

Company registration number: 02868934

Charity registration number: 1040801

Nottinghamshire Deaf Society

known as

NDS

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

Community Accounting Plus
Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

Nottinghamshire Deaf Society

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Reference and Administrative Details

Trustees	Tim Hastings, Chair John Leslie Townend Lindsey Harrison-Grimes Anne Darby Carol Grace Simon Peacock Kirstin Greenhill Philip Clarke Stuart Robinson
Senior Management Team	Will Burchell, Chief Executive
Charity Registration Number	1040801
Company Registration Number	02868934
Registered Office	22 Forest Road West Nottingham NG7 4EQ
Independent Examiner	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

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Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2023.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Tim Hastings, Chair
	John Leslie Townend
	Lindsey Harrison-Grimes
	Anne Darby
	Carol Grace
	Simon Peacock
	Kirstin Greenhill
	Philip Clarke (appointed 22 December 2022)
	Stuart Robinson (appointed 11 November 2022)

Structure, governance and management

Nature of governing document

Memorandum and Articles of Association incorporated 4 November 1993 as amended 29 September 2010 and registered at Companies House 5 January 2011.

Nottinghamshire Deaf Society is a company limited by guarantee governed by its Memorandum and Articles of Association, as above. The company commenced activities on 1st January 1995. It took over all the assets and activities of the unincorporated Nottingham and Nottinghamshire Society for the Deaf, which had been in existence since 1890. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member of the Company and there are currently 28, each whom agree to contribute £1 in the event of the charity winding up. Each member has one vote and the rights and privileges of members cannot be transferred.

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Trustees' Report

Recruitment and appointment of trustees

As set out in the Articles of Association, Directors of the company cannot number less than three, or (unless otherwise determined by a General Meeting) more than ten. The Directors (who are the Trustees of the Charity) shall nominate the Chair of the Directors. The Directors have the power to appoint any person to be a member of the Board of Directors, either to fill a casual vacancy or add to the existing Committee, up to the determined maximum number.

The Board of Directors may therefore wish to co-opt Company Members or other persons who possess the necessary skills and knowledge required by the Board. All co-opted Directors will be subject to nomination and election at the following AGM.

All Company Members are circulated details of retiring Directors and newly-proposed Directors prior to the AGM. Every newly-proposed Director, and every Director seeking re-election, is required to prepare and present information about his or her background, experience and reasons for wanting to be a Director of the Charity.

Achievements and performance

Cost of Living Crisis

The impact of the cost-of-living crisis on charities was significant, and Nottinghamshire Deaf Society was no exception. Following the end of the COVID-19 pandemic, all of NDS' services and staff returned to work at the charities base in Nottingham. The cost associated with the running of the building remained challenging throughout the reporting period.

Provision of Services and Activities for Deaf People

NDS provided a wide range of communication support, including BSL/English interpreting and lip-speaking. During 2022/23 we undertook 3,939 face to face and remote communication service assignments. In total we have provided over 9,000 hours of BSL/English interpretation. As the COVID-19 pandemic ended, drop in duty time sessions returned to our building and were held around Nottinghamshire. Interpreting services were provided to different individuals and organisations through fixed contracts, Access to Work and ad hoc spot purchasing.

NDS offered training programmes in support of deaf awareness and hearing loss. Our training was provided by deaf tutors, in keeping with our vision of enabling deaf people to participate fully in society. It is also acknowledged that this approach delivers a greater impact to a 'hearing' audience. In 2022/23 NDS delivered 45 Deaf Awareness and BSL training sessions to a range of corporate and statutory partners. During the period we offered 8 lip-reading courses.

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Trustees' Report

NDS continued to provide BSL courses accredited by Signature (the awarding body for BSL qualifications) to fee-paying students. 113 students participated in ten BSL courses at Level 1, 2 or 3. We also delivered four BSL taster sessions.

NDS has a role to facilitate consultation between deaf people and commissioning organisations, representing the views and needs of deaf people on various committees across the City and County of Nottinghamshire.

NDS provided a Deaf Welfare Rights and Information service that is delivered by deaf staff using BSL. This service is funded by contracts from Nottinghamshire County Council, and in Nottingham City as part of a preventative services grant led by Nottingham Citizens Advice Nottingham and District. In 2022/23 we handled 590 cases in Nottingham City and Nottinghamshire through this service raising over £295,000 of welfare benefits. In addition 25 individuals were supported by our Deaf Community Link Worker in Nottinghamshire to access support and information.

In 22/23 we had four active volunteers who delivered a total of 245 hours of befriending activity to the deaf community.

Activity in the building returned to normal levels with deaf social groups returning to the building.

In addition to the provision of quality services, projects and activities as described above, the Board would like to highlight the following areas of activity:

Governance

The Board of Trustees continue to meet bi-monthly, supported by two sub groups: One focused on Finance and the second on Risk and Human Resources. The sub groups meet at least quarterly to consider relevant areas in detail in order to report back their recommendations to the board.

The Annual General Meeting was held in person on 12th October 2022.

During the year the board was pleased to welcome two new trustees, both with personal experience of hearing loss. The board would like to attract more deaf and hard of hearing Trustees, including those who use BSL as their first language. The Board have been continued to engage with the local deaf community to explain the role of Company membership with the aim of increasing engagement with the Charity and targeting suitable members as potential Trustees. To aid this, bi-monthly Company Members meetings were held and saw increasing attendance over the period.

Fundraising

The Charity is very grateful to all of its supporters and funders. In the financial year to March 2023, we received generous grants and donations totalling £78,802

Workforce

The Board recognises and give thanks for the ongoing work and commitment by the staff team in what was and continues to be challenging times. The Charity continues to benefit from the professionalism and expertise present in the staff team. Their willingness to continue to support service users, beneficiaries and the wider community is second to none.

The Trustees would also like to place on record its thanks for the many volunteers who gave their time willingly and freely in support of the deaf community and those with hearing loss during the period.

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Financial Review

Financial position at the end of period

Income for the year was £755,890 (2022: £693,476). Expenditure for the same period was £867,176 (2022: £740,764) giving an operating deficit of £111,744 (2022: £40,085). After gains/losses on investment assets and other recognised gains/losses, the net income for the period was £1,286,644 (2022:£129,915).

Investment Policy

The Trustees have the power to invest in such assets as they see fit. The board have considered the current investments and consider them to be suitable for our current plans and risk profile.

Reserves Policy

This policy should be seen as part of the financial management of the Charity. It forms one of the bases for the budget process. It is not sufficient to leave the level of Reserves to chance. The Charity needs to clarify its needs with regard to Reserves and have a clear policy to ensure those needs are met.

Reserves are required for the following reasons:

- Cash Flow Management: The charity receives income from multiple sources and each has different systems for payment. Funding which is in arrears or simply late, must be covered from Reserves. While the expenditure of the charity is fairly predictable, fluctuations in expenditure may not coincide with fluctuations in income.
- Unexpected expenditure or changes in funding: The Charity is particularly vulnerable to cuts in statutory funding and in variability of service provision. Sudden cuts will leave the Charity with commitments to honour - not least contracts of employment and agreements to provide services.
- To enable Trustees to meet their legal obligations: The lack of sufficient Reserves would indicate the failure of the Trustees of the Charity to honour their duty under charity law to manage the finances of the charity 'prudently'.

It is the policy of the Charity that free cash reserves (unrestricted funds that have not been designated or restricted for a specific purpose) should be maintained at a level equivalent to a 50% reduction in total income over a four-month period. Based on current projected expenditure this is £115,000.

The Trustees consider that reserves at this level will ensure that in the event of a significant drop in funding they will be able to continue the Charity's current activities while consideration is given to raising additional funds or reducing expenditure. This is a minimum required level and in the long term the Charity aims to have uncommitted reserves equivalent to between three and six months average expenditure.

At the end of the period, the free cash reserves (total unrestricted net assets less tangible fixed assets) were £83,003 against a target level of £115,000. (Investments identified in Note 14 to the accounts are accessible within three working days and so are considered cash like.)

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Pension Liability

The pension liability for the Charity is represented by the share of the Nottinghamshire County Council Local Government Pension Scheme (the Scheme) which is a defined benefit pension liability. The Scheme relates to fourteen past and current employees of NDS who qualified to receive a pension from the Scheme. Entry to the Scheme closed in 2002 and as at 31st March 2019, there is one active member, seven pensioners (average age of 71) and six deferred pensioners (average age of 54) who had previously worked for the Charity.

The net defined benefit liability at 31st March 2023 is £122,000 (2022: £893,000).

Total funds excluding the pension liability amount to £951,493 (2022: £435,849) but are in surplus by £829,493 (2022: deficit £457,151) after the liability is included.

In 2019 the Board reviewed the risk profile of the Scheme after considering what would happen if there were no longer any Active members of the Scheme. The Charity would not be able to leave the scheme without a substantial cessation cost. Therefore the Board resolved that the Charity should remain in the scheme, continuing the policy of new admissions but ensure that a single active member should remain to avoid this situation. Should the active member leave the scheme a plan is in place to maintain our membership. Otherwise the Board is satisfied that provided the Charity maintains membership of the Scheme the risk to the Charity is limited to the potential increased cost of contributions. The next valuation will be at 31st March 2024. Contributions will not be reviewed before that time.

The charity provides a Defined Contribution scheme for employees who are automatically enrolled in line with the requirements of the auto enrolment workplace pension scheme.

Going Concern

The Board continue to adopt going concern principles in the financial statements.

Financial Risks

After considering the main financial risks to the organisation in the current and future financial years the following are identified:

- Loss or non-renewal of a major grant or contract.
- Increased operating costs due to labour shortages
- Increased operating costs related to building

The Finance Sub-Committee of the board continues to review financial performance and the above risks.

The Charity retained a comprehensive suite of insurances to cover for all foreseeable eventualities including Business Interruption cover.

Future performance

The Board continues to monitor the financial performance and cash position. While there is significant uncertainty about long term financial performance, the security of contracts and reliability of the majority of our income provides a solid foundation.

Based on current assumptions and taking into account funding awarded to date, the projection for the year ahead shows an operating deficit in line with the previous year.

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Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Nottinghamshire Deaf Society for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on and signed on its behalf by:

.....
Tim Hastings
Trustee

Nottinghamshire Deaf Society

known as NDS

Independent Examiner's Report to the trustees of Nottinghamshire Deaf Society ('the Company')

Independent examiner's report to the trustees of Nottinghamshire Deaf Society ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member and Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
John O'Brien MSc, FAIA, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

Date:.....

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Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Pension reserve fund £	Total 2023 £	Total 2022 £
Income and Endowments from:						
Donations and legacies	2	36,955	-	-	36,955	35,837
Charitable activities	3	659,627	53,097	-	712,724	632,782
Other trading activities	5	-	-	-	-	24,840
Investment income	6	6,211	-	-	6,211	17
Total Income		<u>702,793</u>	<u>53,097</u>	<u>-</u>	<u>755,890</u>	<u>693,476</u>
Expenditure on:						
Charitable activities	7	(788,550)	(42,626)	(36,000)	(867,176)	(740,764)
Total Expenditure		(788,550)	(42,626)	(36,000)	(867,176)	(740,764)
Gains/losses on investment assets		(458)	-	-	(458)	7,203
Net (expenditure)/income		(86,215)	10,471	(36,000)	(111,744)	(40,085)
Transfers between funds		10,471	(10,471)	-	-	-
Other recognised gains and losses						
Gains/losses on revaluation of fixed assets		591,388	-	-	591,388	-
Actuarial gains on defined benefit pension schemes		-	-	807,000	807,000	170,000
Net movement in funds		515,644	-	771,000	1,286,644	129,915
Reconciliation of funds						
Total funds brought forward		425,464	10,385	(893,000)	(457,151)	(587,066)
Total funds carried forward	17	<u>941,108</u>	<u>10,385</u>	<u>(122,000)</u>	<u>829,493</u>	<u>(457,151)</u>

The notes on pages 14 to 29 form an integral part of these financial statements.

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Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted £	Restricted £	Pension reserve fund £	Total 2022 £
Income and Endowments from:					
Donations and legacies	2	35,837	-	-	35,837
Charitable activities	3	608,072	24,710	-	632,782
Other trading activities	5	24,840	-	-	24,840
Investment income	6	17	-	-	17
Total Income		<u>668,766</u>	<u>24,710</u>	<u>-</u>	<u>693,476</u>
Expenditure on:					
Charitable activities	7	<u>(686,299)</u>	<u>(16,465)</u>	<u>(38,000)</u>	<u>(740,764)</u>
Total Expenditure		<u>(686,299)</u>	<u>(16,465)</u>	<u>(38,000)</u>	<u>(740,764)</u>
Gains/losses on investment assets		<u>7,203</u>	<u>-</u>	<u>-</u>	<u>7,203</u>
Net (expenditure)/income		<u>(10,330)</u>	<u>8,245</u>	<u>(38,000)</u>	<u>(40,085)</u>
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes		<u>-</u>	<u>-</u>	<u>170,000</u>	<u>170,000</u>
Net movement in funds		<u>(10,330)</u>	<u>8,245</u>	<u>132,000</u>	<u>129,915</u>
Reconciliation of funds					
Total funds brought forward		<u>435,794</u>	<u>2,140</u>	<u>(1,025,000)</u>	<u>(587,066)</u>
Total funds carried forward	17	<u><u>425,464</u></u>	<u><u>10,385</u></u>	<u><u>(893,000)</u></u>	<u><u>(457,151)</u></u>

The notes on pages 14 to 29 form an integral part of these financial statements.

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(Registration number: 02868934)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	10	858,106	294,692
Investments	23	<u>63,845</u>	<u>64,303</u>
		<u>921,951</u>	<u>358,995</u>
Current assets			
Debtors	11	85,748	68,972
Cash at bank and in hand	12	<u>109,421</u>	<u>142,315</u>
		195,169	211,287
Creditors: Amounts falling due within one year	13	<u>(127,323)</u>	<u>(90,537)</u>
Net current assets		<u>67,846</u>	<u>120,750</u>
Total assets less current liabilities		989,797	479,745
Creditors: Amounts falling due after more than one year	14	<u>(38,304)</u>	<u>(43,896)</u>
Net assets excluding pension liability		951,493	435,849
Pension scheme liability	15	<u>(122,000)</u>	<u>(893,000)</u>
Net assets/(liabilities) including pension liability		<u>829,493</u>	<u>(457,151)</u>
Funds of the charity:			
Pension Reserve		<u>(122,000)</u>	<u>(893,000)</u>
Restricted income funds			
Restricted funds	17	10,385	10,385
Unrestricted income funds			
Unrestricted funds		349,720	425,464
Revaluation reserve		<u>591,388</u>	<u>-</u>
Total unrestricted funds		<u>941,108</u>	<u>425,464</u>
Total funds	17	<u>829,493</u>	<u>(457,151)</u>

The notes on pages 14 to 29 form an integral part of these financial statements.

Nottinghamshire Deaf Society

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**(Registration number: 02868934)
Balance Sheet as at 31 March 2023**

For the financial year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

The financial statements on pages 9 to 29 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Tim Hastings
Trustee

The notes on pages 14 to 29 form an integral part of these financial statements.

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Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		695,256	129,915
Adjustments to cash flows from non-cash items			
Depreciation		27,974	18,092
Investment income	6	(6,211)	(17)
Actuarial gains on defined benefit pension schemes		(807,000)	(170,000)
Permanent Funds - Resources expended		36,000	38,000
General Funds - Other recognised gains/losses		458	(7,203)
		<u>(53,523)</u>	<u>8,787</u>
Working capital adjustments			
(Increase)/decrease in debtors	11	(16,776)	18,606
Increase/(decrease) in creditors	13	36,838	(12,997)
Net cash flows from operating activities		<u>(33,461)</u>	<u>14,396</u>
Cash flows from investing activities			
Interest receivable and similar income	6	6,211	17
Purchase of tangible fixed assets	10	-	(14,737)
Net cash flows from investing activities		6,211	(14,720)
Cash flows from financing activities			
Loans and borrowings	13	(5,644)	(629)
Net decrease in cash and cash equivalents		(32,894)	(953)
Cash and cash equivalents at 1 April		<u>142,315</u>	<u>143,268</u>
Cash and cash equivalents at 31 March		<u>109,421</u>	<u>142,315</u>
Reconciliation of net cash flow to movement in net funds			
Decrease in cash		(32,894)	(953)
Net funds at 1 April 2022		<u>142,315</u>	<u>143,268</u>
Net funds at 31 March 2023		<u>109,421</u>	<u>142,315</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 14 to 29 form an integral part of these financial statements.

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Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Nottinghamshire Deaf Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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Notes to the Financial Statements for the Year Ended 31 March 2023

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Buildings	2% straight line
IT & Office equipment	33% straight line
Fixtures & fittings	10% straight line

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Notes to the Financial Statements for the Year Ended 31 March 2023

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

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Notes to the Financial Statements for the Year Ended 31 March 2023

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

The charity also operates a defined benefit pension scheme. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

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Notes to the Financial Statements for the Year Ended 31 March 2023

2 Income from donations and legacies

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Donations and legacies;			
Donations from individuals	18,765	18,765	13,249
Legacies	-	-	16,063
Grants, including capital grants;			
Government grants	8,190	8,190	3,925
Grants from other charities	9,000	9,000	2,600
Grants from companies	1,000	1,000	-
	<u>36,955</u>	<u>36,955</u>	<u>35,837</u>

3 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Interpreting fees	294,419	-	294,419	296,331
Training fees	84,907	-	84,907	62,555
Contracts	223,500	11,250	234,750	248,720
Grants	37,233	41,847	79,080	24,710
Sundry receipts	19,568	-	19,568	466
	<u>659,627</u>	<u>53,097</u>	<u>712,724</u>	<u>632,782</u>

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Notes to the Financial Statements for the Year Ended 31 March 2023

4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
J N Derbyshire Trust	-	667	667
City/NCVS Isolation Covid Grant 22-23	8,190	-	8,190
Jessie Spencer Trust	-	1,667	1,667
Arnold Clark Autos	1,000	-	1,000
Asda Foundation	-	650	650
N & D Talking Newspaper	9,000	-	9,000
Nottingham City Council	-	6,000	6,000
Sign Health	-	999	999
Screw Fix Foundation	-	5,000	5,000
Charlies Aid Foundation	-	4,290	4,290
Welfare Rights (CAB)	-	16,220	16,220
National Lottery Community Fund	-	4,104	4,104
Sundry	18,765	2,250	21,015
	<u>36,955</u>	<u>41,847</u>	<u>78,802</u>

5 Income from other trading activities

	Total 2023 £	Total 2022 £
Trading income;		
Other trading income	-	24,840
	<u>-</u>	<u>24,840</u>

6 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	6,211	6,211	17
	<u>6,211</u>	<u>6,211</u>	<u>17</u>

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Notes to the Financial Statements for the Year Ended 31 March 2023

7 Expenditure on charitable activities

	General funds £	Restricted £	Pension fund £	Total 2023 £	Total 2022 £
Wages, NI & pensions	575,214	35,358	-	610,572	498,234
Recognised pension costs (FRS102)	-	-	36,000	36,000	38,000
Travel & expenses	-	-	-	-	9,899
Freelance interpreting	80,834	-	-	80,834	107,776
Other staff costs	-	-	-	-	6,604
Volunteer Expenses	-	-	-	-	2,149
Training	-	-	-	-	704
Payroll & bookkeeping	1,513	-	-	1,513	1,379
Legal & professional fees	3,616	-	-	3,616	2,175
Other finance costs	9,208	-	-	9,208	2,309
Telephone & internet	1,826	507	-	2,333	2,206
Office consumables & equipment	5,048	84	-	5,132	1,972
Licences & maintenance	6,240	260	-	6,500	5,463
Fees & subscriptions	2,062	-	-	2,062	1,600
Cleaning	1,738	-	-	1,738	2,250
Building maintenance & repairs	7,660	5,000	-	12,660	8,572
Utilities	16,737	-	-	16,737	9,310
Insurance	11,549	-	-	11,549	8,209
Building consumables & equipment	1,629	-	-	1,629	2,046
Catering & refreshments	-	-	-	-	35
Project costs	15,391	1,221	-	16,612	8,878
Advertising & marketing	482	196	-	678	608
Sundry expenses	19,829	-	-	19,829	2,152
Bad debts	-	-	-	-	142
Depreciation	27,974	-	-	27,974	18,092
	<u>788,550</u>	<u>42,626</u>	<u>36,000</u>	<u>867,176</u>	<u>740,764</u>

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Notes to the Financial Statements for the Year Ended 31 March 2023

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2023	2022
	£	£
Depreciation of fixed assets	<u>27,974</u>	<u>18,092</u>

9 Staff costs

The aggregate payroll costs were as follows:

	2023	2022
	£	£
Staff costs during the year were:		
Wages and salaries	547,621	446,595
Social security costs	41,957	32,599
Pension costs	20,994	19,040
FRS Costs	<u>36,000</u>	<u>38,000</u>
	<u>646,572</u>	<u>536,234</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2023	2022
	No	No
Average number of employees	<u>26</u>	<u>23</u>

21 (2022 - 18) of the above employees participated in the Defined Contribution Pension Schemes.

1 (2022 - 1) of the above employees participated in the Defined Benefit Pension Schemes.

Contributions to the employee pension schemes for the year totalled £20,994 (2022 - £19,040).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £58,350 (2022 - £47,509).

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Notes to the Financial Statements for the Year Ended 31 March 2023

10 Tangible fixed assets

	Buildings £	IT & Office equipment £	Fixtures & fittings £	Total £
Cost				
At 1 April 2022	582,616	171,891	143,775	898,282
Revaluations	591,388	-	-	591,388
At 31 March 2023	1,174,004	171,891	143,775	1,489,670
Depreciation				
At 1 April 2022	312,351	160,957	130,282	603,590
Charge for the year	23,480	2,903	1,591	27,974
At 31 March 2023	335,831	163,860	131,873	631,564
Net book value				
At 31 March 2023	838,173	8,031	11,902	858,106
At 31 March 2022	270,265	10,934	13,493	294,692

11 Debtors

	2023 £	2022 £
Trade debtors	76,904	66,708
Prepayments	8,844	2,264
	85,748	68,972

12 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	76	89
Cash at bank	109,345	142,226
	109,421	142,315

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Notes to the Financial Statements for the Year Ended 31 March 2023

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	5,423	5,475
Trade creditors	33,580	19,838
Other taxation and social security	38,474	32,441
Accruals	49,846	32,783
	<u>127,323</u>	<u>90,537</u>

Bank borrowings

Nat West Bounce Bank Loan is denominated in Sterling with a nominal interest rate of 0% (2022 - 2%), and the final instalment is due on 10 July 2030. The carrying amount at yearend is £43,896 (2022 - £49,371).

Repayments commenced 10th February 2022. Prior to this date, interest only was charged of £613.40. Thereafter the effective interest rate is 2.15%. Repayments will be at £544.63 per month, ending 10th July 2030.

14 Creditors: amounts falling due after one year

	2023	2022
	£	£
Bank loans	<u>38,304</u>	<u>43,896</u>

15 Pension and other schemes

Defined benefit pension schemes

Nottinghamshire County Council Pension Fund

The charity participates in the Nottinghamshire County Council Pension Fund, a multi-employer defined benefit final salary scheme. The scheme is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 2013. The administering authority for the Fund is Nottinghamshire County Council.

Contributions to the scheme are determined with advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method.

The date of the most recent comprehensive actuarial valuation was 31 March 2022. In accordance with Financial Reporting Standard 102 (FRS 102), the actuaries have undertaken a valuation of the assets and liabilities of the scheme at 31 March 2023. Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method. The "present value of scheme liabilities" has been arrived at by projecting the results of the last full valuation as at 31 March 2022 forward to 31 March 2023.

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The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was 36,000 (2022 - £38,000).

The total cost relating to defined benefit schemes for the year included in the cost of an asset was £nil (2022: £nil).

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2023	2022
	£	£
Fair value of scheme assets	1,262,000	1,558,000
Present value of defined benefit obligation	<u>(1,384,000)</u>	<u>(2,451,000)</u>
Defined benefit pension scheme deficit	<u>(122,000)</u>	<u>(893,000)</u>

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2023
	£
Present value at start of year	2,451,000
Current service cost	12,000
Interest cost	63,000
Actuarial gains and losses	(824,000)
Foreign exchange differences	(276,000)
Benefits paid	(44,000)
Contributions by scheme participants	<u>2,000</u>
Present value at end of year	<u>1,384,000</u>

Fair value of scheme assets

Changes in the fair value of scheme assets are as follows:

	2023
	£
Fair value at start of year	1,558,000
Interest income	40,000
Return on plan assets, excluding amounts included in interest income/(expense)	(72,000)
Actuarial gains and losses	(230,000)
Employer contributions	9,000
Contributions by scheme participants	2,000
Benefits paid	(44,000)
Administration expenses	<u>(1,000)</u>
Fair value at end of year	<u>1,262,000</u>

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Notes to the Financial Statements for the Year Ended 31 March 2023

Analysis of assets

The major categories of scheme assets are as follows:

	2023	2022
	£	£
Cash and cash equivalents	66,000	87,000
Equity instruments	782,000	944,000
Debt instruments	101,000	152,000
Property	150,000	200,000
Investment funds	163,000	175,000
	<u>1,262,000</u>	<u>1,558,000</u>

Return on scheme assets

	2023	2022
	£	£
Return on scheme assets	<u>(32,000)</u>	<u>118,000</u>

The pension scheme has not invested in any of the charity's own financial instruments or in properties or other assets used by the charity.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2023	2022
	%	%
Discount rate	4.80	2.60
Future salary increases	3.90	4.30
Future pension increases	<u>2.90</u>	<u>3.30</u>

Post retirement mortality assumptions

	2023	2022
	Years	Years
Current UK pensioners at retirement age - male	21.00	22.00
Current UK pensioners at retirement age - female	24.00	24.00
Future UK pensioners at retirement age - male	22.00	23.00
Future UK pensioners at retirement age - female	<u>25.00</u>	<u>26.00</u>

16 Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the Members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

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Notes to the Financial Statements for the Year Ended 31 March 2023

17 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2023 £
Unrestricted funds						
<i>General</i>						
General fund	425,464	702,793	(788,550)	10,471	(458)	349,720
Restricted funds						
Community space improvements	1,529	-	-	-	-	1,529
Community Centre	8,856	-	-	-	-	8,856
Deaf Employment Support Service	-	2,333	(1,656)	(677)	-	-
Deaf Men's Wellbeing Group	-	4,104	(337)	(3,767)	-	-
Covid Self Isolation Support Grant	-	18,015	(14,300)	(3,715)	-	-
Screwfix Fund	-	5,000	(5,000)	-	-	-
Western Power (management & tutors)	-	23,645	(21,333)	(2,312)	-	-
Total restricted funds	10,385	53,097	(42,626)	(10,471)	-	10,385
<i>Other funds</i>						
Pension reserve	(893,000)	-	(36,000)	-	807,000	(122,000)
Revaluation reserve	-	-	-	-	591,388	591,388
Total funds	<u>(457,151)</u>	<u>755,890</u>	<u>(867,176)</u>	<u>-</u>	<u>1,397,930</u>	<u>829,493</u>

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Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2022 £
Unrestricted funds					
<i>General</i>					
General fund	435,794	668,766	(686,299)	7,203	425,464
Restricted					
Community space improvements	2,140	310	(921)	-	1,529
Community Centre	-	24,400	(15,544)	-	8,856
Total restricted funds	2,140	24,710	(16,465)	-	10,385
Endowment funds					
<i>Permanent</i>					
Pension reserve	(1,025,000)	-	(38,000)	170,000	(893,000)
Total funds	(587,066)	693,476	(740,764)	177,203	(457,151)

The specific purposes for which the funds are to be applied are as follows:

Deaf Employment Support Service (with funding from Jessie Spencer Trust , JN Derbyshire Trust)
Funding to deliver support to deaf and hard of hearing individuals to enable them to overcome barriers to finding and retaining employment.

Covid Self Isolation Support Grant (funding administered by NCVS)
Funding to enable members of the deaf community to understand their responsibilities around self-isolation and to self-isolate safely.

Deaf Men's Wellbeing Group (National Lottery Community Fund)
Funding to establish and run a user-led peer support group for deaf men experiencing loneliness, isolation or challenges with their mental health.

Screwfix Fund
Funding to improve the emergency lighting around the building to provide a safer environment to staff and members of the deaf community.

North Nottinghamshire Lipreading Classes (Western Power)
Funding to provide free of charge Lipreading classes to hard of hearing residents residing in North Nottinghamshire.

The transfer from the restricted funds to the General fund is to cover management and support costs.

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Notes to the Financial Statements for the Year Ended 31 March 2023

18 Analysis of net assets between funds

	Unrestricted		Pension fund reserve £	Revaluation reserve £	Total funds £
	General £	Restricted £			
Tangible fixed assets	266,718	-	-	591,388	858,106
Fixed asset investments	63,845	-	-	-	63,845
Current assets	184,784	10,385	-	-	195,169
Current liabilities	(127,323)	-	-	-	(127,323)
Creditors over 1 year	(38,304)	-	-	-	(38,304)
Pension scheme liability	-	-	(122,000)	-	(122,000)
Total net assets	<u>349,720</u>	<u>10,385</u>	<u>(122,000)</u>	<u>591,388</u>	<u>829,493</u>

	Unrestricted		Pension fund Reserve £	2022 Total funds £
	General £	Restricted £		
Tangible fixed assets	294,692	-	-	294,692
Fixed asset investments	64,303	-	-	64,303
Current assets	200,902	10,385	-	211,287
Current liabilities	(90,537)	-	-	(90,537)
Creditors over 1 year	(43,896)	-	-	(43,896)
Pension scheme liability	-	-	(893,000)	(893,000)
Total net assets	<u>425,464</u>	<u>10,385</u>	<u>(893,000)</u>	<u>(457,151)</u>

19 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2023 £	2022 £
Independent examination	1,680	1,600
Other financial services	1,261	1,352
	<u>2,941</u>	<u>2,952</u>

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Notes to the Financial Statements for the Year Ended 31 March 2023

20 Taxation

The charity is a registered charity and is therefore exempt from taxation.

21 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

22 Related party transactions

There were no related party transactions in the year.

23 Fixed asset investments

Other investments

	Unlisted investments £	Total £
Cost or Valuation		
At 1 April 2022	64,303	64,303
Revaluation	(458)	(458)
At 31 March 2023	<u>63,845</u>	<u>63,845</u>
Net book value		
At 31 March 2023	<u>63,845</u>	<u>63,845</u>
At 31 March 2022	<u>64,303</u>	<u>64,303</u>

At the year end the charity held the following investments:
M&G Charifund Accumulation Units, 217 units with a market value of £63,845.