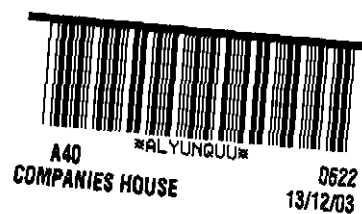


R N I D ACTIVITIES LIMITED
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2003



R N I D ACTIVITIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

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R N I D ACTIVITIES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2003

DIRECTORS

J M Low (from 20 December 2002)
J E Stewart (to 20 December 2002)
R H Heathcote (from 25 June 2003)
W Beaumont (to 25 June 2003)

COMPANY SECRETARY

R H Heathcote (from 25 June 2003)
W Beaumont (to 25 June 2003)

REGISTERED OFFICE

19 – 23 Featherstone Street
London
EC1Y 8SL

COMPANY NUMBER

913439

AUDITORS

Horwath Clark Whitehill
25 New Street Square
London
EC4A 3LN

R N I D ACTIVITIES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report and audited financial statements for the year ended 31 March 2003

RESULTS AND DIVIDEND

The loss for the year after a payment under gift aid to RNID was £67 (2002 - nil). The directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITIES, TRADING REVIEW AND FUTURE DEVELOPMENT

The principal activities for the year consisted of one-off fund-raising events and developing sponsorship agreements with commercial participators. Trading income for the year was generated mainly from the sale of 'Spike' pin badges at retail outlets (33%) and events (31%).

Trading operations have continued to generate a profit and this year a gift aid transfer of £72K was made to the holding company (£16.6K in 2002).

Due to the success of this year's fundraising initiatives and sponsorship agreements with commercial participators, further growth is expected in these two areas in the coming year.

There have been no events since the balance sheet date that materially affect the position of the company.

DIRECTORS

The directors of the company during the year were:

J E Stewart
J M Low
W Beaumont

R H Heathcote was appointed Company Secretary and Director from 25th June 2003, replacing W Beaumont who resigned as Company Secretary and Director as at that date.

No director had any beneficial interest in the shares of the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of its profit or loss for the year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

R N I D ACTIVITIES LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2003

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

AUDITORS

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

By order of the Board



J M Low
Director

14 November 2003

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF R N I D ACTIVITIES LIMITED

We have audited the financial statements of R N I D Activities Limited for the year ended 31 March 2003 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 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 misstatements within it.

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 judgments made by the directors in the preparation of the financial statements, 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 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.

Unqualified opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Herwath Clark Whitehill

Chartered Accountants and Registered Auditors

Date  17 November 2003

25 New Street Square
London
EC4A 3LN

R N I D ACTIVITIES LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2003

	Notes	2003 £	2002 £
TURNOVER	1	147,993	51,927
Cost of sales		<u>(70,729)</u>	<u>(31,034)</u>
GROSS PROFIT		77,264	20,893
Administrative expenses		<u>(5,333)</u>	<u>(4,260)</u>
OPERATING PROFIT	2	71,931	16,633
Gift Aid to RNID (by deed of covenant in 2002)	3	<u>(71,998)</u>	<u>(16,633)</u>
LOSS FOR THE YEAR		(67)	-
Retained profit / (loss) brought forward		<u>67</u>	<u>67</u>
BALANCE CARRIED FORWARD		<u>-</u>	<u>67</u>

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

There are no movements in shareholders' funds apart from the result for the year.

R N I D ACTIVITIES LIMITED
BALANCE SHEET
31 MARCH 2003

	Notes	2003 £	2002 £
CURRENT ASSETS			
Debtors	4	15,226	31,825
Bank		<u>75,293</u>	<u>-</u>
		90,519	31,825
CREDITORS: amounts falling due within one year	5	<u>(90,517)</u>	<u>(31,756)</u>
NET CURRENT LIABILITIES		<u>2</u>	<u>69</u>
 CAPITAL AND RESERVES			
Called up share capital	6	2	2
Profit and loss account		<u>-</u>	<u>67</u>
SHAREHOLDER'S FUNDS – EQUITY INTERESTS		<u>2</u>	<u>69</u>

Approved by the Board on 14 November 2003

and signed on their behalf by:

J M Low
Director



The notes on the following pages form part of these financial statements

R N I D ACTIVITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

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

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Cash flow statement

The company is a wholly owned subsidiary of The Royal National Institute for Deaf People, which prepared a cash flow statement at 31 March 2003. Accordingly under Financial Reporting Standard 1 this company has not prepared its own cash flow statement.

Turnover

Turnover represents sales and royalties receivable in the UK exclusive of value added tax.

Stocks

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

2. OPERATING PROFIT/(LOSS)

	2003	2002
	£	£

This is arrived at after charging:

Auditors' remuneration	2,000	1,500
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3. GIFT AID DONATION

The company gift aided its net profits to the Royal National Institute for Deaf People.

4. DEBTORS

	2003	2002
	£	£

Trade debtors	15,226	31,825
Value added tax	-	-
	15,226	31,825

R N I D ACTIVITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 MARCH 2003

5. CREDITORS: amounts falling due within one year

	2003 £	2002 £
Bank overdraft	-	13,948
Trade creditors	88,057	-
Accruals	2,460	17,808
	<u>90,517</u>	<u>31,756</u>

6. SHARE CAPITAL

	Authorised		Allotted, called up and fully paid	
	2003 £	2002 £	2003 £	2002 £
Ordinary shares of £1 each	2	2	2	2

7. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption allowed by Financial Reporting Standard 8, 'Related Party Transactions', not to disclose any transactions with entities that are included in the consolidated financial statements of The Royal National Institute for Deaf People.

8. ULTIMATE PARENT COMPANY

The ultimate parent company is The Royal National Institute for Deaf People, a company limited by guarantee and registered in England and Wales.

R N I D ACTIVITIES LIMITED
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003

(For the information of the directors only)

	2003 £	2002 £
SALES	147,993	51,927
Less: COST OF SALES		
Stock at 1 April	0	0
Purchases and related costs	<u>70,729</u>	<u>31,034</u>
	70,729	31,034
Less: Stock at 31 March	<u>0</u>	<u>0</u>
	<u>70,729</u>	<u>31,034</u>
GROSS PROFIT	77,264	20,893
LESS: EXPENSES		
Audit and accountancy	2,000	1,500
Miscellaneous expenses	<u>3,333</u>	<u>2,760</u>
	<u>5,333</u>	<u>4,260</u>
OPERATING PROFIT FOR THE FINANCIAL YEAR	<u>71,931</u>	<u>16,633</u>