

National Association for the Deaf  
T/A DeafHear

Reports and Financial Statements  
for the year ended  
31 December 2011

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

**REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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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. 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 and Registered Auditors  
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

Bank of Ireland  
39 St Stephens Green  
Dublin 2

**SOLICITORS**

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 2011.

### ABOUT DEAFHEAR

The National Association for the Deaf, trading as DeafHear, is a registered not-for-profit charity working to improve the lives of Deaf and Hard of Hearing persons and their families, and to support professionals and other organisations working with them. DeafHear is a 'Centre of Excellence for Deafness', provided through a national network of resource centres. DeafHear offers information on all aspects of deafness, provides specialist services and advocates to improve general health, education, employment and social inclusion outcomes.

### 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 2011, DeafHear combined direct service provision to over 35,000 people with a wider advocacy role for improved access to mainstream services in the areas of health, education, employment and social inclusion.

Services provided by DeafHear include:

- Family Services (Social Work, Family Therapy, Parent Counselling, Case Work)
- Assistive Technology (to improve daily independent living)
- Community Services (Day Activities, Respite, Community Care Support)
- Hearing and Communication Therapy (assisting individuals with acquired hearing loss to minimise the impact of hearing loss on their lives by developing coping strategies; Providing therapy to those with tinnitus)
- Advice and Information (on deaf related issues to families and service providers)
- Hearing Care Service (providing hearing tests, prescribing hearing aids and hearing aid clean, check and repair services)
- Mental Health Service (a specialist service accessible in sign language, with expert knowledge of the effects of deafness on mental health)

### 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.

### GOVERNANCE CODE

Management is conducting a review of our organisation's compliance with the principles in the Governance Code for community, voluntary and charitable organisations in Ireland. This review is based on an assessment of our organisational practice against the recommended actions for each principle. The review will set out actions and completion dates for any issues that the assessment identifies need to be addressed.

### 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. The Board met monthly throughout the year and reviewed the financial reports against an agreed budget.

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

### **DIRECTORS' REPORT (CONTINUED)**

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#### **PERFORMANCE REVIEW**

In 2011, 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.

#### **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, 11 and 12.

#### **DIRECTORS**

The current membership of the Board is set out on page 2. Ms. Maire Ní Mhaoilmhichil retired from the Board of Directors on 31 December 2011.

#### **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

20 June 2012

## **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 2011 which comprise the Statement of Accounting Policies, 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, and the related notes 1 to 22. 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 2011 and of its deficit 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.

Thomas Cassin  
For and on behalf of Deloitte & Touche  
Chartered Accountants and Registered Auditors  
Dublin

20 June 2012



# 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 2011

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	<i>Notes</i>	2011 €	2010 €
Income	1	5,482,738	5,656,425
Expenditure		(5,493,312)	(5,474,843)
Operating (deficit)/surplus		<u>(10,574)</u>	<u>181,582</u>
Interest payable and similar charges	3	(15,372)	(9,373)
(Deficit)/surplus before taxation	4	<u>(25,946)</u>	<u>172,209</u>
Taxation		-	-
<b>(Deficit)/surplus after taxation</b>	13	<u><u>(25,946)</u></u>	<u><u>172,209</u></u>

The results for the year derive solely from continuing operations.

The financial statements were approved by the Board of Directors on 20 June 2012 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 2011**

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	2011 €	2010 €
(Deficit)/surplus for the year	<b>(25,946)</b>	172,209
Unrealised deficit on revaluation of property	<b>(476,490)</b>	-
<b>TOTAL RECOGNISED (LOSS)/GAINS FOR THE YEAR</b>	<b>(502,436)</b>	172,209

**STATEMENT OF HISTORICAL COST PROFITS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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	2011 €	2010 €
(Deficit)/surplus for the year	<b>(25,946)</b>	172,209
Difference between a historical cost depreciation Charge and the actual depreciation charge for the year calculated on the revalued amount	<b>16,701</b>	17,042
Historical cost (deficit)/surplus	<b>(9,245)</b>	189,251

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

**BALANCE SHEET AS AT 31 DECEMBER 2011**

	<i>Notes</i>	2011 €	2010 €
<b>FIXED ASSETS</b>			
Tangible assets	6	<b>1,081,806</b>	1,579,177
<b>CURRENT ASSETS</b>			
Stocks	7	<b>39,496</b>	42,648
Debtors	8	<b>140,193</b>	99,688
Cash at bank and in hand		<b>224,429</b>	346,796
		<b>404,118</b>	489,132
<b>CREDITORS</b> (Amounts falling due within one year)	9	<b>(449,415)</b>	(462,802)
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<b>(45,297)</b>	26,330
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<b>1,036,509</b>	1,605,507
<b>CREDITORS</b> (Amounts falling due after one year)	10	<b>(581,123)</b>	(647,685)
<b>NET ASSETS</b>		<b>455,386</b>	957,822
<b>REPRESENTED BY:</b>			
Revenue reserves	13	<b>65,206</b>	17,642
Revaluation reserve	14	<b>390,180</b>	940,180
		<b>455,386</b>	957,822

The financial statements were approved by the Board of Directors on 20 June 2012 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 2011

	<i>Notes</i>	<b>2011</b> €	2010 €
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	15	<b>7,985</b>	551,410
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest paid	3	<b>(15,372)</b>	(9,373)
<b>NET CASH (OUTFLOW)/INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<b>(7,387)</b>	542,037
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>			
Payments to acquire fixed assets	6	<b>(73,069)</b>	(59,737)
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>		<b>(73,069)</b>	(59,737)
<b>FINANCING</b>			
Movement in finance lease contracts		<b>(16,390)</b>	(24,826)
<b>(DECREASE)/INCREASE IN CASH</b>	16	<b>(96,846)</b>	457,474

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**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 46 full time and 28 part time (2010: 49 full time staff and 24 part time). The staff costs are comprised of:

	2011 €	2010 €
Salaries	2,940,362	2,950,527
Social welfare costs	298,248	302,006
Pension costs	242,910	164,369
	<u>3,481,520</u>	<u>3,416,902</u>

**3. INTEREST PAYABLE AND SIMILAR CHARGES**

	2011 €	2010 €
Interest payable	15,372	9,373
	<u>15,372</u>	<u>9,373</u>

**4. (DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES  
BEFORE TAXATION**

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

	2011 €	2010 €
Directors' remuneration	-	-
Depreciation	93,950	89,177
Auditor's remuneration	11,500	11,500
Amortisation of capital grants	(30,895)	(39,690)
	<u>74,555</u>	<u>60,987</u>

**Audit Remuneration Disclosures**

	2011 €	2010 €
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 2011

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 2011	1,250,000	95,476	318,855	537,708	50,200	2,252,239
Revaluation	(550,000)	-	-	-	-	(550,000)
Additions	-	-	8,196	64,873	-	73,069
<b>At 31 December 2011</b>	<b>700,000</b>	<b>95,476</b>	<b>327,051</b>	<b>602,581</b>	<b>50,200</b>	<b>1,775,308</b>
<b>Depreciation:</b>						
At 1 January 2011	49,500	25,292	152,153	408,076	38,041	673,062
Charge for the year	24,010	3,509	17,490	38,901	10,040	93,950
On revaluation	(73,510)	-	-	-	-	(73,510)
<b>At 31 December 2011</b>	<b>-</b>	<b>28,801</b>	<b>169,643</b>	<b>446,977</b>	<b>48,081</b>	<b>693,502</b>
<b>Net Book Value:</b>						
<b>At 31 December 2011</b>	<b>700,000</b>	<b>66,675</b>	<b>157,408</b>	<b>155,604</b>	<b>2,119</b>	<b>1,081,806</b>
At 31 December 2010	1,200,500	70,184	166,702	129,632	12,159	1,579,177

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

Asset description:	Net Book value €	2011 Depreciation Charge €	Net Book value €	2010 Depreciation Charge €
Equipment	10,651	2,662	14,201	3,550
Motor vehicles	2,119	10,040	12,160	10,040
	<b>12,770</b>	<b>12,702</b>	<b>26,361</b>	<b>13,590</b>



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2011

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, having obtained professional advice, the value of the premises at open market value for existing use at 31 December 2011 was €700,000.

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

	2011 €	2010 €
<b>Cost:</b>		
At 1 January	508,462	508,462
	<u>508,462</u>	<u>508,462</u>
<b>Depreciation based on cost:</b>		
At 1 January	142,996	135,538
Charge for the year	7,309	7,458
	<u>150,305</u>	<u>142,996</u>
At 31 December	150,305	142,996
<b>Net book value at 31 December</b>	<u><u>358,157</u></u>	<u><u>365,466</u></u>

7. STOCKS

	2011 €	2010 €
Stocks	39,496	42,648
	<u>39,496</u>	<u>42,648</u>

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

8. DEBTORS (Amounts falling due within one year)

	2011 €	2010 €
Grant debtors	66,300	72,884
Other debtors	62,413	23,931
Prepayments	11,480	2,873
	<u>140,193</u>	<u>99,688</u>
	<u><u>140,193</u></u>	<u><u>99,688</u></u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2011

<b>9. CREDITORS</b> (Amounts falling due within one year)	<b>2011</b>	<b>2010</b>	
	€	€	
Bank loans (Note 11)	25,521	24,443	
Creditors and accruals	329,882	348,993	
PAYE/PRSI	88,522	76,554	
Obligations under finance lease and hire purchase obligations	5,490	12,812	
	<u>449,415</u>	<u>462,802</u>	
	=====	=====	
<b>10. CREDITORS</b> (Amounts falling due after more than one year)	<b>2011</b>	<b>2010</b>	
	€	€	
Bank loans (Note 11)	223,104	249,703	
Capital grants (Note 12)	358,019	388,914	
Obligations under finance lease and hire purchase obligations	-	9,068	
	<u>581,123</u>	<u>647,685</u>	
	=====	=====	
<b>11. DETAILS OF BORROWINGS</b>			
<b>Maturity analysis</b>	Within	After	Total
	One year	One year	
	€	€	€
<b>Repayable by instalments:</b>			
Bank loans	25,521	223,104	248,625
Obligations under finance lease and hire purchase obligations	5,490	-	5,490
<b>As at 31 December 2011</b>	<u>31,011</u>	<u>223,104</u>	<u>254,115</u>
	=====	=====	=====
<i>Security:</i>			
Bank borrowings are secured by a fixed charge on the company's premises.			
<b>12. CAPITAL GRANTS</b>	<b>2011</b>	<b>2010</b>	
	€	€	
Balance at 1 January 2011	388,914	428,604	
Amortised during the year	(30,895)	(39,690)	
<b>Balance at 31 December 2011</b>	<u>358,019</u>	<u>388,914</u>	
	=====	=====	

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

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2011

<b>13. REVENUE RESERVES</b>		<b>2011</b>	<b>2010</b>
		€	€
Balance at 1 January 2011		17,642	(154,567)
(Deficit)/surplus for the year		(25,946)	172,209
Transfer from revaluation reserve		73,510	-
<b>Balance at 31 December 2011</b>		<b>65,206</b>	<b>17,642</b>
<b>14. REVALUATION RESERVE</b>		<b>2011</b>	<b>2010</b>
		€	€
Balance at 1 January 2011		940,180	940,180
Deficit arising on revaluation of buildings		(476,490)	-
Transfer to revenue reserves		(73,510)	-
		<b>390,180</b>	<b>940,180</b>
<b>15. NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		<b>2011</b>	<b>2010</b>
		€	€
<b>Reconciliation of operating deficit to net cash inflow from operating activities</b>			
Operating (deficit)/surplus		(25,946)	172,209
Interest payable		15,372	9,373
Depreciation of fixed assets		93,950	89,177
Grants amortised		(30,895)	(39,690)
Decrease in stocks		3,152	8,445
(Increase)/decrease in debtors		(40,505)	41,102
(Decrease)/increase in creditors		(7,143)	270,794
<b>Net cash inflow from operating activities</b>		<b>7,985</b>	<b>551,410</b>
<b>16. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT</b>			
	1/1/2011	Cash Flow	31/12/2011
	€	€	€
Cash	346,796	(122,367)	224,429
Bank loans	(274,146)	25,521	(248,625)
	<u>72,650</u>	<u>(96,846)</u>	<u>(24,196)</u>

**17. COMMITMENTS**

***Operating lease commitments***

Annual commitments exist under non cancellable operating leases as follows:

	2011 €	2010 €
<b>Expiring:</b>		
- Between two and five years	<b>243,732</b>	308,110
- More than five years	<b>85,400</b>	110,600
	<hr/> <hr/>	<hr/> <hr/>

**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 €242,910 during the year (2010: €164,369). The amount outstanding at the year end amounted to €107,219 (2010: €38,260).

**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 has been 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.

**22. COMPARATIVE AMOUNTS**

Comparative amounts have been regrouped, where necessary, on the same basis for the current year.

**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 2011**

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	2011 €	2010 €
<b>INCOME</b>		
HSE Northern Area (Schedule 1)	1,473,981	1,486,579
HSE South Western Area (Schedule 1)	300,439	290,137
HSE East Coast Area (Schedule 1)	197,711	194,068
HSE Midland Area (Schedule 1)	319,686	348,542
HSE South Eastern Area (Schedule 1)	325,188	338,455
HSE Mid Western Area (Schedule 1)	312,330	327,241
HSE Western Area (Schedule 1)	434,778	448,574
HSE North Western Area- Donegal (Schedule 1)	163,599	216,699
HSE North Western Area- Sligo/Leitrim (Schedule 1)	105,641	97,423
HSE North Eastern Area (Schedule 1)	476,410	491,295
HSE Southern Area (Schedule 1)	764,123	778,129
Comhairle (Schedule 1)	74,500	74,500
Deaftech income	181,836	194,510
Activities (Lip reading, sign language classes, deaf awareness, training etc.)	126,599	122,772
FÁS grant	123,396	123,889
Donations and fundraising	101,332	102,763
POBAL grant	-	20,849
Other miscellaneous income	1,189	-
	<u>5,482,738</u>	<u>5,656,425</u>

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

**DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 €	2010 €
<b>INCOME</b>		
Total brought forward from page 21	<b>5,482,738</b>	5,656,425
<b>EXPENDITURE</b>		
Staff salaries and pension costs	<b>3,481,520</b>	3,416,902
Staff training and conferences	<b>31,939</b>	36,540
Cost of projects and activities	<b>375,403</b>	346,253
Deaftech cost of sales	<b>194,499</b>	213,221
Printing, stationery and publications	<b>52,828</b>	41,341
Equipment leasing and hire	<b>168,842</b>	146,900
Equipment maintenance and office expenses	<b>143,004</b>	128,614
Insurances	<b>9,826</b>	17,844
Light and heat	<b>39,715</b>	40,851
Postage and telephone	<b>98,374</b>	96,418
Professional fees	<b>66,468</b>	175,978
Rent and rates	<b>241,261</b>	231,918
Advertising	<b>1,047</b>	3,057
Interpreters fees	<b>53,850</b>	27,676
Provision of lipreading classes (tutors' fees and training)	<b>5,423</b>	15,048
Speedtext	<b>1,977</b>	761
Subscriptions, affiliations and donations	<b>3,777</b>	3,081
Service grants: Cork Association for the Deaf	<b>389,722</b>	408,465
Service grants: Cork Deaf Enterprises	<b>53,317</b>	53,317
Sundry	<b>17,465</b>	21,171
Depreciation: Furniture	<b>17,490</b>	18,535
Motor vehicle	<b>10,040</b>	10,040
Equipment	<b>38,901</b>	32,408
Buildings and leasehold interest	<b>27,519</b>	28,194
Amortisation of capital grants	<b>(30,895)</b>	(39,690)
	<b>5,493,312</b>	5,474,843
<b>OPERATING (DEFICIT)/SURPLUS FOR THE YEAR</b>	<b>(10,574)</b>	181,582
Interest payable and similar charges	<b>(15,372)</b>	(9,373)
<b>(DEFICIT)/SURPLUS BEFORE TAXATION</b>	<b>(25,946)</b>	172,209

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 1: INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011

(a) HSE GRANTS:	2011 €	2010 €
<b>(1) HSE Northern Area:</b>		
(i) Core Funding	1,368,312	1,324,534
(ii) Mental Health	53,539	54,520
(iii) Day Centre Funding	29,250	30,000
(iv) Lottery Project Grant	8,000	8,000
(v) Bramblings Funding	14,880	69,525
	<u>1,473,981</u>	<u>1,486,579</u>
<b>(2) HSE South Western:</b>		
(i) Core Funding	265,140	269,960
(ii) Other	35,299	15,927
(iii) Lottery Project Grant	-	4,250
	<u>300,439</u>	<u>290,137</u>
<b>(3) HSE East Coast Area:</b>		
(i) Core Funding	189,804	194,068
(ii) Tags	1,657	-
(iii) Lottery Project Grant	6,250	-
	<u>197,711</u>	<u>194,068</u>
<b>(4) HSE Midland Area:</b>		
(i) Core Funding	318,186	325,042
(ii) Lottery Project Grant	500	6,000
(iii) Other	-	17,500
	<u>319,686</u>	<u>348,542</u>
<b>(5) HSE South Eastern Area:</b>		
(i) Core Funding	293,740	299,353
(ii) Technical Equipment Grant	29,873	29,000
(iii) Other	-	2,102
(iv) Lottery Project Grant	1,575	8,000
	<u>325,188</u>	<u>338,455</u>



NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 1: INCOME AND EXPENDITURE ACCOUNT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2011

(a) HSE GRANTS:

(6)	HSE Midwestern Area:	2011 €	2010 €
(i)	Resource Centre Funding	308,580	313,800
(iv)	Technical Equipment Grant	-	10,000
(iii)	Other	-	1,441
(iv)	Lottery Project Grant	3,750	2,000
		<u>312,330</u>	<u>327,421</u>
		<u><u>312,330</u></u>	<u><u>327,421</u></u>
(7)	HSE Western Area:		
(i)	Resource Centre Funding	427,048	434,876
(ii)	Other	-	4,848
(v)	Lottery Project Grant	7,730	8,850
		<u>434,778</u>	<u>448,574</u>
		<u><u>434,778</u></u>	<u><u>448,574</u></u>
(8)	HSE North Western Area: - Donegal		
(i)	Resource Centre Funding	151,580	190,358
(ii)	Technical Equipment Grant	11,019	26,041
(iii)	Other	1,000	300
		<u>163,599</u>	<u>216,699</u>
		<u><u>163,599</u></u>	<u><u>216,699</u></u>
(9)	HSE North Western Area: - Sligo/Leitrim		
(i)	Resource Centre Funding	87,932	87,856
(ii)	Technical Equipment Grant	14,909	6,767
(iii)	Other	1,300	300
(iv)	Lottery Project Grant	1,500	2,500
		<u>105,641</u>	<u>97,423</u>
		<u><u>105,641</u></u>	<u><u>97,423</u></u>
(10)	HSE North Eastern Area:		
(i)	Resource Centre Funding	242,225	246,665
(ii)	Technical Equipment Grant	7,126	8,255
(iii)	Mental Health Service	227,059	231,220
(iv)	Other	-	3,655
(v)	Lottery Project Grant	-	1,500
		<u>476,410</u>	<u>491,295</u>
		<u><u>476,410</u></u>	<u><u>491,295</u></u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 1: INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

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(a) HSE GRANTS:

(11)	HSE Southern Area:	2011 €	2010 €
(i)	Resource Centre Funding	764,123	778,127
		<u>764,123</u>	<u>778,129</u>

(b) OTHER GRANTS:

Comhairle:

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