

National Association for the Deaf
T/A DeafHear

Reports and Financial Statements
for the financial year ended
31 December 2017

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

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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
Mr Mark Saunders (Appointed 8 August 2017)

COMPANY SECRETARY

Ms Ann-Marie Geraghty (Appointed 3 August 2017)
Mr Mark Byrne (Resigned 3 August 2017)

CHIEF EXECUTIVE

Mr Mark Byrne

REGISTERED OFFICE

35 North Frederick Street
Dublin 1
D01 W592

AUDITORS

Deloitte Ireland LLP
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 Brothers
34 Percy Place
Dublin 4

CHARITY NO.

CHY5633

CRA NO.

20008772

CRO NO.

21627

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

The Directors present their annual report and the audited financial statements for the financial year ended 31 December 2017.

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 2017, DeafHear continued to develop its research capacity and its collaboration with third level institutions engaged in research related to our objectives.

GOVERNANCE

Code of 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 and is compliant with the Statement of Guiding Principles for Fundraising and the HSE's Annual Compliance Statement. The outstanding items required to ensure full compliance with the Code of Governance are the updating of our Health & Safety Policy and implementation of our business continuity plan. We are currently developing our GDPR policy in line with new data protection regulations.

Structure & Role of the Board

The business of the Company is governed by a Board of Directors. The Board comprises of between three and fifteen individuals elected for a three-year term. In undertaking its role, the Board must have regard for the interests of the Members. The Board is responsible for keeping an overview of the organisation's direction and progress, ensuring that the organisation is accountable and verifying that the organisation is operating legally. The Board ordinarily meets on a bi-monthly basis.

While the Board of Directors is ultimately responsible for DeafHear, the CEO, who is directly accountable to the Board, manages the day to day running of the organisation, making management decisions that are in accordance with the agreed strategic and operational and the direction provided by the Board.

Board Attendance

The Board is responsible for providing leadership, setting strategy and ensuring control. It comprises nine Non-Executive Directors. The Board meets regularly, as required, and met six times during 2017 (ten in 2016). The Directors are listed on page 2.

	JAN	MAR	MAY	JUL	SEP	NOV
CREAGH Sandra	✓	×	✓	✓	✓	✓
GLYNN Niall	✓	✓	✓	✓	✓	×
KEANE Declan	✓	✓	✓	×	✓	✓
McCARVILLE Joan	✓	✓	✓	✓	✓	✓
NOLAN Sylvia	✓	✓	✓	✓	✓	✓
RYAN Paul	✓	✓	×	×	✓	×
SAUNDERS Mark	~	~	~	~	✓	✓
SMITH Gerard	✓	×	✓	✓	×	✓
SYMINGTON Brian	✓	✓	✓	×	×	✓

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

REPORT OF THE DIRECTORS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Executive Team

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

Sub Committees

The Board has established a number of sub-committees to actively oversee key activities of the organisation. Audit & Risk Committee; Remunerations & Nominations Committee and Partner Organisations.

Audit & Risk 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 four times in 2017. The Directors who comprise the Audit Committee are Niall Glynn (Chairman), Gerard Smith, Joan McCarville and Declan Keane.

Attendance Matrix

	JAN	MAY	JUL	SEP
GLYNN Niall	✓	✓	✓	✓
KEANE Declan	✓	✓	✗	✓
McCARVILLE Joan	✓	✓	✓	✓
SMITH Gerard	✓	✓	✓	✗

Remuneration & Nominations Committee

The Remuneration & Nominations Committee was established in 2016 to provide strong oversight of Board recruitment and HR activity. The Directors who comprise the Committee are Declan Keane (Chairman), Niall Glynn and Sandra Creagh.

The objectives of the committee are as follows:

- To develop a Board Member recruitment policy.
- To advise the Chair in relation to Board rotation and retirement decisions.
- To put in place a formal management and support system for the CEO.
- To approve any changes to the DeafHear Senior Management team including the CEO and all direct reports to the CEO.
- To oversee and approve the recruitment policies of the organisation.
- To be appraised and monitor any serious HR issues that would affect the organisation.

PARTNER ORGANISATIONS

Our New Ears Sub-Committee

This Sub-Committee was established in 2017 to ensure that the objectives of the Collaborative Working Arrangement between DeafHear and Our New Ears (ONE) are being met. The Committee is comprised of Brian Symington (Chair) who is on the DeafHear Board of Directors; Mark Byrne, DeafHear CEO; Paula Donohoe, DeafHear National Director of Services; Siobhán Egan, Team Leader and representing the ONE Committee are Laura Keating; Rachel Broderick and Susan O'Sullivan, until November when she stepped down from the Committee and was replaced by Ger O'Brien.

During 2017, there were five meetings of the One New Ears Sub-Committee.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

REPORT OF THE DIRECTORS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Attendance Matrix

	JAN	APR	JUN	SEP	NOV
SYMINGTON Brian	✓	✓	✓	✓	✓
BYRNE Mark	✓	✓	✓	✓	✓
DONOHUE Paula	✓	✓	✓	✓	✓
EGAN Siobhán	✓	✓	✓	✓	✓
KEATING Laura	✓	✓	✓	✓	✓
BRODERICK Rachel	✓	✓	✓	✓	✓
O'SULLIVAN Susan	✓	×	×	×	×
O'BRIEN Ger	×	×	×	×	✓

Irish Tinnitus Association Sub-Committee

This Sub-Committee was also established in 2017 to ensure that each of the objectives of the Collaborative Working Arrangement between DeafHear and the Irish Tinnitus Association (ITA) are being met. The Sub-Committee is made up of Sylvia Nolan (Chair) who is on the DeafHear Board; Mark Byrne, Paula Donohoe, Maureen Whittle, Team Leader Region and Jean Scott and Martin Carroll of ITA.

There was one meeting of the Irish Tinnitus Association Sub-Committee in 2017 which was attended by Sylvia Nolan, Mark Byrne and Maureen Whittle from DeafHear and Jean Scott and Martin Carroll from ITA.

INTERNAL CONTROLS

- The organisation has established strong procedures and controls to ensure that we are meeting our compliancy requirements in terms of the day to day operational and financial obligations of the organisation.
- The organisation's Risk Register is reviewed and updated on a regular basis and reported to The Board twice annually.
- The Board have appointed an external party to carry out an internal audit role and whose objective is to complete one/two internal audits per annum to ensure that all controls are robust and operating correctly.
- The Audit & Risk Committee reviews in detail all matters and policies relating to governance and controls and reports back to The Board on a regular basis.
- Management Accounts, Cashflows and Budgets are provided to the Audit & Risk Committee and Board on a regular basis.
- There is a clear defined organisational structure in place in terms of delegated reasonability and authority.

RESERVES POLICY

DeafHear is funded by the HSE, revenues from commercial enterprises and other funds raised.

The Board of Directors has examined the charity's requirements for reserves in light of the main risks to the company. Our strategic plan outlines a commitment to build our reserves to ten weeks by the end of 2020.

PRINCIPAL 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 is managed by the Finance Director.

The Board reviews financial performance on a bi-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/generate generic sufficient funds to cover future operations.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

REPORT OF THE DIRECTORS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

HEALTH & SAFETY

Health and Safety is an important feature of the work of DeafHear. During 2017 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.

2017: THE YEAR IN REVIEW

SERVICES ACTIVITY

DeafHear services are broadly comprised of three main strands of work across our national network of Resource Centres.

- Care Services in the form of both one to one and group work offering counselling and support services; community and social inclusion services; hearing and communication therapy and Mental Health services.
- Technology services and supply of devices for the person, home, schools and workplaces.
- Information, advice and personal advocacy to ensure the needs of Deaf and hard of hearing people are recognised and their rights are respected. Outreach clinics and by working with employers and public service organisations.

Care Services

Statistical Summary of Service Activity across all Care Groups Summary Activity Statistics for Care Groups

Client Category	Individual Clients *		Group Attendees *	
	2017	2016	2017	2016
Children with Hearing Loss	353	339	667	794
- Deaf Adults (General)	325	191	238	206
- Vulnerable Deaf Adults	255	363	139	157
- Mental Health & Deafness	125	204	N/A	
All Deaf Adults	705	758	377	363
- Adults Acquired Hearing Loss (General)	343	399	273	257
- Adults CI/BAHA	67	66	55	120
- Adults Tinnitus	442	436	143	124
Adults with Acquired Hearing Loss	852	901	471	501
Overall Total:	1,910	1,998	1,515	1,658

*Some clients receive both individual and group service.

Care Services (continued)

Summary Statistics for Other Resource Activities

Type of Activity	2017	2016
Deaftech Assessments	1,021	990
Minor Hearing Aid Repair/Management	3,958	2,836
Drop – in & Remote Contacts	30,216	27,633
(Number Outreach Clinics)	(187)	(205)
Attendees Outreach Clinics	1,553	1,384
Public Activity Sessions	(119)	(88)
Attendees at Public Activity Sessions	1,706	2,203

National Activity and Initiatives

The Newly Diagnosed Weekend (NDW) is a key support we provide for parents. In 2017, we held two weekends, the first NDW was held in October, attended by families with 23 adults and 19 children (15 of whom had a hearing loss, including five newborn babies). In November 2017 we held a reunion to mark the tenth year of NDWs, which was attended by 55 adults and 67 children (34 with hearing loss).

Adventure Camp : The camp was a four day event held in Killarney which aims to develop the life and independence skills of young Deaf people. It was planned and run by five deaf youth leaders, who were trained in leadership by Foróige and DeafHear. A total of 37 young people participated in the camp.

Self-Advocacy & Empowerment Programme

In 2017, funding was received from Community Foundation Ireland to develop and run a Self-Advocacy and Empowerment Programme for people with a hearing loss, aimed at skilling them to advocate for themselves and others. 27 people completed the course in 2017, which was run in three regions.

Local activities and programmes

DeafHear continues to run local activities and programmes for each of its client care groups as follows:

Deaf adults

- Adult learning courses.
- Social inclusion programmes
- Holiday breaks

People with an acquired hearing loss

- Hearing Help/Lip-reading Programme
- Learning to live with Hearing Loss Programme
- Information/Advocacy workshops

People with Tinnitus

- Support groups
- Introduction to tinnitus sessions

Children and parents

Parent and Toddler Groups
Parent to Parent Programmes

Technology Services

DeafHear continues to provide clients with much needed access to assistive technology through our Assistive Technology Service, SchoolTech Service and Hearing Aid Service. In 2017 we carried out over 1,000 technology assessments for personal or home use. We installed over 500 pieces of equipment for children in schools and provided clients over 800 hearing tests and dispensed over 600 hearing aids.

Advocacy and Research

In 2017 DeafHear continued to advocate on matters affecting the lives of people with deafness and hearing loss. Key issues include access to services and support that facilitate personal choice and social participation.

Key issues in 2017 included:

- Access to technology, including hearing aids: Only one in five people with hearing loss have hearing aids (TILDA, 2017), and DeafHear will continue to advocate that the Government and other stakeholders take steps to address this situation.
- Text relay services: a new updated service was introduced in July 2017 which enables Deaf and Hard of Hearing people to make phone calls via a relay operator using smartphones and other mobile technology.
- Irish Sign Language Act: this Act was passed in December 2017 following a long campaign supported by all of the organisations involved in the Deaf Community.
- Supported accommodation services for vulnerable Deaf people delivered through Irish Sign Language: DeafHear continued to advocate that the HSE introduce residential services that meet the needs of Deaf people and discontinue placing people in services with no communication where they are further isolated and disadvantaged.
- Specialist Services for children with deafness and hearing loss who have complex needs: in 2017 a HSE Working Group produced a report but this has not yet been acted upon.

DeafHear advocated on these and other issues in 2017 through participation on various committees and the Disability Stakeholders Group, making submissions and participation in relevant consultations. Other areas of involvement included access to recreational activities, broadcasting, education and employment. A PhD student employed with DeafHear completed his thesis in December 2017. It highlighted the association between hearing loss and cognitive decline and identified a possible early marker for dementia which requires further investigation.

In 2017 DeafHear also completed focus group research with people with acquired hearing loss, which indicated they have a range of experiences that result in delays in them seeking treatment for their hearing loss. These experiences include feelings of denial, anxiety, stigma and confusion. DeafHear will be using this research to inform its activities to support this cohort of people into the future.

FINANCIAL RESULTS

The results for the year are set out on pages 15 and 16. The Directors recognise that the organisation is operating with financial challenges and continue to closely monitor the financial performance of the organisation. The Directors have agreed an action plan to bring costs in line with income. This is being actioned in 2018.

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.

However, our overall budget and revenues have not kept pace with developments and we have recorded an operating loss for both 2016 and 2017. These losses have been funded from reserves. We have taken the initiative to bring our costs in line with our reserves. These initiatives are being carried out in 2018.

Arising from this, we have decided to apply some changes to our organisation and services. It will include closing a small number of our Resource Centres, thereby reducing our operating costs while we will work to provide visiting support to the regions affected. This has been carried out in such a way as to minimise the impact on clients and services.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

REPORT OF THE DIRECTORS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

POST BALANCE SHEET EVENTS

As part of the cost saving plan taken by the organisation, a number of initiatives have commenced including the closure of a number of smaller offices.

FUTURE DEVELOPMENTS

A new strategic plan (2017-2020) was agreed by the Board in April 2017 and comprises of seven key initiatives:

- Hearing Loss – to create greater awareness of adult hearing loss among the wider public and health stakeholders that leads to earlier diagnosis and treatment of adult hearing loss.
- Children Services – to provide a comprehensive service to children and families from diagnosis to adulthood that enables Deaf and Hard of Hearing children to reach their full potential.
- Teenage Transitions - to provide a range of supports to young Deaf and Hard of Hearing school leavers transitioning from school to further education, training and/or employment.
- Home of Choice - Establish a range of supports to vulnerable Deaf adults as outlined in the HSE Residential Needs Report, to include a home of choice and meaningful community participation.
- Holistic & Integrated Operations - to provide a holistic approach that encompasses a person's social, technological and emotional needs.
- Branding - building the brand – why we exist and what our role should be in our key initiatives.
- Financial Parameters – we are working to improve our cash reserves position and to bring the organisation to a breakeven position.

Work has commenced on these initiatives with some positive developments already in place.

VISION, MISSION & STRATEGY

Strategic Plan 2018 – 2020

Our Vision

A society with no limits or barriers for anyone living with deafness or hearing loss.

Our Mission

To limit the impact of deafness and hearing loss through promoting accessibility, creating supportive communities, and enabling personal choice and community participation.

The pillars upon which we will deliver

Accessibility

Where the supports and services available in everyday life are equally accessible to those who are Deaf or have hearing loss.

Supportive Communities

Where family, friends, colleagues and wider society actively support those who are Deaf or have hearing loss.

Self-determination

Where those who are Deaf or have hearing loss have the knowledge, confidence and resources to address their needs and exercise their rights and responsibilities.

POLITICAL CONTRIBUTION

The organisation did not make any political contributions in the financial year (2017 - €nil).

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**REPORT OF THE DIRECTORS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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 Ireland LLP, 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: 13 September 2018

DIRECTORS' RESPONSIBILITY 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 Section 1A of 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 auditor's report to the members of National Association for the Deaf T/A DeafHear

Report on the audit of the financial statements

Opinion on the financial statements of National Association for the Deaf T/A DeafHear (the 'company')

In our opinion the company financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2017 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.

The financial statements we have audited comprise:

- the Statement of Financial Activities;
- the Balance Sheet;
- the Statement of Cash Flows; and
- the related notes 1 to 28, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in the preparation of the financial statements is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Reports and Financial Statements for the financial year ended 31 December 2017, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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Independent auditor's report to the members of National Association for the Deaf T/A DeafHear

Other information (Continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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Independent auditor's report to the members of National Association for the Deaf T/A DeafHear

Auditor's responsibilities for the audit of the financial statements (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- 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 and the directors' report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

Date: 13 September 2018

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**STATEMENT OF FINANCIAL ACTIVITIES
(Including income and expenditure account)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

		2017	2017	2017	2016	2016	2016
		Restricted Funds	Unrestricted Funds	Total	Restricted Funds	Unrestricted Funds	Total
	Notes	€	€	€	€	€	€
INCOME FROM							
Donations and legacies	3	-	21,848	21,848	-	27,553	27,553
Charitable activities	4	4,366,253	145,059	4,511,312	4,238,187	204,731	4,442,918
Other trading activities	5	-	2,312,141	2,312,141	-	1,963,932	1,963,932
Other	6	-	3,956	3,956	-	12,163	12,163
Total		4,366,253	2,483,004	6,849,257	4,238,187	2,208,379	6,446,566
EXPENDITURE ON							
Charitable activities	7	4,894,288	521,971	5,416,259	5,097,516	216,805	5,314,321
Raising funds	8	-	1,685,766	1,685,766	-	1,445,334	1,445,334
Total		4,894,288	2,207,737	7,102,025	5,097,516	1,662,139	6,759,655
Net (expenditure)/income before taxation	9	(528,035)	275,267	(252,768)	(859,329)	546,240	(313,089)
Taxation	10	-	-	-	-	-	-
Transfers between funds	22	570,551	(570,551)	-	865,246	(865,246)	-
Net movement in funds	22	42,516	(295,284)	(252,768)	5,917	(319,006)	(313,089)
RECONCILIATION OF FUNDS							
Total funds brought forward	22	122,043	868,249	990,292	116,126	1,187,255	1,303,381
Total funds carried forward	22	164,559	572,965	737,524	122,043	868,249	990,292

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

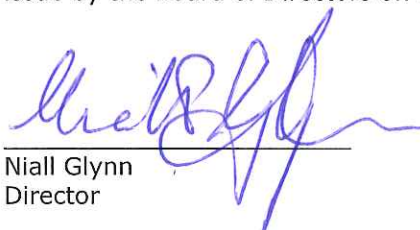
BALANCE SHEET AS AT 31 DECEMBER 2017

	Notes	2017 €	2016 €
Fixed Assets			
Tangible assets	13	1,026,777	1,096,350
Current Assets			
Stocks	14	137,403	110,795
Debtors	15	300,499	349,926
Cash at bank and in hand	16	146,891	358,622
		584,793	819,343
Creditors: Amounts falling due within one year	17	(614,431)	(580,191)
Net current (liabilities)/assets		(29,638)	239,152
Total assets less current liabilities		997,139	1,335,502
Creditors: Amounts falling due after one year	18	(259,615)	(345,210)
NET ASSETS		737,524	990,292
FUNDS OF THE CHARITY			
Accumulated funds – Restricted	22	164,559	122,043
Accumulated funds – Unrestricted	22	572,965	868,249
		737,524	990,292

The financial statements were approved and authorised for issue by the Board of Directors on 13 September 2018 and signed on its behalf by:



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 2017**

	<i>Notes</i>	2017 €	2016 €
Net cash flows from operating activities	24	(40,271)	527
Cash flows from investing activities			
Interest paid		(42,331)	(27,388)
Purchase of tangible assets	13	(38,955)	(127,443)
Net cash flows from by investing activities		(81,286)	(154,831)
Cash flows from financing activities			
Movement in finance lease obligations		(39,541)	82,568
Repayment of borrowings		(50,633)	(48,928)
Net cash flows from financing activities		(90,174)	33,640
Net decrease in cash and cash equivalents		(211,731)	(120,664)
Cash and cash equivalents at the beginning of the reporting year		358,622	479,286
Cash and cash equivalents at the end of the reporting year		146,891	358,622
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		146,891	358,622

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 10.

- (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) DeafHear has prepared its financial statements in accordance with the formats provided for in 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 functional currency of DeafHear is considered to be euro because that is the currency of the primary economic environment in which the company operates.

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.

For the financial years, 2016 and 2017, the directors are conscious that the organisation has operated at a deficit. This has been funded from reserves. The Directors recognise that this is not sustainable and have implemented a cost savings plan that will see the organisation deliver a sustainable income and expenditure position. This has been carried out in a way to minimise the impact on clients and services, which is always our first priority.

Arising from this, we have decided to apply some changes to our organisation and services. It will include closing a small number of our Resource Centres, thereby reducing our operating costs while we will work to provide visiting support to the regions affected. This has been carried out in such a way as to minimise the impact on clients and services.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

1. ACCOUNTING POLICIES (CONTINUED)

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 is 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 FRS 102 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)
IT equipment	33%	(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.

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 (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

3.	DONATIONS AND LEGACIES	2017	2016
		€	€
	General donations	21,848	27,553

4.	CHARITABLE ACTIVITIES	2017	2016
		€	€
	<i>Restricted</i>		
	HSE Services	4,252,605	4,217,873
	Genio Project	41,825	-
	Early Childhood Fund	59,985	-
	O.N.E income	11,838	20,314
		4,366,253	4,238,187
	<i>Unrestricted</i>		
	Department of Social Protection	86,245	113,909
	Miscellaneous	58,814	90,822
		145,059	204,731
	Total	4,511,312	4,442,918

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

Resource Centre Funding	3,804,600	3,791,303
Mental Health Service	247,284	247,286
TAGS	160,823	108,098
Lottery Project Grant	39,898	52,518
Other	-	18,668
	4,252,605	4,217,873

5.	OTHER TRADING ACTIVITIES	2017	2016
		€	€
	Schooltech, Deaftech and Hearing Aid Service	2,312,141	1,963,932

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

6. OTHER	2017	2016
	€	€
Insurance claims	-	1,000
Amortisation of capital grants (Note 21)	3,832	3,925
Sundry income	124	7,238
	<u>3,956</u>	<u>12,163</u>
	<u><u>3,956</u></u>	<u><u>12,163</u></u>
7. CHARITABLE ACTIVITIES	2017	2016
	€	€
HSE Services	4,981,321	5,107,106
TAGS	167,621	61,181
Genio Project	94,878	16,361
Miscellaneous	33,927	34,139
O.N.E expenditure	11,838	10,814
Depreciation	89,162	84,720
Grant to hearing organisation	37,513	-
	<u>5,416,259</u>	<u>5,314,321</u>
	<u><u>5,416,259</u></u>	<u><u>5,314,321</u></u>
8. RAISING FUNDS	2017	2016
	€	€
Schooltech, Deaftech and Hearing Aid Service	1,540,894	1,365,542
Other	147,872	79,792
	<u>1,685,766</u>	<u>1,445,334</u>
	<u><u>1,685,766</u></u>	<u><u>1,445,334</u></u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

9. NET EXPENDITURE BEFORE TAXATION

	2017 €	2016 €
The net expenditure for the financial year is stated after charging/(crediting):		
Directors' remuneration	-	-
Depreciation	89,162	84,720
Amortisation of capital grants	(3,832)	(3,925)
Foreign exchange gain	(6,089)	(21,129)
Cost of stock recognised as an expense	1,217,438	909,448
Operating lease rentals		
- Land and buildings	255,058	256,647
- Office equipment	43,534	50,983
	<u>1,217,438</u>	<u>909,448</u>

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 INFORMATION

The average number of persons employed by the organisation in the financial year was 91 (2016: 92). The staff costs are comprised of:

	2017 €	2016 €
Salaries	3,686,106	3,668,593
Social insurance costs	387,042	386,301
Other retirement benefit costs (Note 26)	227,864	231,888
Redundancy costs	75,267	-
	<u>4,376,279</u>	<u>4,286,782</u>

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:

	2017 No.	2016 No.
€00,001 - €65,000	97	91
€65,001 - €75,000	2	2
€75,001 - €85,000	2	3
€85,001 - €95,000	-	1
€95,001 - €105,000	3	2
	<u>104</u>	<u>99</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

12. KEY MANAGEMENT COMPENSATION

The total remuneration for key management personnel for the financial year amounted to €724,457 (2016: €588,900) for 7 personnel (2016: 6 personnel).

Directors are not remunerated, but are entitled to be reimbursed for out of pocket expenses incurred in the course of carrying out their duties. In 2017 €Nil was paid to Directors (2016: €Nil).

13. TANGIBLE ASSETS

	Building €	Leasehold interest €	Furniture €	IT & Other Equipment €	Motor vehicles €	Total €
Deemed Cost:						
At 1 January 2017	800,000	95,476	175,384	406,215	63,700	1,540,775
Additions	-	-	1,925	37,030	-	38,955
Write down	-	-	-	(15,869)	(3,497)	(19,366)
At 31 December 2017	800,000	95,476	177,309	427,376	60,203	1,560,364
Depreciation:						
At 1 January 2017	62,412	43,884	114,607	178,283	45,239	444,425
Charge for the Financial year	14,752	2,580	12,445	52,145	7,240	89,162
At 31 December 2017	77,164	46,464	127,052	230,428	52,479	533,587
Net Book Value:						
At 31 December 2017	722,836	49,012	50,257	196,948	7,724	1,026,777
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:	2017		2016	
	Net Book value €	Depreciation Charge €	Net Book value €	Depreciation Charge €
Furniture	6,266	696	6,962	774
Equipment	48,650	10,008	65,904	10,008
Motor vehicles	7,724	3,740	14,960	3,740
	62,640	14,444	87,826	14,522

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 2017**

14. STOCKS	2017	2016
	€	€
Stocks	137,403	110,795

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

15. DEBTORS: Amounts falling due within one year	2017	2016
	€	€
Trade debtors	138,342	140,679
Grant debtors	131,000	164,627
Prepayments	26,720	17,152
VAT	4,437	27,468
	300,499	349,926

16. CASH AT BANK AND AT HAND	2017	2016
	€	€
Cash at bank	99,678	358,622
Money held for Our New EarS (Note 27)	47,213	-
	146,891	358,622

17. CREDITORS: Amounts falling due within one year	2017	2016
	€	€
Bank loans (Note 19)	51,672	50,649
Creditors	305,070	326,729
Accruals	112,580	72,044
PAYE/PRSI	81,002	104,441
Obligations under finance lease and hire		
Purchase obligations (Note 19)	16,894	26,328
Deferred income (Note 27)	47,213	-
	614,431	580,191

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

18. CREDITORS: Amounts falling due after more than one year	2017	2016
	€	€
Bank loans (Note 19)	55,966	107,622
Capital grants (Note 21)	161,755	165,587
Obligations under finance lease and hire		
Purchase obligations (Note 19)	41,894	72,001
	<u>259,615</u>	<u>345,210</u>

19. DETAILS OF BORROWINGS

Maturity analysis	Within	Between	Between	
	One year	One year &	Two years &	
		Two years	Five years	Total
	€	€	€	€
Bank loans	51,672	45,286	10,680	107,638
Obligations under finance lease and hire				
Purchase obligations	16,894	20,347	21,547	58,788
	<u>68,566</u>	<u>65,633</u>	<u>32,227</u>	<u>166,426</u>

Security:

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

20. FINANCIAL INSTRUMENTS

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

	2017	2016
	€	€
Financial Assets (Note 15)		
<i>Measured at undiscounted amount receivable</i>		
Trade debtors	138,342	140,679
Grant debtors	131,000	164,627
Other debtors	-	7,011
	<u>269,342</u>	<u>312,317</u>
Financial Liabilities (Notes 17 and 18)		
<i>Measured at amortised cost</i>		
Bank loans and other loans	107,638	158,271
Obligations under finance lease and hire purchase obligations	58,788	98,329
<i>Measured at undiscounted amount payable</i>		
Creditors	305,070	326,729
	<u>471,496</u>	<u>583,329</u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

21. CAPITAL GRANTS	2017 €	2016 €
Balance at 1 January 2017	165,587	169,512
Amortised during the financial year	(3,832)	(3,925)
Balance at 31 December 2017	161,755	165,587

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

22. FUNDS OF THE CHARITY

	Restricted Funds €	Unrestricted Funds €	Unrestricted Premises Reserve €	Total Funds €
(i) Reconciliation of funds:				
Fund balance at 1 January 2017	122,043	378,069	490,180	990,292
Net movement for the financial year	42,516	(295,284)	-	(252,768)
Transfer (Note 23)	-	490,180	(490,180)	-
Fund balances at 31 December 2017	164,559	572,965	-	737,524

	Restricted Funds €	Unrestricted Funds €	Unrestricted Premises Reserve €	Balance 31/12/2017 €
(ii) Analysis of net assets between funds:				
Fixed Assets	-	1,026,777	-	1,026,777
Current Assets	211,772	373,021	-	584,793
Liabilities	(47,213)	(826,833)	-	(874,046)
Total funds	164,559	572,965	-	737,524

(iii) Movements in funds:

	Balance 01/01/2017 €	Income €	Expenditure €	Transfer between funds €	Balance 31/12/2017 €
Restricted funds	122,043	4,366,253	(4,894,288)	570,551	164,559
Unrestricted funds	378,069	2,483,004	(2,207,737)	(80,371)	572,965
Revaluation reserve	490,180	-	-	(490,180)	-
Total funds	990,292	6,849,257	(7,102,025)	-	737,524

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

22. FUNDS OF THE CHARITY (CONTINUED)

In respect of prior financial year:

	Restricted Funds €	Unrestricted Funds €	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	
	€	€	€	€	
(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	
	€	€	€	€	
(iii) Movements in funds:					
	Restated Balance 01/01/2016 €	Income €	Expenditure €	Transfer between funds €	Balance 31/12/2016 €
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	6,446,566	(6,759,655)	-	990,292
	€	€	€	€	€

23. MOVEMENT IN CHARITY FUNDS

	Balance 01/01/2017 €	Income €	Expenditure €	Funds Transfer €	Balance 31/12/2017 €
<i>Restricted funds</i>					
HSE	-	4,051,884	(4,586,024)	534,140	-
HSE TAGS	111,372	160,823	(167,621)	-	104,574
GENIO Project	33,744	41,825	(94,878)	19,309	-
Early Childhood Fund	-	59,985	-	-	59,985
Lottery/Miscellaneous	(32,573)	39,898	(33,927)	26,602	-
O.N.E.	9,500	11,838	(11,838)	(9,500)	-
Total Restricted funds	122,043	4,366,253	(4,894,288)	570,551	164,559
<i>Unrestricted funds</i>	378,069	2,483,004	(2,220,737)	(80,371)	572,965
<i>Premises reserve</i>	490,180	-	-	(490,180)	-
Total funds	990,292	6,849,257	(7,102,025)	-	737,524
	€	€	€	€	€

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

23. MOVEMENT IN CHARITY FUNDS (CONTINUED)

HSE-funded services are only partially funded and €534,140 has been transferred from unrestricted funds to meet the full cost of providing the services.

Genio project and, lottery and other miscellaneous fund were only partially funded and €45,911 has been transferred from unrestricted funds to meet the full cost of providing the services.

During the year the Directors made the decision to transfer the premise reserve back into general reserves.

24. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH USED IN CHARITABLE ACTIVITIES	2017 €	2016 €
Net expenditure (as per the Statement of Financial Activities)	(252,768)	(313,089)
<i>Adjustments for:</i>		
Depreciation and write down of fixed assets	108,528	84,720
Amortisation of capital grants	(3,832)	(3,925)
(Increase)/decrease in stocks	(26,608)	31,160
Decrease/(increase) in debtors	49,427	246,855
(Increase)/decrease in creditors	42,651	(72,582)
Interest paid	42,331	27,388
NET CASH FLOWS FROM OPERATING ACTIVITIES	(40,271)	527

25. FINANCIAL COMMITMENTS

Operating lease commitments

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

	2017 €	2016 €
Land and buildings		
- Within 1 year	236,775	250,630
- Between one and five years	161,150	221,300
- After or more than five years	56,500	84,750
Office equipment		
- Within 1 year	32,620	38,497
- Between one and five years	114,170	27,792
- After or more than five years	-	-

26. 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 €227,864 during the financial year (2016: €231,888). The amount outstanding at the financial year end amounted to €27,982 (2016: €25,797).

27. RELATED PARTY TRANSACTIONS

DeafHear has a memorandum of understanding (MOU) with Our New Ears (ONE), a like-minded group, who raise funds for children services in the deaf community. DeafHear assist ONE in an advisory and administration capacity and one director and three members of the senior management team of DeafHear are on the seven member ONE Sub-Committee. The founding members, who are not directors of DeafHear, raised funds of €28,184 during the year of which €11,838 was expended in accordance with the founding members' instructions. DeafHear currently hold €47,213 of ONE funds in a nominated bank account which are included in deferred income as DeafHear are not entitled to spend such monies until instructed by ONE founding members.

28. COMPARATIVES

Comparative information has been reclassified where necessary to conform to current year presentation.

SUPPLEMENTARY INFORMATION

(NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**SCHEDULE 1: DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

	2017 €	2016 €
INCOME		
HSE Northern Area (Schedule 2)	1,528,575	1,545,477
HSE South Western Area (Schedule 2)	294,673	286,824
HSE East Coast Area (Schedule 2)	180,588	183,229
HSE Midland Area (Schedule 2)	303,456	290,276
HSE South Eastern Area (Schedule 2)	306,120	308,747
HSE Mid Western Area (Schedule 2)	306,523	297,244
HSE Western Area (Schedule 2)	424,248	444,162
HSE North Western Area- Donegal (Schedule 2)	228,926	201,998
HSE North Western Area- Sligo/Leitrim (Schedule 2)	102,224	95,983
HSE North Eastern Area (Schedule 2)	261,548	249,028
HSE Southern Area (Schedule 2)	315,724	314,905
Other trading activities – assisting technology	2,312,141	1,963,932
DSP grant	86,245	113,909
Donations, legacies and fundraising	21,848	27,553
Other miscellaneous income	62,770	102,985
O.N.E. income	11,838	20,314
Project Funding	101,810	-
	<u>6,849,257</u>	<u>6,446,566</u>
EXPENDITURE		
Staff salaries and pension costs	4,376,279	4,286,782
Staff training and conferences	11,104	11,798
Cost of projects and activities	357,100	396,414
Assistive technology	1,111,893	964,449
Printing, stationery and publications	30,091	44,692
Equipment leasing and hire	43,534	56,321
Equipment maintenance and office expenses	119,364	102,301
Insurances	21,416	26,078
Light and heat	48,679	81,351
Postage and telephone	103,821	92,521
Professional fees	215,979	58,830
Rent and rates	255,058	258,532
Advertising	2,160	8,464
Interpreters fees	57,074	41,939
Provision of lip-reading classes (tutors' fees and training)	5,127	3,713
Speedtext	-	76
Subscriptions, affiliations and donations	17,144	17,471
Sundry	182,871	185,001
O.N.E expenditure	11,838	10,814
Depreciation: Furniture	12,445	21,367
Motor vehicle	7,240	7,239
Equipment	52,145	38,033
Buildings and leasehold interest	17,332	18,081
	<u>7,059,694</u>	<u>6,732,267</u>
NET EXPENDITURE FOR THE FINANCIAL YEAR	(210,437)	(285,701)
Interest payable and similar charges	(42,331)	(27,388)
NET EXPENDITURE BEFORE TAXATION	(252,768)	(313,089)

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**SCHEDULE 2: INCOME ANALYSIS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

(a) HSE GRANTS:	2017	2016
	€	€
(1) HSE Northern Area:		
(i) Core Funding	1,277,191	1,252,245
(ii) Mental Health Service	247,284	247,286
(iii) Day Centre Funding	-	25,946
(iv) Lottery Project Grant	4,100	20,000
	1,528,575	1,545,477
(2) HSE South Western:		
(i) Core Funding	287,981	286,824
(ii) Lottery Project Grant	6,692	-
	294,673	286,824
(3) HSE East Coast Area:		
(i) Core Funding	180,588	180,588
(ii) Tags	-	2,641
	180,588	183,229
(4) HSE Midland Area:		
(i) Core Funding	303,456	288,276
(ii) Lottery Project Grant	-	2,000
	303,456	290,276
(5) HSE South Eastern Area:		
(i) Core Funding	289,094	289,578
(ii) Lottery Project Grant	2,467	5,818
(iii) Tags	14,559	13,351
	306,120	308,747

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 2: INCOME ANALYSIS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

(a) HSE GRANTS (CONTINUED):

(6)	HSE Midwestern Area:	2017 €	2016 €
	(i) Core Funding	293,544	293,544
	(ii) Tags	6,307	-
	(iii) Lottery Project Grant	6,672	3,700
		<u>306,523</u>	<u>297,244</u>
(7)	HSE Western Area:		
	(i) Core Funding	413,293	413,961
	(ii) Other	-	13,979
	(iii) Lottery Project Grant	5,467	16,000
	(iv) Tags	5,488	222
		<u>424,248</u>	<u>444,162</u>
(8)	HSE North Western Area: - Donegal		
	(i) Core Funding	141,936	144,220
	(ii) Tags	86,990	55,878
	(iii) Lottery Project Grant	-	1,900
		<u>228,926</u>	<u>201,998</u>
(9)	HSE North Western Area: - Sligo/Leitrim		
	(i) Core Funding	83,663	84,162
	(ii) Tags	18,561	5,132
	(iii) Lottery Project Grant	-	2,000
	(iv) Other	-	4,689
		<u>102,224</u>	<u>95,983</u>
(10)	HSE North Eastern Area:		
	(i) Core Funding	230,160	230,161
	(ii) Tags	19,388	18,867
	(iii) Lottery Project Funding	12,000	-
		<u>261,548</u>	<u>249,028</u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 2: INCOME ANALYSIS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

(a) HSE GRANTS (CONTINUED):

(11)	HSE Southern Area:	2017 €	2016 €
	(i) Core Funding	303,694	301,798
	(ii) Tags	9,530	12,007
	(iii) Lottery Project Grant	2,500	1,100
		<u>315,724</u>	<u>314,905</u>