

**REGISTERED NUMBER: 00146281 (England and Wales)**

**Report of the Trustees and  
Unaudited Financial Statements  
for the Year Ended 31 March 2019**

**for**

**The Leeds Society for Deaf & Blind People**

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for the Year Ended 31 March 2019**

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**The Leeds Society for Deaf & Blind People**

**Society Information  
for the Year Ended 31 March 2019**

<b>JOINT PRESIDENT:</b>	Hon Ald Mr M J Dodgson MBE JP Mr M C A Smith JP MA
<b>CHAIR:</b>	Ms C Roche
<b>TREASURER:</b>	Mr C Sinclair
<b>TRUSTEES:</b>	Miss H Adolfsen Mr W Finney Mrs S Foster Mr J Hixon Mr R Karim Mr P Landey Mr N McTague Mrs M Naylor Mr D Robinson Ms C Roche Mr E Wickremaratne Mrs M Wood
<b>REGISTERED OFFICE:</b>	The Centre St Mary's Street Leeds West Yorkshire LS9 7DP
<b>CHARITY REGISTRATION NUMBER:</b>	227169
<b>COMPANY REGISTRATION NUMBER:</b>	00146281 (England and Wales)
<b>INDEPENDENT EXAMINER</b>	Martin Smith (FCCA) Malcolm Jones & Co Limited Accountants and Business Advisors West Hill House Allerton Hill Chapel Allerton Leeds LS7 3QB
<b>BANKERS:</b>	Yorkshire Bank Plc 94-96 Briggate Leeds LS1 6NP

## **The Leeds Society for Deaf & Blind People (Registered number: 00146281)**

### **Report of the Trustees for the Year Ended 31 March 2019**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2019 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The Leeds Society for Deaf & Blind People is a registered charity (registered number 227169) and a private company limited by guarantee (company number 146281). Its governing documents are the Memorandum and Articles of Association.

#### **Trustees**

The Board of Trustees (known as the Management Committee) is elected annually by the Members present at the Annual General Meeting (AGM). The following Trustees served in the financial year 2018-19, unless otherwise indicated, they were Trustees on the date that this report was approved.

Miss H Adolfsen  
Mrs Z Emery (resigned 15.11.18)  
Mr W Finney (appointed 15.11.18)  
Mrs S Foster (appointed 17.05.18)  
Mr J Hixon  
Mr C Jones (resigned 26.07.18)  
Mr R Karim  
Mr P Landey  
Mr N McTague  
Mrs K Milwain (resigned 15.11.18)  
Mrs M Naylor  
Mr A Oldroyd (deceased 25.09.18)  
Ms C Roche  
Rev M Smith (resigned 15.11.18)  
Mr E Wickremaratne  
Mrs M Wood

Mr D Robinson was appointed as a co-opted Trustee after 31 March 2019 but prior to the date of this report.

#### **Appointment of Trustees**

The Charity is managed by a committee of members who are known as the Management Committee. The members are elected each year at the Annual General Meeting (AGM) and serve for a period of one year, after which they may stand for re-election at the next Annual General Meeting (AGM). All members are circulated with invitations to nominate trustees prior to the Annual General Meeting (AGM). To enhance the potential pool of trustees, we have sought to identify those members who can use their own experience to assist the charity.

#### **Structure, Governance & Management**

The Society is governed by the Board of Trustees which meets regularly and is responsible for the strategic direction and policy of the Charity. It is responsible for monitoring achievements and actual outcomes against its planned objectives. As at 31 March 2019, there were eleven Trustees of whom eight have a sensory loss. Finance and Administrative issues are overseen by the Finance & General Purposes Committee.

## The Leeds Society for Deaf & Blind People (Registered number: 00146281)

### Report of the Trustees for the Year Ended 31 March 2019

#### Objectives & Activities

The principal objective of the Society is to meet the expressed needs of sensory impaired people so as to enable each person to have the opportunity to achieve their full potential. The overriding ethos is to foster independence rather than engender dependence. This objective is enhanced through consultation with user groups and representation of sensory impaired people within the structure of the Society. The main activities undertaken to achieve its objectives are:

- The Leeds Sign Language Interpreting Service (LSLIS) which provides British Sign Language (BSL) interpreting services to Deaf people, organisations and businesses through contracts with public and private sector service providers.
- The formulation, marketing and sale of Sensory Awareness Training (SAT) to businesses, organisations and individuals.
- The operation of Medical Communicator Guide services to support DeafBlind people.
- Provision of Braille, Audio and Large Print services.
- British Sign Language classes.
- Rooms let to a group who support Deaf people who need extra support.
- Hiring out rooms for commercial purposes

Aims, objectives and activities are reviewed annually to ensure they remain focused on our principal objectives. We have referred to the Charity Commission's general guidance on public benefit when undertaking this review process.

#### Investment Performance

At the 31<sup>st</sup> March 2018 the value of the investment portfolio stood at £93,422, at the 31<sup>st</sup> March 2019 it had seen an increase to £99,612.

#### Risk Assessments

The Trustees have identified the major strategic, business and operational risks which the company faces and systems are in place to mitigate any exposure to these risks.

#### Financial Review

- Total incoming resources increased from £269,664 in 2018 to £354,583 this year with resources expended increasing from £379,307 to £423,696.
- The deficit for the year before other recognised gains and losses was £69,113 compared to a deficit last year of £109,643.
- There was an unrealised gain on the investments portfolio of £2,851 and a realised loss on investments of £317.
- The Pension Fund sustained an Actuarial loss of £197,000 compared with a loss of £106,000 in 2018.
- At 31 March 2019 the total funds carried forward had decreased from £122,082 to a net deficit position of £141,497. There are no other financial commitments, guarantees or contingent liabilities not provided for or disclosed in the financial statements.

2018-19 has seen the Society becoming established in new premises. New services have been developed in the building and it is becoming a social hub for the Deaf community. The main operational focus has been on the continuation of the provision of BSL Interpreting services, Deafblind Communicator Guide services, Braille, Audio and Large Print services and Sensory Awareness Training (SAT). Room letting and hire has increased.

#### Reserves Policy

It is felt prudent to maintain reserves, before pension scheme assets/liabilities as these are considered not to give rise to immediate cash flows, at a level whereby the reserves would meet the needs of the Society for approximately six months in the event of the loss of all income streams.

The Trustees, given the status of the company as a not for profit company, recognise that it is important to maintain levels of reserves that are not unnecessarily high and that are appropriate to the Society's funding requirements. The factors taken into account by the trustees include the security of the various income streams, the level of current and future running costs and other expenditure and the need to provide for fluctuations in the funding requirements of the defined benefit pension scheme.

## **The Leeds Society for Deaf & Blind People (Registered number: 00146281)**

### **Report of the Trustees for the Year Ended 31 March 2019**

#### **Reserves Policy (cont)**

The unrestricted general fund amounted to a deficit of £173,065 at 31 March 2019. This is made up of two elements:

- £1,198,000 relates to the pension fund liability - this is underwritten by Leeds City Council in the unlikely event of default by the company.
- £1,024,935 positive funds arising from operating surpluses in previous years.

The Trustees envisage that in the early stages of the current development of the society arising from the freeing up of liquid resources on the sale of Centenary House, expenditure is likely to materially increase and not be matched immediately by additional sources of income. Therefore, the trustees believe during this period of financial and structural change that the reserves currently maintained are essential for the future financial security of the Society.

#### **Investment Policy**

In order to maintain and enhance the value of its assets the Trustees take advice from the Society's retained stock broker, currently Redmayne Bentley, and invest some of the Society's reserves in a balanced portfolio of equities and cash which is professionally managed to give appropriate returns for low level risk. Investment decisions do not necessarily take into account social, environmental or ethical considerations.

#### **Plans for the future**

Objectives for 2019-20. Continue to:

- Develop a business plan which does not concentrate on service provision.
- Examine any collaboration, partnership or joint venture that will increase the viability and sustainability of the Society.
- Continue to develop a "social hub concept" for sensory impaired people in Leeds that provides a suitable environment for social interaction.
- Generate income from trust & grant organisations in order to enable us to deliver new services.
- Offer ongoing training to ensure the development of our staff and Trustees.
- Become the 'go-to' organisation for people with a sensory loss in Leeds.
- Reduce isolation and loneliness by providing opportunities for social interaction.
- Expand the provision of BSL classes.
- Room lets and Room hire to be extended.
- Develop an activity for the DeafBlind community.
- Continue to develop a Video interpreting and video relay service.
- Develop a new service for the Blind community.

#### **Achievements and performance**

Some of the more significant achievements of the charity during the year were as follows:

- Retaining contracts with Leeds NHS CCG, Leeds Teaching Hospitals NHS Trust, Leeds and York Partnership NHS Foundation Trust and Leeds Community Healthcare NHS Trust for the provision of British Sign Language Interpreters and Deafblind Communicator guides, thereby ensuring that those people with a sensory loss have equal access to medical appointments and health information.
- Increasing the provision of Braille, Large Print and Audio services to ensure that those with a visual impairment are able to receive information in their preferred format.
- Identifying new partnerships, relationships and expert contacts that allow us to help secure and further improve our services.
- Building life-long relationships with our service users by involving them in the development of service provision.
- Developing The Centre as a social hub and an events venue.
- Established tenants using the building for a group who support the Deaf community.
- Sign language classes being offered.
- Social groups established in the building as a social hub for the communities. The Leeds Deaf Social Club, Over 55's Deaf Group, Leeds Deaf Youth Club, Parents and Baby Group and the Friendship Café have set up and are running regularly.
- Events held to support the community's voice in improving provision for their medical care and access.
- Volunteers support from both the Deaf and Blind communities regularly supporting the society and social groups.
- Held WEA classes to support Deaf people with literacy and numeracy.

**The Leeds Society for Deaf & Blind People (Registered number: 00146281)**

**Report of the Trustees  
for the Year Ended 31 March 2019**

**Statement of Responsibilities of the Trustees/Directors**

The charity trustees (who are also the directors for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and regulations and in accordance with United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including the income and expenditure for the financial year. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and that enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. The trustees also confirm that they have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance on public benefit published by the Charity Commission.

**ON BEHALF OF THE TRUSTEES:**

Christine Roche – Chair

Dated: 7 November 2019

## **The Leeds Society for Deaf & Blind People**

### **Independent Examiners' Report to the Trustees of The Leeds Society for Deaf & Blind People**

I report on the accounts of The Leeds Society for Deaf & Blind People for the year ended 31<sup>st</sup> March 2019 which are set out on pages 6 to 17.

#### **Respective responsibilities of trustees and examiner**

The trustees (who are also directors of the company for the purpose of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 or under Part 16 of the Companies Act 2006 and that an independent examination is needed. The Charity is required by law to prepare accrued accounts and I am qualified to undertake the examination by being a member of The Association of Chartered Certified Accountants.

Having been satisfied that the charity is not subject to an audit under company law and is eligible for independent examination it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### **Basis of independent examiners report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

#### **Independent examiners statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep records in accordance with s386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Companies Act 2006 and also to prepare accounts in accordance with the Charities SORP (FRS 102) and with the methods and principles set out in Charities SORP (FRS 102), have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Martin Smith FCCA  
for and on behalf of Malcolm Jones & Co Limited  
Accountants and Business Advisors  
West Hill House  
Allerton Hill  
Chapel Allerton  
Leeds  
LS7 3QB

Dated: 7 November 2019



The Leeds Society for Deaf & Blind People (Registered number: 00146281)

Statement of Financial Activities  
(including Statement of Comprehensive Income)  
for the Year Ended 31 March 2019

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	31.03.2019 Total Funds	31.03.2018 Total Funds
		£	£	£	£	£
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Donations and legacies	3	15,012	13,487	-	28,499	7,464
Investment income and interest	4	4,884	-	-	4,884	3,637
Rental income		11,995	-	-	11,995	1,031
Incoming resources from charitable activities	5	309,205	-	-	309,205	257,532
<b>Total incoming resources (before exceptional items)</b>		<b>341,096</b>	<b>13,487</b>	<b>-</b>	<b>354,583</b>	<b>269,664</b>
<b>Resources expended</b>						
Charitable activities	6	381,520	-	-	381,520	341,574
Governance costs	7	17,176	-	-	17,176	17,733
Expected deficit on scheme asset returns	13	25,000	-	-	25,000	20,000
<b>Total resources expended</b>	8	<b>423,696</b>	<b>-</b>	<b>-</b>	<b>423,696</b>	<b>379,307</b>
Net (outgoing) resources before transfers		(82,600)	13,487	-	(69,113)	(109,643)
Transfers between funds		-	-	-	-	-
Net (outgoing) resources before other recognised gains and losses		(82,600)	13,487	-	(69,113)	(109,643)
<b>Other recognised gains and losses</b>						
Gains on investments: Unrealised	10	2,851	-	-	2,851	-
(Losses) on investments: (Realised)	10	(317)	-	-	(317)	(5,975)
Actuarial and past service (losses)	13	(197,000)	-	-	(197,000)	(106,000)
<b>Net movement in funds</b>		<b>(277,066)</b>	<b>13,487</b>	<b>-</b>	<b>(263,579)</b>	<b>(221,618)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 1 April 2018		104,001	-	18,081	122,082	343,700
<b>Total Funds carried forward at 31 March 2019</b>		<b>(173,065)</b>	<b>13,487</b>	<b>18,081</b>	<b>(141,497)</b>	<b>122,082</b>

All of the above results are derived from continuing activities.

**The Leeds Society for Deaf & Blind People (Registered number 00146281)**

		<b>Balance Sheet</b>			
		<b>31 March 2019</b>		<b>31.03.2018</b>	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	9		719,969		723,745
Investments	10		99,612		93,422
			<u>819,581</u>		<u>817,167</u>
<b>CURRENT ASSETS:</b>					
Debtors	11	70,612		61,211	
Cash at bank and in hand		188,164		216,552	
		<u>258,776</u>		<u>277,763</u>	
<b>CREDITORS:</b>					
Amounts falling due within one year	12	(21,854)		(22,848)	
<b>NET CURRENT ASSETS/(LIABILITIES):</b>			<u>236,922</u>		<u>254,915</u>
<b>TOTAL ASSETS LESS</b>					
<b>CURRENT LIABILITIES:</b>			1,056,503		1,072,082
<b>NON-CURRENT LIABILITIES</b>					
Employee Benefits	13		(1,198,000)		(950,000)
<b>TOTAL NET (LIABILITIES)/ASSETS</b>			<u>(141,497)</u>		<u>122,082</u>
<b>FUNDS:</b>					
Unrestricted funds	16		(173,065)		104,001
Restricted funds	15		13,487		-
Endowment funds	14		18,081		18,081
<b>TOTAL FUNDS</b>	16		<u>(141,497)</u>		<u>122,082</u>

For the financial year ended 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year ended 31 March 2019 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and constitute the annual accounts required by the Companies Act 2006 and are for circularisation to members of the company.

**ON BEHALF OF THE BOARD:**

Ms C Roche                    - Chair

Mrs M Wood                    - Trustee

Approved by the Management Committee on 7 November 2019

**The Leeds Society for Deaf & Blind People (Registered number: 00146281)**

**Notes to the Financial Statements  
for the Year Ended 31 March 2019**

**1. COMPANY INFORMATION**

The Leeds Society for Deaf & Blind People is a charitable company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of Preparation**

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), the Charities SORP (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The company has availed itself of paragraph 3(3) of Schedule 4 of the Companies Act formats to reflect the special nature of the company's activities.

**Preparation of the accounts on a going concern basis**

The charity has a net liability shown in the accounts of £141,497. This is attributable to a deficit of £1,198,000 on the charity's defined benefit pension scheme. With regards to this deficit, a recovery plan is being followed to reduce this over the medium to long term. The cash impact of this recovery plan is considered to be manageable by the trustees. In the circumstances, the trustees believe it is appropriate to prepare the financial statements on the going concern basis.

**Company and Charitable Status**

The Leeds Society for Deaf & Blind People is a company limited by guarantee, the liability of each member of the company not exceeding £1, and a charity registered under the Charities Act.

**Fund Accounting**

Funds held by the charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds – these are funds that can only be used for particular restricted purposes specified by donors of the funds.

Endowment funds – permanent endowment funds are funds which must generally be held indefinitely as trustees do not have the power to convert the capital into income.

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

**Incoming Resources**

Incoming resources comprises all incoming resources becoming available to the company during the year and includes income from all sources regardless of its source or of the purpose to which it is applied. Where applicable income is recognised where all conditions for receipt have been met and there is reasonable assurance of receipt.

All income is reported gross with no setting off of costs or expenses.

**The Leeds Society for Deaf & Blind People (Registered number: 00146281)**

**Notes to the Financial Statements  
for the Year Ended 31 March 2019**

**2. ACCOUNTING POLICIES (continued)**

**Resources Expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to specific activities or categories. Costs of charitable activities comprise all expenditure directly relating to the objects of the charity including costs incurred in supporting charitable activities and projects.

Governance costs comprise costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements. Where appropriate, costs are apportioned between charitable activities and governance expenditure by the trustees on a reasonable and consistent basis.

**Operating Leases**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Tangible Fixed Assets**

Tangible fixed assets are capitalised at cost including any incidental expenses of acquisition.

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

Freehold property - not depreciated

Fixtures and equipment - 20% on cost

**Investments**

Investment assets are revalued to market value at the Balance Sheet date and any gains or losses on revaluation are reported in the 'other recognised gains and losses' section of the Statement of Financial Activities.

**Pensions**

The society participates in a multiple employer defined benefit scheme, The West Yorkshire Pension Fund. Note 13 explains how the scheme is presented within the financial statements and the bases and assumptions used in valuing scheme assets and liabilities.

**3. DONATIONS AND LEGACIES**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	31.03.2019 Total Funds £	31.03.2018 Total Funds £
Donations, appeals and fundraising events	15,012	13,487	-	28,499	7,464
Legacies	-	-	-	-	-
	15,012	13,487	-	28,499	7,464

**4. INVESTMENT INCOME AND INTEREST**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	31.03.2019 Total Funds £	31.03.2018 Total Funds £
Dividends – UK equities	2,854	-	-	2,854	2,457
Interest – UK fixed interest securities	1,483	-	-	1,483	695
Interest on bank and building society deposits	547	-	-	547	485
	4,884	-	-	4,884	3,637

**The Leeds Society for Deaf & Blind People (Registered number: 00146281)**

**Notes to the Financial Statements  
for the Year Ended 31 March 2019**

**4. INVESTMENT INCOME AND INTEREST**

	Unrestricted Funds	Restricted Funds	Endowment Funds	31.03.2019 Total Funds	31.03.2018 Total Funds
	£	£	£	£	£
Dividends – UK equities	2,854	-	-	2,854	2,457
Interest – UK fixed interest securities	1,483	-	-	1,483	695
Interest on bank and building society deposits	547	-	-	547	485
	<u>4,884</u>	<u>-</u>	<u>-</u>	<u>4,884</u>	<u>3,637</u>

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds	Restricted Funds	Endowment Funds	31.03.2019 Total Funds	31.03.2018 Total Funds
	£	£	£	£	£
Fees income	292,408	-	-	292,408	253,513
Other	16,797	-	-	16,797	4,019
	<u>309,205</u>	<u>-</u>	<u>-</u>	<u>309,205</u>	<u>257,532</u>

**6. CHARITABLE ACTIVITIES**

	Unrestricted Funds	Restricted Funds	Endowment Funds	31.03.2019 Total Funds	31.03.2018 Total Funds
	£	£	£	£	£
Direct services and grants payable	-	-	-	-	2,563
Indirect services and support costs	139,759	-	-	139,759	106,870
Interpreting Service	241,761	-	-	241,761	232,141
	<u>381,520</u>	<u>-</u>	<u>-</u>	<u>381,520</u>	<u>341,574</u>

**7. GOVERNANCE COSTS**

	Unrestricted Funds	Restricted Funds	Endowment Funds	31.03.2019 Total Funds	31.03.2018 Total Funds
	£	£	£	£	£
Salaries	10,327	-	-	10,327	10,436
Premises	450	-	-	450	302
Professional fees	4,828	-	-	4,828	5,550
Sundry expenses	1,477	-	-	1,477	1,421
Depreciation	94	-	-	94	24
	<u>17,176</u>	<u>-</u>	<u>-</u>	<u>17,176</u>	<u>17,733</u>

The Leeds Society for Deaf & Blind People (Registered number: 00146281)

Notes to the Financial Statements  
for the Year Ended 31 March 2019

8. TOTAL RESOURCES EXPENDED

	Staff Costs	Depreciation & Fixtures Revaluation Adjustment	Other Costs	31.03.2019 Total	31.03.2018 Total
	£	£	£	£	£
Charitable activities	255,102	3,682	122,736	381,520	341,574
Governance	10,327	94	6,755	17,176	17,733
Expected deficit on scheme asset returns	-	-	25,000	25,000	20,000
31.3.2019	<u>265,429</u>	<u>3,776</u>	<u>154,491</u>	<u>423,696</u>	
31.3.2018	<u>241,582</u>	<u>945</u>	<u>136,780</u>		<u>379,307</u>
<b>Other costs:</b>					
Premises				18,008	12,069
Repairs				16,305	14,900
Direct services and allowances				-	2,563
Independent examination fees				1,475	1,450
Accountancy charges				3,250	3,160
Freelance				47,568	39,756
Others				42,885	42,882
Expected deficit on scheme asset returns				25,000	20,000
				<u>154,491</u>	<u>136,780</u>
The average number of employees of the Society during the year was:					
Management				1	1
Interpreting service				4	4
Administration				3	3
				<u>8</u>	<u>8</u>
Staff costs include:					
Current pension service cost				35,571	35,399
Employers national insurance contributions				18,858	13,712

No employees received emoluments in excess of £60,000 (2018 – None)

The Leeds Society for Deaf & Blind People (Registered number: 00146281)

Notes to the Financial Statements  
for the Year Ended 31 March 2019

9. TANGIBLE FIXED ASSETS

	Freehold Property	Fixtures and Equipment	Totals
	£	£	£
<b>COST OR VALUATION</b>			
At 1 April 2018	705,807	38,883	744,690
Additions	-	-	-
Disposal	-	-	-
At 31 March 2019	<u>705,807</u>	<u>38,883</u>	<u>744,690</u>
<b>DEPRECIATION:</b>			
At 1 April 2018	-	20,945	20,945
Charge for year	-	3,776	3,776
Disposal	-	-	-
At 31 March 2019	<u>-</u>	<u>24,721</u>	<u>24,721</u>
<b>NET BOOK VALUE:</b>			
At 31 March 2019	<u>705,807</u>	<u>14,162</u>	<u>719,969</u>
At 31 March 2018	<u>705,807</u>	<u>17,938</u>	<u>723,745</u>

10. FIXED ASSET INVESTMENTS

Market value at 1 April 2018	£	93,422
Additions		8,075
Disposals		(4,736)
Net unrealised surplus		<u>2,851</u>
Market value at 31 March 2019		<u>99,612</u>
Historical cost at 31 March 2019		<u>98,723</u>
Investments held comprise:		
Equity investments listed on recognised stock exchange		65,048
Debt and other fixed income securities listed on recognised stock exchange		34,564
		<u>99,612</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.03.2019	31.03.2018
	£	£
Fees receivable	69,908	59,998
Other debtors and prepayments	704	1,213
	<u>70,612</u>	<u>61,211</u>

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Notes to the Financial Statements  
for the Year Ended 31 March 2019

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.03.2019	31.03.2018
	£	£
Other creditors and accruals	15,557	17,260
Other taxes and social security	6,297	5,588
	<u>21,854</u>	<u>22,848</u>

13. DEFINED BENEFIT PENSION SCHEME

**Introduction**

The disclosures [below] relate to the funded liabilities within the West Yorkshire Pension Fund (the “Fund”) which is part of the Local Government Pension Scheme (the “LGPS”).

The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2014 being linked to final salary. Benefits after 31 March 2014 are based on a Career Average Revalued Earnings Scheme. Details of the benefits earned over the period covered by this disclosure are set out in ‘The Local Government Pension Scheme Regulations 2013’ and ‘The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014’.

**Funding / Governance Arrangements of the LGPS**

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the Fund’s Funding Strategy Statement. The last actuarial valuation was at 31 March 2016.

The Fund Administering Authority, City of Bradford Metropolitan District Council, is responsible for the governance of the Fund.

**Assets**

The assets allocated to the Employer in the Fund are notional and are assumed to be invested in line with the investments of the Fund for the purposes of calculating the return to be applied to those notional assets over the accounting period. The Fund is large and holds a significant proportion of its assets in liquid investments. As a consequence there will be no significant restriction on realising assets if a large payment is required to be paid from the Fund in relation to an employer’s liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the Fund as a whole (based on data supplied by the Administering Authority) is shown in the disclosures.

The Administering Authority may invest a small proportion of the Fund’s investments in the assets of some of the employers participating in the Fund if it forms part of their balanced investment strategy.

**Risks associated with the Fund in relation to accounting**

**Asset volatility**

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields. If assets underperform this yield, this will create a deficit in the accounts. The Fund holds a significant proportion of growth assets which while expected to outperform corporate bonds in the long term creates volatility and risk in the short term in relation to the accounting figures.

**Changes in Bond Yield**

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result.



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Notes to the Financial Statements  
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13. DEFINED BENEFIT PENSION SCHEME continued

**Inflation Risk**

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are either unaffected or loosely correlated with inflation meaning that an increase in inflation will increase the deficit.

**Life expectancy**

The majority of the Fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

**Exiting employers**

Employers who leave the Fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the Fund. Further the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the Fund.

13.1 The amounts recognised in the balance sheet are as follows:

	31.03.2019	31.03.2018
	£	£
Present value of benefit obligations	(6,157,000)	(5,751,000)
Realisable value of plan assets	4,959,000	4,801,000
Net liability	<u>(1,198,000)</u>	<u>(950,000)</u>

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

	31.03.2019	31.03.2018
	£	£
Current service cost	26,000	28,000
Interest cost	148,000	142,000
Expected return on plan assets	(123,000)	(122,000)
Net resources expended before other recognised gains and losses	<u>51,000</u>	<u>48,000</u>
Actuarial losses	197,000	106,000
Net charge	<u>248,000</u>	<u>154,000</u>

13.3 Changes in the present value of the defined benefit obligation are as follows:

	31.03.2019	31.03.2018
	£	£
Opening defined benefit obligation	5,751,000	5,511,000
Service cost	26,000	28,000
Member contributions	5,000	5,000
Interest cost	148,000	142,000
Benefits paid	(141,000)	(85,000)
Actuarial losses	368,000	150,000
Closing defined benefit obligation	<u>6,157,000</u>	<u>5,751,000</u>

**The Leeds Society for Deaf & Blind People (Registered number: 00146281)**

**Notes to the Financial Statements  
for the Year Ended 31 March 2019**

**13. DEFINED BENEFIT PENSION SCHEME continued**

13.4 Changes in the fair value of plan assets are as follows:

	31.03.2019	31.03.2018
	£	£
Opening realisable value of plan assets	4,801,000	4,715,000
Expected return on plan assets	123,000	122,000
Actuarial gains	171,000	44,000
Benefits paid	(141,000)	(85,000)
Employer contribution	-	-
Member contribution	5,000	5,000
	4,959,000	4,801,000

13.5 Analysis of realisable value of plan assets between asset categories is as follows:

	31.03.2019	31.03.2018
	£	£
Equities	3,670,000	3,558,000
Government bonds	555,000	528,000
Other bonds	198,000	178,000
Property	233,000	211,000
Cash/liquidity	114,000	91,000
Other	189,000	235,000
	4,959,000	4,801,000

13.6 The actual return on plan assets is as follows:

	31.03.2019	31.03.2018
	£	£
Actual return on plan assets	294,000	166,000
	294,000	166,000

13.7 Amounts for the current period and previous periods are as follows:

	31.03.2019	31.03.2018
	£	£
Present value of funded obligations	(6,157,000)	(5,751,000)
Realisable value of plan assets	4,959,000	4,801,000
	(1,198,000)	(950,000)

13.8 Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	31.03.2019	31.03.2018
Discount rate	2.40%	2.60%
Rate of salary increase	3.45%	3.35%
Rate of inflation	2.20%	2.10%
Rate of pension increase	2.20%	2.10%

**The Leeds Society for Deaf & Blind People (Registered number: 00146281)**

**Notes to the Financial Statements  
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**14. ENDOWMENT FUNDS**

	Balance 1 April 2018	Incoming Resources	Outgoing Resources	Balance 31 March 2019
	£	£	£	£
Permanent Endowments:				
F W Spruce Charity Fund	18,081	-	-	18,081
	<hr/>	<hr/>	<hr/>	<hr/>

This represents a permanent endowment which must be invested in trust for that charity. Income derived from the relevant assets is available for the general purposes of the Society.

**15. RESTRICTED FUNDS**

	Balance 1 April 2018	Incoming Resources	Outgoing Resources	Balance 31 March 2019
	£	£	£	£
W Heath Trust	-	13,487	-	13,487
	<hr/>	<hr/>	<hr/>	<hr/>

This represents income provided for the Society which is to be used for, and related to, a Video Relay Service, for deaf people.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible Fixed Assets	Investments	Net Current Assets	Non Current Liabilities	31.03.2018 Total	31.03.2018 Total
	£	£	£	£	£	£
Endowment Funds	-	-	18,081	-	18,081	18,081
Restricted Funds:	-	-	13,487	-	13,487	-
General fund	719,969	99,612	205,354	(1,198,000)	(173,065)	104,001
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	719,969	99,612	236,922	(1,198,000)	(141,497)	122,082
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**17. STATEMENT OF CHANGES IN EQUITY**

	31.03.2019	31.03.2018
	£	£
Deficit for the financial year	(69,113)	(109,643)
Unrealised surplus on investments	2,851	-
Realised (deficit) on investments	(317)	(5,975)
Actuarial (losses)	(197,000)	(106,000)
<b>NET (DECREASE) IN EQUITY</b>	<hr/>	<hr/>
	(263,579)	(221,618)
Opening funds	122,082	343,700
<b>CLOSING FUNDS</b>	<hr/>	<hr/>
	(141,497)	122,082
<b>REALISED FUNDS</b>	1,053,652	1,074,276
<b>PENSION SCHEME DEFICIT</b>	(1,198,000)	(950,000)
<b>UNREALISED FUNDS</b>	2,851	(2,194)
	<hr/>	<hr/>
	(141,497)	122,082
	<hr/>	<hr/>

**The Leeds Society for Deaf & Blind People (Registered number: 00146281)**

**Notes to the Financial Statements  
for the Year Ended 31 March 2019**

**18. RELATED PARTIES**

The trustees of the Society are considered to be related parties.

No trustee expenses have been incurred during the year (2018 - £nil).