

DEAFINITELY INDEPENDENT
(Company limited by guarantee and not having a share capital)
(Registered No 2852695)
(Charity No. 1027567)

ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2003



BURGIS & BULLOCK
Chartered Accountants
2 Chapel Court
Holly Walk
Leamington Spa
CV32 4YS

DEAFINITELY INDEPENDENT
FOR THE YEAR ENDED 31 DECEMBER 2003

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FOR THE YEAR ENDED
31 DECEMBER 2003

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DEAFINITELY INDEPENDENT
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2003

Directors and Trustees

J Plaskitt MP (President)
A Morrisson (Chairman)
Mrs D Wareham (Vice Chairwoman)
R Lymn (Treasurer)
Mrs S Cox (Secretary)
Mrs H Swan
Mrs W Baxter
D Knight
A Parton

Secretary

Mrs S Cox

Registered Office

Beech Lodge
28 Warwick New Road
Leamington Spa
CV32 5JJ

Registered Number

2852695 (England and Wales)

Auditors

Burgis & Bullock
2 Chapel Court
Holly Walk
Leamington Spa
CV32 4YS

Bankers

Lloyds Bank plc
73 Parade
Leamington Spa
CV32 4BB

DEAFINITELY INDEPENDENT
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DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2003

The trustees present their report and accounts for the year ended 31 December 2003.

Charitable Status

The company is registered as a charity by the Charity Commissioners (No 1027567) and recognised as such by the Inland Revenue.

Trustees

The trustees named on page 1 have served during the year. Appointment of trustees is governed by the Trust deed of the charity. The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of existing trustees.

Investment Powers

The Trust Deed authorises the trustees to make and hold investments using the general funds of the charity, but no such investments are presently held.

Constitution, Objects and Policies

The charitable trust is constituted by Trust Deed and its objects are to:

Promote the relief of persons with learning, physical and/or dual sensory disabilities of all ages who are deaf and to provide learning experiences for such persons so as to encourage them to take responsibility for their own welfare as far as they are able and to provide residential accommodation, counselling, education and training in furtherance of these objects.

The policy of the charitable trust continues to be to seek additional finance and support to meet the needs presented by existing and potential beneficiaries.

The trustees delegate the day to day responsibility for all routine financial matters, staff selection, development and supervision, residents' and staff safety and compliance with all necessary legislation to the Operational Director.

Reserves Policy

This organisation exists to provide services to adults who are known to be vulnerable due to the nature of their disabilities and difficulties.

The trustees declared financial reserves policy has been determined to ensure not only financial viability but also service level stability.

The trustees aim is to keep sufficient "liquid" reserves to meet at least two month's revenue expenditure at all times. All revenue income comes from Central and Local Government. Certain Local Authorities have been in "overspend" in the past and this has delayed their payments to us.

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DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2003
(Continued)

The organisation has in place tight financial control systems to ensure it can meet all revenue expenditure within revenue income.

The organisation operates within a framework of Minimum Standards of Service which is determined by legislation and has a declared policy of seeking additional finance and support to meet the varying needs presented by existing and potential beneficiaries.

Development, Activities and Achievements

The charity continued to consolidate its activities within the two existing homes and is close to maximum occupancy in both. Much time and professional attention has been given to implementing the new Care Homes Regulations and National Minimum Standards which came into effect in April 2002. The trustees wish to recognise the generous support given by members of Leamington Round Table.

Financial Review

The trust has managed all its activities within income generated, donations received and Fund balances brought forward, these are set out in the Statement of Financial Activities.

Future Developments

The organisation will continue to consolidate its operation and financial stability. No new or additional developments are envisaged in the coming year.

Statement of Trustees' Responsibilities

The trustees are required under the constitution of the charity to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the results for that period. In preparing those financial statements the trustees are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act, 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2003
(Continued)

Risk Policy

The Trustees examine the major risks that the homes face each financial year when preparing and updating the strategic plan. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the home in the future.

Small Company Exemption

The report of the directors and trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board

..... Andrew Savage M. I. C. E.
Trustee

..... 24th August 2004
Date

**INDEPENDENT REPORT OF THE AUDITORS TO THE MEMBERS
OF DEAFINITELY INDEPENDENT**

We have audited the accounts of Deafinitely Independent for the year ended 31 December 2003 which comprise the statement of financial activities, profit and loss account, balance sheet and related notes. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As described in the statement of directors responsibilities the trustees, who are also the directors of Deafinitely Independent for the purposes of company law, are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of Opinion

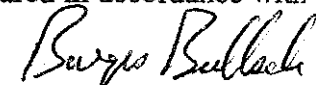
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**INDEPENDENT REPORT OF THE AUDITORS TO THE MEMBERS
OF DEAFINITELY INDEPENDENT
(Continued)**

Opinion

In our opinion the accounts give a true and fair view of the state of the charitable company's affairs as at 31 December 2003 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.


Registered Auditors
Chartered Accountants

2 Chapel Court
Holly Walk
Leamington Spa

.....
28 August 2004

DEAFINITELY INDEPENDENT
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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2003
(Including Income and expenditure Account)

	2003 Total Funds (unrestricted) £	2002 Total Funds (unrestricted) £
Incoming Resources		
Donations	1147	12900
County Councils and DSS	646106	582133
Outreach Work	-	(80)
Lip reading Course	-	100
Sign Teaching	-	-
Deposit Account Interest	1367	694
Total Incoming Resources	<u>648620</u>	<u>595747</u>
Resources expended		
Charitable Expenditure		
<i>Costs of activities in furtherance of the Charity's Objects:</i>		
Staff Salaries	320499	322250
Staff Welfare and Recruitment	1882	1210
Residents and Housekeeping Allowances	32716	32569
Electricity and Gas	9890	5662
Rates and Water	3790	4113
Rent	122250	122250
Insurance	7423	5740
Residents' Holiday Costs	6025	5223
Cleaning and Laundry	9215	996
Refurbishment and Relocation	6214	6942
Repairs and Renewals	1468	4750
Registration Fees	1445	1212
Freelance Careworkers and Enablers	1588	575
Annual Subscriptions	557	634
Travelling and Minibus Expenses	6442	3530
Depreciation	28163	35,897
Profit on disposal of Minibus	(150)	-
Programme Support	2995	2770
Social Support	5678	3669
Training Courses	5008	2103
Health and Safety	4682	2524
	<u>577780</u>	<u>564619</u>

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2003
(Continued)

	2003 Total Funds (unrestricted) £	2002 Total Funds (unrestricted) £
Management & Administration		
Telephone	2622	1851
Stationery and Postages	3830	2263
Sundry Expenses	231	600
Audit and Accountancy	705	2464
Legal and Professional	200	2193
Bank Charges	549	452
Loan Interest	-	2163
	<hr/> 8137	<hr/> 11986
Total Resources Expended	<hr/> 585917	<hr/> 576605
Net Movement in Funds	62703	19142
Fund Balances brought forward	147978	128836
Unrestricted Fund Balances carried forward	<hr/> £210681	<hr/> £147978
	<hr/> <hr/>	<hr/> <hr/>

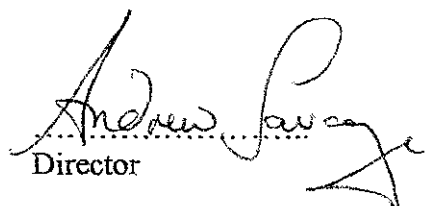
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BALANCE SHEET AS AT 31 DECEMBER 2003

	Notes	2003	2002
		£	£
Fixed Assets			
Tangible Fixed Assets	7	66860	81579
Current Assets			
Debtors	8	13493	26972
Cash at Bank		156854	63172
		<u>170347</u>	<u>90144</u>
Creditors			
Amounts Falling Due within one year	9	26526	23745
		<u> </u>	<u> </u>
Net Current Assets		143821	66399
		<u> </u>	<u> </u>
Net Assets		£210681	£147978
		<u> </u>	<u> </u>
Reserves			
Unrestricted fund		210681	147978
		<u> </u>	<u> </u>
		£210681	£147978
		<u> </u>	<u> </u>

These financial statements have been prepared in accordance with the special provisions of Part VD of the Companies Act 1985 relating to small companies.

On behalf of the Board


 Director


 Date

DEAFINITELY INDEPENDENT
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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2003

1. Accounting Policies

(a) Accounting Convention

The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 1985 and applicable accounting standards. In preparing the financial statements the charity follows best practice as laid down in *Accounting and Reporting by Charities: Statement of Recommended Practice issued in October 2000*.

(b) Incoming resources

Incoming resources from Country Councils, other agencies, donations and investments are included when receivable. Deferred Income represents amounts received for future periods and is released to incoming resources in the period for which it relates.

(c) Tangible Fixed Assets

Depreciation is provided at the following annual rates to write off each asset over its estimated useful life:

Fixtures and Fittings	-	20% on cost
Motor Vehicles	-	25% on reducing balance
Computer Equipment	-	20% on cost
Leasehold Improvements	-	Over the term of the lease.

Improvements to property not subject to a leasehold interest are written off in the year of the expenditure.

(d) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

(e) Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

3. Operating Profit	2003	2002
Operating Profit is stated after charging:-		
Auditor's Remuneration	764	764
Depreciation – owned assets	28163	34015
Other Operating Leases - Land and Buildings	122250	122250
Directors' Emoluments and Other Benefits etc	-	-

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2003
(Continued)

4. Staff Costs	2003	2002
Salaries	287572	293146
Social Security	25343	23799
	<u>£312915</u>	<u>£316945</u>

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

Direct Charitable Services	23	23
	<u> </u>	<u> </u>

5. Interest Receivable and Similar Income	2003	2002
Deposit Account Interest	£1367	£694
	<u> </u>	<u> </u>

6. Taxation

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2003 nor for the year ended 31 December 2002.

The company is registered as a charity and as such is not liable to corporation tax.

7. Tangible Fixed Assets	Fixtures & Fittings	Motor Vehicle	Computer Equipment	Leasehold Improvements	Total
		£	£	£	£
Cost					
At 1 January 2003	166531	38080	13373	24953	242937
Additions	13078	-	366	-	13444
At 31 December 2003	<u>179609</u>	<u>38080</u>	<u>13739</u>	<u>24953</u>	<u>256381</u>
Depreciation					
At 1 January 2003	125699	22792	10844	2023	161358
Charge for year	21397	3603	1140	2023	28163
At 31 December 2003	<u>147096</u>	<u>26395</u>	<u>11984</u>	<u>4046</u>	<u>189521</u>
Net Book Value					
At 31 December 2003	<u>£32513</u>	<u>11685</u>	<u>1755</u>	<u>20907</u>	<u>66860</u>
At 31 December 2002	<u>£40832</u>	<u>15288</u>	<u>2529</u>	<u>22930</u>	<u>81579</u>

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2003
(Continued)

8.	Debtors: Amounts Falling Due Within One Year	2003	2002
	Trade Debtors	9847	21674
	Other Debtors	200	1575
	Prepayments	3446	3723
		<u>£13493</u>	<u>£26972</u>
9.	Creditors: Amounts Falling Due Within One Year	2003	2002
	Loans and Overdrafts	-	-
	Trade Creditors	5522	778
	Social Security and Other Taxes	8405	11681
	Deferred Income	4986	4164
	Accruals	7613	7122
		<u>£26526</u>	<u>£23745</u>
10.	Operating Lease Commitments		

The future minimum payments to which the Company is committed at 31 December 2003 under Operating Leases are payable as follows:

	Land & Buildings 2003 £	Land & Buildings 2002 £
Due to expire:		
Over Five Years	122250	122250

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2003
(Continued)

11. Members' Liability

The company is limited by guarantee and does not have a share capital. Each member of the company undertakes to contribute to the assets of the company in the event of the same being wound up while they are a member, or within one year after they cease to be a member, for payment of debts and liabilities of the company contracted before they cease to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding twenty pounds.