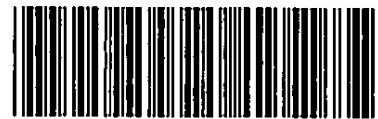


REGISTERED COMPANY NUMBER: 02852695 (England and Wales)
REGISTERED CHARITY NUMBER: 1027567

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2012
FOR
DEAF-INITELY INDEPENDENT**

THURSDAY



A34 *A2FAEQ1M* 22/08/2013 #100
COMPANIES HOUSE

TGFP
Chartered Accountants & Statutory Auditors
Fulford House
Newbold Terrace
Leamington Spa
Warwickshire
CV32 4EA

DEAF-INITELY INDEPENDENT
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FOR THE YEAR ENDED 31 DECEMBER 2012

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DEAF-INITELY INDEPENDENT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02852695 (England and Wales)

Registered Charity number
1027567

Registered office
Beech Lodge
28 Warwick New Road
Leamington Spa
Warwickshire
CV32 5JJ

Trustees
Mrs S Cox MBE
Mr D Perkins
Mr P Clow
Dr C Essex
Mrs M James
Mr M Fry

Company Secretary
Mrs S Cox MBE

Auditors
TGFP
Chartered Accountants & Statutory Auditors
Fulford House
Newbold Terrace
Leamington Spa
Warwickshire
CV32 4EA

Bankers
Lloyds Bank plc
73 Parade
Leamington Spa
Warwickshire
CV32 4BB

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is registered as a charity by the Charity Commissioners (No 1027567) and is recognised as such by H M Revenue and Customs. The charity is governed by its Memorandum and Articles of Association (incorporated 13 September 1993 and amended by special resolution dated 7 August 2011).

Appointment of new trustees

Appointment of trustees is governed by the deed of the charity. The Board of Trustees is authorised to appoint new Trustees at any time to fill a casual vacancy or as an addition to the existing Director.

DEAF-INITELY INDEPENDENT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New trustees undergo an orientation process to brief them on their legal obligations under charity law, the charity's governing documents, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction process they meet key employees and other trustees. Trustees are encouraged to attend appropriate external and internal training events which will assist them to carry out their role.

Organisational structure

The board of trustees administers the charity. The board meets on average six times a year.

The trustees delegate the day to day responsibility for all routine financial matters, staff selection, development and supervision, residents' and staff safety and compliance with all necessary legislation to the CEO.

Risk management

The trustees have a risk management strategy which comprises

An annual review of the risks the charity may face

The establishment of systems and procedures to mitigate those risks identified

The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable trust is constituted by a Trust Deed and its objects are to

Promote the relief of persons with learning, physical and/or dual sensory disabilities of all ages who are deaf and to provide learning experiences for such persons so as to encourage them to take responsibility for their own welfare as far as they are able and to provide residential accommodation, counselling, education and training in furtherance of these objects

The main objective of the charitable trust continues to be to provide a quality service appropriate to the needs of current users and to seek additional finance and support to meet the needs presented by existing and potential beneficiaries

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity continued to consolidate its activities within the two existing homes and is currently at 94% capacity. Careful attention continues to be given to achieving compliance with the Care Homes Regulations and National Minimum Standards. The service has successfully registered with the Care Quality Commission who have taken over the regulatory function in the Care Sector. The service remains rated as "Good".

FINANCIAL REVIEW

The trust has managed all its activities within income generated, donations received and fund balances brought forward, these are set out in the Statement of Financial Activities.

The net surplus for the year on unrestricted funds was £44,482 (2011 - £77,389), comprising total incoming resources of £888,646 (2011 - £907,772) and total resources expended of £844,164 (2011 - £830,383).

Total funds increased from £562,550 to £607,032. Cash at bank and in hand increased in the year to £462,581 from £436,284 in the previous year.

DEAF-INITELY INDEPENDENT
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2012

FUTURE DEVELOPMENTS

The organisation will continue to monitor standards and financial stability. Throughout the coming year essential renovation work will take place at Chestnut Lodge to continue the focus on high quality provision of accommodation available to beneficiaries. The Trustees will continue to build reserves, above the standard policy level. The purchase of an appropriate building will be considered when the financial climate becomes more stable.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Deaf-initely Independent for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware

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

AUDITORS

The auditors, TGFP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

ON BEHALF OF THE BOARD

S.H. Cox

Mrs S Cox MBE - Trustee

Date 27.6.13.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DEAF-INITELY INDEPENDENT

We have audited the financial statements of Deaf-initely Independent for the year ended 31 December 2012 on pages six to eleven. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities set out on page three, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2012 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

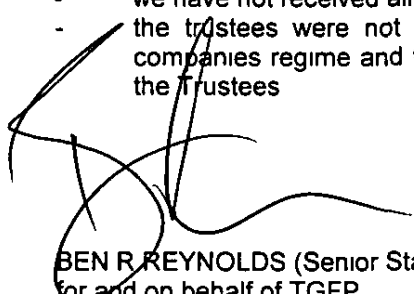
In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DEAF-INITELY INDEPENDENT**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees



BEN R REYNOLDS (Senior Statutory Auditor)
for and on behalf of TGFP
Chartered Accountants & Statutory Auditors
Fulford House
Newbold Terrace
Leamington Spa
Warwickshire
CV32 4EA

Date

8/7/13

DEAF-INITELY INDEPENDENT
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 Unrestricted funds £	2011 Total funds £
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income	2	1,731	401
Investment income	3	197	680
Incoming resources from charitable activities			
Rents	4	886,717	906,691
Total incoming resources		<u>888,645</u>	<u>907,772</u>
RESOURCES EXPENDED			
Charitable activities			
Costs of charitable activities	5	820,801	810,930
Governance costs	6	23,362	19,453
Total resources expended		<u>844,163</u>	<u>830,383</u>
NET INCOMING RESOURCES		44,482	77,389
RECONCILIATION OF FUNDS			
Total funds brought forward		562,550	485,161
TOTAL FUNDS CARRIED FORWARD		<u><u>607,032</u></u>	<u><u>562,550</u></u>

The notes form part of these financial statements

DEAF-INITELY INDEPENDENT

**BALANCE SHEET
AT 31 DECEMBER 2012**

	Notes	2012 Unrestricted funds £	2011 Total funds £
FIXED ASSETS			
Tangible assets	10	158,292	179,761
CURRENT ASSETS			
Debtors	11	75,662	79,081
Cash at bank and in hand		462,581	436,284
		<u>538,243</u>	<u>515,365</u>
CREDITORS			
Amounts falling due within one year	12	(89,503)	(132,576)
NET CURRENT ASSETS		<u>448,740</u>	<u>382,789</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		607,032	562,550
NET ASSETS		<u>607,032</u>	<u>562,550</u>
FUNDS	14		
Unrestricted funds		607,032	562,550
TOTAL FUNDS		<u>607,032</u>	<u>562,550</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 27.6.13 and were signed on its behalf by

S.H. Cox

Mrs S Cox MBE -Trustee

The notes form part of these financial statements

DEAF-INITELY INDEPENDENT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Tangible fixed assets

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

Long leasehold	- in accordance with the lease
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

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

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

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

Hire purchase and leasing commitments

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

2. VOLUNTARY INCOME

	2012	2011
	£	£
Gifts	(1)	-
Donations	1,732	401
	<u>1,731</u>	<u>401</u>

DEAF-INITELY INDEPENDENT

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2012**

3. INVESTMENT INCOME

	2012	2011
	£	£
Bank interest receivable	197	680
	<u> </u>	<u> </u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2012	2011
	£	£
Activity		
County Councils and DSS Rents	886,717	906,691
	<u> </u>	<u> </u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs	Totals
	£	£
Costs of charitable activities	820,801	820,801
	<u> </u>	<u> </u>

6. GOVERNANCE COSTS

	2012	2011
	£	£
Telephone	5,830	5,487
Bank charges	97	133
Postage and stationery	5,920	4,008
Accountancy fees	3,509	3,624
Legal and professional	8,006	6,201
	<u> </u>	<u> </u>
	<u>23,362</u>	<u>19,453</u>

7. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	2012	2011
	£	£
Depreciation - owned assets	31,905	32,818
Hire of plant and machinery	1,332	2,089
Other operating leases	129,500	121,902
Deficit on disposal of fixed asset	4,660	-
	<u> </u>	<u> </u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2012 nor for the year ended 31 December 2011

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2012 nor for the year ended 31 December 2011

DEAF-INITELY INDEPENDENT

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2012**

9. STAFF COSTS

	2012	2011
	£	£
Wages and salaries	383,467	438,081
Social security costs	30,863	49,601
	414,330	487,682
	414,330	487,682

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

	2012	2011
Direct charitable services	24	25
	24	25
	24	25

No employees received emoluments over £50,000

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2012	246,520	244,815	70,978	37,167	599,480
Additions	1,820	10,397	4,300	379	16,896
Disposals	-	(5,394)	(21,018)	(330)	(26,742)
	248,340	249,818	54,260	37,216	589,634
At 31 December 2012	248,340	249,818	54,260	37,216	589,634
DEPRECIATION					
At 1 January 2012	99,019	233,396	57,460	29,844	419,719
Charge for year	20,132	6,121	2,839	2,813	31,905
Eliminated on disposal	-	(5,394)	(14,558)	(330)	(20,282)
	119,151	234,123	45,741	32,327	431,342
At 31 December 2012	119,151	234,123	45,741	32,327	431,342
NET BOOK VALUE					
At 31 December 2012	129,189	15,695	8,519	4,889	158,292
	129,189	15,695	8,519	4,889	158,292
At 31 December 2011	147,501	11,419	13,518	7,323	179,761
	147,501	11,419	13,518	7,323	179,761

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade debtors	27,576	32,658
Other debtors	1,135	-
Prepayments and accrued income	46,951	46,423
	75,662	79,081
	75,662	79,081

DEAF-INITELY INDEPENDENT

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2012**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£	£
Trade creditors	38,916	38,503
Social security and other taxes	7,725	8,921
Other creditors	867	-
Accruals and deferred income	41,995	85,152
	<u>89,503</u>	<u>132,576</u>

13. OPERATING LEASE COMMITMENTS

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

	2012	2011
	£	£
Expiring Between one and five years	<u>129,500</u>	<u>129,500</u>

14. MOVEMENT IN FUNDS

	At 1.1.12	Net movement In funds	At 31.12.12
	£	£	£
Unrestricted funds			
General fund	562,550	44,482	607,032
	<u>562,550</u>	<u>44,482</u>	<u>607,032</u>
TOTAL FUNDS	<u>562,550</u>	<u>44,482</u>	<u>607,032</u>

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

	Incoming resources	Resources expended	Movement In funds
	£	£	£
Unrestricted funds			
General fund	888,645	(844,163)	44,482
	<u>888,645</u>	<u>(844,163)</u>	<u>44,482</u>
TOTAL FUNDS	<u>888,645</u>	<u>(844,163)</u>	<u>44,482</u>

15. MEMBERS LIABILITY

The company is limited by guarantee and does not have share capital. Each member of the company undertakes to contribute to the assets of the company in the event of the same being wound up while they are a member, or within one year after they cease to be a member, for payment of debts and liabilities of the company contracted before they cease to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding twenty pounds.

.....

TO TGFP
CHARTERED ACCOUNTANTS
FULFORD HOUSE
NEWBOLD TERRACE
LEAMINGTON SPA
CV32 4EA

FROM REGISTRAR OF COMPANIES
GENERAL SECTION
COMPANIES HOUSE
CROWN WAY
CARDIFF
CF14 3UZ

WE CONFIRM AND ACKNOWLEDGE RECEIPT OF THE FOLLOWING

ACCOUNTS FOR THE YEAR	31/12/2012
CLIENT NAME	Deaf-initely Independent
COMPANY NUMBER	02852695