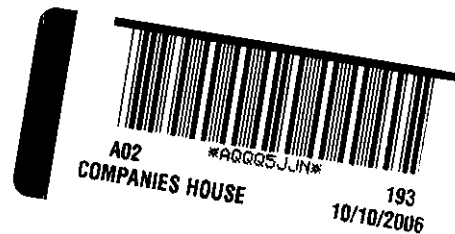


**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE  
FINANCIAL STATEMENTS  
31 DECEMBER 2005**

Charity Number 1027567



**THE GRAHAM FULFORD PARTNERSHIP**

Chartered Accountants & Registered Auditors  
61 Bedford Street  
Leamington Spa  
Warwickshire  
CV32 5DN

**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2005**

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**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**COMPANY INFORMATION  
YEAR ENDED 31 DECEMBER 2005**

**Honorary President**

Mr J Plaskitt MP

**Directors and Trustees**

Mr J Plaskitt MP (President)

Mrs S Cox (Secretary)

Mr A Beesley

Mr W McLaughlin

Mr D Perkins (appointed 11 September 2005)

Mr P Clow (appointed 11 September 2005)

Mr M Fry (appointed 11 September 2005)

**Secretary**

Mrs S Cox

**Registered Office**

Beech Lodge  
28 Warwick New Road  
Leamington Spa  
CV32 5JJ

**Registered Number**

2852695 (England and Wales)

**Auditors**

The Graham Fulford Partnership  
61 Bedford Street  
Leamington Spa  
Warwickshire  
CV32 5DN

**Bankers**

Lloyds Bank plc  
73 Parade  
Leamington Spa  
Warwickshire  
CV32 4BB

**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**DIRECTORS' AND TRUSTEES' TRUSTEES ANNUAL REPORT**

**YEAR ENDED 31 DECEMBER 2005**

The trustees present their report and accounts for the year ended 31 December 2005.

**CHARITABLE STATUS**

The company is registered as a charity by the Charity Commissioners (No 1027567) and is recognised as such by the Inland Revenue. The charity is governed by its Memorandum and Articles of Association (incorporated 13 September 1993).

**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 Managing Director.

# **DEAFINITELY INDEPENDENT COMPANY LIMITED BY GUARANTEE**

## **DIRECTORS' AND TRUSTEES' ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2005**

### **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.

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.

The level of reserves that were held at the year end was £212,101.

### **DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS**

The charity continued its focus on consolidation of activities within the two houses and is now at full occupancy level. Careful attention continues to be given to achieving good scores and good practice in respect of Care Homes Regulations and Minimum Standards.

### **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 monitor standards and financial stability. As identified in last year's report considerable expenditure occurred during the year on high quality refurbishment of accommodation available to beneficiaries. This work will need to continue for the foreseeable future. No additional new developments are envisaged in the coming year. The Trustees will continue to retain reserves, above the stated policy limit, during the next few years in order to facilitate the purchase of a building. This will give the organisation a solid asset base and ensure stability of tenure for its beneficiaries.

**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2005**

**THE DIRECTORS AND TRUSTEES**

The directors and trustees who served the charity during the period were as follows:

Mr J Plaskitt MP  
Mrs S Cox  
A Beesley  
Mr W McLaughlin  
Mr D Perkins  
Mr P Clow  
Mr M Fry

**RESPONSIBILITIES OF THE TRUSTEES**

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

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. The trustees 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.

**AUDITOR**

A resolution to re-appoint The Graham Fulford Partnership as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:  
Beech Lodge  
28 Warwick New Road  
Leamington Spa  
Warwickshire  
CV32 5JJ

Signed by order of the trustees

*S. H. Cox*

MRS S COX  
Company Secretary

Approved by the trustees on 14.9.06.

**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
DEAFINITELY INDEPENDENT**

**YEAR ENDED 31 DECEMBER 2005**

We have audited the financial statements on pages 6 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITOR**

The responsibilities of the trustees (who also act as Directors for the charitable activities of the company) of the charity for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities on page 3.

Our responsibility is to audit the financial statements 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 Trustees Annual Report is not consistent with the financial statements, if the charity 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 trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

**BASIS OF AUDIT 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 financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 financial statements 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 financial statements.

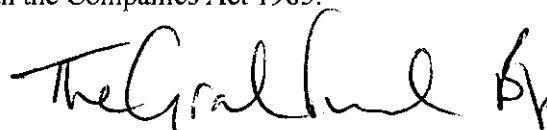
**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
DEAFINITELY INDEPENDENT *(continued)***

**YEAR ENDED 31 DECEMBER 2005**

**OPINION**

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 December 2005 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



THE GRAHAM FULFORD PARTNERSHIP  
Chartered Accountants  
& Registered Auditors

61 Bedford Street  
Leamington Spa  
Warwickshire  
CV32 5DN

20/04/06



**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 DECEMBER 2005**

	Note	Total Funds 2005 £	Total Funds 2004 £
<b>INCOMING RESOURCES</b>			
Donations		15,000	1,021
Activities in furtherance of the Charity's objects:			
County Councils and DSS		746,397	707,547
Interest receivable		3,145	3,037
<b>TOTAL INCOMING RESOURCES</b>		<u>764,542</u>	<u>711,605</u>
<b>RESOURCES EXPENDED</b>			
Costs in furtherance of charitable objects			
Charitable expenditure	3	760,308	672,741
Management and administration	4	19,940	21,858
<b>TOTAL RESOURCES EXPENDED</b>		<u>780,248</u>	<u>694,599</u>
<b>NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR</b>		<b>(15,706)</b>	17,006
Balances brought forward		227,687	210,681
Balances carried forward		<u>211,981</u>	<u>227,687</u>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included.

**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET**

**31 DECEMBER 2005**

	Note	2005 £	2004 £
<b>FIXED ASSETS</b>			
Tangible assets	7	73,726	52,775
<b>CURRENT ASSETS</b>			
Debtors	8	14,240	10,858
Cash at bank and in hand		174,958	195,428
		189,198	206,286
<b>CREDITORS: Amounts falling due within one year</b>	9	(50,943)	(31,374)
<b>NET CURRENT ASSETS</b>		138,255	174,912
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		211,981	227,687
<b>NET ASSETS</b>		211,981	227,687
<b>FUNDS</b>			
Unrestricted		211,981	227,687
<b>TOTAL FUNDS</b>		211,981	227,687

These financial statements were approved by the members of the committee on the ..... and are signed on their behalf by:

  
MR W McLAUGHLIN

# DEAFINITELY INDEPENDENT COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

**YEAR ENDED 31 DECEMBER 2005**

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) and the Companies Act 1985.

#### **Incoming resources**

Incoming resources from County 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.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and Fittings	-	20% straight line
Motor Vehicles	-	25% reducing balance
Computer Equipment	-	20% straight line
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.

#### **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.

#### **Operating Leases**

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

**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2005**

**2. OPERATING PROFIT**

	2005 £	2004 £
Operating profit is stated after charging:		
Auditors remuneration	2,697	2,322
Depreciation	42,330	34,270
Operating leases	122,250	122,250

**3. COSTS OF ACTIVITIES IN FURTHERANCE OF THE CHARITYS OBJECTIVES**

	2005 £	2004 £
Wages and salaries	421,374	380,587
Staff compensation payment	—	6,840
Staff welfare and recruitment	1,843	2,665
Rent	122,250	122,250
Rates & water	4,730	3,999
Light and heat	9,992	8,790
Insurance	9,214	8,265
Repairs and maintenance	—	3,632
Residents and housekeeping allowances	36,239	38,029
Residents' holiday costs	12,320	17,156
Cleaning and laundry	470	8,715
Refurbishment and relocation	30,374	4,147
Registration fees	1,731	1,688
Freelance careworkers and enablers	27,620	5,086
Annual subscriptions	283	448
Travelling and minibus expenses	9,033	6,378
Health and safety	12,127	6,211
Programme support	4,586	5,138
Social support	5,380	3,605
Training courses	5,648	4,842
Equipment hire	2,764	—
Depreciation of fixed assets	42,330	34,270
	<u>760,308</u>	<u>672,741</u>

**4. MANAGEMENT AND ADMINISTRATION**

	2005 £	2004 £
Telephone	4,173	3,501
Bank Charges	701	763
Stationery and postage	7,533	5,520
Accountancy fees	2,697	2,322
Legal and professional	3,671	9,619
Sundry expenses	1,165	133
	<u>19,940</u>	<u>21,858</u>

**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2005**

**5. STAFF COSTS**

	2005 £	2004 £
Salaries	387,957	350,457
Social security costs	33,417	30,130
	<u>421,374</u>	<u>380,587</u>

The average number of staff employed by the charity during the financial year amounted to:

	2005 No	2004 No
Direct charitable services	24	22

No employees received emoluments over £50,000.

**6. TAXATION**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2005 nor for the year ended 31 December 2004.

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

**7. TANGIBLE FIXED ASSETS**

	Equipment £	Fixtures & fittings £	Motor vehicles £	Leasehold property £	Total £
<b>COST</b>					
At 1 January 2005	16,569	196,964	38,080	24,953	276,566
Additions	4,591	5,565	22,751	30,374	63,281
<b>At 31 December 2005</b>	<u>19,369</u>	<u>206,296</u>	<u>58,855</u>	<u>55,327</u>	<u>339,847</u>
<b>DEPRECIATION</b>					
At 1 January 2005	13,140	171,234	33,348	6,069	223,791
Charge for the year	4,232	24,303	6,871	6,924	42,330
<b>At 31 December 2005</b>	<u>17,372</u>	<u>195,537</u>	<u>40,219</u>	<u>12,993</u>	<u>266,121</u>
<b>NET BOOK VALUE</b>					
<b>At 31 December 2005</b>	<u>3,788</u>	<u>6,992</u>	<u>20,612</u>	<u>42,334</u>	<u>73,726</u>
At 31 December 2004	<u>3,429</u>	<u>25,730</u>	<u>4,732</u>	<u>18,884</u>	<u>52,775</u>

**DEAFINITELY INDEPENDENT  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2005**

**8. DEBTORS: Amounts falling due within one year**

	2005	2004
	£	£
Trade debtors	—	6,554
Other debtors	—	50
Prepayments	14,240	4,254
	<u>14,240</u>	<u>10,858</u>

**9. CREDITORS: Amounts falling due within one year**

	2005	2004
	£	£
Trade creditors	25,513	4,997
PAYE and social security	10,770	9,891
Deferred income	8,903	10,729
Accruals	5,757	5,757
	<u>50,943</u>	<u>31,374</u>

**10. OPERATING LEASE COMMITMENTS**

The future minimum payments to the company is committed at 31 December 2005 under operating leases are payable as follows

	2005	2004
	£	£
Due to expire:		
Over five years	<u>122,250</u>	<u>122,250</u>

**11. MEMBERS LIABILITY**

The company is limited by guarantee and does not have 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.

**12. RELATED PARTY TRANSACTIONS**

The directors did not receive any emoluments or other benefits in the year

**13. CONTROLLING PARTY**

The charity's controlling party is the board of directors.