

National Association for the Deaf
T/A Chime

Reports and Financial Statements
for the financial year ended
31 December 2018

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

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NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

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

COMPANY SECRETARY Ms Ann-Marie Geraghty

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 CHIME

REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

The Directors present their annual report and the audited financial statements for the financial year ended 31 December 2018.

ABOUT CHIME

The National Association for the Deaf, trading as Chime, 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. The organization undertook a rebranding exercise throughout 2017 and 2018, which came to fruition in Quarter 4 2018 with the launch of our new name, Chime, The National Charity for Deafness and Hearing Loss. Chime 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. Chime 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.

GOVERNANCE

Code of Governance

Chime continues to recognise the importance of strong governance in the not-for-profit sector. Chime 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. We are working towards being fully compliant with the Charities Governance Code 2019.

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 Chime, 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 2018 (six in 2017). The Directors are listed on page 2.

	April	May	June	August	October	December
Creagh, Sandra	✓	✓	✓	✓	✓	✓
Glynn, Niall	✓	x	✓	✓	✓	✓
Keane, Declan	✓	✓	✓	✓	✓	✓
McCarville, Joan	✓	✓	✓	✓	✓	✓
Nolan, Sylvia	✓	✓	✓	✓	x	✓
Ryan, Paul	x	x	x	x	✓	✓
Saunders, Mark	x	✓	✓	✓	x	✓
Smith, Gerard	✓	✓	✓	✓	x	✓
Symington, Brian	x	✓	✓	✓	x	x

GOVERNANCE (CONTINUED)

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 & Risk 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 2018. The Directors who comprise the Audit Committee are Niall Glynn (Chairman), Gerard Smith, Joan McCarville and Declan Keane.

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 Chime 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 Chime and Our New Ears (ONE) are being met. The Committee is comprised of Brian Symington (Chair) who is on the Chime Board of Directors; Mark Byrne, Chime CEO; Siobhán Egan, Team Leader and representing the ONE Committee are Laura Grant, Rachel Broderick, Brenda Glennon and Ger McAuley. During 2018, there were two meetings of the One New Ears Sub-Committee.

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 Chime and the Irish Tinnitus Association (ITA) are being met. The Sub-Committee is made up of Sylvia Nolan (Chair) who is on the Chime Board; Mark Byrne, Maureen Whittle, Team Leader Region and Jean Scott and Martin Carroll of ITA. There were four meetings of the Committee in 2018.

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

REPORT OF THE DIRECTORS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

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

Chime 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.

FUNDRAISING

In 2018 Chime set up a fundraising operation. The objective is to attract support from Corporate Organisations, Trusts, Foundations and individuals to enable us to provide greater services to those who require our support.

PRINCIPAL RISKS AND UNCERTAINTIES

With approximately €4.3m of regular income coming through HSE, Chime 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. Chime 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 Chime.

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

HEALTH & SAFETY

Health and Safety is an important feature of the work of Chime. During 2018 Chime 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.

2018: THE YEAR IN REVIEW

SERVICES ACTIVITY

Chime 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 *	
	2018	2017	2018	2017
Children with Hearing Loss	408	353	662	667
- Deaf Adults (General)	366	325	104	238
- Vulnerable Deaf Adults	290	255	279	139
- Mental Health & Deafness	70	125	N/A	
All Deaf Adults	726	705	383	377
- Adults Acquired Hearing Loss (General)	263	343	308	273
- Adults CI/BAHA	38	67	32	55
- Adults Tinnitus	386	442	228	143
Adults with Acquired Hearing Loss	687	852	568	471
Overall Total:	1,821	1,910	1,613	1,515

**Some clients receive both individual and group service.*

Summary Statistics for Other Resource Activities

Type of Activity	2018	2017
Deaftech Assessments	1,766	1,021
Minor Hearing Aid Repair/Management	3,929	3,958
Drop – in & Remote Contacts *	18,912	13,568
Number Outreach Clinics	220	187
Attendees Outreach Clinics	2,329	1,553
Public Activity Sessions	88	119
Attendees at Public Activity Sessions	734	1,706

Care Services (continued)

National Activity and Initiatives

The Newly Diagnosed Weekend (NDW) is a key support we provide for parents. In 2018, we held two weekends, the first NDW was held in March, attended by families with 15 adults and 16 children (8 of whom had a hearing loss). The eldest was 6 and the youngest was 3 months old. The weekend in October 2018 was attended by 19 adults and 17 children (10 with hearing loss).

Adventure Camp: The camp was a four day event, for 37 young Deaf people aged 13 to 23 years old, held in Roscor Village in Fermanagh during August 2018. As well as developing socialisation and team building activities, there was an opportunity to undertake leadership training and life-building skills within a safe and inclusive environment.

Local activities and programmes

Chime 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

Mental Health Service

The Mental Health Service run by Chime and funded by the HSE will wind down by the end of quarter one 2019 due to the retirement of Dr. Du Feu. HSE have signaled that it is their intent to establish a mental health service for deaf people through their network and resources.

Technology Services

Chime continues to provide clients with much needed access to assistive technology through our LifeTech Service, EduTech Service and Hearing Aid Service. In 2018 we carried out over 1,700 technology assessments for personal or home use. We installed over 597 pieces of equipment for children in schools and provided clients with over 680 hearing tests and dispensed over 570 hearing aids

Borrowing

The directors agreed as part of the rebranding exercise that the organisation would avail of loan facility supported by Community Finance Ireland.

Advocacy and Research Report

In 2018 Chime continued to advocate on issues affecting the lives of people with deafness and hearing loss. Our advocacy activities included representation on key national fora such as the Disability Stakeholders Group and Departmental Consultative Committees, and within the Deaf sector, representation on education and interpreting services partnerships. We also supported individuals with particular issues accessing employment services, care services, and tax allowance schemes. Key areas of focus in 2018 were:

A home of choice for vulnerable Deaf adults:

Chime has continued to advocate for the implementation of the HSE Working Group Report on the Residential Needs of Vulnerable Deaf Adults. In 2018 the HSE agreed to a joint working initiative with Chime to complete a 'proof of concept' project to re-home a small number of deaf adults in a home of choice, and to support Chime's Budget submission in this area for 2019.

Access to technology:

Only one in five people with hearing loss have hearing aids, and for those who are PAYE workers, the figure is as low as one in seven. Chime made a pre-budget submission to the Minister for Employment Affairs and Social Protection on improving the PRSI Grant for hearing aids, especially for those getting hearing aids for the first time. Unfortunately the Minister did not respond positively in 2018, but our efforts will continue in 2019.

Research:

In 2018 we supported a large survey of parents through the HSE Integrated Care Pathway Working Group, which will be published in 2019. We also began negotiations on researching social and emotional outcomes for children with hearing loss, which we hope will begin in 2019.

Other key issues:

We continued to advocate for improved services for children with complex needs and greater access to interpreting and communication support for people with deafness or hearing loss. We advocated for more live ISL presentation on TV (including leaders' speeches at Árd Fheiseanna), and are continuing our efforts, in collaboration with other organisations in the sector, to advocate for the full implementation of the ISL Act.

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. The cost reduction action plan delivered in 2018 was deemed successful by the Directors and delivered the required savings to ensure the organisation can operate as a going concern. This resulted in a number of office closures and redundancies taking place in order to bring our operating costs to a breakeven position.

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.

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

REPORT OF THE DIRECTORS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

POST BALANCE SHEET EVENTS

Strategic Plan 2017 – 2020

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

- Financial Parameters – we are working to improve our cash reserves position and to bring the organisation to a breakeven position.
- Branding - building the brand – why we exist and what our role should be in our key initiatives. The essence of our brand which informs our ethos is: Inclusion and self-determination. 2018 saw a year of substantial change for Chime with the rebranding taking place in the latter half of 2018.
- Children Services –to ensure that children with a hearing loss have the opportunity to reach their full potential by providing necessary supports, collaborating and influencing for positive change.
- 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 people 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. Ultimately we are one society and our aim is to reduce the effect of isolation caused by any level of deafness.
- Hearing Loss Awareness Campaign – To encourage greater numbers of people to have their hearing tested, to become more hearing loss aware, and to increase the number of people using hearing aids.

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

POLITICAL CONTRIBUTION

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

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.

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**REPORT OF THE DIRECTORS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

DISCLOSURE OF INFORMATION TO AUDITORS

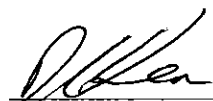
In the case of each of the persons who are Directors at the time the Directors' report and financial statements are approved:

- 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.

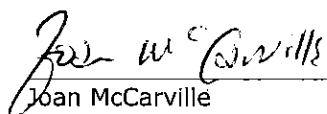
AUDITORS

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



Joan McCarville
Director

24/4/19

Date

24/4/19

Date

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

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 Chime

Report on the audit of the financial statements

Opinion on the financial statements of National Association for the Deaf T/A Chime (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 2018 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 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 2018, 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 Chime

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 Chime

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: 29 April 2019

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**STATEMENT OF FINANCIAL ACTIVITIES
(Including income and expenditure account)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

		2018	2018	2018	2017	2017	2017
		Restricted Funds	Unrestricted Funds	Total	Restricted Funds	Unrestricted Funds	Total
<i>Notes</i>		€	€	€	€	€	€
INCOME FROM							
Donations and legacies	3	-	16,356	16,356	-	21,848	21,848
Charitable activities	4	4,290,386	154,550	4,444,936	4,366,253	145,059	4,511,312
Other trading activities	5	-	2,342,159	2,342,159	-	2,312,141	2,312,141
Other	6	-	17,887	17,887	-	3,956	3,956
Total		<u>4,290,386</u>	<u>2,530,952</u>	<u>6,821,338</u>	<u>4,366,253</u>	<u>2,483,004</u>	<u>6,849,257</u>
EXPENDITURE ON							
Charitable activities	7	4,752,724	607,135	5,359,859	4,894,288	521,971	5,416,259
Raising funds	8	-	1,798,270	1,798,270	-	1,685,766	1,685,766
Total		<u>4,752,724</u>	<u>2,405,405</u>	<u>7,158,129</u>	<u>4,894,288</u>	<u>2,207,737</u>	<u>7,102,025</u>
Net (expenditure)/income before taxation	9	(462,338)	125,547	(336,791)	(528,035)	275,267	(252,768)
Taxation	10	-	-	-	-	-	-
Transfers between funds	22	423,648	(423,648)	-	570,551	(570,551)	-
Net movement in funds	22	(38,690)	(298,101)	(336,791)	42,516	(295,284)	(252,768)
RECONCILIATION OF FUNDS							
Total funds brought forward	22	164,559	572,965	737,524	122,043	868,249	990,292
Total funds carried forward	22	<u>125,869</u>	<u>274,864</u>	<u>400,733</u>	<u>164,559</u>	<u>572,965</u>	<u>737,524</u>

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

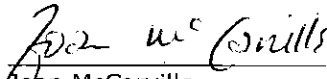
NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

BALANCE SHEET AS AT 31 DECEMBER 2018

	<i>Notes</i>	2018 €	2017 €
Fixed Assets			
Tangible assets	13	1,011,682	1,026,777
Current Assets			
Stocks	14	148,758	137,403
Debtors	15	250,930	300,499
Cash at bank and in hand	16	210,826	146,891
		610,514	584,793
Creditors: Amounts falling due within one year	17	(886,821)	(614,431)
Net current liabilities		(276,307)	(29,638)
Total assets less current liabilities		735,375	997,139
Creditors: Amounts falling due after one year	18	(334,642)	(259,615)
NET ASSETS		400,733	737,524
FUNDS OF THE CHARITY			
Accumulated funds – Restricted	22	125,869	164,559
Accumulated funds – Unrestricted	22	274,864	572,965
		400,733	737,524

The financial statements were approved and authorised for issue by the Board of Directors on 24/4/19 and signed on its behalf by:


 Declan Keane
 Chairman


 Joan McCarville
 Director

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

	<i>Notes</i>	2018 €	2017 €
Net cash flows from operating activities	24	104,395	(40,271)
Cash flows from investing activities			
Interest paid		(36,908)	(42,331)
Purchase of tangible assets	13	(83,800)	(38,955)
Net cash flows from by investing activities		(120,708)	(81,286)
Cash flows from financing activities			
Movement in finance lease obligations		(16,894)	(39,541)
Movement in borrowings		97,142	(50,633)
Net cash flows from financing activities		80,248	(90,174)
Net increase/(decrease) in cash and cash equivalents		63,935	(211,731)
Cash and cash equivalents at the beginning of the reporting year		146,891	358,622
Cash and cash equivalents at the end of the reporting year		210,826	146,891
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		210,826	146,891

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 Chime) 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) Chime 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 Chime 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 resources. 2017 & 2018 net expenditure arose due to both operational and exceptional costs arising out of the restructure programme as opposed to have been driven solely by ongoing operational losses.

The Directors recognise that the organisation is operating with financial challenges and continue to closely monitor the financial performance of the organisation. 2018 saw a year of substantial change for the organisation as it actioned its cost saving reduction plan which resulted with a number of office closures and redundancies taking place in order to bring our operating costs to a breakeven position. The organisation also undertook a rebranding exercise which came to fruition on Quarter 4 with the launch of our new name, Chime, The National Charity for Deafness and Hearing Loss.

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.

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 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 CHIME

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

3.	DONATIONS AND LEGACIES	2018	2017
		€	€
	General donations	16,356	21,848
		<hr/>	<hr/>

4.	CHARITABLE ACTIVITIES	2018	2017
		€	€
	<i>Restricted</i>		
	HSE Services	4,277,972	4,252,605
	Genio Project	-	41,825
	Early Childhood Fund	-	59,985
	O.N.E income	12,414	11,838
		<hr/>	<hr/>
		4,290,386	4,366,253
	<i>Unrestricted</i>		
	Department of Social Protection	71,427	86,245
	Miscellaneous	83,123	58,814
		<hr/>	<hr/>
		154,550	145,059
	Total	<hr/> 4,444,936 <hr/>	<hr/> 4,511,312 <hr/>

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

Resource Centre Funding	3,787,803	3,804,600
Mental Health Service-discontinued in 2019	247,285	247,284
TAGS	195,205	160,823
Lottery Project Grant	43,260	39,898
Mayo Fund	4,419	-
	<hr/>	<hr/>
	4,277,972	4,252,605
	<hr/>	<hr/>

5.	OTHER TRADING ACTIVITIES	2018	2017
		€	€
	Schooltech, Deaftech and Hearing Aid Service	2,342,159	2,312,141
		<hr/>	<hr/>

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

6. OTHER	2018	2017
	€	€
Amortisation of capital grants (Note 21)	17,628	3,832
Sundry income	259	124
	17,887	3,956
7. CHARITABLE ACTIVITIES	2018	2017
	€	€
HSE Services	4,953,423	4,981,321
TAGS	157,584	167,621
HSE Mayo Fund	3,083	-
Genio Project	54,900	94,878
Early Childhood Fund	61,153	-
Miscellaneous	18,407	33,927
O.N.E expenditure	12,414	11,838
Depreciation	98,895	89,162
Grant to hearing organisation	-	37,512
	5,359,859	5,416,259
8. RAISING FUNDS	2018	2017
	€	€
Schooltech, Deaftech and Hearing Aid Service	1,561,685	1,540,894
Other	236,585	144,872
	1,798,270	1,685,766

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

9. NET EXPENDITURE BEFORE TAXATION

	2018	2017
	€	€
The net expenditure for the financial year is stated after charging/(crediting):		
Directors' remuneration	-	-
Depreciation	98,895	89,162
Amortisation of capital grants	(17,628)	(3,832)
Foreign exchange loss/(gain)	1,564	(6,089)
Cost of stock recognised as an expense	1,174,609	1,184,361
Operating lease rentals		
- Land and buildings	246,278	255,058
- Office equipment	32,620	43,534
	<u><u> </u></u>	<u><u> </u></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 89 (2017: 91).

The staff costs are comprised of:

	2018	2017
	€	€
Salaries	3,480,513	3,686,106
Social insurance costs	373,749	387,042
Other retirement benefit costs (Note 26)	239,667	227,864
Redundancy costs	82,602	75,267
	<u><u>4,176,531</u></u>	<u><u>4,376,279</u></u>

The salaries of professional grades are generally aligned to those paid in the HSE. The vast majority of staff hold 3rd level qualifications. Effective from 01 January 2014 the organisation implemented the provisions of the Haddington Road Agreement including salary cuts for those paid over €65,000 and increased working hours for all staff. The organization is continuing to endeavor to obtain funding from HSE in order to restore salaries to pre-2014 levels.

	2018	2017
	No.	No.
€00,001 - €65,000	83	84
€65,001 - €75,000	2	2
€75,001 - €85,000	3	2
€85,001 - €95,000	-	-
€95,001 - €105,000	0	0
€105,001-€115,000	1	3
	<u><u>89</u></u>	<u><u>91</u></u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

12. KEY MANAGEMENT COMPENSATION

The total remuneration for key management personnel for the financial year amounted to €637,483 (2017: €724,457) for 6 personnel (2017: 7 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 2018 €Nil was paid to Directors (2017: €Nil).

13. TANGIBLE ASSETS

	Building €	Leasehold interest €	Furniture €	IT & Other Equipment €	Motor vehicles €	Total €
Deemed Cost:						
At 1 January 2018	800,000	95,476	177,309	427,376	60,203	1,560,364
Additions	-	-	54,839	28,961	-	83,800
At 31 December 2018	800,000	95,476	232,148	456,337	60,203	1,644,164
Depreciation:						
At 1 January 2018	77,164	46,464	127,052	230,428	52,479	533,587
Charge for the financial year	14,457	2,451	17,857	60,390	3,740	98,895
At 31 December 2018	91,621	48,915	144,909	290,818	56,219	632,482
Net Book Value:						
At 31 December 2018	708,379	46,561	87,239	165,519	3,984	1,011,682
Net Book Value:						
At 31 December 2017	722,836	49,012	50,257	196,948	7,724	1,026,777

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

Asset description:	2018		2017	
	Net Book value €	Depreciation Charge €	Net Book value €	Depreciation Charge €
Furniture	5,639	627	6,266	696
Equipment	30,018	10,008	40,025	10,008
Motor vehicles	3,986	3,740	7,724	3,740
	39,643	14,375	54,015	14,444

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 CHIME

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

14. STOCKS	2018	2017
	€	€
Stocks	148,758	137,403

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

15. DEBTORS: Amounts falling due within one year	2018	2017
	€	€
Trade debtors	137,707	138,342
Grant debtors	40,299	131,000
Prepayments	38,931	26,720
VAT	32,311	4,437
Our New Ears debtor	1,682	-
	250,930	300,499

16. CASH AT BANK AND AT HAND	2018	2017
	€	€
Cash at bank	170,562	99,678
Money held on behalf of Our New Ears (Note 27)	40,264	47,213
	210,826	146,891

17. CREDITORS: Amounts falling due within one year	2018	2017
	€	€
Bank loans (Note 19)	38,416	51,672
Creditors	460,199	305,070
Accruals	240,795	112,580
PAYE/PRSI	89,404	81,002
Obligations under finance lease and hire		
Purchase obligations (Note 19)	17,743	16,894
Deferred income (Note 27)	40,264	47,213
	886,821	614,431

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

18. CREDITORS: Amounts falling due after more than one year	2018 €	2017 €
Bank loans (Note 19)	166,364	55,966
Capital grants (Note 21)	144,127	161,755
Obligations under finance lease and hire Purchase obligations (Note 19)	24,151	41,894
	334,642	259,615

19. DETAILS OF BORROWINGS

Maturity analysis

	Within One year €	Between One year & Two years €	Between Two years & Five years €	Over Five years €	Total €
Bank loans	38,416	31,449	64,620	70,295	204,780
Obligations under finance lease and hire purchase obligations	17,743	17,743	6,408	-	41,894
Total funds	56,159	49,192	71,028	70,295	246,674

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:-

	2018 €	2017 €
Financial Assets (Note 15)		
<i>Measured at undiscounted amount receivable</i>		
Trade debtors	137,707	138,342
Grant debtors	40,299	131,000
	178,006	269,342
Financial Liabilities (Notes 17 and 18)		
<i>Measured at amortised cost</i>		
Bank loans and other loans	204,780	107,638
Obligations under finance lease and hire purchase obligations	41,894	58,788
<i>Measured at undiscounted amount payable</i>		
Creditors	460,199	305,070
	706,873	471,496

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

21. CAPITAL GRANTS	2018	2017
	€	€
Balance at 1 January 2018	161,755	165,587
Amortised during the financial year	(17,628)	(3,832)
Balance at 31 December 2018	144,127	161,755

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

22. FUNDS OF THE CHARITY	Restricted Funds	Unrestricted Funds	Total Funds
	€	€	€
(i) Reconciliation of funds:			
Fund balance at 1 January 2018	164,559	572,965	737,524
Net movement for the financial year	(38,690)	(298,101)	(336,791)
Fund balances at 31 December 2018	125,869	274,864	400,733

	Restricted Funds	Unrestricted Funds	Balance 31/12/2018
	€	€	€
(ii) Analysis of net assets between funds:			
Fixed Assets	-	1,011,682	1,011,682
Current Assets	125,869	484,645	610,514
Liabilities	-	(1,221,463)	(1,221,463)
Total funds	125,869	274,864	400,733

(iii) Movements in funds:

	Balance 01/01/2018	Income	Expenditure	Transfer between funds	Balance 31/12/2018
	€	€	€	€	€
Restricted funds	164,559	4,290,386	(4,752,724)	423,648	125,869
Unrestricted funds	572,965	2,530,952	(2,405,405)	(423,648)	274,864
Total funds	737,524	6,821,338	(7,158,129)	-	400,733

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

22. FUNDS OF THE CHARITY (CONTINUED)

In respect of prior financial year:

	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	<u>164,559</u>	<u>572,965</u>	<u>-</u>	<u>737,524</u>

	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	<u>164,559</u>	<u>572,965</u>	<u>-</u>	<u>737,524</u>

(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	<u>990,292</u>	<u>6,849,257</u>	<u>(7,102,025)</u>	<u>-</u>	<u>737,524</u>

23. MOVEMENT IN CHARITY FUNDS

	Balance 01/01/2018 €	Income €	Expenditure €	Funds Transfer €	Balance 31/12/2018 €
<i>Restricted funds</i>					
HSE	-	4,035,088	(4,500,083)	464,995	-
HSE TAGS	104,574	195,205	(157,584)	(41,179)	101,016
ISE Mayo Fund	-	4,419	(3,083)	(1,336)	-
Early Childhood Fund	59,985	-	(61,153)	1,168	-
Lottery/Miscellaneous	-	43,260	(18,407)	-	24,853
O.N.E.	-	12,414	(12,414)	-	-
Total Restricted funds	<u>164,559</u>	<u>4,290,386</u>	<u>(4,752,724)</u>	<u>423,648</u>	<u>125,869</u>
<i>Unrestricted funds</i>	<u>572,965</u>	<u>2,530,952</u>	<u>(2,405,405)</u>	<u>(423,648)</u>	<u>274,864</u>
Total funds	<u>737,524</u>	<u>6,821,338</u>	<u>(7,158,129)</u>	<u>-</u>	<u>400,733</u>

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

23. MOVEMENT IN CHARITY FUNDS (CONTINUED)

HSE-funded services are only partially funded and €464,995 has been transferred from unrestricted funds to meet the full cost of providing the services.

Due to timing of grants receivable in relation to HSE TAGs €28,000 has been reimbursed to Chime in the year for TAGs equipment previously purchased through unrestricted funding. A further €13,179 was transferred to unrestricted funds which relates to bulk discounts that Chime receives. A transfer re Mayo Fund of €1,336 also relates to bulk discounts.

Early Childhood Fund was only partially funded and €1,168 has been transferred from unrestricted funds to meet the full cost of providing the services.

24. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH USED IN CHARITABLE ACTIVITIES	2018 €	2017 €
Net expenditure (as per the Statement of Financial Activities)	(336,791)	(252,768)
<i>Adjustments for:</i>		
Depreciation and write down of fixed assets	98,895	108,528
Amortisation of capital grants	(17,628)	(3,832)
(Increase) in stocks	(11,355)	(26,608)
Decrease in debtors	49,569	49,427
Increase in creditors	284,797	42,651
Interest paid	36,908	42,331
NET CASH FLOWS FROM OPERATING ACTIVITIES	104,395	(40,271)

25. FINANCIAL COMMITMENTS

Operating lease commitments

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

	2018 €	2017 €
Land and buildings		
- Within 1 year	232,770	236,775
- Between one and five years	439,149	161,150
- After or more than five years	142,250	56,500
Office equipment		
- Within 1 year	32,620	32,620
- Between one and five years	81,550	114,170
- 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 €239,667 (2017: €227,864) during the financial year. The amount outstanding at the financial year end amounted to €49,273 (2017: €27,982).

27. RELATED PARTY TRANSACTIONS

Chime 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. Chime assist ONE in an advisory and administration capacity and one director and three members of the senior management team of Chime are on the seven member ONE Sub-Committee. The founding members, who are not directors of Chime, raised funds of €5,465 (2017: €28,184) during the year of which €12,414 (2017: €11,838) was expended in accordance with the founding members' instructions. In addition, there is a debtor balance owing to Chime regarding items purchased for ONE of €1,682. This was paid subsequent to the year-end. Chime hold €40,264 (2017: €47,213) of ONE funds in a nominated bank account which are included in deferred income as Chime 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 CHIME

**SCHEDULE 1: DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

	2018 €	2017 €
INCOME		
HSE Northern Area (Schedule 2)	1,538,350	1,528,575
HSE South Western Area (Schedule 2)	262,965	294,673
HSE East Coast Area (Schedule 2)	180,588	180,588
HSE Midland Area (Schedule 2)	303,452	303,456
HSE South Eastern Area (Schedule 2)	320,538	306,120
HSE Mid Western Area (Schedule 2)	308,056	306,523
HSE Western Area (Schedule 2)	422,713	424,248
HSE North Western Area- Donegal (Schedule 2)	221,549	228,926
HSE North Western Area- Sligo/Leitrim (Schedule 2)	125,773	102,224
HSE North Eastern Area (Schedule 2)	252,297	261,548
HSE Southern Area (Schedule 2)	341,691	315,724
Other trading activities – assisting technology	2,342,159	2,312,141
DSP grant	71,427	86,245
Donations, legacies and fundraising	16,356	21,848
Other miscellaneous income	101,010	62,770
O.N.E. income	12,414	11,838
Project Funding	-	101,810
	6,821,338	6,849,257
EXPENDITURE		
Staff salaries and pension costs	4,176,531	4,376,279
Staff training and conferences	24,800	11,104
Cost of projects and activities	573,559	357,100
Assistive technology	1,027,025	1,111,893
Printing, stationery and publications	30,659	30,091
Equipment leasing and hire	32,620	43,534
Equipment maintenance and office expenses	223,795	119,364
Insurances	21,573	21,416
Light and heat	74,309	48,679
Postage and telephone	94,695	103,821
Professional fees	343,863	215,979
Rent and rates	246,278	255,058
Advertising	4,281	2,160
Interpreters fees	34,701	57,074
Provision of lip-reading classes (tutors' fees and training)	12,269	5,127
Subscriptions, affiliations and donations	22,530	17,144
Sundry	66,424	182,871
O.N.E. expenditure	12,414	11,838
Depreciation: Furniture	17,857	12,445
Motor vehicle	3,740	7,240
Equipment	60,390	52,145
Buildings and leasehold interest	16,908	17,332
	7,121,221	7,059,694
NET EXPENDITURE FOR THE FINANCIAL YEAR	(299,883)	(210,437)
Interest payable and similar charges	(36,908)	(42,331)
NET EXPENDITURE BEFORE TAXATION	(336,791)	(252,768)

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**SCHEDULE 2: INCOME ANALYSIS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

(a) HSE GRANTS:	2018	2017
	€	€
(1) HSE Northern Area:		
(i) Core Funding	1,277,191	1,277,191
(ii) Mental Health Service	247,285	247,284
(iii) Lottery Project Grant	13,874	4,100
	1,538,350	1,528,575
(2) HSE South Western:		
(i) Core Funding	260,378	287,981
(ii) Lottery Project Grant	2,587	6,692
	262,965	294,673
(3) HSE East Coast Area:		
(i) Core Funding	180,588	180,588
(4) HSE Midland Area:		
(i) Core Funding	303,452	303,456
(5) HSE South Eastern Area:		
(i) Core Funding	287,620	289,094
(ii) Lottery Project Grant	1,049	2,467
(iii) Tags	31,869	14,559
	320,538	306,120

NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**SCHEDULE 2: INCOME ANALYSIS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

(a) HSE GRANTS (CONTINUED):

(6)	HSE Midwestern Area:	2018	2017
		€	€
	(i) Core Funding	293,544	293,544
	(ii) Tags	11,962	6,307
	(iii) Lottery Project Grant	2,550	6,672
		308,056	306,523
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(7)	HSE Western Area:		
	(i) Core Funding	417,713	413,293
	(ii) Lottery Project Grant		5,467
	(iii) Tags	5,000	5,488
		422,713	424,248
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(8)	HSE North Western Area: - Donegal		
	(i) Core Funding	144,220	141,936
	(ii) Tags	65,129	86,990
	(iii) Lottery Project Grant	12,200	-
		221,549	228,926
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(9)	HSE North Western Area: - Sligo/Leitrim		
	(i) Core Funding	83,664	83,663
	(ii) Tags	42,109	18,561
		125,773	102,224
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(10)	HSE North Eastern Area:		
	(i) Core Funding	230,161	230,160
	(ii) Tags	11,136	19,388
	(iii) Lottery Project Funding	11,000	12,000
		252,297	261,548
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NATIONAL ASSOCIATION FOR THE DEAF T/A CHIME

**SCHEDULE 2: INCOME ANALYSIS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

(a) HSE GRANTS (CONTINUED):

(11)	HSE Southern Area:	2018 €	2017 €
	(i) Core Funding	313,691	303,694
	(ii) Tags	28,000	9,530
	(iii) Lottery Project Grant	-	2,500
		<u>341,691</u>	<u>315,724</u>