekers to move into the next phase of its transformation.

Achievements and performance

Cameroon

Audiology support:

The clinic in Cameroon has continued to thrive, treating over 700 patients this year. We supported Rephah Chia, our audiology technician, through applying for a Commonwealth Fellowship and coming to England to take up the fellowship. Rephah spent a month at four audiology departments in the UK, learning new skills. Since then, activity has lessened, for two reasons. First, Rephah has been on maternity leave. Second, the planned visit of a group of American audiology students, led by Prof King Chung, (who had already carried out a training visit with Rephah) was cancelled. This was because the sponsoring American University considered it too dangerous, even though the Mbingo hospital, where our project is based, is not in an area of threat from Ebola or Boko Haram. This was very disappointing, but we now have a commitment from two UK audiologists to visit later this year.

Primary ear and hearing care:

This project has not started yet, due to the Ebola crisis.

Ghana

This project is now completed and considered self-sustaining.

Zambia Diploma Course (previously known as Kenya (Audiology Maintenance and Technician Course) and then as "Support for University of Nairobi Audiology Diploma")

At the beginning of the charity's year, we had supported the University of Nairobi for two years, providing guest lecturers, support for re-writing the syllabus, and sponsoring a visit from the course director to the UK. We reluctantly decided that until the University clears the updated syllabus, provides new teaching equipment, and responds to other concerns about teaching quality, we can no longer justify any further spending of donor money on the University of Nairobi course. Other NGOs have supported this view. However, there is still a pressing need for a course, based in Africa, which would enable people to qualify as audiology technicians (capable of assessing a range of hearing problems, fitting hearing instruments and/or referring to ENT). To provide an alternative, we have enrolled the support of Dr Mwamba, Zambia's only audiologist. With our support, he has designed and started teaching a Diploma in Audiology, based in Lusaka. We have provided an audiologist to design and teach the course for six months, sponsored two visiting lecturers, and also sponsored three of the six students. We were recently successful in a bid to the Hear the World Foundation for further support to this project, which will provide a skills lab, internet support and also some badly needed funding for pastoral care.

This course could set a new standard for African training, and we hope to continue supporting it.

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Achievements and performance (continued)

Malawi – Comprehensive Audiology Service at Queen's Hospital, Blantyre and HARK vehicle in Lilongwe

This remains our flagship project, and we have made substantial progress this year. Dr Courtney Caron (our audiologist delivering this project and based in Malawi) has been on the ground for a year, and has already significantly improved standards of care and critical thinking in her team. The audiology clinic is nearly completed and four audiology technicians are just about to start a year's study at Manchester University. When they return, Dr Caron will provide eighteen months' clinical supervision. At the end of this, they will be fully-trained Malawian audiologists ready to begin leading their country's audiology service. We are also delighted to work with the Hear the World Foundation, supporting two more Malawian audiology technicians (from our partners, the ABC Clinic in Lilongwe) through a UK MSc. This will create a team of four audiologists, making Malawi a leader in audiology in sub-Saharan Africa. The four will be able to support each other and create a critical mass for determining and delivering high standards of hearing care.

We are still working extremely well with the ABC Clinic in Lilongwe, and the HARK vehicle donated there is always busy, seeing thousands of patients a year. And we are looking forward to 2015/16, in which we will begin work on another significant project based in Blantyre, focusing on educational support for children with hearing loss. This is a result of successfully bidding to the Department of International Development for the UK Aid Match programme.

Our work in Malawi demonstrates the success of working in partnership with a range of funders and NGOs.

Sierra Leone

Targeted Paediatric Screening in Northern Sierra Leone, and support for the National School for the Deaf in Freetown

Targeted Paediatric Screening has been closed down for the past year, because of the Ebola crisis. This has been a great disappointment to us, but obviously a much greater tragedy for those who suffered on the ground. The school where the project was based is just beginning to re-open, and we hope to re-start work as soon as possible.

We had hoped to start a parallel "Access to Education" project in Sierra Leone, similar to that in the Gambia. However, given the Ebola situation, we decided to use the Gambia project as a pilot so that we could roll it out more confidently in Sierra Leone when we had learned lessons. We hope that this will happen in 2015/16.

The situation is similar for our work in the National School for the Deaf in Freetown, where there has been the added challenge of a senior school leadership team whom we have found extremely hard to engage in any meaningful way. It will be difficult to justify further spending of donor money here until there is some indication of desire to improve conditions for the pupils at this school.

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Achievements and performance (continued)

Tanzania

Tanzania has been a challenging project from its inception. As noted in last year's report, we terminated the MOU with our previous partner, the National Hospital. This year, we have tried to provide support in other ways. We have sent three audiologists to Buguruni School for the Deaf for four-week placements, and one for two months on a joint placement with the school and the local hospital, where she trained doctors in basic audiology skills. We have also supported the Buguruni School for the Deaf's Breakfast Club, which provides boarding children with a healthy breakfast, enabling them to concentrate through the school day.

In 2015/16, we will need to decide what support, if any, we can offer to Tanzania going forward. This will depend on conversations with the local hospital, and whether or not they will release a qualified candidate for a year's Diploma training.

The Gambia

It is always a priority for Sound Seekers to invest in people. We are funding and supporting Yaka Faal, our audiology technician in Banjul, through a ten month diploma course in Zambia to refresh her skills and give her confidence to revitalise the audiology clinic. We are also in discussions with the Edward Francis Small Teaching Hospital, where she works, about how SS can support the clinic when she has returned to the Gambia.

Increasing Access to Education: Malcolm Garner and Babs Day (both Project Committee members) have developed an ambitious project which will see the delivery of training to teachers in mainstream Gambian schools on awareness and understanding of childhood deafness, and how it can be detected and managed in the classroom. They have developed culturally sensitive, easily translatable training materials and also built the foundations of a good working relationship with the Gambian Ministry of Education, which will be essential for sustainability.

Although there has been some delay to the project due to Ebola in the region, the first training of trainers for the special needs Itinerant Teachers took place in July this year (these teachers will then go on to train the mainstream teachers). This project could make a significant difference to children with mild to moderate hearing loss in mainstream schools, enabling them to stay in education.

Zambia

Zambia is our busiest country, with six separate projects. We decided this year to relocate our Programme Manager to Zambia. She will be able to manage all the projects and free up Dr Alfred Mwamba's (the only audiologist in Zambia) time for more clinical and strategic work. She will also be able to work more easily with all our African projects than from a London-based HQ.

ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)

Achievements and performance (continued)

Zambia (continued)

1. Audiology clinic in Ndola "HARK project". In 2012, there was no audiology service in the Ndola Region. Now we have provided a fully equipped audiology suite, including a testing booth and teleaudiology capacity, and the unit is run by an enthusiastic & committed team who have benefited from many different audiology training visits and courses abroad. The team carries out regular outreach using the HARK vehicle, and they can fit hearing aids in straightforward adult cases. We are sponsoring Olipa Banda, a nurse who works in the Department, to do the Diploma course in Lusaka (see below). A highly experienced UK audiologist, Gemma Twitchen, spent most of January in Ndola. She reviewed and refreshed skills and introduced some new concepts (eg daily calibration and play audiometry).
2. Teleaudiology: TA sessions link the team in Ndola to Shannon Kruyt (our consultant audiologist) in Cape Town, who provides training sessions and helps with complicated patients.
3. Primary Ear and Hearing Care: This project is to spread awareness of ear care to thousands of people. The 'cascade training' sessions are now almost complete, and community interventions have started. We have recruited a special needs teacher, Aggie Nalomba, to co-ordinate this project on the ground – she has provided insightful and occasionally unnerving revelations, for example the belief in some communities that faeces and rotting fish can be used to treat ear infections.
4. Paediatric Screening, Lusaka: This project will learn the lessons of the Sierra Leonean Targeted Paediatric Screening pilot and take the work a step further. It will be based at Zambia's largest government hospital, University Teaching Hospital in Lusaka, working closely with the ENT doctor there - Dr Nadia Lukwasa. It will deliver targeted screening to at-risk children, then referring them to specialist care. And for the first time we will screen all new-borns at the Paediatric Centre, providing invaluable data on infant hearing loss.
5. Audiology Diploma, Lusaka: Sound Seekers is proud to be supporting a new Audiology Diploma course in Lusaka (certification to be provided by University of New England & the American Institute of Continuous Medical Education). This training is desperately needed and provides hope for the future of Africa-based training. We have provided expertise with course design and teaching, and have sponsored three students to do the course. We have also just received further funding from the Hear the World Foundation, which will provide a skills lab and financial help for pastoral care.
6. Hearing Aid Refurbishment Centre: A perennial challenge for Sound Seekers is not having enough good quality hearing aids for projects, even though we have so many kind donations of used ones. Thanks to Specsavers, we now have funding to create a *reconditioning hub in Zambia*, employing two deaf people and a hearing person part-time to clean and repair the donated aids. We will be able to send reconditioned hearing aids to all our projects. In time, we may even be able to help other charities, if we are confident of the fitting and aftercare quality that patients will be offered. This is a huge step forward for the service we can deliver to our patients.

FINANCIAL REVIEW

Investment policy and performance

The investment strategy is set by the directors and takes into account income requirements, present and future financial expenditure requirements, risk profile and the investment manager's advice and view of the market prospects in the long term.

The policy is to maximise total return through a diversified portfolio whilst providing a level of income advised by the directors from time to time. There is also an Ethical Policy precluding investment directly in any company which has the majority of its business in arms, defence, tobacco or gambling.

The performance of the portfolio and the charity's investment strategy are reviewed regularly by the directors with the investment managers.

The charity's investments comprise one portfolio of listed investments. Investments with a market value of £329,547 at 31 May 2015 are managed by Smith and Williamson Investment Management.

There are no restrictions on the charity's power to invest.

During the year, the investment portfolio was able to generate healthy returns.

Results for the year

Incoming resources for the year totalled £770,566 up £353,448 against 2014.

The main area of expenditure was the direct cost of overseas projects, which totalled £465,911 (2014 - £297,611).

The cost of generating funds has increased to £81,216 (2014- £29,045) mainly because of increased investment in fundraising. Governance costs totalled £11,328 for the year (2014 - £11,452).

The surplus for the year was £246,742 (2014 - £93,649). A significant proportion of the surplus represents project funding received but not spent, as the projects are still going.

Reserves policy and financial position

Reserves policy

The charity aims to maintain its unrestricted reserves to cover at least the following:

- (a) Net investment in fixed assets (other than those financed by restricted funds);
- (b) three months operating expenditure other than expenditure on projects only incurred following receipt of donations of a restricted nature; and
- (c) cessation costs.

FINANCIAL REVIEW (continued)

Reserves policy and financial position (continued)

Financial position

The balance sheet shows total funds of £1,161,183.

These funds include an amount of £713,502 which is restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 16 to the financial statements together with an analysis of movements in the year.

The EJG Fund is designated to generate income in support of a Project Development Manager post. Further details of the designated funds are set out in note 17 to the financial statements.

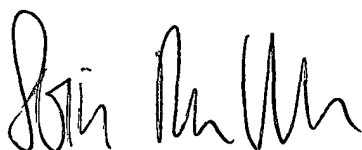
General funds of the charity at 31 May 2015 total £150,098.

The directors consider that this level of free reserves matches the parameters set out in the charity's reserves policy above and they, therefore, consider free reserves to be adequate but not excessive.

The charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the financial statements.

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.



Approved by the directors and signed on their behalf by:

Soren Presser-Velder
Director

Approved by the directors on:

13/11/2015

Independent auditor's report to the members of The Commonwealth Society for the Deaf

We have audited the financial statements of The Commonwealth Society for the Deaf for the year ended 31 May 2015 which comprise the statement of financial activities, balance sheet; the principal accounting policies 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).

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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

The directors are also the trustees of the charitable company for the purposes of charity law. As explained more fully in the statement of directors' responsibilities set out in the Directors' Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 (APB'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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report 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 inconsistencies we consider the implications for our report.

Independent auditor's report 31 May 2015

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 May 2015 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 Directors' 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:

- ◆ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of directors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Buzzacott LLP

Catherine Biscoe, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

25 November 2015

Statement of financial activities Year to 31 May 2015

	Notes	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Income and expenditure					
Incoming resources					
Incoming resources from generated funds					
Voluntary income	1	149,949	9,500	159,449	79,561
Activities for generating funds	2	12,061	3,506	15,567	16,586
Investment income and interest receivable	3	10,450	—	10,450	10,303
Incoming resources from charitable activities	4	—	585,100	585,100	310,668
Total incoming resources		172,460	598,106	770,566	417,118
Resources expended					
Cost of generating funds	5	81,294	—	81,294	29,045
Charitable activities	6	107,412	358,421	465,833	297,611
Governance costs	7	11,328	—	11,328	11,452
Total resources expended		200,034	358,421	558,455	338,108
Net (outgoing) incoming resources before other recognised gains and losses	8	(27,574)	239,685	212,111	79,010
Net gains on investments		34,631	—	34,631	14,639
Net movements in funds/ net income		7,057	239,685	246,742	93,649
Fund balances brought forward at 1 June 2014		440,624	473,817	914,441	820,792
Fund balances carried forward at 31 May 2015		447,681	713,502	1,161,183	914,441
				2015 £	2014 £
Net movements in funds				246,742	93,649
Unrealised gains on investments				(34,631)	(14,661)
Difference between historical cost realised gains and the actual realised losses/ (gains) calculated on the revalued amounts				(230)	14
Historical cost net movement in funds				211,881	79,002

All of the charity's activities derived from continuing operations during the above two financial periods.

The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been prepared.

Balance sheet as at 31 May 2015

	Notes	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	12		23,215		40,626
Investments	13		329,547		296,724
Current assets					
Debtors	14	164,181		50,124	
Short term deposits		618,529		489,017	
Cash at bank and in hand		110,600		50,812	
		<u>893,310</u>		<u>589,953</u>	
Creditors: amounts falling due within one year	15	(84,889)		(12,862)	
Net current assets			<u>808,421</u>		<u>577,091</u>
Total net assets			<u>1,161,183</u>		<u>914,441</u>
Represented by:					
Funds and reserves					
Income funds:					
Restricted funds	16		713,502		473,817
Unrestricted funds					
Designated funds	17		297,583		296,724
General fund			150,098		143,900
			<u>1,161,183</u>		<u>914,441</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the directors
and signed on their behalf by:



Soren Presser-Velder
Director

Approved on: 13/11/2015

Company Registration Number 2739343 (England and Wales).

Principal accounting policies 31 May 2015

Basis of accounting

The financial statements have been prepared under the historical cost, as modified by the inclusion of investments at market value, convention and in accordance with the requirements of the Companies Act 2006. Applicable United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

Incoming resources

Cash donations, legacies and collections are treated as income in the year in which they are received.

Income from special events is included in the year in which the event takes place.

Income from investments, including, where appropriate, inputted tax credits and gift aid income are accounted for on a receivable basis.

The value of volunteers is not included in the financial statements.

Gifts in kind of used hearing aids are not recognised in the financial statements as the directors are unable to estimate their open market value.

Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. The costs of generating funds include the salaries, direct costs and overheads associated with generating donated income.
- b. The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the directors' report.

The majority of costs are directly attributable to specific activities. Certain shared costs are apportioned to activities in furtherance of the objects of the charity. Staff costs are apportioned on the basis of estimated staff hours.

- c. Governance costs are the costs associated with the governance arrangements of the charity that relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

Principal accounting policies 31 May 2015

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- ◆ HARK! vehicles 33.3% per annum based on cost
- ◆ Office equipment 10% per annum based on cost

Investments

Investments are included on the balance sheet at their market value at the end of the financial period. Realised and unrealised gains (losses) are credited (or debited) to the statement of financial activities in the period in which they arise.

Fund accounting

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Cash flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

Leased asset

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight line basis over the lease term.

Notes to the financial statements 31 May 2015

1 Voluntary income

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Donations				
· General donations (including Trust funds)	140,718	—	140,718	50,876
· Gift Aid donations	9,231	9,500	18,731	28,646
· Legacies	—	—	—	39
	149,949	9,500	159,449	79,561

2 Incoming resources from activities for generating funds

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
People for People	12,061	—	12,061	11,000
Other events	—	3,506	3,506	5,586
	12,061	3,506	15,567	16,586

3 Investment income and interest receivable

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
UK listed investments	8,610	—	8,610	8,495
Interest receivable	1,840	—	1,840	1,808
	10,450	—	10,450	10,303

Notes to the financial statements 31 May 2015

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Malawi II	—	384,162	384,162	75,000
Targeted Paediatric Screens Zambia	—	99,800	99,800	—
Hearing Aid Refurbishment Zambia	—	42,105	42,105	—
Consultant Audiologist	—	20,000	20,000	30,000
Diploma Zambia	—	16,999	16,999	—
Hark! Tanzania	—	8,597	8,597	8,000
Zambia Research	—	5,000	5,000	—
Hark! Cameroon	—	3,087	3,087	—
School Improvement Cameroon	—	5,350	5,350	—
Tele-audiology - Malawi & Zambia	—	—	—	40
Recycling & Repair	—	—	—	12,000
Access to Education Gambia	—	—	—	41,184
Access to Education Sierra Leone	—	—	—	41,184
Freetown School for the Deaf	—	—	—	5,000
Primary Ear and Hearing Care	—	—	—	96,260
Audiology Bursary	—	—	—	2,000
	—	585,100	585,100	310,668

5 Cost of generating funds

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Fundraising costs				
· Staff costs and fees	19,743	—	19,743	17,295
· Other costs	59,710	—	59,710	10,229
Investment manager costs				
· Investment management fees	1,841	—	1,841	1,521
Total	81,294	—	81,294	29,045

Notes to the financial statements 31 May 2015

6 Cost of charitable activities

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Malawi II	—	145,972	146,360	—
Staff costs and fees	80,898	—	80,898	67,402
Diploma Zambia	—	33,570	33,570	—
Hark! Zambia	—	27,073	27,073	13,161
Office and other costs	26,514	—	26,514	26,619
Primary Ear and Hearing Care depreciation	—	20,364	20,364	758
Hark! Vehicles	—	17,411	17,411	11,607
Hark! Cameroon	—	17,310	16,920	12,527
Hark! Tanzania	—	14,414	14,414	4,183
Targeted Paediatric Screening Zambia	—	12,486	12,486	—
Consultant Audiologist	—	12,415	12,415	3,327
Recycling and Repair	—	8,857	8,857	7,594
Access to Education Gambia	—	8,100	8,100	6,566
Hearing Aid Refurbishment Zambia	—	7,515	7,515	—
TPS Sierra Leone	—	7,087	7,087	53,424
Tele-audiology – Malawi & Zambia	—	6,647	6,647	25,731
Freetown School for the Deaf	—	5,801	5,801	6,481
Hark! The Gambia	—	5,762	5,762	7,557
School Improvement Cameroon	—	5,020	5,020	—
Zambia Research	—	1,612	1,612	—
Access to Education Sierra Leone	—	600	600	1,500
Hark! Sierra Leone	—	210	210	—
Hark! Ghana	—	195	195	—
Malawi Extension	—	—	—	40,711
AMT Course Nairobi	—	—	—	7,929
Hark! India (Pune)	—	—	—	465
Other	—	—	—	69
Total	107,412	358,421	465,833	297,611

7 Governance costs

	Unrestricted funds £	Restricted funds £	2015 Total funds £	2014 Total funds £
Auditor's remuneration				
• Statutory audit services	4,800	—	4,800	5,760
• Other services	—	—	—	1,140
• Board meetings & other statutory arrangements	6,528	—	6,528	4,552
Total	11,328	—	11,328	11,452

8 Net incoming resources before transfers

This is stated after charging:

	2015 Total funds £	2014 Total funds £
Staff costs (note 9)	130,077	123,440
Auditor's remuneration	4,800	6,900
Depreciation	17,411	11,607
Operating lease rentals	9,219	8,750

9 Employees and staff costs

Staff costs during the year were as follows:

	2015 £	2014 £
Wages and salaries	119,178	113,043
Social security costs	10,899	10,397
	130,077	123,440

The average number of UK employees during the year, calculated on an average headcount basis, analysed by function, was as follows:

	2015 Number	2014 Number
Generation of funds	1	1
Charitable activities	3	2
	4	3

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year (2014 – none).

10 Directors' remuneration and related party transactions

None of the directors received any remuneration in respect of their services during the year (2014 – £nil).

£401 (2014 – £2,395) was reimbursed to 2 directors during the year (2014 – one) and relates to costs visiting the charity's overseas projects and UK expenses.

During the year travelling expenses amounting to £1,218 (2014 – £nil) were reimbursed to the spouse of one trustee to enable him to visit the Malawi project and carry out pro bono photographic work for the charity.

The Board of Directors incurred £3,038 of expenses in carrying out their duties, these were not reclaimed from the charity.

People for People, a charity which distributes funds equally to member charities, gave monies totalling £12,000 to the Society (2014 – £11,000).

Notes to the financial statements 31 May 2015

11 Taxation

The Commonwealth Society for the Deaf is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

12 Tangible fixed assets

	Hark! Vehicles £	Total £
Cost or valuation		
At 1 June 2014 and at 31 May 2015	52,233	52,233
Depreciation		
At 1 June 2014	11,607	11,607
Charge for year	17,411	17,411
At 31 May 2015	29,018	29,018
Net book values		
At 31 May 2015	23,215	23,215
At 31 May 2014	40,626	40,626

13 Investments

	2015 £	2014 £
Market value at 1 June 2014	295,737	283,673
Additions at cost	6,000	33,940
Disposals at opening market value (proceeds: £6,001, realised gain: £1)	(6,000)	(36,537)
Unrealised investment gains	34,630	14,661
Market value at 31 May 2015	330,367	295,737
Cash held by investment managers	(820)	987
	329,547	296,724
Historical cost of investments at 31 May 2015	232,354	232,586

Investments held at 31 May 2015 comprised the following:

	2015 £	2014 £
Smith and Williamson Investment Management:		
UK Equities - Investment Trusts	232,385	202,811
International Equities - Investment Trusts	59,870	51,466
UK Property – Investment Trusts	22,096	19,456
Cash Fund	16,016	22,004
	330,367	295,737

Notes to the financial statements 31 May 2015

13 Investments (continued)

At 31 May 2015 investments included the following individual material holdings when compared to the total portfolio valuation as at that date:

Holding	%	£
Smith and Williamson Investment Management:		
Henderson Intl Inc	13.9	45,810
Scot American Investment Co.	15.3	50,320
Mercantile Investment Trust	20.7	68,200
Edinburgh Investment Trust	20.6	68,055
JP Morgan Asset Management UK Ltd Equity Income C Inc NAV	11.2	37,077
Artemis Fund Managers Global Income	6.9	22,793
F & C Commercial Property Trust	6.7	22,096
S & W Investments funds	4.9	16,016

14 Debtors

	2015 £	2014 £
Prepayments and accrued income	133,306	25,027
Taxation recoverable	19,232	25,097
Other debtors	11,643	—
	164,181	50,124

15 Creditors: amounts falling due within one year

	2015 £	2014 £
Accruals and deferred income	82,427	8,023
Other creditors	2,462	4,839
	84,889	12,862

Notes to the financial statements 31 May 2015

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 June 2014 £	Incoming resources £	Expenditure, gains and losses £	Transfers £	At 31 May 2015 £
Access to Education Gambia	34,618	—	(8,100)	—	26,517
Access to Education Sierra Leone	39,684	—	(600)	(3,905)	35,179
Audiology Bursary	2,000	—	—	(2,000)	—
Consultant Audiologist	26,673	20,000	(12,415)	—	34,258
Diploma Training	20,808	—	—	(20,808)	—
Diploma Zambia	—	16,999	(33,570)	18,749	2,178
Freetown School for the Deaf	1,896	—	(5,801)	3,905	—
Hark! Cameroon	25,386	3,087	(17,310)	—	11,163
Hark! Ghana	—	—	(195)	195	—
Hark! Lesotho	1,427	—	—	(1,427)	—
Hark! Malawi	24,372	—	—	(24,372)	—
Hark! Sierra Leone	—	—	(210)	210	—
Hark! Tanzania	3,817	8,597	(14,414)	2,000	—
Hark! The Gambia	3,703	—	(5,762)	2,059	—
Hark! Vehicles	40,626	—	(17,411)	—	23,215
Hark! Zambia	27,230	—	(27,073)	—	157
Hearing Aid Refurbishment Zambia	—	42,105	(7,515)	—	34,590
Malawi II	19,289	397,168	(145,972)	25,799	296,284
Primary Ear and Hearing Care	95,502	—	(20,364)	—	75,138
Recycling & Reusing	20,799	—	(8,857)	(195)	11,746
School Improvement Cameroon	—	5,350	(5,020)	—	330
Tele-audiology – Malawi & Zambia	61,588	—	(6,647)	—	54,940
TPS Sierra Leone	24,399	—	(7,087)	(210)	17,102
TPS Zambia	—	99,800	(12,486)	—	87,314
Zambia Research	—	5,000	(1,612)	—	3,388
	473,817	598,106	(358,421)	—	713,502

The specific purposes for which the funds are to be applied are the provision of audiology services, the provision of equipment, and the provision of training and support for training institutions.

Where projects have ended and been replaced with new projects which meet also meet the restrictions in place, transfers have been made to show the balance under the new project.

Notes to the financial statements 31 May 2015

17 Designated funds

The unrestricted funds of the charity include the following designated funds which have been set aside by the directors for specific purposes:

	At 1 June 2014 £	New designations £	Utilised/ released £	At 31 May 2015 £
EJG Fund	296,724	43,241	(42,302)	297,583

The EJG Fund was designated to generate income in support of a Project Development Manager post. New designations in the year included investment income of £8,610 which was utilised, and movements on the investment fund.

18 Analysis of net assets between funds

	General fund £	Designated fund £	Restricted funds £	Total 2015 £
Fund balances at 31 May 2015 are represented by:				
Tangible fixed assets	—	—	23,215	23,215
Investments	31,964	297,583	—	329,547
Current assets	136,194	—	757,116	893,310
Creditors: amounts falling due within one year	(18,060)	—	(66,829)	(84,889)
Total net assets	150,098	297,583	713,502	1,161,183

19 Leasing commitments

Operating leases

At 31 May 2015 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015 £	2014 £
Operating leases which expire: Within one year	11,458	8,750