

National Association for the Deaf  
T/A DeafHear

Reports and Financial Statements  
for the year ended  
31 December 2010

**NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR**

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR**

**DIRECTORS AND OTHER INFORMATION**

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**DIRECTORS**

Mr. Bernard Daly (Chairman)  
Mr. Malachy Heffernan  
Mr. Declan Keane  
Ms. Bridie MacNamee  
Ms. Joan McCarville  
Ms. Marie Ní Mhaoilmhichil  
Ms. Sylvia Nolan  
Mr. Paul Ryan

**COMPANY SECRETARY**

Mr. Niall Keane

**HON. TREASURER**

Mr. Bernard Daly

**CHIEF EXECUTIVE**

Mr. Niall Keane

**REGISTERED OFFICE**

35 North Frederick Street  
Dublin 1

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

**BANKERS**

Allied Irish Banks plc  
1 Lower Baggot Street  
Dublin 2

EBS Building Society  
2 Burlington Road  
Dublin 4

**SOLICITORS**

Young & Company  
2 Charleston Road  
Rathmines  
Dublin 6

O'Shea Barry Solicitors  
4 Wellington Road  
Dublin 4

**CHARITY NO:**

CHY5633

## **NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR**

### **DIRECTORS' REPORT**

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The directors present their annual report and the audited financial statements for the year ended 31 December 2010.

#### **ABOUT DEAFHEAR**

The National Association for the Deaf T/A DeafHear is a not for profit voluntary organisation, established in 1964. It provides support services to Deaf and Hard of Hearing people and their families, and to professionals working with them. DeafHear campaigns and advocates for improved health and education services and better access to society for all Deaf and Hard of Hearing people.

#### **OBJECTIVES AND ACTIVITIES OF THE ASSOCIATION**

The primary objective of the Association is to promote the welfare of deaf persons and the promotion of training, education, and employment of deaf persons.

In 2010, DeafHear combined direct provision of specialist services to over 32,500 people with a wider advocacy role for improved access to mainstream services in the areas of health, education, employment and social inclusion. Direct services provided include:

- Family Support Services
- Community Development
- Assistive Technology
- Hearing and Communication Therapy
- Information and Advice
- Mental Health Service

DeafHear's current advocacy priorities (2010) are:

- Universal Newborn Hearing Screening
- Access and Equality Policy
- Deafness in Older People
- Deaf Awareness

#### **VISION AND MISSION OF THE ASSOCIATION**

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

DeafHear's Mission is to achieve this by:

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

#### **DIRECTORS OPERATING AND FINANCIAL REVIEW**

During 2010, the Association restructured its finances by raising a partial remortgaging of its premises at 35 North Frederick Street, and a corresponding reduction in its overdraft. This action significantly lowered the Association's current liabilities (see notes 9, 10, 11, page 17). The Board met monthly throughout the year and reviewed the financial reports against an agreed budget.

#### **PERFORMANCE REVIEW**

In 2010, the Association maintained its level of service against a reduction in the grant for service provision. Operationally, the management team met formally on a monthly basis to review HSE grant payments and monitor the cost of service provision.

## NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

### DIRECTORS' REPORT (CONTINUED)

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#### RISKS AND UNCERTAINTIES

With approximately 91% of income coming through HSE, National Association for the Deaf T/A DeafHear.ie is highly dependent on regular and timely payment of the agreed grants. The cash flow risk arising from delayed payments is managed through daily circulation of a cash flow position statement to each member of the Management Team and their close liaison with the HSE payment officers in regard to the timing of grant payments. The Board reviews financial performance on a monthly basis and takes corrective action as required.

Overall the Directors are of the opinion that they are prudently managing the risks and uncertainties facing the Association.

#### RESULTS

The directors are satisfied with the result achieved for the year which is set out on page 10. Mr. Paul Ryan was appointed as a director on the 11 May 2010. Ms. Mairin O'Kelly resigned as a director on the 12 November 2010.

#### DIRECTORS

The current membership of the Board is set out on page 2.

#### BOOKS OF ACCOUNT

To ensure that proper books and accounting records are kept in accordance with Section 202 Companies Act, 1990, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the company's premises at 35 North Frederick Street, Dublin 1.

#### AUDITORS

The Auditors, Deloitte & Touche, Chartered Accountants, continue in office in accordance with Section 160(2) of the Companies Act, 1963.

Signed on behalf of the Board:

Bernard Daly  
Director

Joan McCarville  
Director

Date 08 June 2011

## NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2009. 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR**

We have audited the financial statements of National Association For The Deaf T/A DeafHear for the year ended 31 December 2010 which comprise the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Statement of Historical Cost Profits and Losses, the Balance Sheet, the Cash Flow Statement, the Statement of Accounting Policies and the related notes 1 to 21. These financial statements have been prepared under the accounting policies set out in the Statement of Accounting Policies.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the financial statements, as set out in the Statement of Directors' Responsibilities in accordance with applicable law and accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility, as independent auditor, is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2009. We also report to you whether in our opinion proper books of account have been kept by the company and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purpose of our audit and whether the company's balance sheet and income and expenditure account are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it. Our responsibilities do not extend to other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we evaluated the overall adequacy of the presentation of information in the financial statements.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR**

**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the company as at 31 December 2010 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2009.

We have obtained all the information and explanations we considered necessary for the purpose of our audit. In our opinion, proper books of account have been kept by the company. The company's balance sheet and its income and expenditure account are in agreement with the books of account.

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

Deloitte & Touche  
Chartered Accountants and Registered Auditors  
Dublin

Date 08 June 2011



## NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

### STATEMENT OF ACCOUNTING POLICIES

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#### BASIS OF PREPARATION

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish Statute comprising the Companies Acts, 1963 to 2009.

The financial statements reflect the transactions of National and Regional offices.

#### ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention, as modified for revaluation of buildings to market value.

#### TANGIBLE FIXED ASSETS AND DEPRECIATION

Fixed assets, other than buildings, are recorded at historical cost. Buildings are stated at valuation. Where the valuation indicates a permanent diminution in the value of the building, the permanent diminution is charged to the income and expenditure account. All other fluctuations are transferred to a revaluation reserve through the Statement of Total Recognised Gains and Losses.

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	10% (Reducing balance)
Equipment	20% (Reducing balance)
Motor vehicles	20% (Straight line)

#### STOCKS

Stocks are stated at the lower of cost and net realisable value. Stocks are comprised of Deaftech products.

#### INCOME

Revenue grants receivable are credited to income in the year to which they relate.

#### OTHER INCOME

Income other than grants, is accounted for on a cash receipts basis.

#### CAPITAL GRANTS

Capital grants are accounted for on a receivable and are amortised to the income and expenditure account as the related fixed assets are depreciated.

#### FOREIGN CURRENCY

Transactions are recorded at the rates of exchange ruling at the date of transaction. Assets and liabilities denominated in foreign currency are translated at the rate of exchange ruling at the balance sheet date. Foreign exchange surpluses and deficits are recognised in the income and expenditure account in the year in which they incur.

**LEASING AND HIRE PURCHASE COMMITMENTS**

Operating lease costs are charged to the income and expenditure account as incurred.

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 income and expenditure account over the period of the lease on the sum of digits method.

**PENSION 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, which are made in accordance with periodic calculations by consulting actuaries, are charged against the results of the year in which they become payable.

**TAXATION**

No charge to taxation arises due to the exempt status of the company.

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

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2010

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	<i>Notes</i>	2010 €	2009 €
Income	1	5,656,425	5,933,366
Expenditure		<u>(5,474,843)</u>	<u>(5,748,546)</u>
Operating surplus		181,582	184,820
Interest payable and similar charges	3	<u>(9,373)</u>	<u>(22,400)</u>
Surplus before taxation	4	172,209	162,420
Taxation		-	-
<b>Surplus after taxation</b>	13	<u><u>172,209</u></u>	<u><u>162,420</u></u>

The results for the year derive solely from continuing operations.

The financial statements were approved by the Board of Directors on 08 June 2011 and signed on its behalf by:

Bernard Daly  
Director

Joan McCarville  
Director

**NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	<b>2010</b> €	2009 €
Surplus for the year	<b>172,209</b>	162,420
Unrealised deficit on revaluation of property	-	-
<b>TOTAL RECOGNISED GAINS FOR THE YEAR</b>	<b>172,209</b>	162,420

**STATEMENT OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	<b>2010</b> €	2009 €
Surplus for the year	<b>172,209</b>	162,420
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	<b>17,042</b>	17,389
Historical cost surplus	<b>189,251</b>	179,809

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

BALANCE SHEET AS AT 31 DECEMBER 2010

	Notes	2010 €	2009 €
<b>FIXED ASSETS</b>			
Tangible assets	6	1,579,177	1,608,617
<b>CURRENT ASSETS</b>			
Stocks	7	42,648	51,093
Debtors	8	99,688	140,790
Cash at bank and in hand		346,796	62,349
		489,132	254,232
<b>CREDITORS</b> (Amounts falling due within one year)	9	(462,802)	(348,552)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		26,330	(94,320)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,605,507	1,514,297
<b>CREDITORS</b> (Amounts falling due after one year)	10	(647,685)	(728,684)
<b>NET ASSETS</b>		957,822	785,613
<b>REPRESENTED BY:</b>			
Revenue reserves/(deficit)	13	17,642	(154,567)
Revaluation reserve	14	940,180	940,180
		957,822	785,613

The financial statements were approved by the Board of Directors on 08 June 2011 and signed on its behalf by:

Bernard Daly  
Director

Joan McCarville  
Director

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010

	<i>Notes</i>	<b>2010</b> €	2009 €
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	15	<b>551,410</b>	234,465
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest paid	3	<b>(9,373)</b>	(22,400)
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<b>542,037</b>	212,065
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>			
Payments to acquire fixed assets	6	<b>(59,737)</b>	(30,755)
Government capital grants received	12	-	-
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		<b>(59,737)</b>	(30,755)
<b>FINANCING</b>			
Movement in finance lease contracts		<b>(24,826)</b>	(14,270)
<b>INCREASE IN CASH</b>	16	<b>457,474</b>	167,040

## NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

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#### 1. INCOME

Income represents grants receivable, sale of Deaftech products and other sundry receipts.

#### 2. EMPLOYEES AND REMUNERATION

The average number of persons employed by the Association in the financial year was 45 full time and 29 part time (2009: 49 full time staff and 24 part time). The staff costs are comprised of:

	2010 €	2009 €
Salaries	2,950,527	3,099,202
Social welfare costs	302,006	313,726
Pension costs	164,369	169,613
Redundancy costs	-	82,639
	<u>3,416,902</u>	<u>3,665,180</u>

#### 3. INTEREST PAYABLE AND SIMILAR CHARGES

	2010 €	2009 €
Interest payable	9,373	22,400
	<u>9,373</u>	<u>22,400</u>

#### 4. SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION

The surplus on ordinary activities before taxation is stated after charging/(crediting):

	2010 €	2009 €
Directors' remuneration	-	-
Depreciation	89,177	91,203
Auditor's remuneration	11,500	11,500
Amortisation of capital grants	(39,690)	(51,874)
	<u>50,987</u>	<u>50,829</u>

#### Audit Remuneration Disclosures

Audit	11,500	11,500
Tax Advisory	-	-
Other Assurance	-	-
Other Services	1,000	1,000
	<u>12,500</u>	<u>12,500</u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010

5. TAXATION

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

6. TANGIBLE ASSETS

	Building €	Leasehold interest €	Furniture €	Equipment €	Motor vehicles €	Total €
<b>Cost/Valuation:</b>						
At 1 January 2010	1,250,000	95,476	274,812	522,014	50,200	2,192,502
Additions	-	-	44,043	15,694	-	59,737
<b>At 31 December 2010</b>	<b>1,250,000</b>	<b>95,476</b>	<b>318,855</b>	<b>537,708</b>	<b>50,200</b>	<b>2,252,239</b>
<b>Depreciation:</b>						
At 1 January 2010	25,000	21,598	133,618	375,668	28,001	583,885
Charge for the year	24,500	3,694	18,535	32,408	10,040	89,177
<b>At 31 December 2010</b>	<b>49,500</b>	<b>25,292</b>	<b>152,153</b>	<b>408,076</b>	<b>38,041</b>	<b>673,062</b>
<b>Net Book Value:</b>						
<b>At 31 December 2010</b>	<b>1,200,500</b>	<b>70,184</b>	<b>166,702</b>	<b>129,632</b>	<b>12,159</b>	<b>1,579,177</b>
At 31 December 2009	1,225,000	73,878	141,194	146,346	22,199	1,608,617

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

Asset description:	Net Book value €	2010 Depreciation Charge €	Net Book value €	2009 Depreciation Charge €
Equipment	14,201	3,550	18,934	4,733
Motor vehicles	12,160	10,040	22,200	10,040
	<b>26,361</b>	<b>13,590</b>	<b>41,134</b>	<b>14,773</b>



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010

6. TANGIBLE ASSETS (CONTINUED)

The most recent valuation of the premises at North Frederick Street was carried out by North's Estate Agent on 7 May 2009, and stated the open market value for existing use at 31 December 2008 at €1,250,000. In the opinion of the Directors the value of the premises is not materially different than the amount stated at the balance sheet.

On the historical cost basis, buildings would have been included as follows:

	2010 €	2009 €
<b>Cost:</b>		
At 1 January	508,462	508,462
	=====	=====
<b>Depreciation based on cost:</b>		
At 1 January	135,538	127,927
Charge for the year	7,458	7,611
	-----	-----
At 31 December	142,996	135,538
<b>Net book value at 31 December</b>	<b>365,466</b>	<b>372,924</b>
	=====	=====

7. STOCKS

	2010 €	2009 €
Stocks	42,648	51,093
	=====	=====

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

8. DEBTORS (Amounts falling due within one year)

	2010 €	2009 €
Grant debtors	72,884	100,203
Other debtors	23,931	29,968
Prepayments	2,873	10,619
	-----	-----
	<b>99,688</b>	<b>140,790</b>
	=====	=====

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010

<b>9. CREDITORS</b> (Amounts falling due within one year)	<b>2010</b>	<b>2009</b>	
	€	€	
Bank overdrafts (Note 11)	-	125,480	
Bank loans (Note 11)	<b>24,443</b>	57,903	
Creditors and accruals	<b>348,993</b>	154,001	
PAYE/PRSI	<b>76,554</b>	752	
Obligations under finance lease and hire purchase obligations	<b>12,812</b>	10,416	
	<b>462,802</b>	348,552	
<b>10. CREDITORS</b> (Amounts falling due after more than one year)	<b>2010</b>	<b>2009</b>	
	€	€	
Bank loans (Note 11)	<b>249,703</b>	263,790	
Capital grants (Note 12)	<b>388,914</b>	428,604	
Obligations under finance lease and hire purchase obligations	<b>9,068</b>	36,290	
	<b>647,685</b>	728,684	
<b>11 DETAILS OF BORROWINGS</b>			
<b>Maturity analysis</b>	Within	After	Total
	One year	One year	
	€	€	€
<b>Repayable by instalments:</b>			
Bank loans	24,443	249,703	274,146
Obligations under finance lease and hire purchase obligations	12,812	9,068	21,880
<b>As at 31 December 2010</b>	<b>37,255</b>	<b>258,771</b>	<b>296,026</b>

*Security:*

Bank borrowings are secured by a fixed charge on the company's premises.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010

12	<b>CAPITAL GRANTS</b>	2010 €	2009 €
	Balance at 1 January 2010	428,604	480,478
	Amortised during the year	(39,690)	(51,874)
	<b>Balance at 31 December 2010</b>	<u>388,914</u>	<u>428,604</u>
	Grants may be refundable in certain circumstances as set out in the grant agreements.		
13.	<b>REVENUE RESERVES</b>	2010 €	2009 €
	Balance at 1 January 2010	(154,567)	(316,987)
	Surplus for the year	172,209	162,420
	<b>Balance at 31 December 2010</b>	<u>17,642</u>	<u>(154,567)</u>
14.	<b>REVALUATION RESERVE</b>	2010 €	2009 €
	Balance at 1 January 2010	940,180	940,180
	Arising on revaluation of buildings	-	-
	Transfer to revenue reserve	-	-
	<b>Balance at 31 December 2010</b>	<u>940,180</u>	<u>940,180</u>
15.	<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	2010 €	2009 €
	<b>Reconciliation of operating surplus to net Cash inflow from operating activities</b>		
	Operating surplus	172,209	162,420
	Interest payable	9,373	22,400
	Depreciation of fixed assets	89,177	91,203
	Grants amortised	(39,690)	(51,874)
	Decrease in stocks	8,445	25,282
	Decrease in debtors	41,102	76,814
	Increase/(decrease) in creditors	270,794	(91,780)
	<b>Net cash inflow from operating activities</b>	<u>551,410</u>	<u>234,465</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010

16. RECONCILIATION OF NET CASH FLOW TO  
MOVEMENT IN NET DEBT

	1/1/2010 €	Cash Flow €	31/12/2010 €
Cash	62,349	284,447	346,796
Bank loans	(321,693)	47,547	(274,146)
Bank overdraft	(125,480)	125,480	-
	<u>(384,824)</u>	<u>457,474</u>	<u>72,650</u>

17. COMMITMENTS

*Operating lease commitments*

Annual commitments exist under non cancellable operating leases as follows:

	2010 €	2009 €
- Between two and five years	<u>147,870</u>	<u>151,362</u>

18. PENSION COMMITMENTS

The organisation operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The company made contributions of €159,031 during the year (2009: €169,613). The amount outstanding at the year end amounted to €38,260 (2009: €25,552).

19. COMPANY NAME

The name of the company is National Association for the Deaf T/A Deafhear. Under the provisions of Section 24 of the Companies Act, 1963, the company is exempt from including the word "Limited" in its name.

20. LEGAL STATUS

The Association is a company limited by guarantee and does not have share capital. The guarantee amounts to €1.27 per member.

The company is prohibited by its memorandum and articles from distributing any of its reserves by way of dividend or otherwise to its members.

21. CONTINGENT LIABILITY

A claim is being taken against the company. The directors are vigorously defending the company. Provision has been made for potential cost which may arise in defending this case and the directors do not anticipate any additional provision is necessary.

**NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR**

**SUPPLEMENTARY INFORMATION**

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(NOT COVERED BY THE INDEPENDENT AUDITOR'S REPORT)

**NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR**

**DETAILED INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	2010 €	2009 €
<b>INCOME</b>		
HSE Northern Area (Schedule 1)	<b>1,486,579</b>	1,674,755
HSE South Western Area (Schedule 1)	<b>290,137</b>	313,901
HSE East Coast Area (Schedule 1)	<b>194,068</b>	204,528
HSE Midland Area (Schedule 1)	<b>348,542</b>	345,374
HSE South Eastern Area (Schedule 1)	<b>338,455</b>	333,039
HSE Mid Western Area (Schedule 1)	<b>327,241</b>	337,738
HSE Western Area (Schedule 1)	<b>448,574</b>	610,575
HSE North Western Area- Donegal (Schedule 1)	<b>216,699</b>	221,459
HSE North Western Area- Sligo/Leitrim (Schedule 1)	<b>97,423</b>	59,498
HSE North Eastern Area (Schedule 1)	<b>491,295</b>	431,982
HSE Southern Area (Schedule 1)	<b>778,129</b>	835,546
Comhairle (Schedule 1)	<b>74,500</b>	74,500
Deaftech income	<b>194,510</b>	210,642
Activities (Lip reading, sign language classes, deaf awareness, training etc.)	<b>122,772</b>	79,272
FÁS grant	<b>123,889</b>	155,794
Donations and fundraising	<b>102,763</b>	44,763
POBAL grant	<b>20,849</b>	-
	<b><u>5,656,425</u></b>	<b><u>5,933,366</u></b>

**NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR**

**DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 €	2009 €
<b>INCOME</b>		
Total brought forward from page 21	5,656,425	5,933,366
<b>EXPENDITURE</b>		
Staff salaries and pension costs	3,416,902	3,665,180
Staff training and conferences	36,540	37,689
Redundancy costs	-	82,639
Cost of projects and activities	346,253	433,207
Deaftech cost of sales	213,221	229,313
Printing, stationery and publications	41,341	52,237
Equipment leasing and hire	146,900	151,362
Equipment maintenance and office expenses	128,614	132,840
Insurances	17,844	17,075
Light and heat	40,851	35,405
Postage and telephone	96,418	98,836
Professional fees	175,978	89,341
Rent and rates	231,918	233,069
Advertising	3,057	370
Interpreters fees	27,676	32,017
Provision of lipreading classes (tutors' fees and training)	15,048	15,662
Speedtext	761	1,080
Subscriptions, affiliations and donations	3,081	7,502
Service grants: Cork Association for the Deaf	408,465	409,062
Service grants: Cork Deaf Enterprises	53,317	53,317
Sundry	21,171	14,563
Depreciation: Furniture	18,535	15,688
Motor vehicle	10,040	10,040
Equipment	32,408	36,587
Buildings and leasehold interest	28,194	28,888
Amortisation of capital grants	(39,690)	(51,874)
	<u>5,474,843</u>	<u>5,748,546</u>
<b>OPERATING SURPLUS FOR THE YEAR</b>	<b>181,582</b>	<b>184,820</b>
Interest payable and similar charges	(9,373)	(22,400)
<b>SURPLUS BEFORE TAXATION</b>	<b>172,209</b>	<b>162,420</b>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 1: INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2010

(a) HSE GRANTS:	2010 €	2009 €
<b>(1) HSE Northern Area:</b>		
(i) Core Funding	1,324,534	1,461,024
(ii) Mental Health	54,520	58,000
(iii) Day Centre Funding	30,000	39,200
(iv) Other	-	4,810
(v) Lottery Project Grant	8,000	-
(vi) Bramblings Funding	69,525	111,721
	<u>1,486,579</u>	<u>1,674,755</u>
<b>(2) HSE South Western:</b>		
	2010 €	2009 €
(i) Core Funding	269,960	256,008
(ii) Other	15,927	50,893
(iii) Lottery Project Grant	4,250	7,000
	<u>290,137</u>	<u>313,901</u>
<b>(3) HSE East Coast Area:</b>		
(i) Core Funding	194,068	204,528
(ii) Other	-	-
	<u>194,068</u>	<u>204,528</u>
<b>(4) HSE Midland Area:</b>		
(i) Core Funding	325,042	343,960
(ii) Lottery Project Grant	6,000	1,414
(iii) Other	17,500	-
	<u>348,542</u>	<u>345,374</u>
<b>(5) HSE South Eastern Area:</b>		
(i) Core Funding	299,353	311,339
(ii) Technical Equipment Grant	29,000	10,000
(iii) Other	2,102	-
(iv) Lottery Project Grant	8,000	11,700
	<u>338,455</u>	<u>333,039</u>



NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 1: INCOME AND EXPENDITURE ACCOUNT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2010

(a) HSE GRANTS:

(6)	HSE Midwestern Area:	2010 €	2009 €
(i)	Resource Centre Funding	313,800	337,738
(iv)	Technical Equipment Grant	10,000	-
(iii)	Other	1,441	-
(iv)	Lottery Project Grant	2,000	-
		<u>327,421</u>	<u>337,738</u>
		<u><u>327,421</u></u>	<u><u>337,738</u></u>
(7)	HSE Western Area:		
(i)	Resource Centre Funding	434,876	506,429
(ii)	Mental Health Funding	-	98,000
(iii)	Other	4,848	6,146
(v)	Lottery Project Grant	8,850	-
		<u>448,574</u>	<u>610,575</u>
		<u><u>448,574</u></u>	<u><u>610,575</u></u>
(8)	HSE North Western Area: - Donegal		
(i)	Resource Centre Funding	190,358	201,873
(ii)	Technical Equipment Grant	26,041	18,586
(iii)	Other	300	-
(iv)	Lottery Project Grant	-	1000
		<u>216,699</u>	<u>221,459</u>
		<u><u>216,699</u></u>	<u><u>221,459</u></u>
(9)	HSE North Western Area: - Sligo/Leitrim		
(i)	Resource Centre Funding	87,856	52,932
(ii)	Technical Equipment Grant	6,767	6,366
(iii)	Other	300	200
(iv)	Lottery Project Grant	2,500	-
		<u>97,423</u>	<u>59,498</u>
		<u><u>97,423</u></u>	<u><u>59,498</u></u>
(10)	HSE North Eastern Area:		
(i)	Resource Centre Funding	246,665	262,581
(ii)	Technical Equipment Grant	8,255	13,276
(iii)	Mental Health Service	231,220	147,000
(iv)	Other	3,655	9,125
(v)	Lottery Project Grant	1,500	-
		<u>491,295</u>	<u>431,982</u>
		<u><u>491,295</u></u>	<u><u>431,982</u></u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 1: INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTINUED)

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(a) HSE GRANTS:

(11) HSE Southern Area:

(i)	Resource Centre Funding	778,127	835,546
(ii)	Technical Equipment Grant	-	-
(iii)	Other	-	-
		<u>778,129</u>	<u>835,546</u>

(b) OTHER GRANTS:

Comhairle:

(i)	Resource Centre Funding (C.I.C.)	74,500	74,500
		<u>74,500</u>	<u>74,500</u>