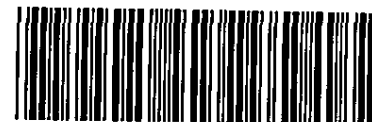


**ANNUAL REPORT & ACCOUNTS**  
**2009/10**

THI WEDNESDAY



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| A11 | 10/11/2010      | 305 |
|     | COMPANIES HOUSE |     |
| A27 | 14/10/2010      | 164 |
|     | COMPANIES HOUSE |     |
| A24 | 10/08/2010      | 000 |
|     | COMPANIES HOUSE |     |

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|------------------------------------------------------------|-----------|
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**LEGAL AND ADMINISTRATIVE DETAILS**

|                          |                                                                                                                                                                |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>          | <b>Zia Arden QC (Chair)<br/>Dominic Byrne<br/>Elizabeth Llewellyn-Smith CB<br/>Elizabeth Mills OBE<br/>Pam Olliver<br/>Rod Walker DL<br/>Stephen W Woolgar</b> |
| <b>Secretary</b>         | <b>Zia Arden QC</b>                                                                                                                                            |
| <b>Director</b>          | <b>Jacqueline Stokes</b>                                                                                                                                       |
| <b>Company Number</b>    | <b>04569764 (England and Wales)</b>                                                                                                                            |
| <b>Charity Number</b>    | <b>1095133</b>                                                                                                                                                 |
| <b>Registered Office</b> | <b>Bignell Park Barns<br/>Chesterton<br/>Oxon<br/>OX26 1TD</b>                                                                                                 |
| <b>Business Address</b>  | <b>Bignell Park Barns<br/>Chesterton<br/>Oxon<br/>OX26 1TD</b>                                                                                                 |
| <b>Bankers</b>           | <b>Lloyds TSB<br/>1 High Street<br/>Oxford<br/>OX1 4AA</b>                                                                                                     |
| <b>Auditors</b>          | <b>Shaw Gibbs LLP<br/>264 Banbury Road<br/>Oxford<br/>OX2 7DY</b>                                                                                              |

## **REPORT OF THE BOARD OF TRUSTEES**

### **Structure, Governance & Management**

The organisation is a company limited by guarantee and a registered charity. It is registered as The Auditory Verbal Centre and uses the working name, Auditory Verbal<sup>UK</sup>. The members of the company are the same as its trustees. The company is established under a memorandum of association, which sets out the objects and powers of the charitable company and is governed under its articles of association.

The board is responsible for oversight of the management of all the affairs of the charity. It seeks to ensure that all activities are within UK law and come within agreed charitable objectives. Our work includes setting strategic direction, agreeing the financial plan and ensuring that activities are carried out within agreed governance frameworks.

The charity is governed by its board of trustees who meet on average once every three months. These meetings comprise the trustees with the director and administrator in attendance. The meetings make decisions about the policies and strategic direction of the charity. The board delegates all other operational and management matters to the director. All decisions are recorded in the minutes of the meeting. We operate a separate remuneration committee, which meets to discuss matters of employment and remuneration policy.

The trustees seek to act independently and impartially with their sole interest being the furtherance of the charity's objects. In addition, all trustees have declared that there is nothing that, to their knowledge, could conflict with trustee independence before they were appointed as a trustee. Any potential conflict of interest must be declared in advance of any agenda item and, in such an event, an individual trustee may be excluded from the decision-making process.

Jacqueline Stokes, the director of Auditory Verbal<sup>UK</sup>, is married to Stephen Woolgar, a trustee. The board has ensured that Professor Woolgar does not participate, nor influence in any way, decision making for any matters affecting his wife's terms and conditions of employment. All such matters are governed by the remuneration committee. Professor Woolgar is not a member of this committee.

The trustees have considered the major risks to which the charity is exposed. These have been reviewed and a range of measures and systems are in place to manage them. Financial risk is mitigated by a multi-donor strategy, minimising reliance on one income stream. A system of monthly current and forecast financial reporting is in place and trustees review the data from this at trustee meetings. Policies on reserves and fundraising/administrative expenditure are in operation (see later in this report). Trustee and staff policies include child safeguarding measures and criminal records checks.

The trustees take into account the Charity Commission's guidance on public benefit and believe that the activities of Auditory Verbal<sup>UK</sup> (AV<sup>UK</sup>) are in line with that guidance.

Safeguarding children at AV<sup>UK</sup> takes a number of forms. We have written policies for parents and staff, based on mandatory government procedures and practice guidance. Day-to-day responsibility for ensuring policies and procedures are adhered to is shared between the Director and Family Liaison Officer. All staff are kept aware of their recording and reporting responsibilities through formal supervision and informal discussions. Any immediate safeguarding concerns are discussed with families at the earliest opportunity, and we use the six-monthly parent consultations to address any areas of potential concern. As part of liaison with local services, staff have contributed to Team around the Child meetings and worked with Children and Families Teams when requested by parents.

The current AV Interns have received tailored safeguarding training as part of their diploma programme, and as an organisation we have accessed training through the Oxfordshire Local Safeguarding Children's Board. We follow Safer Recruitment procedures for all staff, and will update these as the Vetting and Barring Scheme and Independent Safeguarding Authority registration are rolled out.

### **Objectives & Activities**

Our vision is to give all children who could benefit from auditory verbal therapy (AVT) the chance to be able to do so. We will achieve this goal by establishing systems of training to create more qualified AV therapists allied with the provision of direct services for children and their families.

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## **Achievements & Performance**

This year our achievements were formally acknowledged with a 2010 GlaxoSmithKline IMPACT Award for 'Excellence in Community Healthcare.' AV<sup>UK</sup> was one of ten winning charities awarded this prestigious quality mark, following a thorough audit of our organisation's policies, planning documents and finances by the King's Fund, a leading independent healthcare organisation

Judges' comments "Auditory Verbal<sup>UK</sup>'s work has a life-changing impact on people. It helps a large and diverse number of families and, as a result, hundreds of deaf children are able to live in a hearing world without the need for constant intervention. It has an impressive track record and is a worthy winner."

As planned in last year's annual report, the main focus of 2009/10 was to ensure the charity's long-term financial stability in a difficult economic climate. As the year progressed it became clear to the Director and trustees that a financial restructure would be the most prudent way to protect our core activity without diverting from our mission. We have now arrived at a more appropriate fee structure whereby every family contributes according to their means rather than receiving an automatic subsidy from the charity. We have sought individual funding from charitable trusts and community groups for those families who were not able to meet the additional cost.

## **Therapy Funding Streams as at 31 March 2010**

In April 2009 we had on our staff two Certified Auditory Verbal Therapists<sup>®</sup> and three fast-track Auditory Verbal Interns. Since then, one of our fast-track interns has achieved their certification and we have employed an additional experienced CertAVT<sup>®</sup> from New Zealand. This member of staff provided maternity cover for an existing CertAVT<sup>®</sup> from September and will remain in the charity's employment next year. We are therefore in the process of increasing our capacity to four CertAVT<sup>®</sup>s and two AVTs in training. The total staff at the end of this year comprises our Director, three Certified Auditory Verbal Therapists<sup>®</sup>, one Auditory Verbal Intern, a Family Liaison Officer, a Research Co-ordinator, a Development Officer, an Administration Manager and a Book-keeper. Four of these members of staff are part-time.

This year we delivered direct auditory verbal therapy services to 96 deaf children and their families in 882 sessions. Our regular caseload comprised 55-60 families. As part of the habilitation package, we spent approximately 480 hours liaising and co-working with 192 professionals from the children's local support teams, and approximately 120 hours giving support and information over the telephone to families between sessions.

Our three year 'Reach Out' pilot project, which concluded this year, achieved excellent outcomes for the 20% of our overall clinical caseload who were from a low-income family, diagnosed as deaf via newborn hearing screening and under three years of age at the point of enquiry. Our experience of the 'Reach Out' project has highlighted the real need for high quality and effective parental engagement in health and education services. All of the 12 families who received a full bursary place demonstrated motivation and commitment to achieve the best for their child, they challenged the assumption that a programme requiring a high level of involvement is only suitable for 'motivated middle-class families'. We have demonstrated that there are legitimate obstacles for some families, and that in these cases a creative and individualised approach is necessary. The outcomes of the project will be published next year in a peer-reviewed research article and our learning shared with professionals in related fields.

This year, AV<sup>UK</sup> was invited to become a member of the consortium which advises and supports the Communication Trust – an umbrella organisation, funded by the Department for Children, Schools and Families, which is focused on children with speech, language and communication needs. Through this partnership, AV<sup>UK</sup> will contribute to the planning of the National Communication Year in 2011 and advise specifically on how best to meet the speech, language and communication needs of children with a hearing impairment. AV<sup>UK</sup> continues to work closely alongside other national charities, in particular the Meningitis Trust and CICS (Cochlear Implanted Children's Support Group). One of our senior CertAVT<sup>®</sup>s was appointed 'Specialist Advisor for Hearing Impairment' to the Royal College of Speech and Language Therapists (RCSLT).

We are delighted to announce the appointment this year of AV<sup>UK</sup>'s first patron, opera singer Janine Roebuck. During her university training, Janine Roebuck became severely deaf and was told she could never hope to sing professionally. Through determination, passion and talent, she has become the world's only deaf mezzo-soprano and has achieved an international career.

Our advisory panel of six specialists in related fields was appointed this year. We are most grateful to the panel for offering additional guidance to our work.

- Janet Elliott, Consultant in Education of the Deaf
- Professor Colette McKay, Chair in Applied Hearing Research at the University of Manchester
- Dr Josephine Marriage, Director of Studies for Hearing and Communication at UCL
- Dr Kaukab Rajput, Consultant Audiological Physician at Great Ormond Street Hospital
- Dr Peter Savundra, Consultant Audiological Physician at the Portland Hospital
- Lynda Shaw, State Registered Occupational Therapist

In June 2009 three families who have attended AV<sup>UK</sup> organised a private reception at Sims Reed Gallery, Central London. Thanks to the generosity of the organisers and their guests we were able to raise almost £12,000 for the charity and introduce new supporters to our work.

### Training tier one Fast-track training

Our first fast-track intern qualified as a Certified Auditory Verbal Therapist<sup>®</sup> this year after taking a qualification exam at the AG Bell Academy. We now have two Auditory Verbal Interns on our fast-track scheme, a qualified Speech and Language Therapist and an experienced Paediatric Audiologist who is also our Research Co-ordinator. Both interns are making excellent progress towards their certification and are beginning to take on a partial caseload under supervision.

### Training tier two Postgraduate Diploma in Auditory Verbal Therapy

Our postgraduate Diploma in Auditory Verbal Therapy, established in conjunction with Aston University, remains key to our training mission. In January 2009 our first cohort of Diploma students graduated, six of our second cohort of fourteen Certificate students embarked upon the Diploma year and a further six students, our third cohort, embarked upon their Certificate year.

### Training tier three In-service training

AV<sup>UK</sup> continues to work in close partnership with sensory services within local authorities, audiology centres and cochlear implant programmes across the UK and to share our specialist expertise. This year we delivered in-service training to Selwyn School, Newham and further training to North Tyneside Sensory Service as part of a longer term 'service transformation partnership' model. In-service training has proven extremely effective and is one of our preferred routes for raising the standard of provision for deaf children and their families.

#### Training tier four Conferences, lectures and short courses

AV<sup>UK</sup> continues to have a national and international presence at conferences and special interest groups. This year we presented at a joint BATOD (British Association of Teachers of the Deaf) and RCSLT (Royal College of Speech and Language Therapists) conference on collaboration between speech and language therapists and teachers of the deaf, and at Manchester DEFF Conference on 'Developing Thinking and Listening in Young Children', we delivered a one day training course to speech and language therapists and teachers of the deaf in Denmark, contributed to the Mary Hare School teacher of the deaf training, collaborated with Phonak to present on their i-Learn training programme, and were invited to speak at the international Listening to Learn Conference. We also gave an introduction to auditory verbal therapy as a possible career route to final year speech and language therapy students at De Montfort University. AV<sup>UK</sup> continues to plan and co-run meetings of the AV SIG (Auditory Verbal Special Interest Group) which was held this year at AV<sup>UK</sup> and Birmingham Children's Cochlear Implant Programme. AV<sup>UK</sup>'s menu of short courses for parents and professionals in related fields included '101 Activities for Babies', 'Supporting Children in Mainstream School' and a course tailored to the needs of parents on our waiting list.

#### Financial Review

Trustees seek to maximise funds spent in the direct furtherance of the charity's objects and keep the proportion of charitable funds spent on administration and fundraising to a prudent minimum level commensurate with the effective and professional operation of the charity and its future sustainability.

This year shows income exceeding expenditure by £121,596.66. This is mainly due to the receipt of unrestricted funds ahead of planned expenditure in the forthcoming year.

We distinguish in both our management and publicly reported financial accounts between restricted and unrestricted funds. Restricted funds are those earmarked by the donor's wishes for specific use. We apply these funds solely for the purposes for which they are intended by the donor.

In the event of the charity carrying funds forward at the end of the financial year, the Board of Trustees similarly distinguishes between restricted and unrestricted carry forward. The level of restricted funds carried forward varies from year to year in accordance with the amount of restricted funds raised and the planned timing of their expenditure. The level of unrestricted funds carried forward each year is reviewed each year by the Board of Trustees by considering our current and future commitments and the financial risks associated with our various income streams, expenditure types and balance sheet items. The Trustees seek to build a minimum level of unrestricted reserves that will be sufficient to protect the charity's programme of work from unexpected variances in income and to allow time for financial restructuring in the event of a major downturn in income.

At 31 March 2010, restricted funds carried forward amounted to £120,695.31, unrestricted funds carried forward amounted to £175,444.78. This £175,444.78 is equivalent to about 40% of the charity's projected 12 month unrestricted expenditure. The Trustees consider this level to be consistent with the policy of protecting our programme of work and allowing for development opportunities described above.

#### Plans for Future Periods

In 2010/2011 we will raise our profile through the opportunities presented by winning a GlaxoSmithKline IMPACT Award. With the additional PR and media benefits, our goal is to widen our supporter base and raise awareness of the importance of providing high quality early intervention alongside hearing assistive technology.

It is our hope that this 'IMPACT Year' will bring us closer towards our goal of increasing our capacity and making a step up in our development. Next year the professionals taking the postgraduate Diploma in Auditory Verbal Therapy will become AV<sup>UK</sup> interns, they will be employed by local authorities in the UK and mentored by staff at AV<sup>UK</sup>.

We aim to increase our therapy caseload from September. At this point we will have two CertAVT<sup>®</sup>s taking a full-time caseload, our Director and one CertAVT<sup>®</sup> taking a partial caseload and two fast-track interns taking partial caseloads under supervision. Our caseload is likely to be in the region of 70 families.

We aim to continue to reduce financial and geographical barriers to access. We will fundraise to support low-income families through our family bursary fund and assist families where appropriate through the SEN statement process to secure funding for their auditory verbal therapy programme from their local authorities.

We will continue to prioritise our partnership work with local authorities, audiology centres and cochlear implant programmes so that families of deaf children receive high quality and collaborative intervention closer to home. Our advice and support to the Communication Trust via their consortium will ensure that the speech, language and communication needs of children with hearing impairment are taken into account for the National Communication Year in 2011.

We aim to publish two peer-reviewed journal articles next year, the first on the outcomes of our Reach Out project for low-income families, and the second on the sequelae of cytomegalovirus. We also plan to work towards evidencing the overall cost benefit of auditory verbal therapy as an early intervention method.

We will be improving our training facilities by transforming the unit next door to our centre into a dedicated training suite. We have taken on a short-term lease so that we can evaluate the effectiveness of the project and reassess our priorities at the end of the year.

### **Responsibilities of the Directors**

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of the incoming resources and the application of resources, for the year then ended.

In preparing those financial statements, which give a true and fair view, the directors should follow best practice and

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue on that basis

The directors are responsible for maintaining proper accounting records which 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.

The directors 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.


In accordance with company law, as the company's directors, we certify that

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

### **Auditors**

A resolution to reappoint Shaw Gibbs LLP as auditors for the ensuing year will be proposed at the annual general meeting.

On Behalf of the Trustees



Zia Arden QC  
Chair  
30 July 2010



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE AUDITORY VERBAL CENTRE**

We have audited the financial statements of The Auditory Verbal Centre for the year ended 31 March 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions that we have formed.

### **Respective Responsibilities of the Trustees and Auditors**

The trustees' (who are also the directors of the Auditory Verbal Centre for the purpose of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of Trustees' Responsibilities.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Trustees' Annual Report is not consistent with the financial statements, the charity has not kept adequate accounting records, the financial statements are not in agreement with the accounting records and returns or if we have not received all the information and explanations we require for our audit.

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

### **Basis of Audit Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 by the trustees 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.

**Opinion**

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended,
- have been prepared in accordance with the Companies Act 2006

Shaw Gibbs LLP

Shaw Gibbs LLP  
Statutory Auditors

6 August 2010

264 Banbury Road  
Oxford  
OX2 7DY

**STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) for the year ended 31 March 2010**

| Incoming resources from generated funds                                | Note | Unrestricted<br>£ | Restricted<br>£ | 2010<br>Total<br>£ | 2009<br>Total<br>£ |
|------------------------------------------------------------------------|------|-------------------|-----------------|--------------------|--------------------|
| <b>Voluntary income</b>                                                |      |                   |                 |                    |                    |
| Donations                                                              | 2    | 121,634 82        | 146,750 00      | 268,384 82         | 287,626.30         |
| Gift Aid recovered                                                     |      | 10,166 72         |                 | 10,166 72          | 2,131 83           |
| <b>Activities for generating funds</b>                                 |      |                   |                 |                    |                    |
| Direct services to families                                            |      | 221,210 89        |                 | 221,210 89         | 140,645 28         |
| Training and development                                               |      | 69,185 83         |                 | 69,185 83          | 30,370.00          |
| <b>Investment Income</b>                                               |      |                   |                 |                    |                    |
| Bank interest                                                          |      | 458 13            |                 | 458 13             | 4,521.16           |
|                                                                        |      | 422,656 39        | 146,750 00      | 569,406 39         | 465,294 57         |
| <b>Resources Expenses</b>                                              | 3    |                   |                 |                    |                    |
| Costs of generating voluntary income                                   |      | 39,720 59         |                 | 39,720 59          | 28,001.79          |
| <b>Charitable activities</b>                                           |      |                   |                 |                    |                    |
| Staff costs                                                            | 4    | 151,365 21        | 75,545 90       | 226,911 11         | 233,005 52         |
| Recruitment costs                                                      |      | 0 00              |                 | 0 00               | 1,224 66           |
| Travel                                                                 |      | 1,336 64          |                 | 1,336 64           | 5,451 61           |
| Premises                                                               |      | 42,549 07         |                 | 42,549 07          | 42,831 19          |
| Communications & advertising                                           |      | 1,695 81          |                 | 1,695 81           | 16,933 16          |
| Depreciation                                                           |      | 7,187 00          | 356 37          | 7,543 37           | 10,304 00          |
| Training and courses                                                   |      | 2,779 39          |                 | 2,779 39           | 8,484 85           |
| Toys/books                                                             |      | 583.40            | 226 44          | 809 84             | 787.59             |
| Bookkeeper/casual staff                                                |      | 8,440 45          |                 | 8,440 45           | 4,085 00           |
| IT                                                                     |      | 2,389 62          |                 | 2,389 62           | 3,568 11           |
| Consumables                                                            |      | 5,256 88          |                 | 5,256 88           | 5,786 61           |
| Repairs/maintenance                                                    |      | 2,950.89          | 2,783 28        | 5,734 17           | 10,830 21          |
| Insurances                                                             |      | 898 55            |                 | 898 55             | 744 20             |
| General expenses                                                       |      | 2,299 05          |                 | 2,299 05           | 2,577 47           |
| Subscriptions/memberships                                              |      | 1,817 99          |                 | 1,817 99           | 1,810 90           |
| Diploma expenses                                                       |      | 3,355 86          | 1,900 00        | 5,255 86           | 15,572 20          |
| Rechargeable expenses                                                  |      | 1,187 65          |                 | 1,187 65           | 2,923 32           |
| Assessment tools                                                       |      | -43 45            |                 | -43 45             | 674 06             |
| Reach Out Project                                                      |      |                   | 44,163 23       | 44,163 23          | 18,259 73          |
| Director's Discretionary Bursary                                       |      |                   | 18,871 88       | 18,871 88          | 5,132.25           |
| Bursary Subsidies                                                      |      | 21,971 25         | 282 50          | 22,253 75          | 24,505 00          |
| <b>Governance costs</b>                                                |      | 5,938 28          |                 | 5,938 28           | 6,662 89           |
|                                                                        |      | 303,680.13        | 144,129 60      | 447,809 73         | 450,156 32         |
| <b>Surplus/(Deficit) for the year,<br/>being net movement in funds</b> |      | 118,976 26        | 2,620 40        | 121,596 66         | 15,138 25          |
| <b>Balance brought forward 01 April 2009</b>                           |      | 56,468 52         | 118,074 91      | 174,543 43         | 159,405 18         |
| <b>Balance carried forward 31 March 2010</b>                           |      | 175,444 78        | 120,695 31      | 296,140 09         | 174,543.43         |

The notes on pages 13 to 18 form part of these financial statements

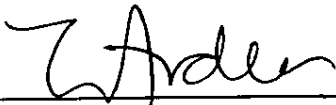
# **BALANCE SHEET AT 31 MARCH 2010**

| Incoming resources from generated funds | Note | 2010<br>£          | 2009<br>£          |
|-----------------------------------------|------|--------------------|--------------------|
| Tangible Fixed Assets                   | 7    | <u>9,575.87</u>    | <u>14,555 50</u>   |
| Current Assets                          |      |                    |                    |
| Debtors                                 | 8    | 60,072.03          | 31,144 77          |
| Bank and cash balances                  |      | <u>249,127.63</u>  | <u>144,651 03</u>  |
|                                         |      | 309,199.66         | 175,795 80         |
| Creditors payable within one year       | 9    | <u>(30,147.17)</u> | <u>(15,807 87)</u> |
| Net current assets                      |      | <u>279,052.49</u>  | <u>159,987.93</u>  |
| Net assets                              |      | <u>288,628.36</u>  | <u>174,543 43</u>  |
| Financed by                             |      |                    |                    |
| Unrestricted funds - general            | 10   | 167,933.05         | 56,468.52          |
| Restricted funds                        | 11   | <u>120,695.31</u>  | <u>118,074 91</u>  |
|                                         |      | <u>288,628.36</u>  | <u>174,543 43</u>  |

These financial statements were approved by the trustees on 30th July 2010 For the year ending 31st March 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies However, an audit is required in accordance with section 43 of the Charities Act 1993.

## **Directors' responsibilities**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.



Trustee

Zia Arden Q&A  
30 July 2010

The notes on pages 13 to 18 form part of these financial statements

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2010

### 1 Accounting policies

The financial statements are prepared under the historic cost convention and include the results of the charity's operations which are described in the Trustees' Report and in accordance with the Companies Act 2006 and follow the recommendations in Accounting and Reporting by Charities Statement of Recommended Practice ("SORP") issued in March 2005 and applicable accounting standards

**Voluntary income** is received by way of donations and gifts, and is included in full in the Statement of Financial Activities when receivable. The value of services provided by volunteers is not included

**Grants**, including grants for the purchase of fixed assets, are included in full in the Statement of Financial Activities in the year in which they are receivable

Incoming resources from direct services to families and investments are included when receivable

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT

**Resources expended** are allocated to the particular activity where the cost relates directly to that activity. However the cost of overall direction and administration on each activity, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of staff time attributable to each activity

**Depreciation** is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases with the exception of the leasehold improvements is estimated at 4 years. Leasehold improvements have been depreciated over the term of the lease

**Unrestricted funds** are donations and other incoming resources receivable or generated for the objects of the charity without further specific purpose and are available as general funds

**Designated funds** are unrestricted funds earmarked by the trustees for particular purposes

**Restricted funds** are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs

The charity operates a defined contribution pension scheme for its employees. Total pension costs for the period amounted to £15,917.67 (2009 £14,000.13)

**Going concern** This year, the unrestricted funds carried forward amounted to £175,444.78 which is equivalent to about 40% of the charity's projected 12 month unrestricted expenditure (please see Financial Review p7). The trustees, as members of the company, consider this level to be consistent with our reserves policy and therefore are confident that the company remains a going concern. AV<sup>UK</sup>'s operations are expected to continue for the foreseeable future

| 2 Donations                             | Unrestricted      | Restricted        | 2010<br>Total     | 2009<br>Total     |
|-----------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                         | £                 | £                 | £                 | £                 |
| Birkdale Trust for Hearing Impaired Ltd | 5,000 00          |                   | 5,000.00          | -                 |
| Capital Group plc                       | 1,000 00          |                   | 1,000.00          | -                 |
| Company of Actuaries Charitable Trust   |                   | 750 00            | 750.00            | -                 |
| The Dragon Christmas Charity Sale       |                   | 2,000 00          | 2,000.00          | 2,000 00          |
| The Dulverton Trust                     | 10,000 00         |                   | 10,000.00         | -                 |
| The John Ellerman Foundation            |                   | 25,000 00         | 25,000.00         | 25,000 00         |
| Esmée Fairbairn Foundation              |                   | 30,000 00         | 30,000.00         | 30,000 00         |
| Essex Fairway Charitable Trust          | 5,000 00          |                   | 5,000.00          | 5,000 00          |
| Falkner House School, London            | 5,200 00          |                   | 5,200.00          | -                 |
| The Foyle Foundation                    |                   | 15,000 00         | 15,000.00         | -                 |
| Grand Charity                           | 3,000 00          |                   | 3,000.00          | -                 |
| The Henry Smith Charity                 |                   | 28,300 00         | 28,300.00         | 25,500 00         |
| JRSST Charitable Trust                  | 500 00            |                   | 500.00            | -                 |
| The Eric Kay Charitable Trust           | 1,000 00          |                   | 1,000.00          | -                 |
| MariaMarina Foundation                  |                   | 31,500 00         | 31,500.00         | -                 |
| The MacRobert Trust                     |                   | 6,000 00          | 6,000.00          | -                 |
| News International plc                  |                   | 2,800.00          | 2,800.00          | -                 |
| Susanna Peake Charitable Trust          | 10,000 00         |                   | 10,000.00         | 45,000 00         |
| PF Charitable Trust                     | 2,000 00          |                   | 2,000.00          | 2,000 00          |
| Max Reinhardt Charitable Trust          | 1,000 00          |                   | 1,000.00          | -                 |
| Charles Russell LLP                     | 1,000 00          |                   | 1,000.00          | -                 |
| The Sobell Foundation                   | 15,000 00         |                   | 15,000.00         | 15,000 00         |
| The James Tudor Foundation              | 10,000 00         |                   | 10,000.00         | -                 |
| Other                                   | 51,934 82         | 5,400 00          | 57,334.82         | 132,656 30        |
| <b>Total</b>                            | <b>121,634 82</b> | <b>146,750 00</b> | <b>268,384.82</b> | <b>282,156 30</b> |
|                                         |                   |                   |                   |                   |
| <b>3 Resources Expended</b>             | <b>2010</b>       | <b>2009</b>       |                   |                   |
|                                         | £                 | £                 |                   |                   |
| Costs of generating voluntary income    | 39,720.59         | 28,001 79         |                   |                   |
| Charitable activities                   |                   |                   |                   |                   |
| Direct services to families             | 351,183.18        | 360,814 90        |                   |                   |
| Training and development                | 45,711.82         | 41,883 29         |                   |                   |
| Education and outreach                  | 5,255.86          | 15,572 20         |                   |                   |
| Governance costs                        | 5,938.28          | 3,884 14          |                   |                   |
|                                         | <b>447,809.73</b> | <b>450,156 32</b> |                   |                   |

#### 4 Expenditure incurred

Expenditure incurred includes the following amounts

|                                         | 2010       | 2009       |
|-----------------------------------------|------------|------------|
|                                         | £          | £          |
| Staff costs                             |            |            |
| Wages and salaries                      | 219,811 97 | 222,815 20 |
| Social security costs                   | 23,057 26  | 22,903 82  |
| Other pension costs                     | 15,917 67  | 14,000 13  |
|                                         | 258,786 90 | 259,719 15 |
| Operating lease rentals (including VAT) | 36,823 00  | 37,423 36  |
| Audit fee                               | 2,610 00   | 2,743 75   |
| Depreciation                            | 7,543 37   | 10,306 00  |

Included in the staff costs of £258,786 90 is £28,875 79 (2009 £23,713 63) allocated to costs of generating voluntary income and £3,000 (2009 £3,000) allocated to governance costs

The average weekly number of employees during the year was 8 (2009 8).

No employee earned more than £60,000 in the current or preceding year.

#### 5 Payments to trustees and connected persons

Apart from the connection between Professor Woolgar and the Director already noted (page 4), no trustee or person with a family or business connection received any remuneration in the year, directly or indirectly, from the charity

No expenses were reimbursed to trustees during this or the preceding accounting period

#### 6 Taxation

The charitable company is exempt from corporation tax for its charitable activities.

#### 7 Tangible fixed assets

|                           | Training<br>Equipment<br>£ | Office<br>Equipment<br>£ | Leasehold<br>Improvements<br>£ | Total<br>£ |
|---------------------------|----------------------------|--------------------------|--------------------------------|------------|
| <b>Cost</b>               |                            |                          |                                |            |
| At 1 April 2009           | 18,669                     | 26,002                   | 7,000                          | 51,671     |
| Additions                 | 120                        | -                        | 2,444                          | 2,564      |
| At 31 March 2010          | 18,789                     | 26,002                   | 9,444                          | 54,235     |
| <b>Depreciation</b>       |                            |                          |                                |            |
| At 1 April 2009           | 14,937                     | 19,380                   | 2,800                          | 37,117     |
| Charge for the year       | 1,595                      | 4,192                    | 1,756                          | 7,543      |
| At 31 March 2010          | 16,532                     | 23,572                   | 4,556                          | 44,660     |
| <b>Written down value</b> |                            |                          |                                |            |
| At 31 March 2010          | 2,257                      | 2,430                    | 4,888                          | 9,575      |
| At 31 March 2009          | 3,732                      | 6,622                    | 4,200                          | 14,554     |

All tangible fixed assets were used for charitable purposes. Leasehold improvements have been depreciated over the term of the lease

| <b>8 Debtors</b>                           |  |  |  | 2010             | 2009             |
|--------------------------------------------|--|--|--|------------------|------------------|
|                                            |  |  |  | £                | £                |
| Rent deposit                               |  |  |  | 3,500.00         | 3,500 00         |
| Trade debtors                              |  |  |  | 37,626.41        | 13,942 29        |
| Gift aid                                   |  |  |  | 6,517.34         | 1,278 00         |
| Rent control                               |  |  |  | 9,405.87         | 9,205 75         |
| Rates control                              |  |  |  | 2,161 16         | 2,279 50         |
| Insurance control                          |  |  |  | 625.99           | 593 70           |
| Subscriptions control                      |  |  |  | 235.26           | 345 53           |
| <b>Total</b>                               |  |  |  | <b>60,072.03</b> | <b>31,144 77</b> |
|                                            |  |  |  |                  |                  |
| <b>9 Creditors payable within one year</b> |  |  |  | 2010             | 2009             |
|                                            |  |  |  | £                | £                |
| Trade creditors                            |  |  |  | 6,397.40         | 3,658 24         |
| Audit and accountancy control              |  |  |  | 1,955.00         | 1,300 00         |
| Control account prepayments                |  |  |  | (520.64)         | (143 61)         |
| Accruals                                   |  |  |  | 15,703.28        | 4,000 00         |
| PAYE control                               |  |  |  | 6,612.13         | 6,993 24         |
| <b>Total</b>                               |  |  |  | <b>30,147 17</b> | <b>15,807 87</b> |
|                                            |  |  |  |                  |                  |
| <b>10 Unrestricted funds - general</b>     |  |  |  |                  |                  |
|                                            |  |  |  | £                |                  |
| At 1 April 2009                            |  |  |  | 48,956 79        |                  |
| Surplus for the year                       |  |  |  | 118,976.26       |                  |
|                                            |  |  |  |                  |                  |
| At 31 March 2010                           |  |  |  | 167,933 05       |                  |



| <b>11 Restricted funds</b>                                                                                                                                                                                                                                                           | <b>At 1 April 2009</b> | <b>Incoming resources</b> | <b>Resources expended</b> | <b>Transfers</b> | <b>At 31 March 2010</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------------|---------------------------|------------------|-------------------------|
|                                                                                                                                                                                                                                                                                      | £                      | £                         | £                         | £                | £                       |
| Director's Discretionary Bursary                                                                                                                                                                                                                                                     | 0 00                   | 8,650 00                  | 19,154 38                 | 10,504 38        | 0 00                    |
| Ben-Motor and Allied Trades                                                                                                                                                                                                                                                          | 0 00                   | 300 00                    | 300 00                    | 0 00             | 0 00                    |
| CHK Charities Limited                                                                                                                                                                                                                                                                | 1,900 00               | 0 00                      | 1,900 00                  | 0 00             | 0 00                    |
| The Dragon Christmas Charity Sale                                                                                                                                                                                                                                                    | 0 00                   | 2,000 00                  | 0 00                      | -2,000 00        | 0 00                    |
| The John Ellerman Foundation                                                                                                                                                                                                                                                         | 11,502 98              | 25,000 00                 | 21,265 79                 | 0 00             | 15,237 19               |
| Esme Fairbairn Foundation                                                                                                                                                                                                                                                            | 17,800 00              | 30,000 00                 | 30,000 00                 | 0 00             | 17,800 00               |
| The Foyle Foundation                                                                                                                                                                                                                                                                 | 0 00                   | 15,000 00                 | 226 44                    | 0 00             | 14,773 56               |
| Garfield Weston Foundation                                                                                                                                                                                                                                                           | 16,666 64              | 0 00                      | 6,666 64                  | 0 00             | 10,000 00               |
| The Hedley Foundation                                                                                                                                                                                                                                                                | 1,783 28               | 0 00                      | 1,783 28                  | 0 00             | 0 00                    |
| The Henry Smith Charity                                                                                                                                                                                                                                                              | 18,614 44              | 28,300 00                 | 40,478 44                 | 0 00             | 6,436 00                |
| The MacRobert Trust                                                                                                                                                                                                                                                                  | 0 00                   | 6,000 00                  | 0 00                      | -1,950 00        | 4,050 00                |
| MariaMarina Foundation                                                                                                                                                                                                                                                               | 0 00                   | 31,500 00                 | 0 00                      | -3,254 38        | 28,245 62               |
| Susanna Peake Charitable Trust                                                                                                                                                                                                                                                       | 37,009.31              | 0 00                      | 15,000 00                 | 0 00             | 22,009 31               |
| Eleanor Rathbone Charitable Trust                                                                                                                                                                                                                                                    | 3,300 00               | 0 00                      | 0 00                      | -3,300 00        | 0 00                    |
| The Rayne Foundation                                                                                                                                                                                                                                                                 | 5,998 26               | 0 00                      | 5,998 26                  | 0 00             | 0 00                    |
| The Helen Roll Charity                                                                                                                                                                                                                                                               | 2,500 00               | 0 00                      | 356 37                    | 0 00             | 2,143 63                |
| Sir Winston Churchill Educational Trust for the Deaf                                                                                                                                                                                                                                 | 1,000 00               | 0 00                      | 1,000 00                  | 0 00             | 0 00                    |
| <b>Total</b>                                                                                                                                                                                                                                                                         | <b>118,074.91</b>      | <b>146,750 00</b>         | <b>144,129.60</b>         | <b>0.00</b>      | <b>120,695.31</b>       |
| Monies received from The John Ellerman Foundation, Garfield Weston Foundation and Susanna Peake Charitable Trust are to be used for the training of therapists                                                                                                                       |                        |                           |                           |                  |                         |
| Eleanor Rathbone Charitable Trust, The Dragon Christmas Charity Sale, The MacRobert Trust and MariaMarina Foundation have donated money towards The Director's Discretionary Bursary to fund therapy sessions and travel expenses                                                    |                        |                           |                           |                  |                         |
| A new fire alarm system has been purchased from the money donated by The Helen Roll Charity. Due to accounting principles we must depreciate this asset over a number of years. Therefore, although an opening balance at 1st April 2010 is shown, this sum has, in fact, been spent |                        |                           |                           |                  |                         |
| Monies received from The Hedley Foundation and Sir Winston Churchill Educational Trust for the Deaf have been used towards the new Baby Therapy Room.                                                                                                                                |                        |                           |                           |                  |                         |
| Monies received from The Henry Smith Charity, The Rayne Foundation and Ben-Motor and Allied Trades are to be used towards our research project "Reach Out"                                                                                                                           |                        |                           |                           |                  |                         |
| Monies received from The Foyle Foundation are to be used for books, shelving and individual story telling workshops                                                                                                                                                                  |                        |                           |                           |                  |                         |

## 12 Leasing commitments

The charity has entered into a lease, terminating in August 2012, in respect of its premises at an annual rental of £36,500 plus VAT.

## 13 Analysis of net assets between funds

|                        | Unrestricted<br>Funds | Restricted<br>Funds | Total             |
|------------------------|-----------------------|---------------------|-------------------|
|                        | £                     | £                   | £                 |
| Tangible Fixed Assets  | 7,488.49              | 2,087.38            | 9,575.87          |
| Debtors                | 60,072.03             | -                   | 60,072.03         |
| Bank and Cash Balances | 130,575.95            | 118,551.68          | 249,127.63        |
| Current Creditors      | (30,147.17)           | -                   | (30,147.17)       |
|                        | <b>167,989.30</b>     | <b>120,639.06</b>   | <b>288,628.36</b> |