

REGISTERED COMPANY NUMBER: 04243198 (England and Wales)
REGISTERED CHARITY NUMBER: 1089918

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018
FOR
DEAFWAY

SATURDAY



A09 *A7FZRVXM* #150
06/10/2018
COMPANIES HOUSE

DEAFWAY

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for the Year Ended 31 March 2018

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DEAFWAY

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)..

OBJECTIVES AND ACTIVITIES

Objectives and activities

Deafway 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'.

Put another way, Deafway exists to do all that we can to ensure that D/deaf people get the same opportunities in all aspects of life that hearing people do. Our base is, and always has been, in Preston, Lancashire. However our work has a national and international focus and reach. Deafway is therefore a local, national and international charity.

Deafway has a commitment to ensure that at the core of all of our work is an understanding of and respect for Deaf culture and heritage, BSL (British Sign Language) and the other sign languages of the world. This expresses our belief in the vital importance of sign language and Deaf culture to Deaf people across the world; that Deaf Arts should be made accessible to hearing people; that Deaf Heritage should be preserved, shared and celebrated and that all of these should inform our provision of Care to those Deaf people who are in need of it.

There continues to be a very real need for all of the work which we undertake, locally, nationally and internationally. It is unfortunately still the case that the needs of the majority of D/deaf people across the world and of many D/deaf people in the UK are ignored or misunderstood with disastrous consequences for those D/deaf people. The Deaf person in the UK who needs a specialist Deaf residential placement because of their Autistic Spectrum Disorder, mental health problem or other issue - placed inappropriately in a hearing setting with no Deaf peer group and with staff who have at best a smattering of sign language; the child born profoundly deaf in Nepal, Uganda or Kenya, never being given the chance to acquire sign language or go to school.

Given the necessary financial resources - we could do so much more both by promoting and campaigning for real understanding of the relevant issues and by providing real life-changing services to so many more people - from Preston to Kathmandu.

In Nepal, Uganda and Kenya for example our aim remains that:- 'Every Deaf Child will Learn to Sign and Go to School.'

In the UK, one of our aims is that:- 'Every Deaf person in need of Residential Care or Support will have the real choice of receiving this in a Deaf environment.'

If you are in a position to help us to do more - please do get in touch.

Philosophy:

At the centre of everything we do is a positive view of sign language, Deaf Culture and the Deaf community.

We believe passionately that every D/deaf child, wherever they live in the world, should have a right of access to sign language (as well as access to the written and spoken languages of their country and to the hearing community) - and we know that an untold amount of damage has been, and continues to be, caused to the lives of D/deaf people around the world by Governments and 'professionals' not understanding and accepting this.

**We have followed the convention of using an uppercase 'D' in the word in the Deaf to indicate 'Culturally Deaf' and a lower case 'd' to simply indicate hearing loss.*

DEAFWAY

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

OBJECTIVES AND ACTIVITIES (continued)

Objectives and activities

This damage ranges from social isolation, lack of equal access and increasingly poor service provision (which ignores cultural and linguistic needs) in the UK - to often non-existent provision in Nepal, Uganda, Kenya and many other parts of the developing world resulting in D/deaf children being denied that most important defining characteristic of being human - possession and fluent use of a language (in this case a signed language).

At Deafway we do not believe that these situations are acceptable.

We also believe strongly that Deaf culture and the sign languages of the world have so much that is positive to contribute to society in general - and that they should therefore be celebrated and shared in all of the ways that the hearing cultures and the spoken languages of the world are.

Public benefit

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our objectives and activities and in planning our future activities. In particular the trustees consider how planned activities, through the use of our funds, will contribute to the aims and objectives we have set, and we are satisfied that the criteria for public benefit are comprehensively achieved.

ACHIEVEMENT AND PERFORMANCE

Achievements during the year

The activities that we have carried out during the year to meet our objectives and to carry out our aims for public benefit.

During the year we have:-

Care and Support Services

- o Continued to provide long term specialist residential care, shorter term respite care and other vital support services to Deaf people with a range of complex needs which mean that they cannot currently live independently in the community.
- o Provided residential care for a number of Deaf people who require a significantly higher level of staffing due to their more complex and 'challenging' needs.
- o Continued to maintain the accommodation we provide for our residents to the high standards they deserve and to improve and refurbish this on an ongoing basis.
- o Continued to provide our residents with a range of amazing experiences through our 'Dream Activities' programme which is funded entirely by donations from individuals, organisations, and grant-making trusts and foundations.
- o Continued to assert our very clear belief that to place a Deaf person who uses BSL (British Sign Language) and who needs residential care, in a 'hearing' establishment is abusive.

Cultural Services and Facilities

- o Continued to provide premises for Deaf people to meet in Preston.
- o Continued to provide premises for Deaf people to meet in Lancaster.
- o Completed our research under the Equal Rights Equal Lives project, and published the report detailing the evidence-based outcomes of the project, detailing the needs of the D/deaf community following the reduction in provision for equal access and opportunity.
- o Commenced work with local service providers to raise awareness of the need for improvement of service provision for the Deaf community and to assist in removing the barriers that are in place.
- o Commenced involvement in Deaf sports, especially with younger Deaf people, with the aim of furthering our support within this field.

Sign Language and Deaf Awareness Training

- o Maintained our policy that all Deafway staff, unless they are already fluent in BSL, will undertake an in-house BSL course as part of their paid induction training as they start work at Deafway; taking a nationally recognised BSL Level 1 course after 3 months of employment followed by a nationally recognised BSL Level 2 course in work time around six months later.
- o Provided refresher training for existing staff and trustees, and full training for new staff and trustees, in respect of Deaf Awareness.
- o Continued to provide BSL (British Sign Language) and Deaf Awareness training to hearing individuals and organisations in Lancashire.

DEAFWAY

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

Overseas Projects

- o Continued our long-running support for the Shree Navajyoti primary school for Deaf children in Sindhuli, Nepal.
- o Continued our support for the 'Older Deaf and Vulnerable Persons' project in Kathmandu and the nearby town of Kirtipur.
- o Completed the rebuilding of classrooms, hostel and other buildings severely damaged by the earthquake of 2015 at the Shree Navajyoti school in Sindhuli, Nepal.
- o Commenced support opportunities (teacher's salary) with the Shree Jana Jyoti Namuna school in Nawalparasi, Nepal.
- o Re-established support with the Srijana Deaf Secondary school in Pokhara, Nepal, again assisting with repair works following the earthquake of 2015.
- o Continued to provide vital support to St. Anthony's School for Deaf children in Nkozi Uganda.
- o Built classrooms, recruited teachers and set up education for deaf children, in sign language, with opportunities for parents to learn sign language, in Yala, Kenya.

Arts and Heritage Projects and Activities

- o Continued the development of our work in the fields of Deaf Arts and Heritage.
- o Reviewed our Representations of BSL Arts project with the Harris Museum, looking to start this project in late-2018.
- o Gained European funding for our Erasmus+ programme to extend our highly successful Signed Voices Project in to a European Signed Voices Project working with partner Deaf organisations in Italy, Poland, Greece and Estonia.

General

- o Investigated opportunities for future partnership working with other local or Deaf charities.
- o Completed the employed our first ever apprentice, within the administration department, resulting in their appointment to a full-time role

FINANCIAL REVIEW

Performance

The statement of financial activities for the year is set out on page 10. The charity has net incoming resources this year of £113,871 (2017: net incoming resources of £33,726). The realised movement between the funds is summarised below:

	General funds	Designated funds	Restricted funds	Total funds
	£	£	£	£
Total income	2,108,056	189	119,332	2,227,577
Total expenditure	(1,963,745)	(20,869)	(125,711)	(2,110,325)
Gains/(losses) on investments	-	-	(3,381)	(3,381)
Gain/(losses) on revaluations	-	-	-	-
Transfers	(143,329)	143,329	-	-
	-----	-----	-----	-----
Net income/(expenditure)	982	122,649	(9,760)	113,871
	=====	=====	=====	=====

Fixed assets

The fixed assets are all used for direct charitable purposes. The movements in fixed assets during the year are shown in note 9 to the accounts.

A professional valuation of the property at Brockholes Brow, Preston, was undertaken in June 2017 by Garside Waddingham, Chartered Surveyors. The valuation for reinstatement purposes and insured value is £3,500,000. The property is shown in the accounts at its open market valuation of £625,000 valued by Garside Waddingham, Chartered Surveyors, also in July 2017.

Investment performance

At 31 March 2018 investments held had a market value of £173,769. Details are shown in note 10 to the accounts. £104,919 of the investments represents the Richard Bannister Trust, which is a fund invested to support activities for young deaf persons in relation to sports.

DEAFWAY

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

Investment policy and objectives

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.

Reserves policy

The trustees review the charity's requirements for reserves annually, in the light of the major risks facing the charity.

The trustees consider that in order to ensure the continuous provision of the charity's services, they require to maintain a contingency reserve equivalent to three months running costs.

At the year end this reserve stood at £419,817 which represents 2.4 months budgeted expenditure.

FUTURE PLANS

At the time of writing this, in addition to the above, we have/are also:-

- o Continued to take forward further support opportunities, working with the Deaf community in Yala, Kenya
- o Continued and commenced new discussions with other charities in order to initiate and expand on Partnership Working/Service Provision.
- o Continued our programme of attracting volunteers to support the work of the organisation.
- o Revised the staffing structure within residential services to offer an improved quality service for residents, improving staff development - aiming towards an 'Outstanding' rating with CQC.
- o Revised the structure of the fundraising and development department to streamline the roles leading to greater fundraising and income generation opportunities.
- o Employing our next apprentice, within the administration department, with the aim providing further apprenticeship opportunities in the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure

The Trustees who have served during the year are set out on page 5 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 believe that our Board of Trustees should be made up of a variety of people who bring a range of different visions, knowledge, experience and skills to the role. We are proud of the fact that a significant number of our Trustees are either themselves Deaf or have strong personal connections to the D/deaf community. We believe and state that all of our Trustees must understand and share Deafway's values, have the skills to contribute to Deafway in the role of Trustee and must also take an interest in our full range of work.

Management accounts and monthly reports from each department/service leader, and from the Chief Executive, are submitted to and discussed at our monthly Trustee meetings.

The day to day running of Deafway is entrusted to the Chief Executive and his leadership team. This team meets formally each month and informally each week.

The smaller strategic leadership team meets as and when necessary to discuss specific strategic issues.

The Chief Executive line manages the Care and Support Services manager, the Fundraising & Development manager, the Finance manager, the HR manager, the Maintenance manager and the Catering manager holding regular one-to-one supervision sessions with them. There are similar supervision arrangements in place within each service for all other managers and staff.

In addition, the Chair of Trustees holds off-site review sessions with the CEO on 2 or 3 occasions per year.

DEAFWAY

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees retain Peninsula Business Services Limited 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.

Financial sustainability is a major financial risk for the charity. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due, regular liaison with the bank, and active management of trade debtors and creditors balances to ensure sufficient working capital by the charity.

Attention has also been focussed on non-financial risks arising from fire, health and safety of residents, management of staff and food hygiene. These risks are managed by ensuring accreditation is up to date, having robust policies and procedures in place, and regular awareness and compliance training for staff working in these operational areas.

DEAFWAY

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04243198 (England and Wales)

Registered Charity number

1089918

Registered office

Brockholes Brow

Preston

Lancashire

PR2 5AL

Trustees

V Glover

- Appointed 11.06.18

R Eastwood

- Appointed 06.08.18

E C Ridley

- Appointed 04.12.17 Appointed Vice Chairperson 05.02.18

C P Mingay

H F Bentley

H J Gigg

- Sole Chairperson from 30.09.17 (formally joint Chairperson)

B S Donelly

J J Ward

M C Sumner

- Resigned 01.10.17 (formally joint Chairperson 23/11/16 resignation)

L Hodson

Chief Executive and Company Secretary

M J Greer

Finance Manager

M Donelly

Auditors

Cowgill Holloway LLP, Statutory Auditor

Regency House

45-53 Chorley New Road

Bolton

BL1 4QR

Bankers

National Westminster Bank plc

35 Fishergate

Preston

PR1 2AD

Insurance brokers

Arthur J. Gallagher & Co.

Temple Point

7th Floor

1 Temple Row

Birmingham

B2 5YB

Investment brokers

Hedley & Co

13b Winckley Square

Preston

DEAFWAY

REPORT OF THE TRUSTEES **for the Year Ended 31 March 2018**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Deafway for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They 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 so far as the trustees are aware:

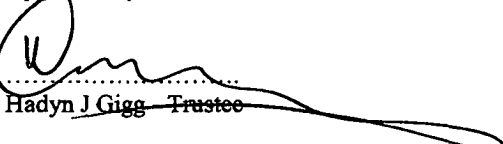
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Cowgill Holloway LLP, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 4/10/18 and signed on its behalf by:


Hadyn J Gigg - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DEAFWAY

Opinion

We have audited the financial statements of Deafway for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Accounts, the Balance Sheet, including a summary of significant accounting policies and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Sections 144 of the Charities Act 2011 and the regulations made under Section 154 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 any responsibility to anyone other than the charity or the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit. We have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statements, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of the auditor's report.

Cowgill Holloway LLP.

Cowgill Holloway LLP, Statutory Auditor
Regency House
45-53 Chorley New Road
Bolton
BL1 4QR

Date: 01/10/2018

DEAFWAY

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 General Funds £	2018 Designated Funds £	2018 Restricted Funds £	2018 Total Funds £	2017 Total Funds £
INCOME AND ENDOWMENTS FROM:						
Charitable activities						
- Services to D/deaf people		2,102,582	-	-	2,102,582	1,955,435
Donations and legacies:						
- Fundraising and appeals		-	-	115,145	115,145	114,039
- Use of facilities		370	-	-	370	288
- Legacies		-	-	-	-	-
- Donations	2	1,509	141	-	1,650	1,007
Investments	3	3,595	48	4,187	7,830	6,122
Total		2,108,056	189	119,332	2,227,577	2,076,891
EXPENDITURE ON:						
Charitable activities						
Fundraising costs		29,194	-	-	29,194	21,810
Use of facilities		2,237	-	-	2,237	3,475
Project expenditure and development costs		-	-	125,711	125,711	127,475
Services to D/deaf people		1,883,267	20,869	-	1,904,136	1,889,661
Governance costs		49,047	-	-	49,047	46,872
Total		1,963,745	20,869	125,711	2,110,325	2,089,293
Net gains/(losses) on investments		-	-	(3,381)	(3,381)	21,128
Net income/(expenditure)	5	144,311	(20,680)	(9,760)	113,871	8,726
Transfers between funds		(143,329)	143,329	-	-	-
Net movement in funds for the year before other recognised gains/(losses)		982	122,649	(9,760)	113,871	8,726
Other recognised gains and losses:						
Gains/(losses) on revaluation of:						
Land and buildings		-	-	-	-	25,000
Net movement in fund for the year		982	122,649	(9,760)	113,871	33,726
Total funds brought forward 1st April 2017		242,149	1,299,226	369,099	1,910,474	1,876,748
Total funds carried forward 31st March 2018		243,131	1,421,875	359,339	2,024,345	1,910,474

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities.

DEAFWAY**STATEMENT OF FINANCIAL ACTIVITIES - RESTRICTED FUNDS
FOR THE YEAR ENDED 31 MARCH 2018**

	Specific Development Projects £	Specific Appeals Projects £	Assets in Use Funds £	Property Repair Fund £	Richard Bannister Fund £	Restricted Funds 2018 £	Restricted Funds 2017 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies							
Development Projects	-	-	-	-	-	-	-
Appeals funding	-	115,145	-	-	-	115,145	114,039
Legacies	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-
Investment income and interest received	4,149	38	-	-	-	4,187	4,397
Total	4,149	115,183	-	-	-	119,332	118,436
EXPENDITURE ON:							
Charitable projects and development	750	122,068	2,872		21	125,711	127,475
Fundraising costs						-	-
Proportion of central management charge						-	-
Total	750	122,068	2,872	-	21	125,711	127,475
Net gains/(losses) on investments	-	-	-	-	(3,381)	(3,381)	10,758
Net income/(expenditure)	3,399	(6,885)	(2,872)	-	(3,402)	(9,760)	1,719
Transfers between funds	-	-	-	-	-	-	-
Net movement in fund for the year	3,399	(6,885)	(2,872)	-	(3,402)	(9,760)	1,719
Fund balances brought forward 1 April 2017	33,603	184,269	(2,154)	42,558	110,823	369,099	367,380
Fund balances carried forward 31 March 2018	37,002	177,384	(5,026)	42,558	107,421	359,339	369,099

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STATEMENT OF FINANCIAL ACTIVITIES - DESIGNATED FUNDS FOR THE YEAR ENDED 31 MARCH 2018

	Property £	Contingency Reserve £	Specific Development Projects £	Designated Funds 2018 £	Designated Funds 2017 £
INCOME AND ENDOWMENTS FROM:					
Donations and Legacies: Legacies	-	-	-	-	-
Donations	-	-	141	141	446
Investments	-	-	48	48	92
Total	-	-	189	189	538
EXPENDITURE ON:					
Charitable activities					
Services to D/deaf people	-	-	20,869	20,869	31,688
Development Costs	-	-	-	-	-
Governance Costs	-	-	-	-	-
Use of facilities	-	-	-	-	-
Proportion of central management charge	-	-	-	-	-
Total	-	-	20,869	20,869	31,688
Net income/(expenditure)	-	-	(20,680)	(20,680)	(31,150)
Transfers between funds	-	13,000	130,329	143,329	27,000
Net movement in fund for the year before other recognised gains/(losses)	-	13,000	109,649	122,649	(4,150)
Other recognised gains/(losses):					
Gains/(losses) on revaluation of:					
Land and buildings	-	-	-	-	25,000
Net movement in fund for the year	-	13,000	109,649	122,649	20,850
Fund balances brought forward 1 April 2017	725,000	406,817	167,409	1,299,226	1,278,376
Fund balances carried forward 31 March 2018	725,000	419,817	277,058	1,421,875	1,299,226

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STATEMENT OF FINANCIAL ACTIVITIES - GENERAL FUNDS FOR THE YEAR ENDED 31 MARCH 2018

		General Income £	Fundraising costs £	Governance costs £	Support costs £	Services to D/deaf People £	General Funds 2018 £	General Funds 2017 £
INCOME AND ENDOWMENTS FROM:								
Charitable Activities	Note							
		-	-	-	-	2,099,653	2,099,653	1,952,233
		-	-	-	-	2,099	2,099	1,738
	4	-	-	-	-	829	829	1,464
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Donations and Legacies		-	-	-	-	-	-	-
		-	-	-	1,509	-	1,509	561
Use of Facilities		-	-	-	-	160	160	26
		-	-	-	-	210	210	262
Investments		3,595	-	-	-	-	3,595	1,633
Total		3,595	-	-	1,509	2,102,952	2,108,056	1,957,917
EXPENDITURE ON:								
Charitable Activities		-	-	-	297,393	1,883,267	2,180,660	1,857,973
Services to D/deaf people		-	-	-	-	-	-	-
Development costs		-	28,419	-	-	775	29,194	21,810
Fundraising costs		-	-	49,047	-	-	49,047	46,872
Governance costs		-	-	-	-	2,237	2,237	3,475
Use of facilities		-	-	-	-	-	-	-
Proportion of support costs		-	-	-	(297,393)	-	(297,393)	-
Total		-	28,419	49,047	0	1,886,279	1,963,745	1,930,130
Net gains/(losses) on investments		-	-	-	-	-	-	10,370
Net income/(expenditure)		3,595	(28,419)	(49,047)	1,509	216,673	144,311	38,157
Transfers between funds							(143,329)	(27,000)
Net movement in fund for the year before other recognised gains/(losses)							982	11,157
Other gains and losses							-	-
Net movement in fund for the year							982	11,157
Fund balances brought forward 1 April 2017							242,149	230,992
Fund balances carried forward 31 March 2018							243,131	242,149

DEAFWAY

STATEMENT OF FINANCIAL ACTIVITIES - GENERAL FUNDS FOR THE YEAR ENDED 31 MARCH 2018

	Fundraising Costs £	Governance Costs £	Support Costs £	Services to D/deaf people £	General Funds 2018 £	General Funds 2017 £
EXPENDITURE ON:						
<u>Services to D/deaf people:</u>						
Employment costs	24,962	-	246,294	1,106,126	1,377,382	1,402,370
Sign language interpreting costs	-	-	-	10	10	262
Property and maintenance expenses	-	-	30,581	763,038	793,619	99,262
Loss on disposal of tangible fixed assets	-	-	-	-	-	2,750
Care costs	-	-	20,518	2,517	23,035	160,776
Cost of sales	-	-	-	10,191	10,191	12,614
Vehicle expenses	-	-	-	-	-	10,287
Development costs	-	-	-	775	775	620
Administration expenses	3,456	-	1	1,384	4,841	190,842
Total	28,419	-	297,393	1,884,042	2,209,854	1,879,783
<u>Governance costs:</u>						
Employment costs	-	29,109	-	-	29,109	27,844
Management and administration	-	19,938	-	-	19,938	19,028
Total	-	49,047	-	-	49,047	46,872
<u>Use of facilities:</u>						
Employment costs:	-	-	-	1,054	1,054	1,635
Property and maintenance costs	-	-	-	1,184	1,184	1,181
Cost of sales	-	-	-	-	-	-
Management and administration	-	-	-	-	-	659
Total	-	-	-	2,237	2,237	3,475

DEAFWAY

SPECIAL PROJECTS

FOR THE YEAR ENDED 31 MARCH 2018

Dept:	Project:	Balance at 01.04.17	Incoming Resources	Resources Expended	Project Transfers	Transfer from General	Transfer to Appeals	Balance at 31.03.18
General	Social club refurbishment	-	-	-	-	-	-	-
	Nepal Trek 2001 UK element	452	-	-	-	-	(452)	-
	Nepal Trek 2004 UK element	326	-	-	-	-	(326)	-
	Nepal Trek 2007 UK element	904	-	-	-	-	(904)	-
	Nepal Trek 2010 UK element	2,625	-	-	-	-	(2,625)	-
Development	Development - Deafway	190	-	-	-	-	-	190
	Embassy Development (pre-build)	417	-	-	-	-	-	417
	Embassy - Building donations	440	-	-	-	-	-	440
	Animateur	2,219	-	-	-	-	-	2,219
	Fundraising Post 2016	8,398	-	-	-	-	-	8,398
	Arts Projects - was SPIT (Signed Performance in Theatre)	3,000	-	-	(2,000)	-	-	1,000
	BSL Level 3 course -staff training	5,000	-	-	-	-	-	5,000
	Lancashire Museum Exhibition	317	-	-	-	-	-	317
	Interest Received	2,090	48	-	-	-	-	2,138
	Donations & Legacies	1,732	5	-	-	-	-	1,737
	IT Projects	325	-	(2,180)	2,000	-	-	145
Community	Children of Morecambe & Lancaster	1,333	-	-	-	-	-	1,333
	Youth Residential Feb-Mar 11	2,121	-	-	-	-	-	2,121
Nepal	Nepal General	4,338	-	-	-	-	(4,338)	-
Uganda	Uganda funds for Appeals	-	-	-	-	-	-	-
Residential Care	Marketing Costs	-	-	-	-	-	-	-
	Stephen Bannister House Future Years Reserves	51,159	-	(7,861)	-	-	-	43,298
	Activities Co-ordinator 2014-15	4,575	-	-	-	-	-	4,575
	Sensory Room	412	-	-	-	-	-	412
	HR Costs x 2 Managers ex employees	-	-	-	-	20,306	-	20,306
	Bathroom Refurbishment - RCH	-	-	-	-	22,000	-	22,000
	Compliance Officer (Temporary Position)	-	-	-	-	21,023	-	21,023
Sports	Sports Investment Legacy	29,709	4,149	(750)	-	-	-	33,108
General	Give As You Earn	239	141	-	-	-	-	380
General Repairs	Building Repairs	73,691	-	(10,828)	-	57,000	-	119,863
	Car park upgrade	5,000	-	-	-	10,000	-	15,000
Totals:		201,012	4,343	21,619	-	130,329	8,645	305,420

* Restricted

DEAFWAY
APPEALS FUNDS
FOR THE YEAR ENDED 31 MARCH 2018

	Project:	Balance at 01.04.17	Incoming Resources	Resources Expended	Contribution to cost of Fundraising	Project Transfers	Funds Transfers	Balance at 31.03.18
Community	Youth Development Officer	9,020	-	-	-	-	-	9,020
	BSL Theatre project	150	-	-	-	-	-	150
	Youth Activities	5,980	-	-	-	-	-	5,980
	Edinburgh Fringe Festival	2,791	-	-	-	-	-	2,791
	BSL Bursary	889	-	-	-	-	-	889
	Representations of BSL	25,790	-	(92)	-	-	-	25,698
	Equal Rights, Equal Lives	5,715	-	(5,715)	-	-	-	-
	Community Drop-In Sessions	4,129	6,698	(5,582)	(743)	-	-	4,502
	Lancashire Encounters	168	-	-	-	-	-	168
RCU	RCU General	255	-	(106)	-	-	-	149
	Residents IT Equipment	5	-	-	-	-	-	5
	Air Conditioning Units	628	-	-	-	-	-	628
	Dream Activities	5,809	8,444	(3,172)	(838)	(1,089)	-	9,154
	Art Room (St George's Day Event)	1,609	-	(412)	-	-	-	1,197
	Clients Holiday	694	-	-	-	-	-	694
	Wooden Gazebo	1,511	-	(1,958)	-	447	-	-
	Resient's Barcelona Holiday	4,223	-	(5,312)	-	1,089	-	-
	Hydrotherapy bath	-	1,500	-	(167)	-	-	1,333
General	General Use funds	16,071	806	(290)	(55)	(447)	-	16,085
	General - for Fundraising Events	592	-	-	-	-	-	592
	Interest Received	2,385	38	(412)	-	-	-	2,011
International	European signed voices	-	31,192	(500)	(3,462)	-	-	27,230
Nepal	Nepal General	6,897	7,814	(137)	(866)	(7,168)	-	6,540
	Older Persons Project	-	2,994	(15,611)	(332)	7,168	8,644	2,863
	Kathmandu Staff	2,645	3,500	(11,058)	(389)	5,301	1	-
	Pokhara School - Teachers Salaries	11,198	-	(4,061)	-	-	-	7,137
	NSL / NLP (8 regions project 2)	6,487	-	-	-	(5,301)	-	1,186
	Sindhuli School - 2nd project Year	14,192	8,233	(11,036)	(915)	-	-	10,474
	Sindhuli School Classrooms	1,675	-	-	-	-	-	1,675
	Student Sponsorship	461	-	-	-	-	-	461
	Nepal childrens clothing	-	10	-	(1)	-	-	9
	Nawalparasi School	-	1,128	(381)	(125)	-	-	622
	Nepal Earthquake Appeal - Schools	21,853	-	(9,852)	-	-	-	12,001
	Pokhara 1st floor of Hostel	1,096	-	(1,096)	-	-	-	-
	Sindhuli Kitchen or Playground	889	500	-	(56)	-	-	1,333
Kenya	Children	-	14,890	(8,548)	(1,652)	-	-	4,690
Uganda	School running costs	17,855	26,436	(27,327)	(2,934)	-	-	14,030
	Uganda School vehicle	1,860	-	-	-	-	-	1,860
	Solar panels - uganda	-	1,000	-	(111)	-	-	889
	Uganda Marathon fundraising	6,622	-	-	-	-	-	6,622
Site	Swimming pool roof	1,487	-	-	-	-	-	1,487
	Contribution towards salary costs	638	-	(9,410)	12,646	-	-	3,874
Totals:		184,269	115,183	(122,068)	(0)	-	8,645	186,029

The total future funds pledged are £4,000 to The Barbara Ward Children's Foundation, £13,289.99 to Erasmus Plus (British Council European Funding) and £1,000 to The Act Foundation.

It is Deafway policy that, if any project is overfunded, we will use excess funds to provide other services to D/deaf people in the UK and Overseas.

DEAFWAY

APPEALS FUNDS - DONATIONS

FOR THE YEAR ENDED 31ST MARCH 2018

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

	<u>£</u>
British Council European Funding	31,192
Casey Trust	10,890
The Allan & Nesta Ferguson Charitable Settlement	10,617
The Bain Charitable Trust	7,500
United Utilities Lancashire Community Fund	6,698
The Chrysalis Trust	6,000
Barbara Ward Childrens Foundation	4,000
The Souter Charitable Trust	3,630
The Chalk Cliff Trust	3,000
The Clara E Burges Charity	3,000
Rotary Club of Preston Guild	2,544
Anonymous	2,342
Leyland Trucks Helping Hand	2,000
Eleanor Rathborne Charitable Trust	1,500
The Hugh Symons Charitable Trust	1,500
The Skelton Bounty	1,500
Rotary Club of Preston Guild	1,466
The Fulmer Cahritable Trust	1,300
Brookfield Retail Ltd	1,000
The Duchy of Lancaster Benevolent Fund	1,000
The Fulmer Charitable Trust	1,000
The Paget Trust	1,000
The Rainford Trust	1,000
Skipton Building Society	894
The David Solomons Charitable Trust	750
Sherwood Primary School (Carwash Money)	719
Douglas Arter Foundation	500
The Bower Trust	500
The Dougious Heath Eves CT	500
The Lynn Founation	500
The Roger Raymond Charitable Trust No 2	500
The Rotary Club Of Preston	500
The Helianthus Charitable Trust	350
Bryan Lancaster Trust	300
The Rotary Club of Preston	300
The Sydney Black Charitable Trust	300
Donations under £300	2,891
Total Income for the year	<u><u>115,183</u></u>


DEAFWAY**BALANCE SHEET**

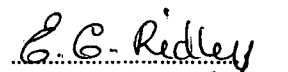
As at 31 March 2018

		Unrestricted funds	Designated funds	Restricted funds	31.3.18 Total funds	31.3.17 Total funds
	Notes	£	£	£	£	£
FIXED ASSETS						
Tangible assets	9	147,385	725,000	9,334	881,719	885,366
Investments	10	15,501	-	158,268	173,769	173,054
		162,886	725,000	167,602	1,055,488	1,058,420
CURRENT ASSETS						
Stocks	11	1,915	-	-	1,915	1,948
Debtors: amounts falling due within one year	12	334,270	-	-	334,270	159,581
Cash at bank		225,131	696,875	191,737	1,113,743	895,781
		561,316	696,875	191,737	1,449,928	1,057,310
CREDITORS						
Amounts falling due within one year	13	(481,071)	-	-	(481,071)	(205,256)
NET CURRENT ASSETS		80,245	696,875	191,737	968,857	852,054
TOTAL ASSETS LESS CURRENT LIABILITIES		243,131	1,421,875	359,339	2,024,345	1,910,474
NET ASSETS		243,131	1,421,875	359,339	2,024,345	1,910,474
FUNDS						
Unrestricted funds					243,131	242,149
Designated funds					1,421,875	1,299,226
Restricted funds					359,339	369,099
TOTAL FUNDS	15				2,024,345	1,910,474

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 11/10/2018 and were signed on its behalf by:


Hadyn J Gigg - Trustee


Elaine C Ridley - Trustee

Company Registration No. 04243198

DEAFWAY**CASH FLOW STATEMENT
for the Year Ended 31 March 2018**

	Notes	31.3.18 £	31.3.17 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>220,012</u>	<u>32,305</u>
Net cash provided by (used in) operating activities		<u>220,012</u>	<u>32,305</u>
Cash flows from investing activities:			
Purchase of fixed asset investments		(500)	(500)
Purchase of fixed assets		(9,380)	(16,266)
Interest received		3,680	1,687
Dividends received		<u>4,150</u>	<u>4,343</u>
Net cash provided by (used in) investing activities		<u>(2,050)</u>	<u>(10,736)</u>
Change in cash and cash equivalents in the reporting period		217,962	21,569
Cash and cash equivalents at the beginning of the reporting period		<u>895,781</u>	<u>874,212</u>
Cash and cash equivalents at the end of the reporting period		<u>1,113,743</u>	<u>895,781</u>

DEAFWAY**NOTES TO THE CASH FLOW STATEMENT**
for the Year Ended 31 March 2018**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.3.18 £	31.3.17 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	113,871	33,726
Adjustments for:		
Depreciation charges	29,062	13,768
Losses/(gain) on investments	(215)	(21,127)
Revaluation of fixed assets	-	(25,000)
Interest received	(3,680)	(1,687)
Dividends received	(4,150)	(4,343)
(Increase)/decrease in stocks	33	(396)
(Increase)/decrease in debtors	(174,689)	61,555
Increase/(decrease) in creditors	<u>275,815</u>	<u>(24,191)</u>
Net cash provided by (used in) operating activities	<u>220,012</u>	<u>32,305</u>

DEAFWAY

Notes to the Financial Statements **for the Year Ended 31 March 2018**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Assessment of going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Major income streams from residential care placements are expected to be maintained at their current level in future accounting periods while strong expenditure controls remain in place and the charity's cash flow continues to be healthy.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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 FINANCIAL STATEMENTS - CONTINUED **for the Year Ended 31 March 2018**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

Freehold property – Brockholes Brow	- not provided
Long leasehold – Lancaster	- not provided
Equipment and fittings	- 20% on cost and 6.66% on cost
Motor vehicles	- 20% on cost

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 has not been provided for on properties as it is the charity's policy to record properties at open market value. Properties are reviewed annually for any indication of impairment and it is the charity's practice to maintain these assets in a continual state of sound repair and to extend and make improvements thereto from time to time and, accordingly, the directors consider that the lives of these assets are so long, and residual values so high, that their depreciation is insignificant.

Investments

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

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Revaluation gains and losses

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

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.

DEAFWAY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED **for the Year Ended 31 March 2018**

1. ACCOUNTING POLICIES - continued

Pensions

The charity operates the Deafway Workplace Pension Scheme, an Auto-Enrolment scheme, the assets of which are held separately from those of the charity in Aviva plc. The costs of providing pension and related benefits is charged to the SOFA.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Financial instruments

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors and fixed asset investments.

Trade debtors and trade creditors are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Fixed asset investments are measured in accordance with the policy detailed previously.

Company status

The charity is a company limited by guarantee. The members of the company are the trustees named on page 5. 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.

2. DONATIONS

	31.3.18	31.3.17
	£	£
Face to face	141	335
Sundry donations and GAYE	<u>1,509</u>	<u>672</u>
	<u>1,650</u>	<u>1,007</u>

3. INVESTMENT INCOME

	31.3.18	31.3.17
	£	£
Dividends	4,150	4,343
Interest on cash deposits	<u>3,680</u>	<u>1,779</u>
	<u>7,830</u>	<u>6,122</u>

4. SERVICE LEVEL AGREEMENTS

	31.3.18	31.3.17
	£	£
Over 55s group	<u>829</u>	<u>1,464</u>

DEAFWAY**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2018**5. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31.3.18	31.3.17
	£	£
Depreciation - owned assets	29,062	16,266
Auditors' remuneration	<u>7,800</u>	<u>6,500</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2018 nor for the year ended 31 March 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2018 nor for the year ended 31 March 2017.

The cost of insurance to indemnify the trustees against the consequences of any neglect or default on their part amounted to £1,357 (2017: £825).

7. STAFF COSTS

	31.3.18	31.3.17
	£	£
Wages	1,421,776	1,435,332
Employer's National Insurance	82,815	89,792
Pension	<u>32,654</u>	<u>37,682</u>
	<u>1,537,245</u>	<u>1,562,806</u>

No members of staff (2017: Nil) received gross emoluments in excess of £60,000 during the year.

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

	31.3.18	31.3.17
Full time permanent	43	35
Part time permanent	9	15
Sessional	<u>18</u>	<u>20</u>
	<u>63</u>	<u>70</u>

The key management personnel of the charity comprise the Chief Executive, Finance manager, HR manager and Residential Care manager. The total remuneration of the key management personnel of the charity was £168,942 (2017: £172,442).

DEAFWAY**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2018**8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted and designated funds £	Total funds £
INCOME AND ENDOWMENTS FROM:			
Charitable activities			
Services to D/deaf people	1,955,435	-	1,955,435
Donations and legacies	849	114,485	115,334
Investments	1,633	4,489	6,122
Total	1,957,917	118,974	2,076,891
EXPENDITURE ON:			
Charitable activities			
Fundraising costs	21,810	-	21,810
Use of facilities	3,475	-	3,475
Project expenditure and development costs	-	127,475	127,475
Services to D/deaf people	1,857,973	31,688	1,889,661
Governance costs	46,872	-	46,872
Total	1,930,130	159,163	2,089,293
Net gains on investments	10,370	10,758	21,128
NET INCOME/(EXPENDITURE)	38,157	(29,431)	8,726
Transfers between funds	(27,000)	27,000	-
Net movement in funds for the year before Other recognised gains/(losses)	11,157	(2,431)	8,726
Other recognised gains and losses:			
Gains/(losses) on revaluation of:			
Land and buildings	-	25,000	25,000
Net movement in fund for the year	11,157	22,569	33,726
RECONCILIATION OF FUNDS			
Total funds brought forward	230,992	1,645,756	1,876,748
TOTAL FUNDS CARRIED FORWARD	242,149	1,668,325	1,910,474

DEAFWAY**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2018**9. TANGIBLE FIXED ASSETS**

	Brockholes Brow property £	Lancaster property £	Improvements to property £
COST OR VALUATION			
At 1 April 2017	625,000	100,000	76,766
Revaluations	-	-	-
Additions	-	-	-
As at 31 March 2018	<u>625,000</u>	<u>100,000</u>	<u>76,766</u>
DEPRECIATION			
At 1 April 2017	-	-	-
Charge for year	-	-	-
At 31 March 2018	-	-	-
NET BOOK VALUE			
At 31 March 2018	<u>625,000</u>	<u>100,000</u>	<u>76,766</u>
At 31 March 2017	<u>600,000</u>	<u>100,000</u>	<u>76,766</u>
	Equipment and fittings £	Motor vehicles £	Totals £
COST OR VALUATION			
At 1 April 2017	180,645	60,781	1,043,192
Revaluations	-	-	-
Additions	-	9,380	9,380
Disposals	-	(33,000)	(33,000)
As at 31 March 2018	<u>180,645</u>	<u>37,161</u>	<u>1,019,572</u>
DEPRECIATION			
At 1 April 2017	98,388	59,438	157,826
Charge for year	10,210	2,817	13,027
Disposals	-	(33,000)	(33,000)
At 31 March 2018	<u>108,598</u>	<u>29,255</u>	<u>137,853</u>
NET BOOK VALUE			
At 31 March 2018	<u>72,047</u>	<u>7,906</u>	<u>881,719</u>
At 31 March 2017	<u>82,257</u>	<u>1,343</u>	<u>885,366</u>

The leasehold property known as Brockholes Brow was revalued in July 2017 by Garside Waddingham, Chartered Surveyors, at £625,000. This valuation was an open market valuation with the benefit of vacant possession. The Trustees are not aware of any change in the valuation as at the balance sheet date.

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 Lancaster property has been valued by the Trustees, the Trustees are comfortable that the valuation is materially accurate at the balance sheet date.

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.

DEAFWAY**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2018**10. FIXED ASSET INVESTMENTS**

	Market value 2018 £	Cost 2018 £	Market value 2017 £	Cost 2017 £
UK Listed:				
General fund				
COIF 52.18 income units	742	230	729	230
HBOS Ordinary £1 shares	126	2,283	129	2,284
COIF 93.72 accumulation shares	14,633	10,000	13,287	9,500
Restricted fund				
COIF 356.97 accumulation shares	53,349	5,250	50,609	5,250
Richard Bannister Trust portfolio	<u>104,919</u>	<u>81,862</u>	<u>108,300</u>	<u>81,862</u>
	<u>173,769</u>	<u>99,625</u>	<u>173,054</u>	<u>99,126</u>
	Market value 1.4.17 £	Additions / (disposals) £	Gain/(loss) £	Market value 31.3.18 £
UK Listed:				
General fund				
COIF 52.18 income units	729	-	13	742
HBOS Ordinary £1 shares	129	-	(3)	126
COIF 93.72 accumulation shares	13,287	500	846	14,633
Restricted fund				
COIF 356.97 accumulation shares	50,609	-	2,740	53,349
Richard Bannister Trust portfolio	<u>108,300</u>	<u>-</u>	<u>(3,381)</u>	<u>104,919</u>
	<u>173,054</u>	<u>500</u>	<u>215</u>	<u>173,769</u>

11. STOCKS

	31.3.18 £	31.3.17 £
Stocks	<u>1,915</u>	<u>1,948</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.18 £	31.3.17 £
Trade debtors	309,088	126,177
Prepayments and accrued income	<u>25,182</u>	<u>33,404</u>
	<u>334,270</u>	<u>159,581</u>

DEAFWAY**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2018**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.18	31.3.17
	£	£
Trade creditors	83,049	54,108
Social security and other taxes	19,729	21,590
Other creditors	209,554	35,513
Accrued expenses	168,739	94,045
	<u>481,071</u>	<u>205,256</u>

14. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Other operating leases 31.3.18	31.3.17
	£	£
Expiring:		
Within one year	-	420
Between one and five years	2,693	4,123
In more than five years	-	-
	<u>2,693</u>	<u>4,543</u>

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.18	31.3.17
	£	£
Within one year	2,693	4,543
Between one and five years	4,815	7,508
In more than five years	-	-
	<u>7,508</u>	<u>12,051</u>

DEAFWAY**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**
for the Year Ended 31 March 2018**15. MOVEMENT IN FUNDS**

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted funds				
General fund	242,149	13,982	(13,000)	243,131
Designated funds				
Property fund	725,000	-	-	725,000
Contingency reserve	406,817	-	13,000	419,817
Specific development projects fund	<u>167,409</u>	<u>109,649</u>	-	<u>277,058</u>
TOTAL FUNDS	<u>1,299,226</u>	<u>109,649</u>	-	<u>1,421,875</u>
Restricted funds				
Specific development projects fund	33,603	3,399	-	37,002
Appeals fund	184,269	(6,885)	-	177,384
Assets in use	(2,154)	(2,872)	-	(5,026)
Richard Bannister project	110,823	(3,402)	-	107,421
Emergency property repair fund	<u>42,558</u>	<u>-</u>	<u>-</u>	<u>42,558</u>
	<u>369,099</u>	<u>(9,760)</u>	-	<u>359,339</u>
TOTAL FUNDS	<u>1,910,474</u>	<u>113,871</u>	-	<u>2,024,345</u>

Net movement in funds, included in the above are as follows:

	Income £	Expenditure £	Gains/(losses) on investments or revaluation of land & buildings £	Movement in funds £
Unrestricted funds				
General fund	2,108,056	(1,963,745)	-	144,311
Designated funds				
Property fund	-	-	-	-
Contingency reserve	-	-	-	-
Specific development projects fund	<u>189</u>	<u>(20,869)</u>	-	<u>(20,680)</u>
	189	(20,869)	-	(20,680)
Restricted funds				
Specific development projects fund	4,149	(750)	-	3,399
Appeals fund	115,183	(122,068)	-	(6,885)
Assets in use	-	(2,872)	-	(2,872)
Richard Bannister project	-	(21)	(3,381)	(3,402)
Emergency property repair fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>119,332</u>	<u>(125,711)</u>	<u>(3,381)</u>	<u>(9,760)</u>
TOTAL FUNDS	<u>2,227,577</u>	<u>(2,110,325)</u>	<u>(3,381)</u>	<u>113,781</u>

DEAFWAY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the Year Ended 31 March 2018

15. MOVEMENT IN 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 Property known as Brockholes Brow as included in Tangible Fixed Assets and also a lease on a property in Lancaster.

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 its service provision.

Development Projects Fund

This fund represents the charity's commitment to both specific and general future development of the organisation and the services provided. This fund is made up of numerous projects.

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.

16. CAPITAL COMMITMENTS

There were no capital commitments at the year end.

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2018.

18. ULTIMATE CONTROLLING PARTY

The charity was controlled by the Board of Trustees throughout the year under review.