

National Association for the Deaf
T/A DeafHear

Reports and Financial Statements
for the year ended
31 December 2012

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

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NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Mr. Bernard Daly (Chairman)
Mr. Declan Keane
Ms. Bridie MacNamee
Ms. Joan McCarville
Ms. Sylvia Nolan
Mr. Paul Ryan
Mr. Brian Symington
Mr. Niall Glynn

COMPANY SECRETARY

Mr. Niall Keane

CHIEF EXECUTIVE

Mr. Niall Keane

REGISTERED OFFICE

35 North Frederick Street
Dublin 1

AUDITORS

Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
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

The directors present their annual report and the audited financial statements for the year ended 31 December 2012.

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

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.

Services and Activities

In 2012, DeafHear combined direct service provision to individuals 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)

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

DIRECTORS' REPORT (CONTINUED)

Service Activity Statistics

Service	2012		2011	
	Service Users	Unique S. Users	Service Users	Unique S. Users
Social Work & Family Therapy	8,655	882	6,968	808
Audiology	1,044	330	759	226
Mental Health	443	142	343	140
Community Activities	5,546	665	6,151	411
Older Persons/Day Centre	12,363	172	7,892	132
Tinnitus	885	428	756	378
Aural Rehabilitation	1,811	508	1,391	494
Respite	280	47	290	51
Assistive Technology	3,675	1,382	2,388	1,086
Resource Activities	9,552	2,023	7,503	2,020
Information – Face to Face/Drop in	9,375	N/A	8,438	N/A
Information – Remote (Phone, letter, email etc.)	(18,102)	N/A	(16,825)	N/A
Total Service Activity (not incl. Information –Remote)	53,629	6,579	42,879	5,746

Notes: (i) Number of Unique Service-Users up 15% – more people using service
(ii) Service-Users (Activity) up 25% – more people using service more often

GOVERNANCE CODE

Management conducted an assessment of the organisation's compliance with the principles outlined in the Governance Code for Community, Voluntary and Charitable organisations in Ireland. Whilst the organisation is generally in compliance, a small number of policy and process actions to be revised were identified. These actions are currently being implemented and DeafHear will come into full compliance with the Governance Code during 2013.

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. In 2012, the Board met monthly throughout the year and reviewed the financial reports against an agreed budget.

PERFORMANCE REVIEW

In 2012, 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 89% of income coming through HSE, National Association for the Deaf T/A DeafHear.ie is dependent on regular and timely payment of the agreed grants. Any 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. Mr. Malachy Heffernan retired as director and was replaced by Mr. Niall Glynn on the 8th May 2012. Mr. Brian Symington was appointed as a director on the 23rd October 2012.

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

Declan Keane
Director

4 June 2013

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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 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 2012. 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 2012 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 21. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

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

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements for the year ended 31 December 2012 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the affairs of the company as at 31 December 2012 and of the deficit for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2012.

Matters on which we are required to report by the Companies Acts, 1963 to 2012

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts, 1963 to 2012 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Thomas Cassin
For and on behalf of Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Dublin

5 June 2013

Members of
Deloitte Touche Tohmatsu

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

STATEMENT OF ACCOUNTING POLICIES

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 2012.

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 pre 2011	10% (Reducing balance)
Furniture post 2011	12.5%-20% (Straight line)
Equipment pre 2011	20% (Reducing balance)
Equipment post 2011	12.5%(Straight line)
Motor vehicles	20% (Straight line)

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.

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

CAPITAL GRANTS

Capital grants are accounted for on a receivable basis 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 occur.

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 2012

	Notes	2012 €	2011 €
Income	2	5,335,693	5,482,738
Expenditure		(5,341,993)	(5,493,312)
Operating deficit		(6,300)	(10,574)
Interest payable and similar charges	4	(13,520)	(15,372)
Deficit before taxation	5	(19,820)	(25,946)
Taxation		-	-
Deficit after taxation	14	(19,820)	(25,946)

The results for the year derive solely from continuing operations.

The financial statements were approved by the Board of Directors on 4 June 2013 and signed on its behalf by:

Bernard Daly
Director

Declan Keane
Director

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 €	2011 €
Deficit for the year	(19,820)	(25,946)
Unrealised surplus/(deficit) on revaluation of property	114,000	(476,490)
TOTAL RECOGNISED GAINS/(LOSS) FOR THE YEAR	<u>94,180</u>	<u>(502,436)</u>

**STATEMENT OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012 €	2011 €
Deficit for the year	(19,820)	(25,946)
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	6,837	16,701
Historical cost deficit	<u>(12,983)</u>	<u>(9,245)</u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 €	2011 €
FIXED ASSETS			
Tangible assets	7	1,042,274	1,081,806
CURRENT ASSETS			
Stocks	8	83,677	39,496
Debtors	9	161,365	140,193
Cash at bank and in hand		309,144	224,429
		554,186	404,118
CREDITORS (Amounts falling due within one year)	10	(651,835)	(449,415)
NET CURRENT LIABILITIES		(97,649)	(45,297)
TOTAL ASSETS LESS CURRENT LIABILITIES			
		944,625	1,036,509
CREDITORS (Amounts falling due after one year)	11	(395,059)	(581,123)
NET ASSETS		549,566	455,386
REPRESENTED BY:			
Revenue reserves	14	59,386	65,206
Revaluation reserve	15	490,180	390,180
		549,566	455,386

The financial statements were approved by the Board of Directors on 4 June 2013 and signed on its behalf by:

Bernard Daly
Director

Declan Keane
Director

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2012

	<i>Notes</i>	2012 €	2011 €
NET CASH INFLOW FROM OPERATING ACTIVITIES	16	184,126	7,985
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid	4	(13,520)	(15,372)
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		170,606	(7,387)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire fixed assets	7	(77,688)	(73,069)
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		(77,688)	(73,069)
FINANCING			
Movement in finance lease contracts		18,885	(16,390)
INCREASE/(DECREASE) IN CASH	17	111,803	(96,846)

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

1. GOING CONCERN

The company incurred a deficit for the year amounting to €19,820 (2011: Deficit €25,946) and has net current liabilities at the balance sheet date of €97,649 (2011: net current liabilities €45,297). The directors are satisfied that the company will obtain sufficient funding from the Health Service Executive to cover future operations. On that basis the financial statements have been prepared on the going concern basis. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

2. INCOME

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

3. EMPLOYEES AND REMUNERATION

The average number of persons employed by the Association in the financial year was 76 (2011: 74). The staff costs are comprised of:

	2012 €	2011 €
Salaries	3,068,519	2,940,362
Social welfare costs	317,062	298,248
Pension costs	167,121	242,910
	<u>3,552,702</u>	<u>3,481,520</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2012 €	2011 €
Interest payable	13,520	15,372
	<u>13,520</u>	<u>15,372</u>

5. DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION

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

	2012 €	2011 €
Directors' remuneration	-	-
Depreciation	77,903	93,950
Auditor's remuneration	11,500	11,500
Amortisation of capital grants	(24,486)	(30,895)
	<u>64,917</u>	<u>74,555</u>

Audit Remuneration Disclosures

	2012 €	2011 €
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 2012

6. 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.

7. TANGIBLE ASSETS

	Building €	Leasehold interest €	Furniture €	Equipment €	Motor vehicles €	Total €
Cost/Valuation:						
At 1 January 2012	700,000	95,476	327,051	602,581	50,200	1,775,308
Additions	-	-	44,222	33,466	-	77,688
Revaluation	100,000	-	-	-	-	100,000
Disposals	-	-	(235,368)	(480,919)	-	(716,287)
At 31 December 2012	800,000	95,476	135,905	155,128	50,200	1,236,709
Depreciation:						
At 1 January 2012	-	28,801	169,643	446,977	48,081	693,502
Charge for the year	14,000	3,334	23,145	35,305	2,119	77,903
On revaluation	(14,000)	-	-	-	-	(14,000)
On disposal	-	-	(155,730)	(407,240)	-	(562,970)
At 31 December 2012	-	32,135	37,058	75,042	50,200	194,435
Net Book Value:						
At 31 December 2012	800,000	63,341	98,847	80,086	-	1,042,274
At 31 December 2011	700,000	66,675	157,408	155,604	2,119	1,081,806

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

Asset description:	2012		2011	
	Net Book value €	Depreciation Charge €	Net Book value €	Depreciation Charge €
Furniture	20,021	5,005	-	-
Equipment	7,989	1,996	10,651	2,662
Motor vehicles	-	2,119	2,119	10,040
	28,010	9,120	12,770	12,702

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

7. TANGIBLE ASSETS (CONTINUED)

The most recent valuation of the premises at 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.

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

	2012 €	2011 €
Cost:		
At 1 January	508,462	508,462
Depreciation based on cost:		
At 1 January	150,305	142,996
Charge for the year	7,163	7,309
At 31 December	157,468	150,305
Net book value at 31 December	350,994	358,157

	2012 €	2011 €
8. STOCKS		
Stocks	83,677	39,496

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

	2012 €	2011 €
9. DEBTORS (Amounts falling due within one year)		
Grant debtors	118,771	66,300
Other debtors	30,782	62,413
Prepayments	11,812	11,480
	161,365	140,193

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

10.	CREDITORS (Amounts falling due within one year)	2012	2011
		€	€
	Bank loans (Note 12)	27,088	25,521
	Creditors and accruals	454,438	329,882
	PAYE/PRSI	90,735	88,522
	Obligations under finance lease and hire purchase obligations	4,174	5,490
	Deferred Income	75,400	-
		<u>651,835</u>	<u>449,415</u>

11.	CREDITORS (Amounts falling due after more than one year)	2012	2011
		€	€
	Bank loans (Note 12)	194,449	223,104
	Capital grants (Note 13)	180,409	358,019
	Obligations under finance lease and hire purchase obligations	20,201	-
		<u>395,059</u>	<u>581,123</u>

12. DETAILS OF BORROWINGS

Maturity analysis	Within	After	
	One year	One year	Total
	€	€	€
Repayable by instalments:			
Bank loans	27,088	194,449	221,537
Obligations under finance lease and hire purchase obligations	4,174	20,201	24,375
As at 31 December 2012	<u>31,262</u>	<u>214,650</u>	<u>245,912</u>

Security:

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

13.	CAPITAL GRANTS	2012	2011
		€	€
	Balance at 1 January 2012	358,019	388,914
	Amortised during the year	(43,220)	(30,895)
	Amortised during the year on asset disposals	(134,390)	-
	Balance at 31 December 2012	<u>180,409</u>	<u>358,019</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 2012

14. REVENUE RESERVES		2012	2011
		€	€
Balance at 1 January 2012		65,206	17,642
Deficit for the year		(19,820)	(25,946)
Transfer from revaluation reserve		14,000	73,510
Balance at 31 December 2012		59,386	65,206
15. REVALUATION RESERVE		2012	2011
		€	€
Balance at 1 January 2012		390,180	940,180
Surplus/(deficit) arising on revaluation of buildings		114,000	(476,490)
Transfer to revenue reserves		(14,000)	(73,510)
Balance at 31 December 2012		490,180	390,180
16. NET CASH INFLOW FROM OPERATING ACTIVITIES		2012	2011
		€	€
Reconciliation of operating deficit to net cash inflow from operating activities			
Operating (deficit)		(19,820)	(25,946)
Interest payable		13,520	15,372
Depreciation of fixed assets		77,903	93,950
Grants amortised		(43,220)	(30,895)
(Increase)/decrease in stocks		(44,181)	3,152
Increase in debtors		(21,172)	(40,505)
Increase/(decrease) in creditors		202,169	(7,143)
Asset disposals		153,317	-
Grants amortisation asset disposal		(139,390)	-
Net cash inflow from operating activities		184,126	7,985
17. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT			
	1/1/2012	Cash Flow	31/12/2012
	€	€	€
Cash and bank	224,429	84,715	309,144
Bank loans	(248,625)	27,088	(221,537)
Asset disposals	-	153,317	-
Grants amortised on asset disposals	-	(134,390)	-
	(24,196)	111,803	87,607

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012**

18. COMMITMENTS

Operating lease commitments

Annual commitments exist under non cancellable operating leases as follows:

	2012	2011
	€	€
Expiring:		
- Within 1 year	71,240	-
- Between two and five years	152,169	243,732
- After or more than five years	83,355	85,400
	<u> </u>	<u> </u>

19. 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 €167,121 during the year (2011: €242,910). The amount outstanding at the year end amounted to €110,342 (2011: €107,219).

20. 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.

21. 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 of association from distributing any of its reserves by way of dividend or otherwise to its members.

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SUPPLEMENTARY INFORMATION

(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 2012

	2012 €	2011 €
INCOME		
HSE Northern Area (Schedule 1)	1,614,341	1,473,981
HSE South Western Area (Schedule 1)	323,696	300,439
HSE East Coast Area (Schedule 1)	182,783	197,711
HSE Midland Area (Schedule 1)	310,376	319,686
HSE South Eastern Area (Schedule 1)	303,486	325,188
HSE Mid Western Area (Schedule 1)	316,733	312,330
HSE Western Area (Schedule 1)	435,279	434,778
HSE North Western Area- Donegal (Schedule 1)	157,218	163,599
HSE North Western Area- Sligo/Leitrim (Schedule 1)	93,372	105,641
HSE North Eastern Area (Schedule 1)	240,320	476,410
HSE Southern Area (Schedule 1)	745,850	764,123
C.I.B. (Schedule 1)	74,500	74,500
Deaftech income	223,843	181,836
Activities (Lip reading, sign language classes, deaf awareness, training etc.)	81,064	126,599
FÁS grant	108,867	123,396
Donations and fundraising	83,864	101,332
POBAL grant	35,969	-
Other miscellaneous income	4,132	1,189
	<u>5,335,693</u>	<u>5,482,738</u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

DETAILED INCOME AND EXPENDITURE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

	2012 €	2011 €
INCOME		
Total brought forward from page 21	5,335,693	5,482,738
EXPENDITURE		
Staff salaries and pension costs	3,552,702	3,481,520
Staff training and conferences	18,317	31,939
Cost of projects and activities	354,762	375,403
Deaftech cost of sales	210,651	194,499
Printing, stationery and publications	49,713	52,828
Equipment leasing and hire	59,931	168,842
Equipment maintenance and office expenses	129,641	143,004
Insurances	16,927	9,826
Light and heat	49,660	39,715
Postage and telephone	96,367	98,374
Professional fees	(35,819)	66,468
Rent and rates	249,972	241,261
Advertising	1,290	1,047
Interpreters fees	42,246	53,850
Provision of lipreading classes (tutors' fees and training)	2,800	5,423
Speedtext	866	1,977
Subscriptions, affiliations and donations	24,572	3,777
Service grants: Cork Association for the Deaf	389,871	389,722
Service grants: Cork Deaf Enterprises	53,317	53,317
Sundry	20,597	17,465
Depreciation: Furniture	23,146	17,490
Motor vehicle	2,119	10,040
Equipment	35,304	38,901
Buildings and leasehold interest	17,334	27,519
Amortisation of capital grants	(43,220)	(30,895)
Asset disposals	153,317	-
Amortisation of capital grants on asset disposals	(134,390)	-
	<u>5,341,993</u>	<u>5,493,312</u>
OPERATING DEFICIT FOR THE YEAR	(6,300)	(10,574)
Interest payable and similar charges	(13,520)	(15,372)
DEFICIT BEFORE TAXATION	(19,820)	(25,946)

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 1: INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

(a) HSE GRANTS:	2012 €	2011 €
(1) HSE Northern Area:		
(i) Core Funding	1,316,953	1,368,312
(ii) Mental Health Service	266,747	53,539
(iii) Day Centre Funding	27,641	29,250
(iv) Lottery Project Grant	3,000	8,000
(v) Bramblings Funding	-	14,880
	<u>1,614,341</u>	<u>1,473,981</u>
(2) HSE South Western:		
(i) Core Funding	255,201	265,140
(ii) Other	28,941	35,299
(iii) Lottery Project Grant	3,225	-
(iv) Tags	36,329	-
	<u>323,696</u>	<u>300,439</u>
(3) HSE East Coast Area:		
(i) Core Funding	182,783	189,804
(ii) Tags	-	1,657
(iii) Lottery Project Grant	-	6,250
	<u>182,783</u>	<u>197,711</u>
(4) HSE Midland Area:		
(i) Core Funding	307,376	318,186
(ii) Lottery Project Grant	3,000	500
	<u>310,376</u>	<u>319,686</u>
(5) HSE South Eastern Area:		
(i) Core Funding	282,391	293,740
(ii) Lottery Project Grant	8,800	1,575
(iii) Tags	12,295	29,873
	<u>303,486</u>	<u>325,188</u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 1: INCOME AND EXPENDITURE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

(a) HSE GRANTS:

(6)	HSE Midwestern Area:	2012 €	2011 €
	(i) Resource Centre Funding	297,165	308,580
	(ii) Tags	12,658	-
	(iii) Other	560	-
	(iv) Lottery Project Grant	6,350	3,750
		<u>316,793</u>	<u>312,330</u>
		<u><u>316,793</u></u>	<u><u>312,330</u></u>
(7)	HSE Western Area:		
	(i) Resource Centre Funding	411,247	427,048
	(ii) Other	1,979	-
	(iii) Lottery Project Grant	21,730	7,730
	(iv) Tags	323	-
		<u>435,279</u>	<u>434,778</u>
		<u><u>435,279</u></u>	<u><u>434,778</u></u>
(8)	HSE North Western Area: - Donegal		
	(i) Resource Centre Funding	145,972	151,580
	(ii) Technical Equipment Grant	11,096	11,019
	(iii) Other	150	1,000
		<u>157,218</u>	<u>163,599</u>
		<u><u>157,218</u></u>	<u><u>163,599</u></u>
(9)	HSE North Western Area: - Sligo/Leitrim		
	(i) Resource Centre Funding	84,678	87,932
	(ii) Technical Equipment Grant	7,194	14,909
	(iii) Other	-	1,300
	(iv) Lottery Project Grant	1,500	1,500
		<u>93,372</u>	<u>105,641</u>
		<u><u>93,372</u></u>	<u><u>105,641</u></u>
(10)	HSE North Eastern Area:		
	(i) Resource Centre Funding	233,263	242,225
	(ii) Technical Equipment Grant	3,787	7,126
	(iii) Mental Health Service	-	227,059
	(iv) Lottery Project Grant	3,270	-
		<u>240,320</u>	<u>476,410</u>
		<u><u>240,320</u></u>	<u><u>476,410</u></u>

NATIONAL ASSOCIATION FOR THE DEAF T/A DEAFHEAR

SCHEDULE 1: INCOME AND EXPENDITURE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2012

(a) HSE GRANTS:

(11)	HSE Southern Area:	2012 €	2011 €
	(i) Resource Centre Funding	735,850	764,123
	(ii) Other	10,000	-
		<u>745,850</u>	<u>764,123</u>

(b) OTHER GRANTS:

C.I.B.:

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