

DEAFWAY
STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2008

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COMPANIES HOUSE

DEAFWAY

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DEAFWAY

CHARITY DETAILS

Trustees Holding Office during the year	Chairman: H Gigg Vice Chairman: H Bentley W Craven C Mingay P Nott C Pritchard T Reynolds E Ridley
Chief Executive and Company Secretary	D Hynes
Finance Manager	M Greer
Registered Address	Brockholes Brow Preston PR2 5AL
Charity Number	1089918
Company Number	04243198
Auditor	Moore and Smalley LLP Richard House Winckley Square Preston PR1 3HP
Bankers	National Westminster Bank Plc 35 Fishergate Preston
Insurance Brokers	Giles Insurance Brokers Temple Point 7 th Floor 1 temple Row Birmingham B2 5YB
Investment Brokers	Hedley & Co. 13b Winckley Square Preston PR1 3JJ

DEAFWAY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2008

The Trustees, who act as directors for the purposes of company law, have pleasure in presenting their report together with the financial statements of the charity for the year ended 31 March 2008. The financial statements have been prepared in accordance with the accounting policies set out on pages 22 and 23.

Deafway is a charitable company limited by guarantee with registered charity number 1089918 and company number 4243198. The charity is governed by its memorandum and articles of association dated 11 June 2001.

Objects and activities of the Charity

The charity is established for:-

‘...the relief of people who are D/deaf or who suffer from communication disorders. Firstly for those resident in Lancashire and secondly those resident in the rest of the United Kingdom and elsewhere, in particular by assisting and supporting their equal access to and participation in all aspects of society’.

We have translated this slightly antiquated wording into a mission statement that states our purpose as an organisation very clearly. This is that we are:-

“Working to achieve equality of opportunity and access for D/deaf people”.

We do this in Lancashire, because this is where our roots are, and increasingly we also seek to do this in other areas of the UK and elsewhere in the world because a). life is still far from equal for D/deaf people in all of those places and b). we believe that our services are needed there because we can make a difference.

We recognise that, in order to ‘make a difference’, we need to continue to be aware of, and to respond to, both the changing needs of D/deaf people and the way in which the societies in which D/deaf people live respond to them. We believe strongly that it is not people’s deafness that causes the majority of barriers in their lives – rather it is the lack of understanding and acceptance of D/deaf people’s linguistic and cultural needs that does so.

We also recognise that Deafway must grow, adapt and change if we are to continue to ‘make a difference’. Some of the services that were relevant to D/deaf people 10 years ago are less relevant today and will be even less relevant in future years – hence our commitment to developing new services whilst reviewing and adapting our existing services to meet changing needs.

We continue to use the phrase ‘*Every bit of life!*’ in our literature. The phrase expresses our strong belief that every D/deaf person should have a right of equal access and opportunity to all parts of life – and that our services should aim to make this a reality. Without losing the value of our past and present services, we are continuing to gradually move the main focus and emphasis of Deafway away from what are seen as traditional ‘welfare’ services onto what will be a more exciting range of services that will have a greater impact on the ability of every D/deaf person using our services, should they wish to, to access ‘*Every bit of life!*’.

Our desire to create a Deaf Arts and Cultural Centre is a direct response to all of the above factors. We believe strongly that Deaf Culture has much that is positive to offer ‘mainstream’ culture and that a Deaf Arts and Cultural Centre would be a cultural ‘home’ for Deaf people, a stimulus for the growth of Deaf/BSL Arts, Cultural and Heritage-related activities and a place where all of this can be shared and experienced by both the Deaf and the hearing communities. Ultimately, a lively Deaf Arts and Cultural Centre could do more to break down barriers and promote true equality for Deaf people across all aspects of life than any number of more traditional initiatives or projects.

DEAFWAY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

Organisation/management of the Charity

The Trustees who have served during the year are set out on page 1 and they have been appointed in accordance with our Memorandum and Articles of Association.

Trustees nominate and have power of appointment of future trustees, who serve for a period of three years following appointment and may be re-appointed at the end of the term of office.

We recognise the need for our Board of Trustees to be made up of a variety of people who bring a range of different skills, knowledge and experience to the role and we are particularly pleased to report that deaf people remain in the majority on our board. We are clear however that we will not appoint Trustees solely because they are D/deaf. All potential Trustees (D/deaf or hearing) must have the skills or potential to contribute to Deafway in the role as a Trustee and must also take an interest in the full range of our work

Trustee meetings are held on a monthly basis and we aim for three of these meetings each year to be held on Saturdays. These Saturday meetings last for the full day and are 'Open Trustee Meetings' with a large number of members of the Deaf community regularly attending. The remaining meetings are held during the evening as in the past and are not 'open'. The Saturday meetings continue to be very successful both in enabling members of the Deaf community to attend and in stimulating strategic discussion and debate. The main focus of these meetings to date has been, and continues to be, the possible move of Deafway to a new site and the creation there of a Deaf Arts and Cultural Centre.

Management accounts (quarterly) and reports from each department manager and the Chief Executive (monthly) are submitted to, and discussed at, each of the evening meetings. The Saturday meetings have a different style and focus on more strategic issues.

The day to day running of the charity is entrusted to the Chief Executive and his senior management team. This team meets on a monthly basis and is chaired on a rotating basis by each member of that team.

The strategic management group meets a number of times each year to discuss specific strategic issues and is chaired by the Chief Executive.

Each member of SMG, plus the Development Manager, has one-to-one supervision with the Chief Executive on a six-weekly basis and there are similar supervision arrangements in place within each department for all other managers and staff.

DEAFWAY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

Financial report and review

The statement of financial activities for the year is set out on page 10. The charity has net incoming resources this year of £63,753 (2007:£56,925) The movement between the funds is summarised below.

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Total incoming resources	1,637,238	-	255,039	1,892,277
Total expenditure	(1,605,944)	(8,734)	(213,846)	(1,828,524)
Transfers	(20,828)	12,345	8,483	-
Net incoming/(outgoing) resources	10,466	3,611	49,676	63,753

Generating sufficient funds to provide all of the services that we know are needed remains a constant challenge and at the time of writing, events in the financial world have served to make this even more of a challenge! In common with many charities, one of the areas that continues to concern us most is the ongoing generation of sufficient income to maintain a stable and sufficient core to the organisation (most funders prefer to fund projects rather than 'running costs', despite the latter being essential to the running of those same projects). In addition to this, we are concerned that, whilst we have seen success in raising money for our ongoing projects throughout this year, the recent events in the financial world will make this difficult to maintain over the coming year.

We are addressing these challenges through our fundraising efforts in two ways. Firstly by maintaining and developing our relationship with Trusts and Foundations. The support that we receive from Trusts and Foundations is invaluable, particularly in relation to project funding. If we did not receive this funding, all of these projects would have to stop. Given this, we recognise that we need to continue to build on our relationship with Trusts and Foundations by communicating even more clearly to them the life-changing impact that our work is having on D/deaf people locally, nationally - and on the other side of the world in Nepal and India. We are passionate about this work and the difference that it makes – and we need to continue to communicate this passion.

Our second way of addressing the funding challenges described above is by continuing to build our profile. The Deafway name is still not as well known as we would like it to be, with many potential individual and corporate supporters not being aware of the wide range of life-changing work that we do. We plan to continue to raise our profile significantly, both locally, and nationally as we believe that this will enable us to increase the level of income that we receive from individuals and companies. Our plans to create a Deaf Arts and Cultural Centre will make a major contribution to this.

The charity has a number of Unrestricted and Other Funds. The purpose of these funds is detailed in note 14 in the financial statements and summarises the year's movements on each fund. The balance sheet shows the assets and liabilities attributable to the various funds. It should be noted that we are striving to build up an operating reserves fund equivalent to three months running costs in order to effectively manage/take advantage of any unforeseen circumstances that may arise in the future without adversely affecting our service provision.

DEAFWAY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

Fixed assets

The fixed assets are all used for direct charitable purposes. The movements in fixed assets during the year are shown in note 8 to the accounts.

A professional valuation of the property at Brockholes Brow, Preston, was undertaken for fire insurance purposes in April 2003 by Thompson and Bryan. The valuation for reinstatement purposes and insured value is £6,360,000. The property is shown in the accounts at its open market valuation of £1,000,000, valued by Burton Barnes Thompson, Chartered Surveyors, in March 2003, plus additions at cost. During the next financial year an up to date professional valuation will be carried out.

Fixed asset investments

At 31 March 2008 Investments held had a market value of £108,209. Details are shown in note 9 to the accounts. £73,189 of the investments represents the Richard Bannister Trust, which is a fund invested to support activities for young deaf persons in relation to sports.

Under the Trustees Act 2000, the Trustees have the same full and unrestricted powers of investing and transposing investments as if they were beneficially entitled thereto. Current investments held are invested through Charities Official Investment Fund and an investment portfolio for the Richard Bannister Trust.

Achievements during the year

During the year Deafway has:-

- Continued to provide long term specialist residential care, shorter term respite care, and support services to Deaf people with a range of very complex needs which mean that they cannot currently live independently in the community.
- Continued to refurbish the accommodation that we provide for our residents to the high standard that they deserve.
- Provided many of these residents with amazing experiences through our 'extreme activities' programme – activities such as helicopter flights, scuba diving, digger driving, quad biking etc. – a practical demonstration of our 'every bit of life' philosophy.
- Continued to provide vital and much valued services to young D/deaf people in Lancashire.
- Continued to provide specialist community services to D/deaf people in Lancashire and Blackpool.
- Continued to develop our vision for and work in the field of Deaf/BSL Theatre.
- Continued to be a significant employer of Deaf people in the North West of the UK
- Continued and expanded our life changing work with D/deaf children and adults in Nepal.
- Continued to work in partnership with the Delhi Deaf Association in India.

DEAFWAY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

Achievements during the year (continued)

- Provided a wide range of high quality BSL and Deaf Awareness training to individuals, and to organisations in Lancashire.
- Continued to provide premises for Deaf people to meet in Preston.
- Continued to provide premises for Deaf people to meet in Lancaster.
- Continued to press for equality of access and opportunity for D/deaf people in all areas of life, in the UK and overseas.
- Continued with the complex discussions and negotiations concerning the move of Deafway from our current location to a new site and a brand new Deaf Arts and Cultural Centre.

Post balance sheet events

UK

Deafway's current site and the proposed Deaf Arts and Cultural Centre.

The complex discussions that we have been involved in for the past two financial years (concerning the possible move of Deafway from our current site to a new site and a brand new Deaf Arts and Cultural Centre) have moved on significantly. At the time of writing this we are waiting for our surveyor's 'Section 36' report in relation to a deal that we have negotiated that would involve Deafway in selling our leasehold interest in the rear half of our current site to the current freeholder. In addition to being paid the market value for this, we would also acquire the freehold to the remaining front half of our site, something we have tried to obtain for many years. We hope very much that our surveyor's report is positive and that we can go ahead with this deal.

If we are able to go ahead with the above deal, we will then continue our discussions concerning the creation of a Deaf Arts and Cultural Centre – either on a new site, or on the half of our current site that we will retain.

Members of Preston Deaf Club, Deaf young people, Deaf students and others have been fully involved in discussions concerning the creation of a Deaf Arts and Cultural Centre and they, and the wider Deaf community, will continue to be fully involved as we take this project forward.

The length of time that it has taken to get to this stage in negotiations concerning our current site and a possible move has been very frustrating due to a variety of legal and other related factors. However, all of the patience and hard work that has gone into this will prove to have been worth it, firstly when we complete the sale of our leasehold to the rear half of our site and secondly, when we turn our unique concept and vision of a Deaf Arts and Cultural Centre into reality.

DEAFWAY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

Post balance sheet events (continued)

Deaf Youth Development Services

Having successfully secured funding both for the continuation of this much needed service and for some of the activities programmes for young deaf people that we have planned, we are now seeking sufficient funding to create a mini Deaf Youth Centre – a base that will be a 'home' for the deaf young people who access this service.

Residential and Support Services.

We continue to be in discussion with a number of parties concerning the possible development of additional residential/support services to deaf people. Whilst the detail of these discussions must remain confidential at present, we are very hopeful that we will see positive results from these discussions over the coming year.

2nd Deafway Deaf/BSL Theatre Project

Following a second 'BSL dialogue creation week' we now have a finished play script. We aim to start the rehearsal and performance stage in early 2009. This is a very significant, groundbreaking theatre project firstly because there is so little BSL theatre in the UK and secondly because of the unique process that we have developed for the writing of the play i.e. the first language that the play has been written in (as well as the language that it will be performed in) is BSL.

Sign Bytes Broadband Internet Project (www.deaway.org.uk)

We continue to believe very strongly in the importance of this project which continues both to be the only one of its kind in the UK and to have the potential to revolutionise Deaf people's access to information. However, unfortunately it has so far proved impossible to obtain outside funding to secure its future. Over the coming months we will continue to seek ways of developing and securing ongoing funding for this vital project.

International

Older Persons support project in Kathmandu.

Following confirmation that we had secured sufficient money for the project to go ahead, our partners, Kathmandu Deaf Association, interviewed for staff and the project began on 1st August 2008. Early reports are already indicating that this is a very special project, providing as it does support, activities, companionship and a much improved quality of life for some very vulnerable older deaf people. Many of these older deaf people live in extremely poor conditions, have received no education, have no language and have not even been registered as citizens. This project is the first of its kind in Nepal and is one that we hope to replicate in other parts of the country.

DEAFWAY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

Post balance sheet events (continued)

Nawalaparasi school for deaf children.

Nawalaparasi is a District in the Terai area of Nepal (near to the Indian border). There, we initially funded a Nepali Sign Language and basic numeracy and literacy class, and then a short research project which aimed to identify the numbers of deaf children in the area not receiving any form of education. This research indicated that there were hundreds of deaf children in this position. As a result of this, we have been in discussion with the local District Education Officer and with an interested businessman based in Kathmandu. We are now working together to raise the money needed to build and run a much needed school for deaf children in this area.

NFDH-Deafway Project officers.

Over the past few years, the number of projects that we are involved in in Nepal has grown. As this has happened, we have also become increasingly aware of the vast number of deaf children and adults all over the country who are still not receiving their most basic human rights: - no access to language, no access to education, in many cases not even being registered as citizens. Clearly, we want and need to expand our services to reach all of these people if and when we can raise sufficient money to do so.

As a step toward this, in partnership with the NFDH (Nepal National Federation of Deaf and Hard of Hearing People) we have recently appointed two Nepalese women as NFDH-Deafway Project Officers, based in Kathmandu. Dipa (Dipawali Sharma – who is Deaf) and Laxmi (Laxmi Acharya – who is hearing) will make a real difference to our ability to monitor and maintain all of our current projects, will help us gather the information that we need to establish and fund new projects and will work to build the skills of deaf people and deaf organisations in Nepal.

Delhi Deaf Association

Due to a significant amount of 'red tape' and to the illness of the General Secretary of the Delhi Deaf Association, there has been a long delay in starting our first project with them - a computer skills training project for deaf young people. I am pleased to be able to report however that they have now advertised for a trainer and that the project will start within the next three weeks.

Risk management

The Trustees retain Peninsula Business Services Ltd to provide 24-hour advice in respect of all employment law and health and safety matters. In addition, this contract provides indemnity in respect of Employment Law claims.

DEAFWAY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

Statement of Trustees responsibilities

Company law requires the Trustees to prepare the accounts 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 accounts, 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 accounts 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 accounts 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.

In so far as the trustees are aware:

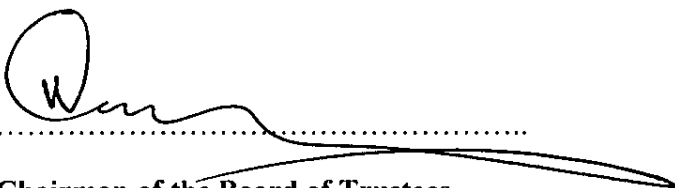
there is no relevant audit information of which the company's auditors are unaware; and

the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

A resolution to re-appoint Moore and Smalley LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

This report was approved by the Trustees on 14/11/2008 and signed on their behalf by:



.....

Chairman of the Board of Trustees

AUDITORS REPORT TO THE TRUSTEES

OF DEAFWAY

We have audited the accounts of Deafway for the year ended 31 March 2008 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the 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 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 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 opinions we have formed.

Respective responsibilities of directors/trustees and auditors

As described in the Statement of Directors' Responsibilities, the trustees, who are also the directors of Deafway for the purposes of company law are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice).

Our responsibility is to audit the account 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 accounts 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' Report is not consistent with the accounts, 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 trustees' remuneration and transactions is not disclosed.

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

Basis of 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 judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable 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 as to whether 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 financial statements.

Opinion

In our opinion the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the Charity's state of affairs as at 31 March 2008 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 information given in the Trustees' Report is consistent with the financial statements for the year ended 31 March 2008.

Moore and Smalley LLP
Moore and Smalley LLP
Chartered Accountants
and Registered Auditor
Preston

14/11/08

DEAFWAY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2008

	2008 General Funds £	2008 Designated Funds £	2008 Restricted Funds £	2008 Total Funds £	2007 Total Funds £
Incoming resources					
Charitable activities					
- Services to deaf people	1,587,700	-	-	1,587,700	1,609,675
Fundraising and voluntary income	-	-	250,854	250,854	228,206
Legacies	-	-	-	-	28,418
Donations	7,831	-	-	7,831	8,812
Use of facilities	27,005	-	-	27,005	16,343
Investment income and interest	14,702	-	4,185	18,887	12,351
Total incoming resources	1,637,238	-	255,039	1,892,277	1,903,805
Expenditure					
Fundraising costs	-	-	40,836	40,836	34,593
Project expenditure	-	-	173,010	173,010	166,399
Services to deaf people	1,540,671	8,338	-	1,549,009	1,581,437
Use of facilities	6,963	396	-	7,359	24,133
Development costs	-	-	-	-	(1,933)
Governance costs	58,310	-	-	58,310	42,251
Total expenditure	1,605,944	8,734	213,846	1,828,524	1,846,880
Net income /(deficit) for the year before transfers and revaluations	31,294	(8,734)	41,193	63,753	56,925
Transfers between funds	(20,828)	12,345	8,483	-	-
Net (outgoing)/incoming resources for year	10,466	3,611	49,676	63,753	56,925
Other gains and losses:					
Unrealised gain/(loss) on revaluation of investment assets	(1,924)	-	(9,782)	(11,706)	11,027
Net movement in fund for year	8,542	3,611	39,894	52,047	67,952
Funds brought forward 1 April 2007	233,970	1,291,370	448,388	1,973,728	1,905,776
Funds carried forward 31 March 2008	242,512	1,294,981	488,282	2,025,775	1,973,728

All activities of the charity were continuing for the above two financial years.

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STATEMENT OF FINANCIAL ACTIVITIES – RESTRICTED FUNDS

FOR THE YEAR ENDED 31 MARCH 2008

	Specific Development Projects £	Specific Appeals Projects £	Assets in use Funds £	Property repair Fund £	Richard Bannister Fund £	Restricted Funds 2008 £	Restricted Funds 2007 £
Incoming resources							
Fundraising and voluntary income:							
Development projects	18,745	-	-	-	-	18,745	29,283
Appeals funding	-	232,109	-	-	-	232,109	198,923
Donations and legacies:							
Legacies	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Investment income and interest received	-	-	-	-	4,185	4,185	3,769
Total incoming resources	18,745	232,109	-	-	4,185	255,039	231,975
Expenditure							
Charitable expenditure	36,118	175,008	2,720	-	-	213,846	166,399
Fundraising costs	-	-	-	-	-	-	34,593
Proportion of central management charge	-	-	-	-	-	-	-
Total expenditure	36,118	175,008	2,720	-	-	213,846	200,992
Net income for the year before transfers and revaluations	(17,373)	57,101	(2,720)	-	4,185	41,193	30,983
Transfers between funds	5,662	7,693	-	-	(4,872)	8,483	13,201
Net surplus for the year	(11,711)	64,794	(2,720)	-	(687)	49,676	44,184
Other gains and losses:							
Unrealised loss on revaluation of investment assets	-	-	-	(1,425)	(8,357)	(9,782)	10,161
Net movement in fund for the year	(11,711)	64,794	(2,720)	(1,425)	(9,044)	39,894	54,345
Fund balances brought forward 1 April 2007	82,758	231,507	3,900	27,754	102,469	448,388	394,043
Fund balances carried forward 31 March 2008	71,047	296,301	1,180	26,329	93,425	488,282	448,388

DEAFWAY

STATEMENT OF FINANCIAL ACTIVITIES – DESIGNATED FUNDS

FOR THE YEAR ENDED 31 MARCH 2008

	Note	Leasehold Property £	Property repair fund £	Lancaster fund £	Contingency reserve £	Designated Funds 2008 £	Designated Funds 2007 £
Incoming resources							
Charitable activities:							
Fees and charges		-	-	-	-	-	-
Social club income		-	-	-	-	-	-
Service level agreements	6	-	-	-	-	-	-
ATW revenue		-	-	-	-	-	-
Donations and legacies:							
Legacies	4	-	-	-	-	-	-
Donations	5	-	-	-	-	-	-
Use of facilities:							
Conference Centre		-	-	-	-	-	-
Sports hall		-	-	-	-	-	-
Investment income and interest received	7	-	-	-	-	-	-
Total income resources		-	-	-	-	-	-
Charitable expenditure							
Services to deaf people		-	-	6,238	-	6,238	6,038
Governance costs		-	-	-	-	-	-
Use of facilities		-	396	-	-	396	-
Proportion of central management charge		-	-	2,100	-	2,100	2,159
Total expenditure		-	396	8,338	-	8,734	8,197
Net income/(deficit) for the year before transfers and revaluations		-	(396)	(8,338)	-	(8,734)	(8,197)
Fund transfers							
Movement on fixed asset reserve		-	12,345	-	-	12,345	10,000
Net surplus for the year		-	11,949	(8,338)	-	3,611	1,803
Other gains and losses							
Unrealised (loss)/gain on revaluation of investment assets		-	-	-	-	-	-
Net movement in fund for the year		-	11,949	(8,338)	-	3,611	1,803
Fund balances brought forward 1 April 2007		1,100,000	25,000	31,370	135,000	1,291,370	1,289,567
Fund balances carried forward 31 March 2008		1,100,000	36,949	23,032	135,000	1,294,981	1,291,370

DEAFWAY

STATEMENT OF FINANCIAL ACTIVITIES – GENERAL FUNDS

FOR THE YEAR ENDED 31 MARCH 2008

	Note	General income £	Development projects £	Governance costs £	Support costs £	Services to deaf people £	General Funds 2008 £	General Funds 2007 £
Incoming resources								
Charitable activities:								
Fees and charges		-	-	-	730	1,256,374	1,257,104	1,321,944
Social club income		-	-	-	-	34,919	34,919	37,945
Service level agreements	6	-	-	-	-	114,583	114,583	108,430
ATW revenue		-	-	-	-	163,755	163,755	142,158
Specific grant funding		-	-	-	-	17,339	17,339	-
Donations and legacies:	4	-	-	-	-	-	-	28,418
Legacies	5	160	-	-	7,671	-	7,831	8,010
Donations		-	-	-	-	17,570	17,570	7,650
Conference Centre		-	-	-	-	9,435	9,435	8,693
Sports hall		-	-	-	-	-	-	-
Investment income and interest received	7	10,823	-	-	3,879	-	14,702	8,582
Total income resources		10,983	-	-	12,280	1,613,975	1,637,238	1,671,830
Charitable expenditure								
Services to deaf people		-	-	-	509,610	1,033,161	1,542,771	1,575,399
Development costs		-	-	-	-	-	-	(1,933)
Governance costs		-	-	58,310	-	-	58,310	42,251
Use of facilities		-	-	-	-	6,963	6,963	24,133
Proportion of support costs		-	-	-	(481,102)	479,002	(2,100)	(2,159)
Total expenditure		-	-	58,310	28,508	1,519,126	1,605,944	1,637,691
Net income/(deficit) for the year before transfers and revaluations		10,983	-	(58,310)	(16,228)	94,849	31,294	34,139
Fund transfers							(20,828)	(23,201)
Net surplus for the year							10,466	10,938
Other gains and losses							(1,924)	866
Unrealised (loss)/gain on revaluation of investment assets								
Net movement in fund for the year							8,542	11,804
Fund balances brought forward 1 April 2007							233,970	222,166
Fund balances carried forward 31 March 2008							242,512	233,970

DEAFWAY

STATEMENT OF FINANCIAL ACTIVITIES – GENERAL FUNDS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

	Governance costs £	Support costs £	Services to deaf people £	General Funds 2008 £	General Funds 2007 £
Resource expenses					
Services to deaf people	-	337,019	662,111	999,130	1,010,804
Employment costs	-	-	89,417	89,417	85,067
Sign language interpreting costs	-	114,571	35,257	149,828	127,525
Property and maintenance expenses	-	4,035	171,803	175,838	170,833
Care costs	-	-	25,232	25,232	63,483
Cost of sales	-	2,058	3,873	5,931	6,315
Vehicle expenses	-	51,927	45,468	97,395	111,372
Administrative expenses	-	-	-	-	-
Total expenses	-	509,610	1,033,161	1,542,771	1,575,399
Governance costs:					
Employment costs	30,711	-	-	30,711	29,015
Management and administration	27,599	-	-	27,599	13,236
Total expenses	58,310	-	-	58,310	42,251
Use of facilities:					
Employment costs	-	-	2,714	2,714	3,912
Property and maintenance costs	-	-	3,482	3,482	866
Cost of sales	-	-	69	69	86
Management and administration	-	-	698	698	19,269
Total expenses	-	-	6,963	6,963	24,133

DEAFWAY

SPECIAL PROJECTS

FOR THE YEAR ENDED 31 MARCH 2008

		Balance at 1 April 2007 £	Income £	Expenditure £	Project transfers £	Funds transfers £	Balance at 31 March 2008 £
Community	Deaf awareness Officer	10,227	-	(10,227)	-	-	-
RCU	Stephen Bannister Fund	536	-	-	-	-	536
	RCU Reserve Fund	5,155	-	(2,417)	-	-	2,738
General	Donations and legacies	1,136	-	(90)	-	160	1,206
	Interest received	9,687	-	(101)	-	6,470	16,056
Bar & Social	Extractor fans	2,000	-	-	-	-	2,000
Lancaster	Equipment for club	3,854	-	(3,854)	-	-	-
	Children of Lancaster & Morecambe	-	2,000	-	-	(968)	1,032
Nepal	2001 Trek	1,417	-	-	-	-	1,417
	2004 Trek	6,771	-	(197)	-	-	6,574
	2006 Trek	9,681	14,144	(9,142)	(6,541)	-	8,142
	2007 Trek	-	-	-	6,541	-	6,541
	Equitable Charitable Trust (Pokhara School)	25,628	-	(10,061)	-	-	15,567
	British Embassy (NSL dictionary)	365	-	-	-	-	365
	Home Moneybox Scheme	994	1,632	(29)	-	-	2,597
	Nepal Projects	1,941	269	-	-	-	2,210
	Nepal bag sales	192	-	-	-	-	192
	Nepali Sign Language	1,282	-	-	-	-	1,282
	Nepal children - Trips	-	700	-	-	-	700
Lottery	Central Lancs University	1,892	-	-	-	-	1,892
Total		82,758	18,745	(36,118)	-	5,662	71,047

DEAFWAY

APPEALS FUNDS

FOR THE YEAR ENDED 31 MARCH 2008

	Balance at 1 April 2007 £	Income £	Expenditure £	Contribution to costs of fundraising * £	Project transfers £	Funds transfers £	Balance at 31 Mar 2008 £
Community							
Youth Development Officer	25,970	65,168	(20,916)	(26,034)	-	-	44,188
BSL theatre project	16,993	27,000	(7,437)	-	-	-	36,556
Fun day	(798)	-	-	-	-	-	(798)
Sign Bytes	800	14,200	(20,560)	(2,940)	8,000	-	(500)
Computers for Deaf children	6,830	-	(6,690)	1,578	-	-	1,718
BSL Course for young people	-	1,250	-	(250)	-	-	1,000
Summer schemes 2007	-	2,608	(2,426)	(665)	-	968	485
Summer schemes 2008	-	850	-	(170)	-	-	680
RCU							
Jeff McWhinney House	(1,209)	-	-	-	-	-	(1,209)
Residents IT equipment	1,112	-	(86)	-	-	-	1,026
Activities co-ordinator	16,349	14,805	(13,856)	(400)	-	-	16,898
General Funds	123	-	(123)	-	-	-	-
Air conditioning units	2,879	-	(740)	-	-	-	2,139
Bedroom refurbishment	2,116	886	(4,285)	(177)	2,000	-	540
Bathroom upgrade	19,546	-	(6,881)	-	(10,000)	-	2,665
Extreme activities	1,466	1,850	(2,182)	(366)	-	-	768
Minibus purchase (was car purchase)	1,040	16,000	-	(3,200)	-	-	13,840
Lounge refurbishment	-	16,000	(20,800)	(3,200)	8,000	-	-
General							
General use funds	26,348	5,007	(211)	(920)	-	-	30,224
Business breakfast	200	-	-	-	-	-	200
Interest received	5,815	-	(1,485)	-	-	6,725	11,055
Bar & Social							
Loop system	230	-	(230)	-	-	-	-
Nepal							
8 Regions	21,922	-	(6,358)	-	-	-	15,564
Pokhara hostel	10,297	-	(4,925)	400	(2,000)	-	3,772
NSL families and support service	4,061	-	2,754	-	-	-	6,815
Sindhuli school	31,925	5,514	(8,047)	(1,094)	-	-	28,298
Shreejana/ Pokhara schools	1,600	-	(717)	-	14	-	897
Navabharasi Empowerment	1,140	2,050	(1,515)	(410)	-	-	1,265
General (Nepal)	240	96	(322)	(14)	-	-	-
Carried forward	196,995	173,284	(128,038)	(37,862)	6,014	7,693	218,086

DEAFWAY

APPEALS FUNDS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

	Balance at 1 April 2007	Income	Expenditure	Contribution to costs of fundraising *	Project transfers	Funds transfers	Balance at 31 Mar 2008
	£	£	£	£	£	£	£
Brought forward	196,995	173,284	(128,038)	(37,862)	6,014	7,693	218,086
Nepal cont..	-	5,033	(4,012)	(1,007)	(14)	-	-
Shreejana school furniture	-	969	(608)	(250)	-	-	111
Kanchapur tailoring	-	2,561	(1,049)	(512)	(1,000)	-	-
NFDH motorbike	-	9,956	-	(2,381)	-	-	7,575
Older persons project (2)	-	143	-	(16)	-	-	127
3 Teachers salaries for 1 year	-	2,400	-	(480)	-	-	1,920
Sindhuli school motorbike/equipment	-	33,000	-	(7,000)	2,000	-	28,000
Kathmandu staff	400	3,163	-	(633)	-	-	2,930
Computer training	-	1,600	-	(320)	1,000	-	2,280
New Delhi weekend school	11,078	-	146	-	(8,000)	-	3,224
Disabled access	1,487	-	-	-	-	-	1,487
Swimming pool roof	611	-	(611)	-	-	-	-
General site maintenance	20,936	-	(40,836)	50,461	-	-	30,561
Contribution towards salary costs							
Total	231,507	232,109	(175,008)	-	-	7,693	296,301

In addition, funds have been pledged as follows:

Community	Fun day	31 Mar 2008
Youth development officer	834	
Sign bytes	65,000	
Older persons project (2)	500	
Bedroom refurbishment	1,950	
Jeff McWhinney House	766	
Activities co-ordinator	1,209	
Total	14,185	84,444

- During the year, for every £1 spent on fundraising, Deafway raised £5.65
- It is Deafway policy that, if any project is overfunded, we will use the excess funds to provide other services to D/deaf people in the UK and Overseas

DEAFWAY

APPEALS FUNDS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

Income during the year can be analysed by donor as follows:

	£
Anonymous	3,000
Anonymous	1,000
Cumberland Building Society	500
Eleanor Rathbone Charitable Trust	1,200
Francis Winham Foundation	2,500
HBOS Community Foundation	1,925
Helping Hand	1,000
Leyland Methodist's Infant School	714
Lynn Foundation	500
Maria Holland & St Joseph's Charity	1,250
Marr-Munning Trust	1,000
Mr & Mrs JA Pye's Settlement	500
Mrs CD Brigden's Charitable Trust	900
N Smith Charitable Settlement	550
Open Gate	1,950
Oppenheimer Charitable Trust	750
Penny in the Pound	886
Plastow Family Charitable Trust	500
SAGA Charitable Trust	5,032
SAGA Charitable Trust	4,406
Sir Jules Thorn Charity Trust	750
Skipton Building Society Charitable Foundation	1,000
St Mary's Penwortham Auction	1,228
The A M Fenton Trust	2,000
The Act Foundation	2,000
The Barbara Ward Children's Foundation	3,000
The Barbara Ward Children's Foundation	3,000
The Charlotte Bonham-Carter Charitable Trust	1,000
The Clothworkers Foundation	10,000
The Cotton Trust	1,461
The Coutts Charitable Trust	500
The David Solomons Charitable Trust	500
The Dowager Countess Eleanor Peel Trust	6,000
The Dunhill Medical Trust	12,805
The Enid Blyton Trust for Children	850
Carried forward	76,157

DEAFWAY

APPEALS FUNDS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

	£
Brought forward	76,157
The Francis Crabtree Charitable Trust	1,300
The Harold and Alice Bridges Charity	4,000
The Henry Smith Charity	35,000
The Jane Hodge Foundation	1,000
The Jephcott Charitable Trust	3,163
The Lankelly Chase Foundation	27,000
The Lennox and Wyfold Foundation	30,000
The Onaway Trust	719
The Openwork Foundation (Zurich)	10,000
The Paget Trust	1,000
The Pennycress Trust	500
The Rainford Trust	750
The Rank Foundation	20,000
The Robert Gavron Charitable Trust	1,000
The Roger Raymond Charitable Trust	500
The Rufford Maurice Laing Foundation	1,500
The Skelton Bounty	1,925
The Sobell Foundation	5,000
The Swire Charitable Trust	1,000
W O Street Charitable Foundation	2,500
Store Collections	1,740
Misc donations (less than £500)	6,355
	<hr/>
	232,109
	<hr/>

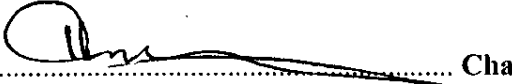

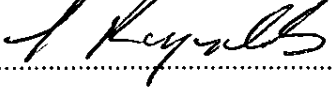
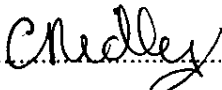
DEAFWAY

BALANCE SHEET

AS AT 31 MARCH 2008

		2008			2007
	Note	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	8	52,370	1,100,000	1,180	1,153,550
Investments	9	8,691	-	99,518	108,209
		61,061	1,100,000	100,698	1,261,759
Current assets					
Stocks		5,083	-	-	5,083
Debtors and prepaid expenses	11	165,601	-	-	165,601
Cast at bank and in hand	12	167,755	194,981	387,584	750,320
		338,439	194,981	387,584	921,004
Creditors: amounts falling due within one year	13	(156,988)	-	-	(156,988)
Net current assets		181,451	194,981	387,584	764,016
Net assets		242,512	1,294,981	488,282	2,025,775
Funds	14				
General		242,512	-	-	242,512
Designated		-	1,294,981	-	1,294,981
Restricted		-	-	488,282	488,282
		242,512	1,294,981	488,282	2,025,775

The accounts were approved by the trustees on 14/11/2008... and signed on their behalf by:

 Chairman
 Trustee
 Trustee
 Trustee

DEAFWAY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2008

1 Accounting Policies

Convention

The accounts have been prepared in compliance with applicable accounting standards and in accordance with the Statement of Recommended Practice (SORP: Accounting and Reporting by Charities) and in accordance with the Companies Act 1985.

Basis of accounting

The accounts have been prepared under the historical cost convention, modified to include the revaluation of leasehold property and fixed asset investments, which are stated at market value.

Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Income

Income (including grants) is included on an accruals basis with the exception of legacies and donations, which are only accounted for when they are received.

Trading income is shown net of value added tax as appropriate.

Total income comprises £1,892,277 (2007 : £1,903,805) A detailed analysis of income by source is provided in the statement of financial activities on page 10.

Expenditure

Expenditure is accounted for on an accruals basis.

Costs which are directly identifiable against specific divisions are applied to those divisions, where appropriate irrecoverable VAT is shown in the SOFA.

Governance costs include legal and professional expenses, salary costs in respect of governance activities and expenses relating to Trustees.

The central overheads at Brockholes Brow have been allocated to divisions as shown on the individual statements of financial activities.

DEAFWAY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

1 Accounting Policies (cont)

Fixed assets and depreciation

All expenditure during the year on assets of material value held for use on a continuing basis in the charity's activities are capitalised and classified as fixed assets.

Depreciation is calculated to write off the cost of tangible fixed assets over their estimated useful lives at the following annual rates:-

Leasehold property - Lancaster	-	Nil
Leasehold property – Brockholes Brow	-	Nil
Motor vehicles	-	20% per annum on cost
Equipment, fixtures and fittings	-	20% per annum on cost
Driveway alterations	-	Over 3 years

Depreciation has not been provided on the properties as it is the charity's policy to record properties at open market value. The properties are reviewed yearly for any indication of impairment.

Investments

Investments held as fixed assets are included at closing mid-market value at the balance sheet date. Any unrealised gain or losses on revaluation is taken to the Statement of Financial Activities. Investment income is shown gross.

Fund accounting

Details of the nature and purpose of each fund is set out in note 15.

Stock

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

Taxation

The charity is exempt from taxation through its registration with the Charity Commission.

Repairs

Repairs and maintenance costs are written off in the appropriate department's Income and Expenditure Account in the year they are incurred unless specifically funded for, where they are charged to the project fund.

Pensions

The charity operates a Group Personal Pension Scheme and a Stakeholder pension scheme, the assets of these schemes are held separately from those of the charity in Norwich Union Life & Pensions Ltd. The cost of providing pension and related benefits is charged to the SOFA.

Revaluation gains and losses

Where properties are revalued in the year, the gain is included within the property fund.

DEAFWAY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

2 Employees

The average number of persons employed by the charity during the year was:

	2008 Number	2007 Number
Full time	39	38
Part time	35	33
	<u>74</u>	<u>71</u>

Total emoluments paid to employees (including pension, social security costs) were:

	£	£
	1,032,555	1,014,715
	<u>1,032,555</u>	<u>1,014,715</u>

Employees emoluments falling within the following band were as follows:

	2008 Number	2007 Number
£60,000 - £70,000	1	1
	<u>1</u>	<u>1</u>

Trustees remuneration

No remuneration was paid to trustees in the year. During the year trustees' were reimbursed £Nil in respect of expenses incurred on behalf of the charity.

The cost of insurance to indemnify the trustees against the consequences of any neglect or default on their part amounted to £2,415.

3 Net income resources

Net income resources is stated after charging:

	2008 £	2007 £
Auditors remuneration	9,435	8,020
Depreciation	<u>7,545</u>	<u>6,929</u>
	<u>16,980</u>	<u>14,949</u>

DEAFWAY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

4 Legacies

	2008 £	2007 £
Mrs N Roberts (Deceased)	-	22,209
Mr J Thompson (Deceased)	-	490
Mr K Woodward (Deceased)	-	5,719
	-	28,418

5 Donations

	2008 £	2007 £
Mrs Waterhouse Charitable Trust	-	5,000
The Houghton Dunn Charitable Trust	5,000	-
Parochial Church of St Andrews	-	250
The Parish of St Lawrence with St Paul Longridge	650	-
Opinion Leader Research	100	-
Face to Face	1,195	1,460
Vicky Hargreaves	-	450
Sundry donations and GAYE	886	850
	7,831	8,010

6 Service level agreement

	2008 £	2007 £
Government and other public bodies		
External community services	67,846	65,237
Blackpool	38,764	37,273
Isle of Man	1,813	-
Over 55's Group	6,160	5,920
	114,583	108,430

DEAFWAY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

7 Investment income and interest received

	2008 £	2007 £
Investment income		
UK equities and securities	157	135
Interest		
On cash deposits	18,730	12,216
	<u>18,887</u>	<u>12,351</u>

8 Tangible fixed assets

	Brockholes Brow				Lancaster	Total £
	Leasehold property £	Alterations & roadway £	Fittings & equipment £	Vehicles £	Leasehold property £	
Cost or valuation						
Balance at 1 Apr 2007	1,000,000	46,050	65,149	26,798	100,000	1,237,997
Revaluation	-	-	-	-	-	-
Additions at cost	-	-	-	-	-	-
Disposal/written off	-	-	-	-	-	-
	<u>1,000,000</u>	<u>46,050</u>	<u>65,149</u>	<u>26,798</u>	<u>100,000</u>	<u>1,237,997</u>
Depreciation						
Balance at 1 Apr 2007	-	3,550	55,554	17,798	-	76,902
Charge for the year	-	-	3,545	4,000	-	7,545
On disposals	-	-	-	-	-	-
	<u>-</u>	<u>3,550</u>	<u>59,099</u>	<u>21,798</u>	<u>-</u>	<u>84,447</u>
Net book value						
31 March 2008	1,000,000	42,500	6,050	5,000	100,000	1,153,550
31 March 2007	1,000,000	42,500	9,595	9,000	100,000	1,161,095

DEAFWAY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

8 Tangible fixed assets (continued)

The leasehold property known as Brockholes Brow was revalued in March 2003 by Burton Barnes Thompson, Chartered Surveyors, at £1,000,000. This valuation was an open market valuation with the benefit of vacant possession. The property was revalued in April 2002 for fire insurance purposes at £6,360,000.

The property at Brockholes Brow comprises a site of approximately 8.85 acres and includes the former Royal Cross School for the Deaf and other buildings built approximately 100 years ago, together with more modern leisure and residential buildings. The site is held under two long leases dated 2 November 1894 and 6 September 1899, both for a term of 999 years.

The property at Lancaster houses the Lancaster Social Club. The property is held under a long lease dated January 2005 for a term of 999 years.

The properties are all used for direct charitable purposes, or for purposes incidental to the proper working and effective carrying on of the charity's objects and activities.

9 Fixed assets investments

	Market Value 2008 £	Cost 2008 £	Market Value 2007 £	Cost 2007 £
UK listed:				
General Fund				
COIF 52.18 income units	557	230	607	230
HBOS Ordinary £1 Shares	1,730	2,284	3,235	2,284
COIF 72.61 accumulation shares	6,404	5,000	6,273	4,500
Restricted Fund				
COIF 311.89 accumulation shares	26,329	5,250	27,754	5,250
Richard Bannister Trust portfolio	73,189	63,391	98,354	80,211
	108,209	76,155	136,223	92,475

DEAFWAY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

10 Investments

	General			Restricted		
	COIF Income Units £	COIF Accum shares £	HBOS Ordinary £1 Shares £	COIF Accum shares £	Richard Bannister Trust Portfolio £	Total 2007 £
Market value at 1 April 2007	607	6,273	3,235	27,754	98,354	136,223
Additions at cost:						
COIF 7.16 accum shares	-	500	-	-	-	500
Disposals	-	-	-	-	(16,808)	(16,808)
Unrealised loss	(50)	(369)	(1,505)	(1,425)	(8,357)	(11,706)
Market value at 31 March 2008	557	6,404	1,730	26,329	73,189	108,209

11 Debtors

	2008 £	2007 £
Fees received and trade debtors	113,744	126,108
Prepayments and sundry debtors	51,857	68,155
	<u>165,601</u>	<u>194,263</u>

12 Cash at bank and in hand

	2008 £	2007 £
Current accounts	392,335	377,122
Reserve accounts	350,858	268,272
Cash	7,127	6,732
	<u>750,320</u>	<u>652,126</u>

All monies are invested in high interest earning accounts.

DEAFWAY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

13 Creditors – amounts falling due within one year

	2008 £	2007 £
Trade creditors	38,081	48,843
Accruals and outstanding expenses	79,759	96,044
PAYE and VAT	23,357	22,076
Revenue and fees received in advance	15,791	9,611
Deferred income	-	480
	<u>156,988</u>	<u>177,054</u>

14 Funds

	Balance 1.4.2007 £	Incoming £	Outgoing £	Transfers and other gains/ (Losses) £	Balance 31.3.2008 £
Designated funds					
Property fund	1,100,000	-	-	-	1,100,000
Lancaster Fund	31,370	-	(8,338)	-	23,032
Contingency reserve	135,000	-	-	-	135,000
Property repair fund	25,000	-	(396)	12,345	36,949
	<u>1,291,370</u>				<u>1,294,981</u>
General funds					
General reserve	233,970	1,637,238	(1,605,944)	(22,752)	242,512
Restricted funds					
Development projects fund	82,758	18,745	(36,118)	5,662	71,047
Appeals fund	231,507	232,109	(175,008)	7,693	296,301
Assets in use	3,900	-	(2,720)	-	1,180
Richard Bannister Trust	102,469	4,185	-	(13,229)	93,425
Emergency property repair fund	27,754	-	-	(1,425)	26,329
	<u>448,388</u>				<u>488,282</u>
Total	<u>1,973,728</u>	<u>1,892,277</u>	<u>(1,828,524)</u>	<u>(11,706)</u>	<u>2,025,775</u>

DEAFWAY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

14 Funds (continued)

Designated funds

These funds have been set up to assist in identifying those funds that are not free funds and comprise the following:

Property Fund

This fund represents the charity's interest in the Leasehold Property known as Brockholes Brow as included in the Fixed Assets (note 8) and also a lease on a property in Lancaster.

Lancaster Fund

This fund represents the charity's commitment to the Lancaster Deaf club to upkeep its property.

Contingency Reserve

This fund represents the charity's commitment to build up an operating reserve fund equivalent to three months running costs in order to effectively manage/take advantage of any unforeseen circumstances that may arise in the future, without adversely affecting our service provision.

Property Repair Fund

This fund represents the charity's commitment to the upkeep of the property at Brockholes Brow.

General Funds

Comprise those funds which the Trustees are free to use in accordance with the charitable objects, which are not designated for particular purposes.

Restricted Funds

Comprise funds which have been given for particular purposes and projects.

15 Capital commitments

Details of the charity's capital commitments as at 31 March 2008 are given in the Trustees' Report.

16 Contingent liabilities

The charity had no contingent liabilities as at the year end.

17 Company Limited by Guarantee

Deafway is a charitable company limited by guarantee, having no share capital and governed by its Memorandum and Articles of Association dated 11 June 2001.

DEAFWAY

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2008

	Note	2008 £	£	2007 £	£
Net cash inflow from operating activities	1		81,886		348,441
Investing activities					
Sale of investments		16,808			
Purchase of investment		(500)			
Net cash outflow from investing activities			16,308		(6,402)
Increase/(Decrease) in cash and cash equivalents	2		98,194		342,039
Cash and cash equivalents at 31 March 2007		652,126		310,087	
Cash and cash equivalents at 31 March 2008			750,320		652,126

1 Reconciliation of changes in resources to net cash inflow from operating activities

	2008 £	2007 £
Net surplus/(deficit) for the year before revaluations	63,753	56,925
Depreciation	7,545	6,929
Increase/(decrease) in creditors: current liabilities	(20,066)	15,432
Decrease/(increase) in debtors	28,662	267,135
Decrease/(increase) in stocks	1,992	2,020
	81,886	348,441

2 Analysis of changes in cash and cash equivalents during the year

	2008	2007 £	Increase in year £
Reserve accounts	350,858	268,272	82,586
Cash at bank and in hand	399,462	383,854	15,608
	750,320	652,126	98,194