

**National Association for the Deaf
T/A DeafHear**

**Reports and Financial Statements
for the financial year ended
31 December 2016**

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Mr Declan Keane (Chairman)
Mr Paul Ryan (Vice Chairman)
Mr Niall Glynn (Chair of Audit & Governance Committee)
Ms Sandra Creagh
Ms Joan McCarville
Ms Sylvia Nolan
Mr Brian Symington
Mr Gerard Smith
Fr Stephen Monaghan (Resigned 26 September 2016)

COMPANY SECRETARY

Mr Niall Keane (Resigned 9 May 2016)
Mr Mark Byrne (Appointed 9 May 2016)

CHIEF EXECUTIVE

Mr Niall Keane (Resigned 9 May 2016)
Mr Mark Byrne (Appointed 11 April 2016)

REGISTERED OFFICE

35 North Frederick Street
Dublin 1
D01 W592

AUDITORS

Deloitte
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

BANKERS

Allied Irish Banks plc
1 Lower Baggot Street
Dublin 2
D02 X342

EBS Building Society
2 Burlington Road
Dublin 4
D04 WV00

SOLICITORS

O'Shea Barry Solicitors
4 Wellington Road
Dublin 4
D04 A443

Leman Solicitors
34 Percy Place
Dublin 4

CHARITY NO.

CHY5633

CRA NO.

20008772

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

The Directors present their annual report and the audited financial statements for the financial year ended 31 December 2016.

ABOUT DEAFHEAR

The National Association for the Deaf, trading as DeafHear, is a registered not-for-profit charity working to improve the lives of Deaf and Hard of Hearing persons and their families, and to support professionals and other organisations working with them. DeafHear operates through its national network of resource centres, which are centres of excellence for services and supports to individuals with a hearing loss and their families. DeafHear offers information on all aspects of deafness, hearing loss and Tinnitus, provides specialist services and advocates improving general health, education, employment and social inclusion outcomes. During 2016, DeafHear continued to develop its research capacity and its collaboration with third level institutions engaged in research related to our objectives.

OBJECTIVES AND ACTIVITIES OF THE ASSOCIATION

Vision and Mission of the Association

DeafHear's vision is of an inclusive society where Deaf and Hard of Hearing people are fully integrated, with equality of opportunity and participation. It is our role to make this vision a reality by promoting the equal rights of Deaf and Hard of Hearing people and enhancing their life opportunities.

DeafHear's Mission is to achieve this by:

- Developing and providing social services and supports to Deaf and Hard of Hearing people and their families.
- Encouraging others to provide services fully accessible to Deaf and Hard of Hearing people and their families.
- Striving to make public and private sector organisations, and society at large, more deaf-aware.

GOVERNANCE

DeafHear continues to recognise the importance of strong governance in the not-for-profit sector. DeafHear is on the road to becoming compliant with the Governance Code. DeafHear is compliant with the Statement of Guiding Principles for Fundraising and complies with the HSE's Annual Compliance Statement.

THE BOARD

The Board is responsible for providing leadership, setting strategy and ensuring control. It comprised nine Non-Executive Directors to October 2016 and eight to the end of the year. The Board meets regularly, as required, and met ten times during 2016 (ten in 2015). The Directors are listed on page 2.

In March 2016, the Board undertook a Self-Evaluation process, facilitated by Sheila Cahill Consulting, from which a number of recommendations emerged.

BOARD ATTENDANCE MATRIX

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
CREAGH Sandra	✓	✓		✓	✓	✓		✓	✓	✓	✓	✓
GLYNN Niall	✓	✓		✓	X	✓		✓	✓	✓	X	X
KEANE Declan	✓	✓		✓	✓	✓		✓	✓	✓	✓	✓
McCARVILLE Joan	✓	✓		✓	✓	✓		✓	✓	X	✓	✓
MONAGHAN Stephen	✓	✓		X	✓	X		✓	✓			
NOLAN Sylvia	✓	✓		✓	✓	✓		X	✓	✓	✓	✓
RYAN Paul	✓	X		✓	X	X		✓	X	X	X	X
SMITH Gerard	✓	✓		✓	✓	✓		✓	✓	✓	✓	✓
SYMINGTON Brian	✓	X		X	✓	✓		✓	✓	✓	✓	X

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

DIRECTORS AND COMPANY SECRETARY

The Directors and Secretary who held office during the year or who currently hold office are listed on page 2.

AUDIT COMMITTEE

The Audit Committee was established to provide strong governance and oversight of controls and risks management. The Committee liaises with auditors and reports to the Board. The Audit Committee met three times in 2016. The Directors who comprise the Audit Committee are Mr Niall Glynn (Chairman), Mr Gerard Smith, Mr Paul Ryan, Ms Joan McCarville and Mr Declan Keane.

PARTNER ORGANISATIONS

During 2016, the Board of DeafHear established three sub-committees to oversee the collaborative working arrangements with three organisations Our New Ears (ONE), Irish Tinnitus Association (ITA) and Hearing Loss Ireland (HLI)

SERVICES AND ACTIVITIES

	2016	2015
INDIVIDUAL WORK - TOTAL	1,728	1,361
Services For Children With A Hearing Loss	339	339
Services For Deaf Adults	191	N/A
Services For People With Tinnitus	436	384
Services For People With Hearing Loss	399	337
Services For Vulnerable Deaf	363	301
GROUP WORK (NUMBER OF SESSIONS) - TOTAL	654	445
Services For Children With A Hearing Loss	122	133
Services For Deaf Adults	68	0
Services For People With Tinnitus	83	64
Services For People With Hearing Loss	141	112
Services For Vulnerable Deaf	240	136
MENTAL HEALTH SERVICES	204	205
INDIVIDUAL DEAFTECH ASSESSMENTS	990	N/A
MINOR HEARING AID REPAIRS/MANAGEMENT	2,836	3,103
OUTREACHES	1,384	1,000
DROP-INS	27,633	20,625
TOTAL ACTIVITY	35,429	26,739

General Public Activities

During 2016, 88 events were held for the general public. These included such events as Deaf and Hearing Awareness Training (DAHAT), Active Retirement/Age Group Information Sessions and the Mind Your Hearing Campaign. The total number of people who attended these events during the year was 2,203.

National events

20 families, 38 parents and 21 children, attended the early-diagnosed weekends for parents who have received a diagnosis of deafness. The first 'Parent to Parent' mentoring programme ran with six parents being trained as parent mentors. The teenage camp was successful with 33 teenagers attending. In the first quarter of 2016, DeafHear and Foróige held a Leadership Programme for six teenagers.

In conjunction with the Ear Foundation UK and Our New Ears, two 'Chit Chat' programmes were held with 30 parents in attendance. The programme focusses on everyday parent-child conversations and the strategies parents can use to help their child's developing spoken language communication skills. Also held were 'Leaping on with Language' sessions with 117 professionals and 77 parents attending. This programme provides practical strategies to accelerate children's spoken language.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

National events (Continued)

DeafHear worked with a consulting psychiatrist from the UK who specialises in deafness and mental health for children - five clinics were held with 10 families availing of the service.

DeafHear have held three inter regional 'self-advocacy training programmes' for people acquired hearing loss with eight people attending each regional programme.

Multi-Disciplinary Team

In 2016, DeafHear expanded its services to offer support to clients across a multi-disciplinary setting. The Multi-Disciplinary Team (MDT) consists a Speech and Language Therapist and an Educational Psychologist. The team has a national remit and work in conjunction with the well-established local DeafHear service providers such as specialist Social Workers, Family Therapist, Family Support Workers and Community Resource Officers. The team offer services within the community as well as through its liaison work with other service providers such as the Health Service Executive and the schools for the Deaf.

Advocacy & Research

In 2016 DeafHear continued to play a key role in issues affecting people with disabilities through participation on the Disability Stakeholders Group, consultations and submissions. Key advocacy activities in 2016 affecting Deaf and Hard of Hearing people included text relay services, improved access to subtitling and residential services for vulnerable Deaf people. Access to a wide range of public services for Deaf and Hard of Hearing people continues to be an issue and examples where DeafHear actively engaged with providers in 2016 on access matters included Education and Training Boards, employment services, Road Safety Authority, National Concert Hall and Abbey Theatre, GPs, health insurance companies and the Broadcasting Authority of Ireland.

DeafHear actively supported the ISL recognition campaign led by the IDS and is a participant on the Education Partnership Group which seeks to improve education services and outcomes for Deaf and Hard of Hearing children.

DeafHear's research programme continued and the three year study investigating the relationship between hearing loss and cognitive function will be completed in 2017. DeafHear, in partnership with CIDP and the IDS, is also funding a research project investigating the literacy outcomes for Deaf and Hard of Hearing pupils in primary schools. This research is being led by Dr Elizabeth Matthews in St Patrick's College.

Technology Services

DeafHear continues to provide clients with much needed access to assistive technology through our DeafTech Service, SchoolTech Service and Hearing Aid Service.

RESULTS AND FINANCIAL REVIEW

The results for the year are set out on pages 10 and 11. The Directors recognise that the organisation is operating with financial challenges and continue to monitor the level of HSE funding required and received in respect of the services delivered. All proceeds from the Assistive Technology provided to clients is used kept in the organisation and used to supplement HSE income.

RISKS AND UNCERTAINTIES

With approximately €4.4m of regular income coming through HSE, DeafHear is dependent on regular and timely payment of the agreed grants. Any cashflow risk arising from delayed payments is managed through daily circulation of a cash flow position statement to each member of the Management Team and their close liaison with the HSE payment officers about the timing of grant payments.

The Board reviews financial performance on a monthly basis and takes corrective action as required. DeafHear continues to be actively engaged in developing other sources of income to ensure continuance of services provision in the face of reduced grants for service in recent years. Overall, the Directors are of the opinion that they are prudently managing the risks and uncertainties facing DeafHear.

The Directors are satisfied that, in addition to this action, the company will obtain sufficient funds from the HSE to cover future operations.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**REPORT OF THE DIRECTORS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

GOING CONCERN

The Directors have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in Note 1 to the financial statements.

HEALTH & SAFETY

Health and Safety is an important feature of the work of DeafHear. During 2016 DeafHear continued to ensure that our workplaces, practices and procedures complied with the requirements of the Safety, Health and Welfare at Work Act, 2005. Our Health and Safety Officers provide support and advice to line management and their teams in relation to best practice and legislative compliance.

POST BALANCE SHEET EVENTS

There have been no significant events effecting the company since the financial year end.

POLITICAL CONTRIBUTIONS

The organisation did not make any political contributions in the financial year (2015 - €nil).

FUTURE DEVELOPMENTS

The organisation's strategic plan expired in 2015. Given the change of CEO, the Board agreed to defer the preparation of a new strategic plan. A new strategic plan was agreed by the Board in April 2017.

ACCOUNTING RECORDS

The measures that the Directors have taken to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 35 North Frederick Street, Dublin 1, D01 W592.

DISCLOSURE OF INFORMATION TO AUDITORS

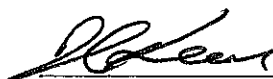
In the case of each of the persons who are Directors at the time the Directors' report and financial statements are approved:

- A) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- B) Each director has taken all steps that ought to have been taken by the director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.


AUDITORS

The auditors, Deloitte, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:



Declan Keane
Chairman



Niall Glynn
Director



Date

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

We have audited the financial statements of National Association For The Deaf T/A DeafHear for the financial year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes 1 to 26. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements for the year ended 31 December 2016 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 company's affairs as at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

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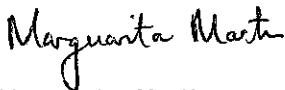
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.



Margarita Martin
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

Date: 26 October 2017

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**STATEMENT OF FINANCIAL ACTIVITIES
(Including income and expenditure account)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

		2016	2016	2016	Restated 2015	Restated 2015	Restated 2015
	Notes	Restricted Funds €	Unrestricted Funds €	Total €	Restricted Funds €	Unrestricted Funds €	Total €
INCOME FROM							
Donations and legacies	3	-	27,553	27,553	-	276,724	276,724
Charitable activities	4	4,238,187	204,731	4,442,918	4,320,357	131,627	4,451,984
Other trading activities	5	-	1,963,932	1,963,932	-	1,595,596	1,595,596
Other	6	-	12,163	12,163	-	19,663	19,663
Total		4,238,187	2,208,379	6,446,566	4,320,357	2,023,610	6,343,967
EXPENDITURE ON							
Charitable activities	7	5,097,516	216,805	5,314,321	4,754,720	252,064	5,006,784
Raising funds	8	-	1,445,334	1,445,334	-	1,214,177	1,214,177
Total		5,097,516	1,662,139	6,759,655	4,754,720	1,466,241	6,220,961
Net (expenditure)/income before taxation	9	(859,329)	546,240	(313,089)	(434,363)	557,369	123,006
Taxation	10	-	-	-	-	-	-
Transfers between funds	21	865,246	(865,246)	-	491,398	(491,398)	-
Net movement in funds	21	5,917	(319,006)	(313,089)	57,035	65,971	123,006
RECONCILIATION OF FUNDS							
Total funds brought forward	21	116,126	697,075	813,201	59,091	631,104	690,195
Total funds carried forward	21	122,043	378,069	500,112	116,126	697,075	813,201

There are no other recognised gains or losses other than those listed. All income and expenditure derives from continuing activities.


NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

BALANCE SHEET AS AT 31 DECEMBER 2016

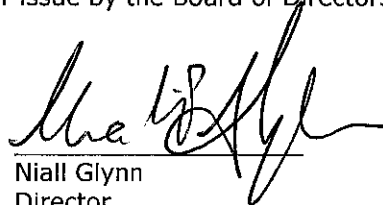
	<i>Notes</i>	2016 €	Restated 2015 €
Fixed Assets			
Tangible assets	13	1,096,350	1,053,627
Current Assets			
Stocks	14	110,795	141,955
Debtors	15	349,926	596,781
Cash at bank and in hand		358,622	479,286
		819,343	1,218,022
Creditors: Amounts falling due within one year	16	(580,191)	(631,821)
Net current assets		239,152	586,201
Total assets less current liabilities		1,335,502	1,639,828
Creditors: Amounts falling due after one year	17	(345,210)	(336,447)
NET ASSETS		990,292	1,303,381
FUNDS OF THE CHARITY			
Accumulated funds – Restricted	21	122,043	116,126
Accumulated funds – Unrestricted	21	378,069	697,075
Premises reserve – Unrestricted	21	490,180	490,180
		990,292	1,303,381

The financial statements were approved and authorised for issue by the Board of Directors on and signed on its behalf by:

24/10/17



Declan Keane
Chairman



Niall Glynn
Director

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	<i>Notes</i>	2016 €	2015 €
Net cash flows from operating activities	<i>23</i>	527	112,269
Cash flows from investing activities			
Interest paid		(27,388)	(17,227)
Interest received	<i>6</i>	-	7,697
Purchase of tangible assets	<i>13</i>	(127,443)	(102,161)
Net cash flows from by investing activities		(154,831)	(111,691)
Cash flows from financing activities			
Movement in finance lease obligations		82,568	(7,178)
Repayment of borrowings		(48,928)	(38,614)
New bank loans raised		-	82,290
Net cash flows from financing activities		33,640	36,498
Net (decrease)/increase in cash and cash equivalents		(120,664)	37,076
Cash and cash equivalents at the beginning of the reporting year		479,286	442,210
Cash and cash equivalents at the end of the reporting year		358,622	479,286
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		358,622	479,286

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding year.

General Information and Basis of Accounting

National Association for the Deaf (t/a DeafHear) is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is 35 North Frederick Street, Dublin 1. The nature of the organisation's operations and its principal activities are set out in the directors' report on pages 3 to 6.

- (i) In accordance with Section 1180(8) of the Companies Act, 2014, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital.
- (ii) In prior financial years, companies not trading for gain for the members were not within the scope of company law requirements with regard to formats and content of financial statements which applied to not-for-profit companies, thus permitting the adoption of a format appropriate to a charity. Accordingly, the organisation adopted and reported its performance in accordance with the format provided for in the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" as published by the Charity Commission for England and Wales. In particular the National Association for the Deaf reports its performance for the financial year in the format of the SORP's Statement of Financial Activities (SOFA).

The Charity Commission for England and Wales, is recognised by the UK Accounting Standards Board (ASB) as the appropriate body to issue SORPs for the charity sector in the UK, and the SORP has heretofore been recognised as best practice for financial reporting by charities in Ireland.

The Companies Act 2014 became effective in law on 1 June 2015 and from that date applies the format and content of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not-for-profit organisation. This would require the National Association for the Deaf for example, to present a profit and loss account and report on items such as turnover, cost of sales, profit or loss on ordinary activities before taxation, along with related notes. In the view of the Directors this is neither an appropriate presentation nor terminology for a not-for-profit organisation.

In order to provide information relevant to understanding the stewardship of the Directors and the performance and financial position of the charity, the National Association for the Deaf has prepared its financial statements in accordance with the formats provided for in the SORP consistent with the prior financial year.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities" in accordance with the Financial Reporting Standard applicable in the UK (which has been recognised as best practice for financial reporting by charities in Ireland) and Republic of Ireland (FRS 102), issued by the Financial Reporting Council and the Companies Act 2014.

The financial statements are presented in euro.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES (CONTINUED)

Going concern

The organisation's forecasts and projections, taking account of reasonable possible changes in performance, show that the organisation will be able to operate within the level of its current cash and investment resources. The Board have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Income

- (i) Income from voluntary donations is recognised when received. As with many similar charitable organisations, independent groups from time to time organise fundraising activities. However, as amounts collected in this way are outside the control of the organisation, they are not included in the financial statements until received by National Association for the Deaf.
- (ii) Proceeds from the sale of assistive technologies are recognised in the financial statements in the period in which the sale takes place.
- (iii) Revenue grants from the government and other agencies have been included as income from activities in furtherance of the charity's objects and accounted for on a receivable basis.
- (iv) Legacies are included when the amount to be received is probable and can be measured with reasonable certainty.
- (v) Interest income is recognised on a receivable basis.

Expenditure

Expenditure on charitable activities comprises expenditure incurred in pursuance of the charity's objectives. Expenditure is recognised in the period to which it relates. Expenditure incurred but unpaid at the balance sheet date is included in accruals and other creditors.

Expenditure on raising funds comprise all expenditure incurred by National Association for the Deaf in relation to the sale of assistive technology.

Tangible Fixed Assets and Depreciation

Fixed assets, other than buildings, are recorded at historical cost, net of depreciation and any allowance for impairment. Buildings were previously stated at valuation. Under transition to FRS102 on 1 January 2014, the organisation has elected to use the valuation carried out by independent valuers, at 31 December 2012 as its deemed cost.

Depreciation has been calculated to write off the cost of the assets over their estimated useful lives at the following annual rates:

Building	2%	(Reducing balance)
Leasehold interest	5%	(Reducing balance)
Furniture pre 2011	10%	(Reducing balance)
Furniture post 2011	12.5%-20%	(Straight line)
Equipment pre 2011	20%	(Reducing balance)
Equipment post 2011	12.5%	(Straight line)
Motor vehicles	20%	(Straight line)

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Stocks

Stocks are stated at the lower of cost and net realisable value. Stocks are comprised of assistive technology such as the Deaftech and Schooltech products.

1. ACCOUNTING POLICIES (CONTINUED)

Financial instruments

Financial assets and financial liabilities are recognised when the organisation becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the organisation transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the organisation, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires. Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Capital Grants

Capital grants are transferred to a capital account in the year of receipt and amortised to the statement of financial activities at the same rates as the depreciation of the assets to which they apply.

Funds Accounting

Funds held by the charity are:

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the directors.

Restricted funds - these are funds that 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.

Premises reserve - previously premises were stated at valuation as at 31 December 2012 and this reserve represents the increase in market value as against original cost at that date.

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

Foreign Currencies

Transactions in foreign currency are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

1. ACCOUNTING POLICIES (CONTINUED)

Leasing and Hire Purchase Commitments

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities.

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives with the corresponding lease or hire purchase obligation being capitalised as a liability. The interest element of the finance lease rentals are charged to the Statement of Financial Activities over the period of the lease on the sum of digits method.

Retirement Benefit Costs

The Association operates a defined contribution pension scheme for certain employees. Retirement benefits to certain employees of the Association are funded by contributions from the Association and the employees. Payments are made to a pension trust which is financially separate from the Association. These payments are charged against the results of the financial year in which they become payable.

Taxation

As a result of the organisation's charitable status, no charge to corporation tax arises by virtue of the provisions of Section 207 of the Taxes Consolidation Act, 1997.

Irrecoverable VAT is charged to the income and expenditure account, or capitalised as part of the cost of the related asset, where appropriate.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the organisation's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and notes to the financial statements.

Critical judgement in applying the organisation's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- The residual value of the premises is considered not less than the deemed cost which equates to the valuation carried out on 31 December 2012.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

3. DONATIONS AND LEGACIES	2016	2015
	€	€
Legacies	-	233,837
General donations	27,553	42,887
	<u>27,553</u>	<u>276,724</u>

4. CHARITABLE ACTIVITIES	2016	2015
	€	€
<i>Restricted</i>		
HSE Services	4,217,873	4,206,539
Genio Project	-	77,675
O.N.E income	20,314	-
Miscellaneous	-	36,143
	<u>4,238,187</u>	<u>4,320,357</u>
<i>Unrestricted</i>		
Department of Social Protection	113,909	100,413
Miscellaneous	90,822	31,214
	<u>204,731</u>	<u>131,627</u>
Total	<u>4,442,918</u>	<u>4,451,984</u>

HSE grant income can be split between the following thematic areas:-

Resource Centre Funding	3,791,303	3,753,525
Mental Health Service	247,286	256,882
TAGS	108,098	97,337
Lottery Project Grant	52,518	43,905
Other	18,668	54,890
	<u>4,217,873</u>	<u>4,206,539</u>

5. OTHER TRADING ACTIVITIES	2016	2015
	€	€
Schooltech, Deaftech and Hearing Aid Service	1,963,932	1,595,596
	<u>1,963,932</u>	<u>1,595,596</u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

6. OTHER	2016	2015
	€	€
Interest income	-	7,697
Insurance claims	1,000	2,003
Amortisation of capital grants (Note 20)	3,925	3,925
Sundry income	7,238	6,038
	12,163	19,663
7. CHARITABLE ACTIVITIES	2016	2015
	€	€
HSE Services	5,107,106	4,767,961
TAGS	61,181	38,905
Genio Project	16,361	80,277
Miscellaneous	34,139	48,929
O.N.E expenditure	10,814	-
Depreciation	84,720	70,712
	5,314,321	5,006,784
8. RAISING FUNDS	2016	Restated 2015
	€	€
Schooltech, Deaftech and Hearing Aid Service	1,445,334	1,213,371
Other	-	806
	1,445,334	1,214,177

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

9. NET (EXPENDITURE)/INCOME

	2016	2015
	€	€
The net (expenditure)/income for the financial year is stated after charging/(crediting):		
Directors' remuneration	-	-
Auditors' remuneration- statutory audit	15,000	12,500
Depreciation	84,720	70,712
Amortisation of capital grants	(3,925)	(3,925)
Foreign exchange (gain)/loss	(21,129)	5,914
Cost of stock recognised as an expense	909,448	738,643
Operating lease rentals		
- Land and buildings	256,647	260,480
- Office equipment	50,983	39,201
	<hr/> <hr/>	<hr/> <hr/>
Auditors' remuneration disclosures		
Audit	15,000	11,500
Other Services	-	1,000
	<hr/> <hr/>	<hr/> <hr/>

10. TAXATION

There is no charge to taxation in respect of the organisation as National Association for the Deaf has been granted charitable status under Section 207 of the Taxes Consolidation Act, 1997. Therefore, no provision for taxation has been made.

11. STAFF COSTS

The average number of persons employed by the organisation in the financial year was 92 (2015: 85).

The staff costs are comprised of:

	2016	2015
	€	€
Salaries	3,668,593	3,279,871
Social insurance costs	386,301	349,513
Other retirement benefit costs (Note 25)	231,888	210,087
	<hr/> <hr/> 4,286,782	<hr/> <hr/> 3,839,471

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

11. STAFF COSTS (CONTINUED)

Approximately 94% of the staff employed hold third-level qualifications, with many holding Master's degrees or higher level post-graduate qualifications in Health & Social Care and other relevant disciplines. The salaries of professional grades are generally aligned to those paid in the HSE. Following consultation, as required by law, and agreement by staff, the organization implemented the provisions of the Haddington Road Agreement as applied to public servants, including reductions to salary for those paid over €65,000, effective 1 January 2014. A breakdown of individual annual staff salary bands throughout the year is outlined below:

	2016	2015
	No.	No.
€00,001 - €65,000	91	81
€65,001 - €75,000	2	4
€75,001 - €85,000	3	2
€85,001 - €95,000	1	-
€95,001 - €105,000	2	3

Directors are not remunerated, but are entitled to be reimbursed for out of pocket expenses incurred in the course of carrying out their duties.

12. KEY MANAGEMENT COMPENSATION

The total remuneration for key management personnel for the financial year amounted to €588,900 (2015: €533,828) and this relates to 6 personnel (2015: 5 personnel).

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

13. TANGIBLE ASSETS

	Building €	Leasehold interest €	Furniture €	Equipment €	Motor vehicles €	Total €
Deemed Cost:						
At 1 January 2016	800,000	95,476	164,147	308,709	45,000	1,413,332
Additions	-	-	11,237	97,506	18,700	127,443
At 31 December 2016	800,000	95,476	175,384	406,215	63,700	1,540,775
Depreciation:						
At 1 January 2016	47,046	41,169	93,240	140,250	38,000	359,705
Charge for the financial year	15,366	2,715	21,367	38,033	7,239	84,720
At 31 December 2016	62,412	43,884	114,607	178,283	45,239	444,425
Net Book Value: At 31 December 2016	737,588	51,592	60,777	227,932	18,461	1,096,350

Included above are assets held under lease and hire purchase agreements as follows:-

Asset description:	2016		2015	
	Net Book value €	Depreciation Charge €	Net Book value €	Depreciation Charge €
Furniture	6,962	774	5,005	5,005
Equipment	65,904	10,008	10,918	1,390
Motor vehicles	14,960	3,740	-	-
	87,826	14,522	15,923	6,395

The most recent valuation of the premises at 35 North Frederick Street was carried out by Independent Valuations on 8 April 2013 and stated the open market value for existing use at 31 December 2012 at €800,000.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

13. TANGIBLE ASSETS (CONTINUED)

In respect of prior financial year:

	Building €	Leasehold interest €	Furniture €	Equipment €	Motor vehicles €	Total €
Deemed Cost:						
At 1 January 2015	800,000	95,476	161,602	209,093	45,000	1,311,171
Additions	-	-	2,545	99,616	-	102,161
At 31 December 2015	800,000	95,476	164,147	308,709	45,000	1,413,332
Depreciation:						
At 1 January 2015	31,680	38,311	73,606	110,896	34,500	288,993
Charge for the financial year	15,366	2,858	19,634	29,354	3,500	70,712
At 31 December 2015	47,046	41,169	93,240	140,250	38,000	359,705
Net Book Value:						
At 31 December 2015	752,954	54,307	70,907	168,459	7,000	1,053,627
At 31 December 2014	768,320	57,165	87,996	98,197	10,500	1,022,178

Included above are assets held under lease and hire purchase agreements as follows:-

Asset description:	2015		2014	
	Net Book value €	Depreciation Charge €	Net Book value €	Depreciation Charge €
Furniture	5,005	5,005	10,011	5,005
Equipment	10,918	1,390	12,308	1,486
	15,923	6,395	22,319	6,491

The most recent valuation of the premises at 35 North Frederick Street was carried out by Independent Valuations on 8 April 2013 and stated the open market value for existing use at 31 December 2012 at €800,000.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

14. STOCKS	2016	2015
	€	€
Stocks	110,795	141,955

There are no material differences between the replacement cost and the balance sheet amounts.

15. DEBTORS: Amounts falling due within one year	2016	Restated 2015
	€	€
Trade debtors	133,668	303,144
Grant debtors	164,627	284,568
Prepayments and other debtors	24,163	9,069
VAT	27,468	-
	349,926	596,781

16. CREDITORS: Amounts falling due within one year	2016	Restated 2015
	€	€
Bank loans (Note 18)	50,649	48,149
Creditors and accruals	398,773	465,466
Deferred income	-	9,060
PAYE/PRSI	104,441	101,270
Obligations under finance lease and hire purchase obligations (Note 18)	26,328	7,876
	580,191	631,821

17. CREDITORS: Amounts falling due after more than one year	2016	2015
	€	€
Bank loans (Note 18)	107,622	159,050
Capital grants (Note 20)	165,587	169,512
Obligations under finance lease and hire purchase obligations (Note 18)	72,001	7,885
	345,210	336,447

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

18. DETAILS OF BORROWINGS

Maturity analysis	Within One year €	Between One year & Two years €	Between Two years & Five years €	Total €
Bank loans	50,649	52,674	54,948	158,271
Obligations under finance lease and hire purchase obligations	26,328	20,841	51,160	98,329
	76,977	73,515	106,108	256,600

Security:

Bank borrowings and overdraft facility are secured by a fixed charge on the organisation's premises.

19. FINANCIAL INSTRUMENTS

The carrying value of the company's financial assets and liabilities are summarised by category below:-

	2016 €	2015 €
Financial Assets (Note 15)		
<i>Measured at undiscounted amount receivable</i>		
Trade debtors	133,668	303,144
Grant debtors	164,627	284,568
Other debtors	7,011	1,996
Financial Liabilities (Notes 16 and 17)		
<i>Measured at amortised cost</i>		
Bank loans and other loans	158,271	207,199
Obligations under finance lease and hire purchase obligations	98,329	15,761
<i>Measured at undiscounted amount payable</i>		
Creditors	326,729	390,192

20. CAPITAL GRANTS

	2016 €	2015 €
Balance at 1 January 2016	169,512	173,437
Amortised during the financial year	(3,925)	(3,925)
Balance at 31 December 2016	165,587	169,512

Grants may be refundable in certain circumstances as set out in the grant agreements.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

21. FUNDS OF THE CHARITY

	Restricted Funds €	Unrestricted Funds €	Unrestricted Premises Reserve €	Total Funds €
(i) Reconciliation of funds:				
Fund balance at 1 January 2016	116,126	697,075	490,180	1,303,381
Net movement for the financial year	5,917	(319,006)	-	(313,089)
Fund balances at 31 December 2016	122,043	378,069	490,180	990,292

	Restricted Funds €	Unrestricted Funds €	Unrestricted Premises Reserve €	Balance 31/12/2016 €
(ii) Analysis of net assets between funds:				
Tangible Fixed Assets	-	606,170	490,180	1,096,350
Current Assets	122,043	697,300	-	819,343
Liabilities	-	(925,401)	-	(925,401)
Total funds	122,043	378,069	490,180	990,292

	Restated Balance 01/01/2016 €	Income €	Expenditure €	Transfer between funds €	Balance 31/12/2016 €
(iii) Movements in funds:					
Restricted funds	116,126	4,238,187	(5,097,516)	865,246	122,043
Unrestricted funds	697,075	2,208,379	(1,662,139)	(865,246)	378,069
Revaluation reserve	490,180	-	-	-	490,180
Total funds	1,303,381	6,426,252	(6,737,118)	-	990,292

In respect of prior financial year:

	Restricted Funds €	Restated Unrestricted Funds €	Unrestricted Premises Reserve €	Restated Total Funds €
(i) Reconciliation of funds:				
Fund balance at 1 January 2015	59,091	631,104	490,180	1,180,375
Net movement for the financial year	57,035	65,971	-	123,006
Fund balances at 31 December 2015	116,126	697,075	490,180	1,303,381

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

21. FUNDS OF THE CHARITY (CONTINUED)

In respect of prior financial year (Continued):

	Restated Restricted Funds €	Unrestricted Unrestricted Funds €	Restated Premises Reserve €	Balance 31/12/2015 €
(ii) Analysis of net assets between funds:				
Tangible Fixed Assets	-	563,447	490,180	1,053,627
Current Assets	116,126	1,101,896	-	1,218,022
Liabilities	-	(968,268)	-	(968,268)
Total funds	116,126	697,075	490,180	1,303,381

(iii) Movements in funds:

	Balance 01/01/2015 €	Income €	Restated Expenditure €	Transfer between funds €	Restated Balance 31/12/2015 €
Restricted funds	59,091	4,320,357	(4,754,720)	491,398	116,126
Unrestricted funds	631,104	2,023,610	(1,466,241)	(491,398)	697,075
Revaluation reserve	490,180	-	-	-	490,180
Total funds	1,180,375	6,446,566	(6,759,655)	-	1,303,381

22. MOVEMENT IN CHARITY FUNDS

	Balance 01/01/2016 €	Income €	Expenditure €	Funds Transfer €	Balance 31/12/2016 €
<i>Restricted funds</i>					
HSE	-	4,109,775	(4,975,021)	865,246	-
HSE TAGS	64,455	108,098	(61,181)	-	111,372
GENIO Project	50,105	-	(16,361)	-	33,744
Miscellaneous	1,566	-	(34,139)	-	(32,573)
O.N.E	-	20,314	(10,814)	-	9,500
Total Restricted funds	116,126	4,238,187	(5,097,516)	865,246	122,043
<i>Unrestricted funds</i>	697,075	2,208,379	(1,662,139)	(865,246)	378,069
<i>Premises reserve</i>	490,180	-	-	-	490,180
Total funds	1,303,381	6,446,566	(6,759,655)	-	990,292

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

23. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH USED IN CHARITABLE ACTIVITIES	2016 €	2015 €
Net (expenditure)/income (as per the Statement of Financial Activities)	(313,089)	123,006
<i>Adjustments for:</i>		
Depreciation of fixed assets	84,720	70,712
Amortisation of capital grants	(3,925)	(3,925)
Decrease/(increase) in stocks	31,160	(12,063)
Decrease/(increase) in debtors	246,855	(217,317)
(Increase)/decrease in creditors	(72,582)	142,326
Interest received	-	(7,697)
Interest paid	27,388	17,227
NET CASH FLOWS FROM OPERATING ACTIVITIES	527	112,269

24. FINANCIAL COMMITMENTS

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:-

	2016 €	2015 €
Land and buildings		
- Within 1 year	250,630	250,655
- Between one and five years	221,300	330,455
- After or more than five years	84,750	113,000
Office equipment		
- Within 1 year	38,497	38,497
- Between one and five years	27,792	66,289
- After or more than five years	-	-

25. RETIREMENT BENEFITS SCHEME

The organisation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the organisation in an independently administered fund. The organisation made contributions of €231,888 during the financial year (2015: €210,087). The amount outstanding at the financial year end amounted to €25,797 (2015: €21,669).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

26. PRIOR YEAR ADJUSTMENT

In 2015 an amount of €136,487 payable to a creditor was not included in the financial statements. This amount should have been offset against the related debtor of €130,309 for commission receivable. The remaining creditor of €6,178 is adjusted in creditors.

	Restated 2015 €
Statement of Financial Activities	
Expenditure on raising funds as previously reported – unrestricted funds	1,077,690
Prior year adjustment – Expenditure on raising funds	136,487
Restated	<u>1,214,177</u>
Net expenditure before taxation - unrestricted as previously reported	693,856
Prior year adjustment	(136,487)
Restated	<u>557,369</u>
Balance Sheet	
Debtors	
As previously reported	727,090
Prior year adjustment – commission receivable	(130,309)
Restated	<u>596,781</u>
Creditors	
As previously reported	625,643
Prior year adjustment – commission payable on profits	6,178
Restated	<u>631,821</u>