



**BID SERVICES**

# **REPORT AND FINANCIAL STATEMENTS**

**Year ended 31 March 2023**

Registered number: 03124204

Registered charity number: 1053184





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B-ID SERVICES

# Chair's statement

Recent years have proven challenging for all and the effects of 13 years of austerity, with more to come, continue to manifest themselves particularly within the voluntary sector which is under resourced and experiencing increasing demand. Wealth distribution is increasingly polarized and interest rates are close to a 20 year high; the effect on family finances as a result of the mortgage market and wider economic activity, is already being felt.

Britain's productive capacity has fallen in recent years; there are insufficient appropriately qualified people available in the labour market to meet the wide-ranging requirements of employers; recruitment is difficult and there continue to be barriers for those with sensory impairments to enter and progress in the job market.

This is the continuing reality of the economic environment in which BID must operate and continue its mission of supporting people with sensory impairments. That we are able to report considerable success in such challenging times is a credit to all concerned.

High-profile prime time TV has resulted in an increasing awareness of deafness, its challenges and exclusions and associated emotional journeys and, as some would argue, the difficulties placed on d/Deaf people by the hearing majority. The BSL Act is now on the statute book following the leadership and commitment of Rosie Cooper, herself a child of deaf parents.

The starting point of this year's report was 5 weeks after the start of the war in Ukraine which has imposed on post Covid recovery and adjustment. As a direct result, energy prices and inflation increased substantially, quickly affecting service users and BID's staff and reducing contributions expected from fixed price local authority contracts. Balancing the need to increase staff pay and protect BID's financial position, ensuring we can continue to support our communities into the future, is a challenge that the Board has actively addressed and expects to have to address further.

Making BID an attractive place to work has been among our current strategic objectives and, as part of that, we:

- Have implemented a range of initiatives that support work/life balance including mental health awareness training for all staff, introducing a mental health champion with monthly staff wellbeing sessions, introducing a HR wellbeing strategy and achieving Thrive foundation level accreditation.
- Continue to invest in the learning and development of employees and volunteers, we have accommodated Kickstart staff and apprentices and taken steps to continue to identify and retain our high performers to maintain key knowledge, experience and skills across the organisation including delivering management development programmes and supporting staff to achieve professional qualifications.
- Have developed and expanded our volunteer base.
- Have increased staff remuneration while protecting the charity's reserves

BID sets out to meet its charitable objects by delivering a range of services, designed to address the specific requirements of our service users. Some of the noteworthy developments in the year included:

- Developing a combined Information, Advice and Guidance and specialist equipment service enabling us to continue these two services throughout Cumbria.
- Continued delivery of Information, Advice and Guidance to vulnerable adults who are d/Deaf, hard of hearing, physically disabled and sight impaired in locations across England.
- Ongoing delivery of youth activities in Leeds, Birmingham and Lincolnshire including holiday activities and food programmes, as well as a sensory art project to celebrate the Platinum Jubilee with installations in local community venues.

- Commencement of our NHS Charities Together funded Health Champions project working to make health services and information about health and self-management of conditions more accessible for d/Deaf, hard of hearing and sight impaired individuals across Leeds and Kirklees.
- Continued work with individuals to help them access education, employment and training.
- Installation and a full refurbishment of Chesterberry, our residential home for d/Deaf adults.
- Our new Lincolnshire Sensory Service commenced in April 2022 offering a breadth of services across Lincolnshire for adults and children with sensory impairments.
- Our Northumberland Sensory Service expanded with the addition of a d/Deaf and hard of hearing element creating a full sensory service.
- We created 'Warm Spaces' in Leeds and Birmingham offices for the local community.
- We have continued to develop our infrastructure with a range of IT and related upgrades all designed to improve operational efficiency.

During the course of the year the Board, following approval from the Charity Commission, signed off our revised and updated Articles of Association which encapsulate sufficient powers for our continuing strategic development.

We have changed how risks are reported so that the Board is more aware of the changing situation and can carry out its risk management responsibilities from a more informed and nuanced perspective. In addition, we have formalised a number of items that require regular review by the Board.

With our current strategy ending in March 2023, the Board took part in a number of strategy development sessions and commenced a wider consultation with stakeholders. This work will set

the scene for the next three years or so and will conclude in the Autumn.

Sophie Walmsley, our newest and youngest trustee has now stepped down following a move from the area. Her thoughtful contributions and perspectives added further depth to the Board's deliberations. She takes with her our thanks and best wishes for the future.

At the other end of the service spectrum, Gail Conway has stepped down from the Board after 22 years of service, including four years as chair. Gail is probably the longest serving trustee ever and, certainly, the first woman to hold the office of chair. Her quiet and informed counsel has been valued by all and at her last meeting the Board expressed their thanks formally and informally.

Currently 4 out of 7 members of our Board are d/Deaf or hard of hearing. This lived experience is crucial to ensuring BID's direction is appropriate and informed. The process of recruitment of new trustees, and thus Board renewal, continues with a focus on recruiting members with lived experience of sight impairments.

As is described in more detail in the Directors' report, BID delivered a strong financial performance, despite the challenging economic background. This enabled BID to continue its work supporting the communities we work with as well as providing necessary resilience to meet the inevitable future challenges.

In conclusion, I should like to publicly express my thanks to our staff and volunteers who make things happen daily, to the senior management team for their day-to-day leadership and for the Board's commitment to BID and the support they provide to the senior management team. It is very much appreciated.



M J Price  
**Chair**

# Directors' report

## Constitutional and administrative details

**Charity Name** BID Services (known as BID)

**Charity Registration Number** 1053184

**Company Registration Number** 03124204

**Registered Office** Deaf Cultural Centre  
Ladywood Road  
Birmingham  
B16 8SZ

### Board of Trustees

The Directors, who are also trustees of the charity, serving during the year were as follows:

Alison BEACHIM

Matthew COLLINGWOOD

Gail CONWAY (resigned 29 June 2023)

Sam HUMPHRAY

Sandeep KAUR

Michael PRICE (Chair)

Sophie WALMSLEY (appointed 9 June 2022 ; resigned 29 June 2023)

The Directors retiring by rotation were G Conway, A Beachim and M Collingwood. All three agreed to stand for re-election and were reappointed to the Board. A Beachim, previously Interim Vice Chair was voted into the role of Vice Chair for a three-year term. M Price, previously Interim Chair, was voted into the role of Chair for a three-year term.

The position of Treasurer has been vacant since November 2021.

The charitable company maintains management indemnity insurance for its directors and officers at an annual premium of £4,280 (2022: £4,218).

Directors are selected against pre-determined skills criteria designed to ensure that the Board has the necessary knowledge with which to direct BID.

The Board has an establishment of 7 members with powers of co-option.

**Company Secretary** Michael Price

### Senior Management Team

Gail Penberthy Chief Executive

Heather Davis Head of Human Resources & Organisation Development

Tony Morroll Head of Finance & I.T.

Ian Laing Head of Operations

### Independent Auditors

Cooper Parry Group Limited  
Sky View  
Argosy Road  
Castle Donington  
Derby  
DE74 2SA

### Bankers

National Westminster Bank Plc  
30a Harborne Road  
Birmingham  
B15 3AA

## ABOUT US

BID Services is a charity which specialises in working with children, young people, adults and their families and carers, who are d/Deaf, hard of hearing, sight impaired, severely sight impaired or have a dual sensory loss.

Through delivery of innovative, ever evolving services, our dedicated staff and volunteers work in partnership with our clients to maximise independence, remove barriers and support clients to make informed choices, ensuring they have access to information, advice, support and activities in the right place, at the right time. We aim to enable and empower our clients to live the lives they choose, access the opportunities which matter to them and achieve their individual goals.

We deliver a range of specialist support services focusing on prevention, reablement, training and advice including; equipment and assistive technology training; employment support, rehabilitation and mobility training; information, advice and guidance; social work; benefits and housing support; social groups; youth services; advocacy; British Sign Language Interpreting and training; eye and hearing care; residential and supported living placements and befriending.

The Signing Tree Venue, our social enterprise, is an accessible high-quality conference and meeting space provider, located within the award-winning Deaf Cultural Centre building which houses the charity's offices. The Signing Tree Venue also supports a range of community, arts and leisure activities for people living with sensory loss.

## OUR PURPOSE

We are here to make a positive difference to the people we support by providing innovative services that empower people to control their own lives.

## COMPANY STATUS

The charity is a company limited by guarantee and as such has no share capital. The company is governed by its Memorandum and Articles of Association, which were revised 18 March 2022 and approved by the Charity Commission on 26 January 2023. The liability of the members as set out in the Memorandum of Association is limited to £1 per member.

## TRUSTEE AND DIRECTOR INDUCTION AND TRAINING

New directors receive induction training appropriate to the role they are to fulfil. Directors regularly review their training needs. Additional training is provided as and when required, including directors' responsibilities under charity law.

## ORGANISATIONAL STRUCTURE

The Board meets a minimum of 5 times a year and additional meetings are held as required. Day-to-day management of the organisation is delegated to the Chief Executive and her team. Limits to authority are detailed through policies, procedures and a scheme of delegation. The charity's main operating base is at the Deaf Cultural Centre in central Birmingham.

# ORGANISATIONAL OBJECTIVES

Our strategy and vision focus on improving the lives of children, young people and adults who are d/Deaf, hard of hearing, sight or severely sight impaired and those with dual sensory loss. Within our 3-year strategic plan (2019-2022) we set out 5 key priorities which reflected this focus and aligned to the needs of those we support. By working within these priorities, we developed and delivered innovative services and opportunities which have supported clients and their families to live healthy, fulfilling and independent lives and achieve the best possible outcomes.

Having reached the end of this strategic plan, we are now reflecting on our progress and achievements against our 5 key priorities and re-focusing our aims for the next 3 years, 2023-2026, ensuring we continue to meet the ever-evolving needs of our clients through delivery of services which are adaptable and responsive to need.

## Key priority areas 2019-2022:



### A strong organisation, fit for today and prepared for tomorrow

Maintaining a strong and stable future for the charity, to ensure the continued provision of sensory support services that are highly valued remains central to everything our organisation does.



### Improve employment opportunities for service users

Removing obstacles people face in accessing employment, education and training underpins our objective for people to live independently.



### Increase service user access to information and services

Through developing communications solutions that reduce the barriers people face in accessing information and services, we support people to find what they need to help make more informed life choices.



### Support people to live healthy, independent lives

Working in partnership with people to identify and address needs and gaps in service provision, we facilitate a wide range of activities that help people manage their health, improve their physical and emotional wellbeing, maximise independence and become connected to their local community.



### Be an exceptional place to work and volunteer

By investing in training, learning and development and promoting initiatives that support a positive work/life balance, we strive to recruit and retain the best employees and volunteers to help deliver our sensory support services.

# Highlights of achievements and performance



**6,069**  
people accessed our services  
We supported 535 Deafblind, 1,841 sight / severely sight impaired and 3,107 Deaf/hard of hearing clients



Our **112** volunteers donated **10,304** hours of support



We befriended **141** deaf and visually impaired people



We undertook **3,534** assessments  
385 Deafblind, 1,486 sight/severe sight impairment and 1,663 Deaf/hard of hearing

**14,068** people participated in conferencing events at the SigningTree Venue

**145** young people and their families engaged in our youth services

**1,048** in-person events and activities took place

We completed **630** Rehabilitation and Mobility assessments for individuals a sight or severe sight impairment



We provided **20,793** hours of interpreting to support those who are d/Deaf/hard of hearing, including patients in NHS hospitals

Our Employment team ran **237** face to face and online events including...  
92 job clubs  
20 people supported into employment  
50 people into education or training

We trained **86** people in British Sign Language (BSL)



# KEY INITIATIVES & PROGRESS



# A strong organisation, fit for today and prepared for tomorrow

As our three-year strategic plan comes to an end, we have been able to deliver strong financial results, with excellent expenditure controls, despite the continued challenging economic environment, and further develop a resilient infrastructure ensuring continued support for our service users.

- We have worked to achieve a high level of organisational governance, strengthening our Board of Trustees, maintaining skills and knowledge needed to develop our services and creating a Board with lived experience of sensory impairment.
- Migrated to Office 365, implemented Voice to Teams and updated our wireless infrastructure, improving connectivity internally and externally and ensuring high quality IT infrastructure is in place to support service delivery and management.
- Upgraded to an integrated HR and payroll system enabling more efficient and seamless personnel data management.
- Created systems to identify and train high performing staff and those with specialist skills supporting retention and delivery of high-quality services.
- We have continued to adapt our recruitment processes, creating agile and responsive processes which enable us to respond quickly to vacancies and changes in the external labour market and recruit into hard to fill vacancies.
- Alongside our technological developments, we have continued to adopt hybrid working arrangements as per our Flexible Working Policy, supporting employees to benefit from hybrid working arrangements whilst ensuring continued delivery of high-quality, effective and efficient services to our service users.
- We have also been offered extensions to existing services including Milton Keynes and Solihull ensuring we are able to continue delivering these valuable services to our local communities.
- Our Marketing Strategy is now well-embedded and we have continued to grow our online presence through use of social media, this is now our main channel for organisation-wide and local storytelling and messaging alongside a tool for two-way engagement with service users. We have continued to invest in our digital infrastructure and work to redevelop our website is well underway with the aim to create a user-friendly website which provides greater accessibility to information, resources and services.
- Our Business Development Team continue to focus on diversifying income, exploring new and innovative opportunities to develop services which add social value and respond to need, and retaining existing sources of funding.
- Our social enterprise, The Signing Tree Venue, continues to welcome new clients and is showing a strong performance and return of customers following the pandemic.
- We have achieved and maintained recognised accreditations evidencing our high-quality, professional approach to service delivery and organisational governance including Matrix, ASDAN, ISO:14001, Disability Confident Level 2, CQC and Thrive.



To complete the organisational migration to Office 365, to continue to diversify income streams and drive forward the development of our new strategic plan ensuring the ongoing delivery of high-quality services which enable and empower those living with sensory impairments, disabilities and associated health conditions.

## Improve employment opportunities for service users

We have continued to support those who are d/Deaf, hard of hearing, sight or severely sight impaired or Deafblind to move into or retain employment, progress in their careers and to access education and training opportunities, working with employers and training providers to break down barriers and increase awareness around recruiting and employing staff with sensory impairments.

- As specialist delivery partners of Birmingham City Council's PURE (Placing Vulnerable Urban Residents into Employment) project, we continue to support people over the age of 25 with complex needs to overcome barriers to employment, supporting them to gain meaningful employment through 1:1 support delivered by our specialist employment coaches.
- Our partnership with local charities, Better Pathways and Disability Resource Centre (DRC) has developed further as part of the European Social Fund (ESF) funded Disability Inclusion Pathways (DIP) project through which we have maintained delivery of employment support to those who are d/Deaf or sight or severely sight impaired.
- Year 2 of our The National Lottery Community Fund, Step Ahead employment project has seen the service gain momentum. Through this we have been able to offer wrap around support to clients accessing our wider Employment Service including job clubs, Personal, Social, Development Training, BSL training for international signers, employer engagement and Deaf Awareness Training.
- We have continued to provide 1:1 support alongside group sessions and training for clients across our Employment Services including running 92 Job Clubs and 142 client training sessions during 2022-23. We have supported individuals to overcome barriers to employment and access appropriate support during the recruitment process and beyond including support with applications, preparation for interviews and Access to Work applications.
- Responding to changing demands and client needs, we have developed a hybrid delivery model across our Employment Service offering training and 1:1 appointments both in person and remotely, providing a flexible service and enabling delivery across a wider geographical area.
- We have become an accredited ASDAN centre, which will enable us to deliver accredited qualifications.

### FORWARD AIMS

We plan to increase use of digital technology to maximise reach and access to our specialist Employment Service and continue to develop and expand our employment, training and education services across England, exploring local partnership and funding opportunities to enable us to continue supporting those with sensory impairments to access and progress within employment.



# Increase service user access to information and services

It is vital that people living with a sensory impairment have access to information, services and support at the right time and in a format which meets their communication and access needs. We continue to work to provide information and services for our local communities and work to break down barriers and increase awareness of the communication and access needs of those who are d/Deaf, hard of hearing, sight or severely sight impaired and those who have a dual sensory loss, ensuring they can make informed choices and live the lives they choose.

- We continue to offer a comprehensive communication service for those who are d/Deaf, hard of hearing or deafblind providing support including British Sign Language interpreting, lip speakers, note takers and Deafblind manual, ensuring clients can access information and services and communicate in different settings using their preferred method of communication.
- Our communication service provides interpreting services in NHS settings including the continued specialist provision for Birmingham and Solihull Mental Health NHS Foundation Trust within Birmingham's d/Deaf/hard of hearing mental health unit.
- We have adopted greater use of technology to maximise access to communication support, information and services including delivery of Video Relay Interpreting, digital skills training, technology assessments and training and delivery of remote appointments via video call.
- We continue to offer sensory impairment awareness training across the country for individuals and organisations, including the NHS, employers, prison services, leisure services and universities. Through this we are increasing understanding and awareness of sensory impairments and helping to break down barriers to information, support and services for those with a sensory impairment.
- We continue to deliver Signature accredited British Sign Language training up to Level 3, supporting more people to develop BSL skills, and have seen consistent growth in the number of learners over the last 3 years.
- Our BSL International course continues to thrive, providing those who use an international sign language or who have no formal sign language, with the opportunity to develop their signing skills up to Level 2 and supporting them to access wider activities, services and information tackling isolation and increasing independence.
- Following the passing of the BSL Act, we have continued to support and promote developments taking place nationally around access to BSL and awareness of the needs of those who are d/Deaf or hard of hearing. Supporting this, we have joined the BSL Alliance of providers across the country which will feed into the BSL Advisory Board, working to ensure these needs and gaps in services are understood, evidenced and actioned.
- Our NHS Charities Together funded project covering Leeds and Kirklees has worked collaboratively with local NHS services to deliver a range of initiatives to increase awareness of staff around the needs of those with sensory impairments and to remove barriers to accessing NHS services and information. This has included delivery of health workshops to increase understanding and awareness of the importance of screening and of different conditions, treatment options and self-management covering topics including Dementia, Menopause, Prostate Cancer and Diabetes.
- In Lincolnshire we have worked with Network Rail to improve accessibility at railway stations for those with sight or severe sight impairments through use of tactile paving.

*continued...*

## Achievements and performance

### » Increase service user access to information and services

- Our work with Birmingham Public Health team continues through activities to ensure findings of the Deaf/Hard of Hearing Community Health Profile are used effectively to tackle health inequalities faced by Birmingham's d/Deaf and hard of hearing community.
- We have continued to work to embed use of social media as a channel for sharing news, information and resources across the organisation, creating timely access to relevant information and increasing awareness around sensory impairments through platforms including Twitter, Facebook, Instagram and YouTube.
- We continue to deliver the Birmingham Community Advocacy service through which our Independent Mental Health Advocates provide support and representation to service users residing in forensic settings across Birmingham, ensuring individuals have access to independent information and options that enable them to make their own decisions on issues that affect their lives.

## FORWARD AIMS

To continue to work with organisations across the country to increase awareness and understanding of the access and communication needs of those with a sensory impairment(s). To continue to increase access to information, services and support through delivery of innovative services and partnership working with local and national organisations, including development of an online information library.



## Support people to live healthy, independent lives

We believe there should be no limits to the opportunities, services and activities which people living with sensory impairments are able to access. We continue to work to deliver services and support across England to those who are d/Deaf, hard of hearing, sight or severely sight impaired or Deafblind enabling and empowering individuals to live healthy, independent lives with access to opportunities which matter to them, and which enrich their lives.

- We established Warm Spaces at Gallery House, Leeds and the Deaf Cultural Centre, Birmingham, welcoming the community into our centres, offering a warm welcoming environment, combatting the effects of the cost-of-living crisis.
- We continued to support children and young people with sensory impairments and their families in Birmingham, Leeds and Lincolnshire through delivery of our youth services offering activities including bowling, Geek Room, Christmas events, illustration, animal visits, fencing and crazy golf.
- With support from the Barclays Covid 100x100 Community Fund, our befriending provision continued to grow with the delivery of local peer support groups alongside 1:1 befriending services which have helped adults who are d/Deaf, hard of hearing or Deafblind develop social connections, reducing isolation.
- We have rolled out organisation-wide coproduction training supporting coproduction approaches within our services, ensuring service users are directly involved in the design, development and delivery of our services and initiatives.
- Following extensive refurbishments at our Chesterberry residential home, we have continued this work with further developments taking place in the garden, creating a more accessible and stimulating garden and sensory summer house.
- Our specialist Eye Clinic Liaison Officers and ROVIs (Rehabilitation Officer Visual Impairment) continue to support those with newly acquired or existing sight impairments come to terms with, adapt to, and live with sight loss through emotional support and practical advice including mobility training and adaptations working in Milton Keynes, Leeds, Kirklees, Solihull and Northumberland.
- In Lincolnshire, we continue to support children, young people and adults with sensory impairments to maintain their independence, deal with day-to-day tasks and access opportunities through our Care Plus service.
- In Kirklees we have continued to support adults with sight or severe sight impairments to live as independently as possible in their own homes and have also provided opportunities to young people with sensory impairments to build connections with others in their local communities and gain 1:1 support, working in partnership with Deaf EXperience.
- Following the launch of our Lincolnshire Sensory Services in April 2022, our team have continued working closely with the local community and organisations across Lincolnshire including prison services, Fire and Rescue, Guide Dogs and the Sensory Education Support Team to ensure children, young people, adults and their family/carers have access to information, services and support appropriate to their individual needs, improving their quality of life and increasing independence.
- We have completed the purchase of our supported living accommodation in Birmingham and begun a series of refurbishments, increasing resident safety, independence and standard of living.
- We have continued to deliver and introduce new peer support, activity and social groups in locations across England enabling people with sensory impairments to come together, experience a range of different activities and build new skills. These include a creative writing workshop in Leeds for people with a sight or severe sight impairment, the development of a Community Day in Birmingham offering a range of different activities throughout the day and a monthly community evening and a Tinnitus Support Group in Cumbria.
- Following tender and grant processes, we retained various sensory services including those in Cumbria, Birmingham, Leeds, Coventry and Northumberland, with our provision in Northumberland expanding to include services for those d/Deaf or hard of hearing. Through these we deliver a breadth of services including information, advice and guidance, equipment/technology support and training, Rehabilitation Officer Visual Impairment support, Eye Clinic Liaison Services, social work and housing support.



To continue working with our local communities to understand their needs and develop new and existing services to meet these needs through innovative, effective service delivery.

## Be an exceptional place to work and volunteer

We aim to create a culture where employees and volunteers are positive and proud of being part of BID Services, where they are valued and supported to develop professionally and where people are able to benefit from a positive work/life balance.

- We have continued to invest in the learning and development of employees and volunteers, delivering a wealth of core training alongside providing sponsorship and support to staff to achieve professional qualifications including qualified interpreters, rehabilitation officers and social work. We have developed new sensory and disability awareness inhouse core training courses delivered by our specialist staff and delivered two internal management development programmes.
- Our established Equality, Diversity and Inclusion (EDI) working group continue to meet on a regular basis, involving a diverse range of employees continually reviewing practices and processes within the organisation to ensure that our environment is inclusive to everyone. We continue to benefit from an effective, working Employee Representative Group listening and engaging with staff to discuss employment and wellbeing matters and new innovative ways of working.
- We have achieved foundation level Thrive accreditation, evidencing our commitment to improving the health and wellbeing of staff and volunteers across the organisation.
- We ran staff 'Reconnect Days' in Leeds and Birmingham bringing staff across the organisation together to enhance connections, share experiences and knowledge and celebrate working with each other after the pandemic.
- To promote the health and wellbeing of staff/ volunteers, we have implemented a range of initiatives including introducing a HR Wellbeing Strategy, a Health and Wellbeing Policy, Managing Addiction Policy and running of monthly wellbeing sessions.
- We have focused on promoting mental health and accessibility of support, training 80% of managers and 20% of all staff to be Mental Health Champions, introducing a Mental Health Policy and appointing an organisation wide Mental Health Champion.
- We have continued to develop our policies to further support positive work/life balance including our Flexible Working Policies which include a Hybrid Working Policy, enabling employees to split time between attending the workplace and working remotely.
- Our Volunteer Strategy has been implemented across the organisation and we have seen our volunteer numbers grow with 112 amazing volunteers sharing their skills, experience and time to help us support those living with a sensory impairment across England.
- We developed a training, learning and development programme to support 7 young people as part of the Government's Kickstart scheme with 2 participants staying on with us as permanent employees and going on to complete apprenticeships.



To continue to invest in staff development, recruitment and retention activities, leadership skills, technology enhancements and wellbeing initiatives as well as finding ways to support and recognise our amazing team of staff and volunteers to ensure they feel valued.

## PUBLIC BENEFIT

As reported above, BID has delivered its products and services with public benefit at the fore of all it does. The trustees confirm that they have reviewed and considered the Charity Commission's guidance on public benefit and have taken it into account when considering the charity's activities and future plans.

## KEY PERFORMANCE INDICATIONS

Payroll costs represent a substantial portion of operating costs and their continuing control is crucial to the financial wellbeing of the organisation.

- Wages as a percentage of incoming resources is 60.2% (2022: 57.2%).

Growing income from commercial trading as a proportion of turnover and growing income from grants and donations as a proportion of turnover is a strategic objective in order to better balance the risk associated with current income distribution.

- Commercial trading income as a percentage of incoming resources is 2.9% (2022: 1.3%).
- Donations and legacies as a percentage of incoming resources is 5.9% (2022: 9.9%).

## DEAF CULTURAL CENTRE

The brief of the Deaf Cultural Centre is to provide a space where the uniqueness of deaf culture is celebrated and to raise its profile.

## PAY POLICY FOR SENIOR STAFF

The directors consider that the Board of directors, who are the charity's trustees, and the senior management team are the key groups of people who determine strategy, direct, control and operate the charity on a day-to-day basis.

The senior management team during the year in question is as previously listed in this document. Their remuneration is reviewed by the executive group of the Board who use benchmarking against comparable charities along with an assessment of market rates and consideration of performance.

## RISK MANAGEMENT

The Board has changed and expanded how risks are reported, so that it is more aware of the changing situation and can carry out its risk management responsibilities from a more informed and nuanced perspective. In addition, it has formalised a number of items that require regular review by the Board.

Income diversification continues to be at the forefront of BID's strategy, and the trustees continue to respond to the economic uncertainty by increasing the general fund (where possible), closely monitoring the financial performance of all activities and assessing any project requiring capital expenditure.

Due to the level of reserves and cash balances held and contractual basis of most of our income streams we are well placed to continue operating. See accounting policy titled Going Concern for further details.



# FINANCIAL REVIEW

Net incoming funds for the year amounted to £83,537 compared to £526,458 last year. After transfers between funds, the general unrestricted fund increased to £2,426,076.

Notes to the accounts show clearly the adjustments required under FRS 102 in the recognition of pension deficit recovery liabilities. Pension scheme deficits remain of considerable concern but the trustees are keen to maintain a sensible balance between longer-term liabilities and costs, and the need to maintain the schemes as a key part of our employee reward package.

The organisation's financial position will provide a satisfactory foundation to respond to both the uncertain economic post-pandemic landscape and other challenges and opportunities. The focus of future planning is principally about business development alongside long-term sustainability in a policy environment that is expected to be far from favourable to organisations like ourselves.

## **Investment Policy and Performance**

Taking account of the changing economic conditions, along with forecast demands on resources, the trustees have decided to continue their policy of keeping reserves in cash or near cash. A risk averse view of financial institutions has been maintained and this, while limiting overall returns, means that our exposure to loss of funds is limited. The trustees continue to review this policy.

## **Reserves Policy**

The trustees have given careful consideration to the charity's reserves policy and regularly review the reserves we need to maintain current services and safeguard future programmes. As well as funding the day-to-day operation of the charity, and allowing the investment needed to maintain the business infrastructure, the reserves allow us to support people by responding proactively to opportunities as they become available.

Continuing assessment of the current economic and political situation, recognition of risks to contract provision, exposure to low investment returns manifesting themselves through defined benefit scheme recovery payments along with working and risk capital requirements when combined, result in a significantly increased risk profile. On this basis the charity has determined that it wants to retain a general reserve of at least £2 million, which would represent around 6 months of operating expenditure.

The charity's free reserves (general unrestricted reserves not represented by fixed assets and net of the pension liability) at 31 March 2023 are £750,691. We continue to review and reduce operating expenditure levels, grow trading revenues, and aim to successfully gain and manage contracts to deliver increased surpluses and increase general reserves.

# Directors' responsibilities

The directors (who are also trustees of BID Services for the purposes of charity law) are responsible for preparing the Directors' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepting Accounting Practice).

Company law requires the directors 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 and the group will continue in operation.

The directors are responsible for keeping adequate accounting records that 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Approved by the Board and signed on its behalf by:**



**M J Price, Director**  
28 September 2023

# Independent auditors' report to the members and trustees of BID Services

## Opinion

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We have audited the financial statements of BID Services ("the parent charitable company") and its subsidiaries ("the group") for the year ended 31 March 2023 which comprise the group Statement of Financial Activities, the group and parent charitable company Balance Sheets, the group Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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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 group and the parent charitable company in accordance with the ethical requirements 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

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In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Other information

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The other information comprises the information included in the directors' annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## Opinions on other matters prescribed by the Companies Act 2006

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In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report (incorporating the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## Independent auditors' report

### Matters on which we are required to report by exception

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In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report and the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

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As explained more fully in the directors' responsibilities statement, the directors (who are also the trustees of the charitable company for the purposes of charity law) 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 the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent charitable company'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 directors either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

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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 to 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below:

Our assessment focussed on key laws and regulations the group and parent charitable company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities. Our approach to detecting irregularities included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the group and parent charitable company and how the group and parent charitable company are complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the group and parent charitable company's control environment and how the group and parent charitable company have applied relevant control procedures, through discussions with directors and other management and by performing walkthrough testing over key areas;
- obtaining an understanding of the group and parent charitable company's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions

reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

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This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Glen Bott** (Senior Statutory Auditor)

For and on behalf of:  
**Cooper Parry Group Limited**  
 Statutory Auditors

Sky View, Argosy Road, Castle Donington,  
 Derby, DE74 2SA

**Date:** 20 December 2023

## BID Services

# Consolidated statement of financial activities

(Incorporating the Income and Expenditure Account)

YEAR ENDED 31 MARCH 2022

|  | Note | Unrestricted funds | Designated funds | Restricted funds | 2023 Total       | 2022 Total       |
|--|------|--------------------|------------------|------------------|------------------|------------------|
|  |      | £                  | £                | £                | £                | £                |
| <b>Income</b>  |      |                    |                  |                  |                  |                  |
| Donations and Legacies   | 2    | 10,626             | –                | 327,670          | 338,296          | 505,700          |
| <i>Income from charitable activities:</i>  |      |                    |                  |                  |                  |                  |
| Contract service income and grants   | 4    | 5,195,295          | –                | –                | 5,195,295        | 4,554,426        |
| <i>Income from other trading activities:</i>   |      |                    |                  |                  |                  |                  |
| Commercial trading operations  | 5    | 166,527            | –                | –                | 166,527          | 66,485           |
| Investment income  | 3    | 6,154              | –                | –                | 6,154            | 185              |
| <b>Total income</b>  |      | <b>5,378,602</b>   | <b>–</b>         | <b>327,670</b>   | <b>5,706,272</b> | <b>5,126,796</b> |
| <b>Expenditure</b>   |      |                    |                  |                  |                  |                  |
| <i>Costs of raising funds:</i>   |      |                    |                  |                  |                  |                  |
| Commercial trading operations  | 5    | 206,134            | –                | –                | 206,134          | 70,828           |
| Costs of generating voluntary income   |      | 25,715             | –                | –                | 25,715           | 37,619           |
| <i>Expenditure on charitable activities:</i>   |      |                    |                  |                  |                  |                  |
| Contract service income and grants   |      | 4,996,147          | 110,190          | 341,640          | 5,447,977        | 4,699,977        |
| Other resources expended   |      | 26,909             | –                | –                | 26,909           | 27,914           |
| Interest and other finance costs   |      | 10,000             | –                | –                | 10,000           | 6,000            |
| <b>Total expenditure</b>   | 6    | <b>5,264,906</b>   | <b>110,190</b>   | <b>341,640</b>   | <b>5,716,735</b> | <b>4,842,338</b> |
| <b>Net income / (expenditure) before transfers and other recognised gains and losses</b> |      | <b>113,697</b>     | <b>(110,190)</b> | <b>(13,969)</b>  | <b>(10,463)</b>  | <b>284,458</b>   |
| Transfers between funds  | 18   | –                  | –                | –                | –                | –                |
| <b>Net income / (expenditure) before other recognised gains and losses</b>               |      | <b>113,697</b>     | <b>(110,190)</b> | <b>(13,969)</b>  | <b>(10,463)</b>  | <b>284,458</b>   |
| <b>Other recognised gains and losses</b>   |      |                    |                  |                  |                  |                  |
| Actuarial (losses) / gains on defined benefit pension schemes                            | 23   | 94,000             | –                | –                | 94,000           | 242,000          |
| <b>Net income / (expenditure) and net movement in funds for the year</b>                 |      | <b>207,697</b>     | <b>(110,190)</b> | <b>(13,969)</b>  | <b>83,537</b>    | <b>526,458</b>   |
| <b>Reconciliation of funds</b>   |      |                    |                  |                  |                  |                  |
| Total Funds brought forward  |      | 2,218,379          | 2,915,817        | 675,781          | 5,809,977        | 5,283,519        |
| <b>Total Funds carried forward</b>   |      | <b>2,426,076</b>   | <b>2,805,627</b> | <b>661,811</b>   | <b>5,893,514</b> | <b>5,809,977</b> |

All amounts above are derived from continuing operations and the charitable company has no recognised gains or losses other than those passing through the Statement of Financial Activities and hence no separate statement of total recognised gains and losses is presented. The notes on pages 28 to 48 form part of these financial statements.

## BID Services

# Company number 03124204

## Group and company balance sheets

YEAR ENDED 31 MARCH 2022

|  | Note | Group     |           | Company   |           |
|--|------|-----------|-----------|-----------|-----------|
|  |      | 2023<br>£ | 2022<br>£ | 2023<br>£ | 2022<br>£ |
| <b>Fixed assets</b>                                  |      |           |           |           |           |
| Tangible assets                                      | 10   | 4,274,743 | 3,883,458 | 4,228,817 | 3,835,395 |
| Investments in subsidiary undertakings               | 11   | –         | –         | 10,000    | 10,000    |
|  |      | 4,274,743 | 3,883,458 | 4,238,817 | 3,845,395 |
| <b>Current assets</b>                                |      |           |           |           |           |
| Stocks   | 12   | 15,148    | 12,197    | 12,798    | 9,997     |
| Debtors  | 13   | 701,690   | 1,032,825 | 814,966   | 1,146,305 |
| Cash at bank and in hand                             |      | 1,596,697 | 2,074,585 | 1,504,782 | 1,987,299 |
|  |      | 2,313,535 | 3,119,607 | 2,332,546 | 3,143,601 |
| <b>Creditors:</b>                                    |      |           |           |           |           |
| Amounts falling due within one year                  | 14   | (479,764) | (798,088) | (463,047) | (784,218) |
| <b>Net current assets</b>                            |      | 1,833,771 | 2,321,519 | 1,869,499 | 2,359,383 |
| <b>Total assets less current liabilities</b>         |      | 6,108,514 | 6,204,977 | 6,108,316 | 6,204,779 |
| <b>Creditors:</b>                                    |      |           |           |           |           |
| Amounts falling due after more than one year         | 15   | –         | –         | –         | –         |
| <b>Net assets excluding pension scheme liability</b> |      | 6,108,514 | 6,204,977 | 6,108,316 | 6,204,778 |
| Defined benefit pension scheme liability             | 16   | (215,000) | (395,000) | (215,000) | (395,000) |
| <b>NET ASSETS</b>                                    |      | 5,893,514 | 5,809,977 | 5,893,316 | 5,809,779 |

The funds of the charity:

|                           |    |           |           |           |           |
|---------------------------|----|-----------|-----------|-----------|-----------|
| <b>RESTRICTED FUNDS</b>   | 17 | 661,811   | 675,781   | 661,811   | 675,781   |
| <b>Unrestricted funds</b> |    |           |           |           |           |
| General funds – general   | 18 | 2,641,076 | 2,613,379 | 2,640,878 | 2,613,181 |
| – pension fund            | 18 | (215,000) | (395,000) | (215,000) | (395,000) |
| Designated funds          | 18 | 2,805,627 | 2,915,817 | 2,805,627 | 2,915,817 |
| <b>TOTAL FUNDS</b>        |    | 5,893,514 | 5,809,977 | 5,893,316 | 5,809,779 |

Approved by the Board of Directors on **28 September 2023**. Signed on its behalf by:

 M J Price, Director

# Consolidated cash flow statement

YEAR ENDED 31 MARCH 2023

|  | Note | 2023<br>£     | 2022<br>£     |
|--|------|---------------|---------------|
| <b>Reconciliation of net income to net cash flow from operating activities</b> |      |               |               |
| Net income   |      | 83,537        | 526,458       |
| Depreciation charges and losses on disposal                                    | 10   | 170,889       | 150,392       |
| Net interest   | 3    | (6,154)       | (185)         |
| (Increase) / decrease in stocks  | 12   | (2,951)       | (6,784)       |
| <b>Defined Benefit Pension Scheme</b>  |      |               |               |
| Interest payable   |      | 10,000        | 6,000         |
| Net valuation changes / contributions  |      | (190,000)     | (380,000)     |
| (Increase) / decrease in debtors   | 13   | 331,136       | (416,508)     |
| Increase / (decrease) in creditors   | 14   | (318,324)     | 152,178       |
| Net cash inflow from operating activities                                      |      | <u>78,133</u> | <u>31,551</u> |

## Cash flow statement

|   |     |                  |              |
|---|-----|------------------|--------------|
| Net cash inflow from operating activities       |     | 78,133           | 31,551       |
| Returns on investments and servicing of finance | (a) | 6,154            | 185          |
| Capital expenditure                             | 10  | (562,175)        | (32,351)     |
| (Decrease) / increase in cash                   | (b) | <u>(477,888)</u> | <u>(615)</u> |

## BID Services

# Notes to the consolidated cash flow statement

YEAR ENDED 31 MARCH 2022

|  | Note | 2023<br>£               | 2022<br>£          |                          |
|--|------|-------------------------|--------------------|--------------------------|
| <b>(a) Returns on investment and servicing of finance</b>            |      |                         |                    |                          |
| Interest received  |      | 6,154                   | 185                |                          |
| <b>(b) Decrease in cash</b>  |      |                         |                    |                          |
| Balance at beginning of year   |      | 2,074,585               | 2,075,200          |                          |
| Net cash inflow  | (c)  | (477,888)               | (615)              |                          |
| Balance at end of year   |      | 1,596,697               | 2,074,585          |                          |
| <b>(c) Reconciliation of net cash flow to movements in net funds</b> |      |                         |                    |                          |
| Decrease in cash during year being change in net funds               |      |                         | (477,888)          |                          |
| Net funds at 1 April 2022  |      |                         | 2,074,585          |                          |
| Net funds at 31 March 2023   |      |                         | 1,596,697          |                          |
| <b>(d) Analysis of changes in net funds</b>                          |      |                         |                    |                          |
| Cash at bank   |      | At April 1<br>2022<br>£ | Cash<br>flows<br>£ | At 31 March<br>2023<br>£ |
|  |      | 2,074,585               | (477,888)          | 1,596,697                |

# Notes to the financial statements

YEAR ENDED 31 MARCH 2023

## 1. Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important policies is set out below.

### a) General information and basis of preparation

BID Services is a charitable company limited by guarantee in the United Kingdom. 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. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are to work in partnership with people with a sensory impairment, as well as those with a physical disability or mental health problems. Working with children, young people and adults and their families and carers to make a positive difference by providing innovative services that empower those people to control their own lives.

The charity constitutes a public benefit entity as defined by FRS 102. 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) effective from 1 January 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest pound.

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

### b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes bank interest. Interest income is recognised using the effective interest method.

#### d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings::

- Costs of raising funds includes the expenses of the commercial trading operation and those associated with fundraising activities, including personnel costs;
- Expenditure on charitable activities includes all direct expenditure in relation to the delivery of both contract services and operations for which it receives funding from grants and trusts; and
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated using the calculated surface area utilised/occupied, and other overheads have been allocated on the basis of full-time equivalent staff or units of I.T. equipment accordingly.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. The analysis of these costs is included in note 7.

f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

|                               |                 |                        |                  |
|-------------------------------|-----------------|------------------------|------------------|
| Freehold buildings:           | over 50 years.  | Fixtures and fittings: | over 3-10 years. |
| Leasehold land and buildings: | over 50 years.  | Motor vehicles:        | over 4 years.    |
| Plant and machinery:          | over 3-5 years. |                        |                  |

g) Investments

Investments in subsidiaries are measured at cost less impairment.

h) Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

i) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

j) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

k) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

l) Leases

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

m) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable. It also operated a defined benefit plan and two multi-employer defined benefit schemes for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets.

The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

n) Tax

The charitable company meets the definition of charity within the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

o) Going concern

At the time of signing the accounts, the Trustees have considered the going concern position (including any residual impact from the Coronavirus pandemic) and judge that the charity will continue to operate for a period of at least 12 months from the date of signing these accounts due to the level of funding already secured with its key partners. At the balance sheet date the charity held significant cash balances. The charity has significant reserves which are sufficient to absorb short-term in-period deficits if required.

The financial forecasts prepared by the executive team show that the charity will be able to operate within the facilities available to it. On that basis the Trustees have prepared these financial statements on a going concern basis.

p) Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q) Key estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The group makes estimates and assumptions concerning the future and those assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to assets and liabilities within the next financial year are;

The present value of the Local Government Pension Schemes defined benefit liabilities depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rates. Any changes in these assumptions (which are disclosed in note 22) will impact the carrying amount of the pension liabilities. Furthermore, a roll forward approach which projects results from the latest full actuarial valuations performed has been used by the actuaries in valuing the pension liabilities at 31 March 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liabilities.

## 2. Voluntary income

|   | 2023<br>£      | 2022<br>£      |
|---|----------------|----------------|
| <b>Grants, donations and other income</b> |                |                |
| Legacies                                  | 8,502          | 626            |
| Donations                                 | 15,633         | 22,607         |
| Grants                                    |                |                |
| Employment projects (incl. Lottery)       | 148,176        | 187,426        |
| Sport England / Children in Need          | 33,150         | 92,815         |
| Other grants and donations from Trusts    | 132,835        | 202,226        |
|   | <u>338,296</u> | <u>505,700</u> |

Income from grants, donations and other sources was £338,296 (2022: £505,700) of which £10,626 (2022: £3,129) was attributable to unrestricted funds, £nil (2022: £nil) was attributable to designated funds and £327,670 (2022: £502,571) was attributable to restricted funds.

## 3. Investment income

|                 | 2023<br>£    | 2022<br>£  |
|-----------------|--------------|------------|
| Interest earned | <u>6,154</u> | <u>185</u> |

Investment income was £6,154 (2022: £185) of which £6,154 (2022: £185) was attributable to unrestricted funds and £nil (2022: £nil) was attributable to restricted funds.

## 4. Incoming resources from charitable activities

|  | 2023<br>£        | 2022<br>£        |
|--|------------------|------------------|
| Statutory bodies – contract service income | 4,071,805        | 3,653,480        |
| Trading and other activities               | 1,123,490        | 900,946          |
|  | <u>5,195,295</u> | <u>4,554,426</u> |

Incoming resources from charitable activities was £5,195,295 (2022: £4,554,426) of which £5,195,295 (2022: £4,554,426) was attributable to unrestricted funds and £nil (2022: £nil) was attributable to restricted funds.

## 5. Trading operations

The charitable company owns 100% of the share capital of Deaf Cultural Centre (Trading) Limited which provides catering and conference facilities. During the year, Deaf Cultural Centre (Trading) Limited made sales of £43,713 (2022: £18,339) to the parent company and recharges of £4,106 (2022: £2,796).

|   | 2023<br>£ | 2022<br>£ |
|---|-----------|-----------|
| <b>Deaf Cultural Centre (Trading) Limited</b> |           |           |
| Turnover                                      | 210,240   | 84,825    |
| Cost of sales                                 | (27,998)  | (10,641)  |
| <b>Gross profit</b>                           | 182,242   | 74,184    |
| Administrative expenses                       | (182,242) | (62,983)  |
| Other income                                  | –         | –         |
| <b>Operating profit / (loss)</b>              | –         | 11,201    |
| Tax on profit on ordinary activities          | –         | –         |
| Retained in subsidiary                        | –         | 11,201    |

The assets and liabilities of the subsidiary at 31 March were:

|  |          |          |
|--|----------|----------|
| Tangible assets                              | 45,926   | 48,062   |
| Net current assets                           | (35,728) | (37,864) |
| <b>Total assets less current liabilities</b> | 10,198   | 10,198   |
| <b>Aggregate share capital and reserves</b>  | 10,198   | 10,198   |

## 6. Resources expended by charity

|   | Finance<br>Costs<br>£ | Direct<br>Costs<br>£ | Support<br>Costs<br>£ | 2023<br>Total<br>£ | 2022<br>Total<br>£ |
|---|-----------------------|----------------------|-----------------------|--------------------|--------------------|
| <b>Charitable activities</b>              |                       |                      |                       |                    |                    |
| Community services                        | –                     | 4,045,398            | 707,929               | 4,753,327          | 3,969,426          |
| Residential services                      | –                     | 572,231              | 51,318                | 623,549            | 664,933            |
| Public education development and Research | –                     | 51,964               | 19,137                | 71,101             | 65,617             |
| <b>Costs of generating funds</b>          | –                     | 190,855              | 40,994                | 231,849            | 108,447            |
| <b>Other resources expended</b>           | 10,000                | 26,909               | –                     | 36,909             | 33,914             |
| <b>Total resources expended</b>           | 10,000                | 4,887,357            | 819,378               | 5,716,735          | 4,842,337          |

Total resources expended was £5,716,735 (2022: £4,842,337) of which £5,264,906 (2022: £4,403,849) was attributable to unrestricted funds, £110,190 (2022: £103,940) was attributable to designated funds and £341,640 (2022: £334,548) was attributable to restricted funds.

## 7. Support costs by activity

|                                    | Community Services<br>£ | Residential Services<br>£ | Public education development and research<br>£ | Activities for generating funds<br>£ | 2023 Total<br>£ | 2022 Total<br>£ |
|------------------------------------|-------------------------|---------------------------|--|--------------------------------------|-----------------|-----------------|
| Facilities                         | 204,145                 | 701                       | 5,638  | 12,079                               | 222,563         | 187,694         |
| Human resources and administration | 225,884                 | 22,696                    | 6,052  | 12,965                               | 267,597         | 173,717         |
| Finance                            | 137,260                 | 13,791                    | 3,678  | 7,878                                | 162,607         | 120,760         |
| Information Technology             | 140,639                 | 14,131                    | 3,768  | 8,072                                | 166,611         | 104,626         |
|                                    | <u>707,928</u>          | <u>51,318</u>             | <u>19,136</u>                                  | <u>40,994</u>                        | <u>819,378</u>  | <u>586,797</u>  |

Support costs are allocated as follows:

Facilities – surface area utilised / occupied

Finance/HR – full time equivalent staff members

IT – units of equipment

## 8. Charitable expenditure

|   | 2023<br>£    | 2022<br>£    |
|---|--------------|--------------|
| Expenditure includes:                                     |              |              |
| Auditors' remuneration – in respect of audit              | 30,000       | 26,400       |
| Depreciation – owned assets                               | 170,889      | 150,392      |
| Rentals payable under operating leases – office equipment | <u>3,450</u> | <u>3,450</u> |

## 9. Trustee and staff costs

Staff costs during the period were:

|                       | <b>2023</b><br>£ | <b>2022</b><br>£ |
|-----------------------|------------------|------------------|
| Wages and salaries    | 3,030,501        | 2,629,171        |
| Social security costs | 275,400          | 216,956          |
| Pension costs         | 129,396          | 87,853           |
|                       | <u>3,435,297</u> | <u>2,933,980</u> |

Staff restructuring costs comprise:

|                  |              |          |
|------------------|--------------|----------|
| Redundancy costs | <u>6,644</u> | <u>—</u> |
|------------------|--------------|----------|

The average number of employees in the year was as follows:

| <b>Volume;</b>                      | <b>2023</b> | <b>2022</b> |
|-------------------------------------|-------------|-------------|
| Community services                  | 119         | 107         |
| Education, development and research | 13          | 17          |
| Activities for generating funds     | 5           | 5           |
| Governance                          | 1           | 1           |
| Support                             | 13          | 10          |
|                                     | <u>151</u>  | <u>140</u>  |
| <b>FTE's;</b>                       |             |             |
| Community services                  | 80          | 75          |
| Education, development and research | 8           | 10          |
| Activities for generating funds     | 4           | 4           |
| Governance                          | 1           | 1           |
| Support                             | 10          | 8           |
|                                     | <u>103</u>  | <u>98</u>   |

The number of employees whose employee benefits (excl. employer pension costs) exceeded £60,000 was:

|                 | <b>2023 No.</b> | <b>2022 No.</b> |
|-----------------|-----------------|-----------------|
| £60,001-£70,000 | 1               | 0               |
| £70,001-£80,000 | 0               | 0               |
| £80,001-£90,000 | 1               | 1               |

The key management personnel of the charity comprise the trustees and the senior management team as listed on page 6. The total amount of employee benefits (incl. employer pension contributions) received for their services to the charity was £306,447, being 4.0 FTE (2022: £271,759, 4.0 FTE).

Members of the trustee Board and committees do not receive any remuneration for their services. During the year, no directors received travel and subsistence expenses (2022: £nil).

Charitable funds were used to purchase indemnity insurance for the trustees at a cost of £4,280 (2022: £4,218).

## 10. Tangible fixed assets

### Group

|                         | Long leasehold property | Freehold land and buildings | Motor vehicles | Plant machinery fixtures & fittings | Total     |
|-------------------------|-------------------------|-----------------------------|----------------|-------------------------------------|-----------|
|                         | £                       | £                           | £              | £                                   | £         |
| <b>Total cost</b>       |                         |                             |                |                                     |           |
| At 1 April 2022         | 4,536,846               | 881,410                     | 19,500         | 234,194                             | 5,671,950 |
| Additions               | –                       | 425,000                     | –              | 137,175                             | 562,175   |
| Disposals               | –                       | –                           | –              | (13,210)                            | (13,210)  |
| At 31 March 2023        | 4,536,846               | 1,306,410                   | 19,500         | 358,159                             | 6,220,914 |
| <b>Depreciation</b>     |                         |                             |                |                                     |           |
| At 1 April 2022         | 1,361,083               | 264,422                     | 19,500         | 143,488                             | 1,788,492 |
| Charge for year         | 90,737                  | 34,628                      | –              | 45,524                              | 170,889   |
| Elimination on disposal | –                       | –                           | –              | (13,210)                            | (13,210)  |
| At 31 March 2022        | 1,451,819               | 299,050                     | 19,500         | 175,802                             | 1,946,171 |
| <b>Net book values</b>  |                         |                             |                |                                     |           |
| At 31 March 2023        | 3,085,027               | 1,007,359                   | –              | 182,357                             | 4,274,743 |
| At 31 March 2022        | 3,175,763               | 616,988                     | –              | 90,707                              | 3,883,458 |

### Company

|                         | Long leasehold property | Freehold land and buildings | Motor vehicles | Plant machinery fixtures & fittings | Total     |
|-------------------------|-------------------------|-----------------------------|----------------|-------------------------------------|-----------|
|                         | £                       | £                           | £              | £                                   | £         |
| <b>Total cost</b>       |                         |                             |                |                                     |           |
| At 1 April 2022         | 4,536,846               | 881,410                     | 19,500         | 174,195                             | 5,611,950 |
| Additions               | –                       | 425,000                     | –              | 132,385                             | 557,385   |
| Disposals               | –                       | –                           | –              | (13,210)                            | (13,210)  |
| At 31 March 2023        | 1,451,819               | 299,050                     | 19,500         | 293,370                             | 6,156,125 |
| <b>Depreciation</b>     |                         |                             |                |                                     |           |
| At 1 April 2022         | 1,361,083               | 264,422                     | 19,500         | 131,551                             | 1,776,556 |
| Charge for year         | 90,737                  | 34,628                      | –              | 38,598                              | 163,963   |
| Elimination on disposal | –                       | –                           | –              | (13,210)                            | (13,210)  |
| At 31 March 2023        | 1,451,819               | 299,050                     | 19,500         | 156,939                             | 1,927,308 |
| <b>Net book values</b>  |                         |                             |                |                                     |           |
| At 31 March 2023        | 3,085,027               | 1,007,359                   | –              | 136,431                             | 4,228,817 |
| At 31 March 2022        | 3,175,763               | 616,988                     | –              | 42,644                              | 3,835,395 |

## 11. Investment in subsidiary undertakings

The charitable company owns 100% of the ordinary share capital of Deaf Cultural Centre (Trading) Limited, a company incorporated in the United Kingdom. The shares were acquired at a cost of £10,000. The principal activity of Deaf Cultural Centre (Trading) Limited is the provision of catering services and facilities hire. The results of the subsidiary undertakings are set out in note 5.

## 12. Stock

|                               | Group     |           | Company   |           |
|-------------------------------|-----------|-----------|-----------|-----------|
|                               | 2023<br>£ | 2022<br>£ | 2023<br>£ | 2022<br>£ |
| Equipment and catering stocks | 15,148    | 12,197    | 12,798    | 9,997     |

## 13. Debtors: amounts falling due within one year

|                                  | Group          |                  | Company        |                  |
|----------------------------------|----------------|------------------|----------------|------------------|
|                                  | 2023<br>£      | 2022<br>£        | 2023<br>£      | 2022<br>£        |
| Fees receivable                  | 552,007        | 464,088          | 521,049        | 451,600          |
| Other debtors and accrued income | 7,181          | 409,906          | 760            | 409,906          |
| Prepayments                      | 142,502        | 158,831          | 142,502        | 158,831          |
| Amounts due from group company   | –              | –                | 150,655        | 125,968          |
|                                  | <u>701,690</u> | <u>1,032,825</u> | <u>814,966</u> | <u>1,146,305</u> |

## 14. Creditors: amounts falling due within one year

|                              | Group          |                | Company        |                |
|------------------------------|----------------|----------------|----------------|----------------|
|                              | 2023<br>£      | 2022<br>£      | 2023<br>£      | 2022<br>£      |
| Trade creditors              | 162,377        | 116,913        | 158,942        | 113,581        |
| Taxation and social security | 85,291         | 61,083         | 75,009         | 58,377         |
| Loans                        | –              | –              | –              | –              |
| Other creditors              | 55,685         | 404,312        | 55,685         | 404,312        |
| Accruals                     | 66,863         | 113,275        | 63,863         | 105,444        |
| Provisions                   | 40,000         | –              | 40,000         | –              |
| Deferred income              | 69,548         | 102,504        | 69,548         | 102,504        |
|                              | <u>479,764</u> | <u>798,088</u> | <u>463,047</u> | <u>784,218</u> |

| Deferred Income                 | Group         |               | Company       |                |
|---------------------------------|---------------|---------------|---------------|----------------|
|                                 | 2023<br>£     | 2022<br>£     | 2023<br>£     | 2022<br>£      |
| Deferred income brought forward | 102,504       | 46,375        | 102,504       | 46,375         |
| Deferred in year                | 113,676       | 184,903       | 113,676       | 184,903        |
| Recognised in year              | (146,632)     | (128,774)     | (146,632)     | (128,774)      |
| Deferred income carried forward | <u>69,548</u> | <u>46,375</u> | <u>69,548</u> | <u>102,504</u> |

Income is deferred when the charitable company may not have unconditional entitlement to the income or when the invoice relates to the delivery of a service and is therefore only recognised to the extent that the charitable company has provided the service.

## 15. Pension scheme liability – group and company

|                       | £              |
|-----------------------|----------------|
| At 1 April 2022       | 395,000        |
| Movement for the year | (180,000)      |
| At 31 March 2023      | <u>215,000</u> |

## 16. Restricted funds

### Group and company

| Restricted funds                    | 1 April 2022<br>£ | Incoming<br>£  | Outgoing<br>£    | Transfers<br>£ | 31 March 2023<br>£ |
|-------------------------------------|-------------------|----------------|------------------|----------------|--------------------|
| Arts                                | 7,100             | –              | –                | –              | 7,100              |
| Community                           | 351,952           | 128,078        | (116,190)        | –              | 363,840            |
| Employment                          | 127,583           | 148,176        | (173,419)        | –              | 102,341            |
| Residential                         | 31,805            | 12,130         | –                | –              | 43,935             |
| Sports                              | 64,736            | 33,150         | (47,339)         | –              | 50,547             |
| Other                               | 7,486             | 4,835          | (338)            | –              | 11,983             |
| B&DTG                               | 17,779            | 1,300          | (2,433)          | –              | 16,646             |
| Capital appeal                      | 67,340            | –              | (1,920)          | –              | 65,420             |
| <b>Company restricted funds</b>     | <b>675,781</b>    | <b>327,670</b> | <b>(341,640)</b> | <b>–</b>       | <b>661,811</b>     |
| <b>Total Group restricted funds</b> | <b>675,781</b>    | <b>327,670</b> | <b>(341,640)</b> | <b>–</b>       | <b>661,811</b>     |

### 2022 (Prior year)

| Restricted funds                    | 1 April 2021<br>£ | Incoming<br>£  | Outgoing<br>£    | Transfers<br>£ | 31 March 2022<br>£ |
|-------------------------------------|-------------------|----------------|------------------|----------------|--------------------|
| Arts                                | 7,100             | –              | –                | –              | 7,100              |
| Community                           | 169,774           | 215,795        | (33,617)         | –              | 351,952            |
| Employment                          | 147,695           | 187,426        | (207,537)        | –              | 127,583            |
| Residential                         | 31,755            | 50             | –                | –              | 31,805             |
| Sports                              | 61,975            | 92,815         | (90,054)         | –              | 64,736             |
| Other                               | 1,000             | 6,486          | –                | –              | 7,486              |
| B&DTG                               | 19,199            | –              | (1,420)          | –              | 17,779             |
| Capital appeal                      | 69,260            | –              | (1,920)          | –              | 67,340             |
| <b>Company restricted funds</b>     | <b>507,758</b>    | <b>502,571</b> | <b>(334,548)</b> | <b>–</b>       | <b>675,781</b>     |
| <b>Total Group restricted funds</b> | <b>507,758</b>    | <b>502,571</b> | <b>(334,548)</b> | <b>–</b>       | <b>675,781</b>     |

### Purposes of restricted funds

|                 |   |
|-----------------|---|
| Arts:           | Funds from various sources supporting deaf arts projects.                                 |
| Community:      | Funds to support a range of community activities.   |
| Employment:     | Funds held to support activities furthering opportunities for employment for deaf people. |
| Residential:    | Funds to support deaf people in our accommodation.  |
| Sport:          | Funds to support a range of sporting activities for deaf people.                          |
| Other:          | Funds donated to support a range of activities across the charity.                        |
| B&DTG:          | Funds held to support the activities of Birmingham and District Tinnitus Group.           |
| Capital appeal: | Funds donated to support the construction of the Deaf Cultural Centre.                    |

## 17. Unrestricted funds (group and company)

| Group                           | 1 April 2022 | Incoming  | Outgoing    | Losses/Transfers | 31 March 2023 |
|---------------------------------|--------------|-----------|-------------|------------------|---------------|
|                                 | £            | £         | £           | £                | £             |
| <b>Designated</b>               |              |           |             |                  |               |
| Business development fund       | 240,019      | –         | (33,750)    | –                | 206,269       |
| Building development fund       | 2,675,798    | –         | (76,440)    | –                | 2,599,358     |
| <b>Total designated funds</b>   | 2,915,817    | –         | (110,190)   | –                | 2,805,627     |
| <b>General funds</b>            | 2,613,379    | 5,378,602 | (5,350,906) | –                | 2,641,076     |
| Pension fund                    | (395,000)    | –         | 86,000      | 94,000           | (215,000)     |
| <b>Total unrestricted funds</b> | 5,134,196    | 5,378,602 | (5,375,096) | 94,000           | 5,231,703     |

| Company                         | 1 April 2021 | Incoming  | Outgoing    | Losses/Transfers | 31 March 2022 |
|---------------------------------|--------------|-----------|-------------|------------------|---------------|
|                                 | £            | £         | £           | £                | £             |
| <b>Designated</b>               |              |           |             |                  |               |
| Business development fund       | 240,019      | –         | (33,750)    | –                | 206,269       |
| Building development fund       | 2,675,798    | –         | (76,440)    | –                | 2,599,358     |
| <b>Total designated funds</b>   | 2,915,817    | –         | (110,190)   | –                | 2,805,627     |
| <b>General funds</b>            | 2,613,181    | 5,216,182 | (5,188,485) | –                | 2,640,878     |
| Pension fund                    | (395,000)    | –         | 86,000      | 94,000           | (215,000)     |
| <b>Total unrestricted funds</b> | 5,133,998    | 5,216,182 | (5,212,675) | 94,000           | 5,231,504     |

### Purposes of designated funds

|                            |  |
|----------------------------|--|
| Business development fund: | To support the organisation in its future organisational development initiatives.  |
| Building development fund: | This fund was created to support the construction of the Deaf Cultural Centre.<br>The balance will reduce in line with depreciation of the building. |

### 2022 (Prior year)

| Group                           | 1 April 2021 | Incoming  | Outgoing    | Losses/Transfers | 31 March 2022 |
|---------------------------------|--------------|-----------|-------------|------------------|---------------|
|                                 | £            | £         | £           | £                | £             |
| <b>Designated</b>               |              |           |             |                  |               |
| Business development fund       | 267,519      | –         | (27,500)    | –                | 240,019       |
| Building development fund       | 2,752,238    | –         | (76,440)    | –                | 2,675,798     |
| <b>Total designated funds</b>   | 3,019,757    | –         | (103,940)   | –                | 2,915,817     |
| <b>General funds</b>            | 2,525,005    | 4,624,225 | (4,535,851) | –                | 2,613,379     |
| Pension fund                    | (769,000)    | –         | 132,000     | 242,000          | (395,000)     |
| <b>Total unrestricted funds</b> | 4,775,762    | 4,624,225 | (4,507,791) | 242,000          | 5,134,196     |

| Company                         | 1 April 2021 | Incoming  | Outgoing    | Losses/Transfers | 31 March 2022 |
|---------------------------------|--------------|-----------|-------------|------------------|---------------|
|                                 | £            | £         | £           | £                | £             |
| <b>Designated</b>               |              |           |             |                  |               |
| Business development fund       | 267,519      | –         | (27,500)    | –                | 240,019       |
| Building development fund       | 2,752,238    | –         | (76,440)    | –                | 2,675,798     |
| <b>Total designated funds</b>   | 3,019,757    | –         | (103,940)   | –                | 2,915,817     |
| <b>General funds</b>            | 2,536,006    | 4,560,536 | (4,483,361) | –                | 2,613,181     |
| Pension fund                    | (769,000)    | –         | 132,000     | 242,000          | (395,000)     |
| <b>Total unrestricted funds</b> | 4,786,763    | 4,560,536 | (4,455,301) | 242,000          | 5,133,998     |

## 18. Operating lease commitments (Group and company)

At the year end the charitable company has guaranteed minimum lease payments under non-cancellable operating leases as follows:

|                  | Buildings     |               | Equipment    |              |
|------------------|---------------|---------------|--------------|--------------|
|                  | 2023<br>£     | 2022<br>£     | 2023<br>£    | 2022<br>£    |
| Within 1 year    | 21,661        | 72,639        | 1,153        | 1,153        |
| Within 1-2 years | –             | 22,332        | –            | –            |
| Within 2-5 years | –             | –             | –            | –            |
| <b>Total</b>     | <b>21,661</b> | <b>94,971</b> | <b>1,153</b> | <b>1,153</b> |

In addition to the above the charitable company holds a 125 year lease expiring in 2131 from Birmingham City Council on which a peppercorn rent is payable.

## 19. Analysis of group net assets between funds

|                         | Unrestricted<br>£ | Designated<br>£  | Restricted<br>£ | Total<br>£       |
|-------------------------|-------------------|------------------|-----------------|------------------|
| Tangible fixed assets   | 1,675,385         | 2,599,358        | –               | 4,274,743        |
| Net current assets      | 965,691           | 206,269          | 661,811         | 1,833,771        |
| Loans > 1 year          | –                 | –                | –               | –                |
| Pension reserve         | (215,000)         | –                | –               | (215,000)        |
| <b>Total net assets</b> | <b>2,426,076</b>  | <b>2,805,627</b> | <b>661,811</b>  | <b>5,893,514</b> |

|                          | £                | £                | £              | £                |
|--------------------------|------------------|------------------|----------------|------------------|
| <b>2022 (Prior year)</b> |                  |                  |                |                  |
| Tangible fixed assets    | 1,207,660        | 2,675,798        | –              | 3,883,458        |
| Net current assets       | 1,405,719        | 240,019          | 675,781        | 2,321,519        |
| Loans > 1 year           | –                | –                | –              | –                |
| Pension reserve          | (395,000)        | –                | –              | (395,000)        |
| <b>Total net assets</b>  | <b>2,218,379</b> | <b>2,915,817</b> | <b>675,781</b> | <b>5,809,977</b> |

The net current assets within designated funds and restricted funds are represented by cash at bank.

## 20. Financial activities of the charitable company

The financial activities shown in the consolidated statement of financial activities includes those of the company's wholly owned subsidiaries.

A summary of the financial activities undertaken by the parent charitable company is set out below:

|   | 2023<br>£        | 2022<br>£        |
|---|------------------|------------------|
| <b>Gross income</b>   | 5,543,852        | 5,063,107        |
| <b>Total expenditure</b>                                    | (5,554,315)      | (4,789,849)      |
| <b>Net (expenditure)/income for the year</b>                | (10,463)         | 273,258          |
| Actuarial (losses)/gains on defined benefit pension schemes | 94,000           | 242,000          |
| <b>Net income/expenditure</b>                               | 83,537           | 515,258          |
| Total funds brought forward                                 | 5,809,779        | 5,294,521        |
| <b>Total funds carried forward</b>                          | <u>5,893,316</u> | <u>5,809,779</u> |
| <b>Represented by:</b>                                      |                  |                  |
| Unrestricted funds  | 2,425,878        | 2,218,181        |
| Designated funds  | 2,805,627        | 2,915,817        |
| Restricted funds  | 661,811          | 675,781          |
|   | <u>5,893,316</u> | <u>5,809,779</u> |

## 21. Tax status

As a charitable company, BID Services, is exempt from tax on income and gains falling within Section 478 of the Taxes Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen within the charitable company. The trading subsidiary has no profits which are subject to taxation under the provisions of the Income and Corporation Taxes Act 2000.

## 22. Pensions

As at the year-end, pension contributions outstanding were £nil (2022: £nil).

### a) Pension costs – West Midlands Local Government Pension Scheme

The West Midlands Local Government Pension Scheme is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 March 2023 was £4,184 (2022: £5,524), of which employer's contributions totalled £3,562 (2022: £4,702) and employees' contributions totalled £622 (2022: £822). The agreed contribution rates for future years are 33.2 per cent for employers and 6.5 per cent for employees.

» Pensions continued

|  | At 31 March<br>2023 | At 31 March<br>2022 |
|--|---------------------|---------------------|
| <b>Principal actuarial assumptions</b> |                     |                     |
| Rate of increase in salaries           | 3.00%               | 4.30%               |
| Pension Increase Rate (CPI)            | 4.00%               | 3.30%               |
| Discount rate for scheme liabilities   | 4.75%               | 2.70%               |
| Inflation assumption (CPI)             | 10.10%              | 2.85%               |

Life expectancy is based on the Fund's VitaCurves with improvements in line with the CMI 2021 model, with a 10% weighting of 2021 (and 2020) data, standard smoothing (Sk7), initial adjustment of 0.25% and a long-term rate of improvement of 1.5% p.a. for both males and females.

Based on these assumptions, the average future life expectancies at age 65 for the Employer are summarised below:

|                             | At 31 March<br>2023 | At 31 March<br>2022 |
|-----------------------------|---------------------|---------------------|
| <b>Current Pensioners</b>   |                     |                     |
| Males                       | 21.6                | 21.2                |
| Females                     | 25.6                | 23.6                |
| <b>Retiring in 20 years</b> |                     |                     |
| Males                       | 21.6                | 22.9                |
| Females                     | 25.7                | 25.4                |

The charity's share of the assets in the scheme were:

|                                     | Fair value at<br>31 March 2023<br>£000 | Fair value at<br>31 March 2022<br>£000 |
|-------------------------------------|--|--|
| Equities                            | 561                                    | 587                                    |
| Bonds                               | 181                                    | 193                                    |
| Property                            | 58                                     | 61                                     |
| Cash                                | 25                                     | 35                                     |
| <b>Total market value of assets</b> | <b>825</b>                             | <b>876</b>                             |

The actual return on scheme assets was £80,000 (2022: £72,000).

**Amount recognised in the statement of financial activities**

|   | 2023 £000  | 2022 £000  |
|---|------------|------------|
| Current service cost (net of employee contributions)                                  | (5)        | (8)        |
| Net interest cost   | –          | –          |
| Administration expenses, gain / (loss) on curtailment and gain / (loss) on settlement | (1)        | (1)        |
| <b>Total operating charge</b>   | <b>(6)</b> | <b>(9)</b> |

» *Pensions continued*

**Changes in the present value of defined benefit obligations were as follows:**

|  | 2023 £000  | 2022 £000  |
|--|------------|------------|
| <b>At 1 April</b>                          | 798        | 855        |
| Current service cost                       | 5          | 8          |
| Interest cost                              | 21         | 15         |
| Employee contributions                     | 1          | 1          |
| Actuarial (gain) / loss                    | (76)       | (32)       |
| Benefits paid                              | (77)       | (49)       |
| Past service costs, including curtailments | –          | –          |
| <b>At 31 March</b>                         | <b>672</b> | <b>798</b> |

**Changes in the fair value of charity's share of scheme assets:**

|   | 2023 £000  | 2022 £000  |
|---|------------|------------|
| <b>At 1 April</b>   | 876        | 851        |
| Interest income   | 23         | 15         |
| Return on plan assets (excluding net interest on the net defined pension liability) | (27)       | 53         |
| Other actuarial gains / (losses)  | 26         | –          |
| Employer contributions  | 3          | 5          |
| Employee contributions  | 1          | 1          |
| Benefits paid   | (77)       | (49)       |
| Administration expenses   | –          | –          |
| <b>At 31 March</b>  | <b>825</b> | <b>876</b> |

**Sensitivity analysis**

The sensitivities regarding the principal assumptions used to measure the scheme obligations are set out below:

| Change in assumptions at 31 March 2023:          | Approx. % increase to Defined Benefit Obligation | Approximate monetary amount (£000) |
|--|--|------------------------------------|
| 0.1% decrease in Real Discount Rate              | 1%   | 5                                  |
| 1 year increase in member life expectancy        | 4%   | 27                                 |
| 0.1% increase in the Salary Increase Rate        | 0%   | –                                  |
| 0.1% increase in the Pension Increase Rate (CPI) | 1%   | 5                                  |

**b) Pension costs – Pensions Trust (CARE Scheme)**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 37 non-associated employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a ‘last-man standing arrangement’. Therefore the company is potentially liable for other participating employers’ obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2019. This valuation showed assets of £79m, liabilities of £93.9m and a deficit of £14.9m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2021 to 30 September 2027: £1,530,000 per annum  
(payable monthly and increasing by 3.0% each year on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

**Present value of provision**

|                            | Period Ending<br>31 March 2023<br>(£s) | Period Ending<br>31 March 2022<br>(£s) | Period Ending<br>31 March 2021<br>(£s) |
|----------------------------|--|--|--|
| Present value of provision | 316,689                                | 398,072                                | 481,242                                |

## » Pensions continued

**Reconciliation of opening and closing provisions**

|  | Period Ending<br>31 March 2023<br>(£s) | Period Ending<br>31 March 2022<br>(£s) |
|--|--|--|
| Provision at start of period                             | 398,072                                | 481,242                                |
| Unwinding of the discount factor (interest expense)      | 9,153                                  | 4,343                                  |
| Deficit contribution paid                                | (72,446)                               | (70,336)                               |
| Remeasurements – impact of any change in assumptions     | (18,090)                               | (17,177)                               |
| Remeasurements – amendments to the contribution schedule | –                                      | –                                      |
| Provision at end of period                               | <u>316,689</u>                         | <u>398,072</u>                         |

**Income and expenditure impact**

|  | Period Ending<br>31 March 2022<br>(£s) | Period Ending<br>31 March 2021<br>(£s) |
|--|--|--|
| Interest expense   | 9,153                                  | 4,343                                  |
| Remeasurements – impact of any change in assumptions     | (18,090)                               | (17,177)                               |
| Remeasurements – amendments to the contribution schedule | –                                      | –                                      |
| Contributions paid in respect of future service          | (22,190)                               | (19,885)                               |
| Costs recognised in income and expenditure account       | <u>(31,127)</u>                        | <u>(32,719)</u>                        |

**Assumptions**

|                  | 31 March 2023<br>% per annum | 31 March 2022<br>% per annum | 31 March 2021<br>% per annum |
|------------------|------------------------------|------------------------------|------------------------------|
| Rate of discount | 5.18                         | 2.55                         | 0.98                         |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

**c) Pension costs – Pensions Trust (Growth Plan)**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

» Pensions continued

|                            | Period Ending<br>31 March 2023<br>(£s) | Period Ending<br>31 March 2022<br>(£s) | Period Ending<br>31 March 2021<br>(£s) |
|----------------------------|--|--|--|
| Present value of provision | 47,585                                 | 74,640                                 | 284,450                                |

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2022 to 31 January 2025: £3,312,000 per annum

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2019 to 30 September 2025: £11,243,000 per annum  
(payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

### Reconciliation of opening and closing provisions

|  | Period Ending<br>31 March 2023<br>(£s) | Period Ending<br>31 March 2022<br>(£s) |
|--|--|--|
| Provision at start of period                             | 74,640                                 | 284,450                                |
| Unwinding of the discount factor (interest expense)      | 1,410                                  | 1,640                                  |
| Deficit contribution paid                                | (27,194)                               | (71,982)                               |
| Remeasurements – impact of any change in assumptions     | (1,271)                                | (1,716)                                |
| Remeasurements – amendments to the contribution schedule | –                                      | (137,752)                              |
| Provision at end of period                               | 47,585                                 | 74,640                                 |

## » Pensions continued

**Income and expenditure impact**

|  | <b>Period Ending</b><br>31 March 2023<br>(£s) | <b>Period Ending</b><br>31 March 2022<br>(£s) |
|--|---|---|
| Interest expense   | 1,410   | 1,640   |
| Remeasurements – impact of any change in assumptions     | (1,271)                                       | (1,716)                                       |
| Remeasurements – amendments to the contribution schedule | –   | (137,752)                                     |
| Contributions paid in respect of future service          | (1,842)                                       | (1,761)                                       |
| Costs recognised in income and expenditure account       | (1,703)                                       | (139,589)                                     |

**Assumptions**

|                  | <b>31 March 2023</b><br>% per annum | <b>31 March 2022</b><br>% per annum | <b>31 March 2021</b><br>% per annum |
|------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Rate of discount | 5.52                                | 2.35                                | 0.66                                |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

**23. Related party transactions**

In the year, Deaf Cultural Centre (Trading) Limited made sales of £43,713 (2022: £18,339) to the parent company and there was £6,413 (2022: £3,248) owed at the year-end. There were also recharges from the parent company to Deaf Cultural Centre (Trading) Limited of £4,106 (2022: £2,796), with £nil (2022: £585) owed at the year-end.

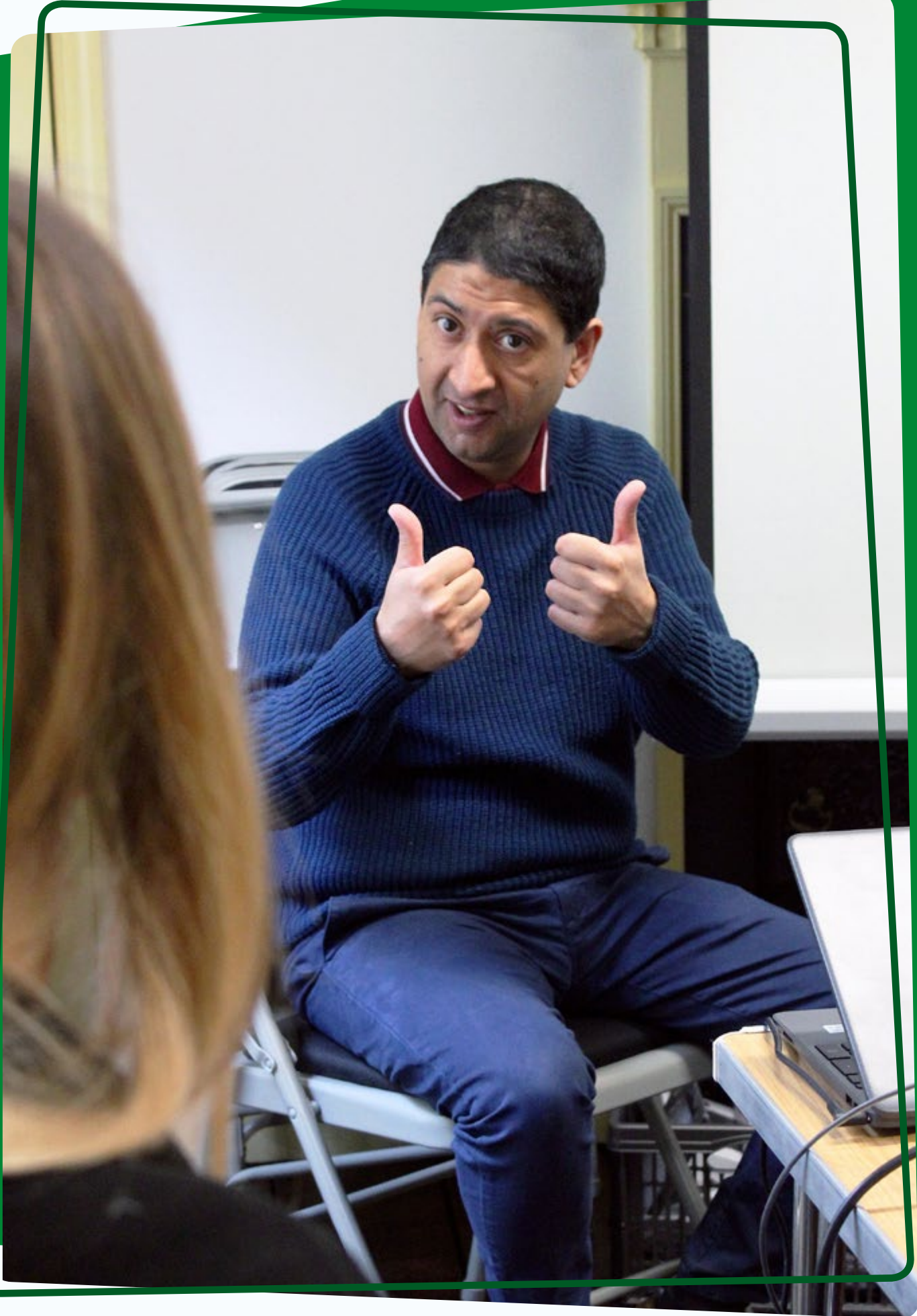
The inter-group debtor balance, owed by Deaf Cultural Centre (Trading) Limited, at the year-end was £150,655 (2022: £125,968).

**24. Third party supported accounts**

Included in the Balance Sheet are cash balances of £3,461 (2022: £329,578) held in respect of third party supported accounts where BID Services have agreed to take on the payment of support monies under custodian arrangements, in a partnership with Penderels Trust, in relation to Lincolnshire service users. Lincolnshire C.C. pay the required support monies to Penderels Trust at varied time periods, who in turn transfer to BID Services who disburse the support monies to the service providers on behalf of the users, based on service assessment and arrangement. The receipts and payments regarding the TPSA funds are not shown as part of SOFA.

**25. Ultimate controlling party**

The members of BID Services are trustees and hence BID Services is controlled by the Board of trustees.





**B·I·D SERVICES**

**BID Services**

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