

Company number: 2610559

Charity number: 1011056

SignHealth

Report and financial statements
For the year ended 31 March 2019

**THE DEAF HEALTH
CHARITY
SIGNHEALTH**

S A Y E R | V I N C E N T


Contents

Reference and administrative information.....	3
Trustees' Annual Report	4
Message from the Chair of Trustees, Jackie Driver	6
Achievements and performance.....	7
Financial Review.....	11
Principal risks and uncertainties	12
Plans for the future	15
Structure, governance and management.....	15
Auditor	19
Independent auditor's report	20
Consolidated statement of financial activities.....	24
Balance sheets	25
Consolidated statement of cash flows.....	26
Notes to the financial statements	27

Reference and administrative information

Company number	2610559
Charity number	1011056
Registered office and operational address	Falcon Mews 46 Oakmead Road London SW12 9SJ
Country of registration	England & Wales
Country of incorporation	United Kingdom
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Jackie Driver, Chair Emma Ferguson-Coleman Sara Clare Mitchell Andrew Sims Favaad Iqbal Susanne Rees Jonathan Gallard Philip Gerrard Christine McPherson Mark Perry Trudi Collier-Banks Tania Hudson Vanessa Longley
	Resigned 12 September 2018 Resigned 12 March 2019 Resigned 23 May 2019 Appointed 23 May 2019 Appointed 23 May 2019 Appointed 23 May 2019 Appointed as Trustee & Treasurer 23 May 2019 Appointed 23 May 2019
Executive Leadership Team	James Watson-O'Neill Mahua Nandi Christopher Reid Rebecca Mansell
	Chief Executive Director of Finance & Resources Director of Operations Director of Communications & Fundraising
Bankers	Metro Bank 120 Cheapside London EC2V 7JB
Solicitors	Trowers and Hamlins 3 Bunhill Road London EC1Y 8YZ
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane London EC1Y 0TL

Trustees' Annual Report

The trustees present their report and the audited financial statements for the year ended 31 March 2019.

Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

Vision

A world where there are no barriers to good health and wellbeing for Deaf people.

Purpose

To improve the health and wellbeing of Deaf¹ people.

Values

Person-centred, involving, enabling, expert, respectful, and influential.

Our focus

SignHealth's work focuses on Deaf people who use sign language: this is where our expertise lies and where we feel we are best able to help. The charity will ensure our work is fully costed and planned.

Objectives

- **Mental Health:** SignHealth will consolidate its position and look to grow its existing services to meet the needs of more Deaf people.
- **Heart Disease:** Our consultation during 2017 with the Deaf community identified that heart disease is a big issue for Deaf people and so, in addition to mental health, SignHealth will focus on developing new products and services that improve Deaf people's health in relation to heart disease.
- **Social Change:** SignHealth will campaign and lobby on a variety of fronts to remove the barriers and obstacles Deaf people face in relation to health issues and access to services.
- **Children and Young People:** SignHealth will extend its existing work with Deaf children and young people and look at developing new services for them and with them that prevent health problems from starting, or address them before they become more serious.
- **Partnership:** SignHealth will work with established experts in the field of heart disease and continue to work effectively with a diverse range of other Deaf charities.

¹ "Deaf" with an uppercase "D" is used to indicate that SignHealth's focus will continue to be to work with Deaf people who use British Sign Language and it signals our respect for Deaf people and Deaf culture

The trustees review the objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to support. The review also helps the trustees ensure the charity's objectives and activities remained focused on its stated purpose.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and activities, and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the objectives and activities that have been set.

Message from the Chair of Trustees, Jackie Driver

On a hot summer day last year I had the chance to spend the afternoon at one of SignHealth's residential care homes in Manchester – Bowfell Road in Urmston. I met so many wonderful people that day – both residents and staff – all of whom reminded me of why it's so important that SignHealth exists.

Deaf people face enormous barriers to good health. SignHealth's services like Bowfell Road support Deaf people to finally overcome those barriers and support them to live better lives. By living in an environment where everyone uses British Sign Language, the residents that I met were able to live in a household where, for the first time in their lives, everyone could communicate. SignHealth has a culture of inclusion and optimism that is so hard to put into words, but I saw it and felt it that day.

This year SignHealth's Board of Trustees has been looking to the future. We have completed our work to ensure that the organisation is fit for purpose and I am very proud of the Three-Year Plan that we have agreed. We need to do more to improve Deaf people's health and wellbeing and our Three-Year Plan focuses on that much-needed growth across all three core areas of our current activity – social care, therapy and domestic abuse services.

We have also finally sold Old Church, an empty building in South London which has housed some of our core activities in previous years but which we have found difficult to sell. I am very pleased to see that asset now converted to cash and invested by the Board for the future.

Many, many people have benefited from SignHealth's work this year, but this spring has seen a number of unexpected deaths in the Deaf community with some well-known people dying by suicide. This highlights the journey that we still have to go on to ensure that good-quality mental health services are available and accessible to Deaf people in British Sign Language. We have begun to work in partnership with Samaritans and we continue to work with NHS to lobby for the commissioning of a national contract for psychological therapy in BSL. We met with the Minister for suicide prevention and other key decision makers last year and continue to press them to act on the information that we shared with them.

The world in which SignHealth operates continues to change – the NHS Long Term Plan, Brexit and an ongoing expectation of a green paper on Social Care – all mean that it is important that we continue to influence those in power to ensure that Deaf people's needs are not forgotten or overlooked. We welcomed the recent draft legislation on domestic abuse, especially its explicit mention of the needs of Deaf people, and we are proud to be working with the Home Office to ensure that domestic abuse services are increasingly accessible for Deaf people. But we want more. Our aim is to make our domestic abuse service, run by Deaf qualified Independent Domestic Abuse Advisors, available across the whole of the UK.

As I welcome five new trustees on to the Board, I continue to see it as a privilege to be Chair of SignHealth. We have so much to do but we are ready for the challenge and have a fantastic team of staff, volunteers and other people connected to our work that will ensure we succeed. On behalf of the whole Board of Trustees, I would also like to extend our thanks to Suzi Rees, Jonathan Gallard and Philip Gerrard for the support they provided and the commitment to SignHealth they demonstrated during their tenure as Trustees.

Jackie Driver, Chair

Achievements and performance

During the year SignHealth has developed stronger relationships with partners in the sector, including the NHS.

Our projects and programmes

Many services this year have met or exceeded their targets, and on 31 March 2019 we had just one empty flat across all of our care homes, with three referrals now competing for that valuable placement. Throughout the year there have been high numbers of referrals to our Therapy services, Outreach and Domestic Abuse services. These services continue to go from strength to strength thanks to the dedicated staff involved.

SignHealth residential services offer registered care for 30 Deaf people with enduring mental health concerns and complex needs in five locations around the country. We also have supported housing provision in London, which provides daily support for five Deaf people. Staff receive ongoing training and support, and continuous risk assessments are undertaken to support tenants.

During 2018 one of our services, in Birmingham, received another Good rating from the Care Quality Commission, maintaining our Good rating across all five of our registered services.

Residents in SignHealth care homes are supported by highly-trained staff who are Deaf themselves or fluent BSL users and our staff liaise closely with community mental health professionals. All of the residents are encouraged to achieve their individual potential and the support we offer is tailored to the requirements of each and every person.

We offer additional support to Deaf people through our Outreach schemes in London, Manchester and Birmingham. These services support Deaf people in the community with their day-to-day activities. Outreach workers help Deaf people who need additional support to lead independent lives by giving support with difficult tasks at home and elsewhere. We develop a personalised plan with each client, after carefully looking at their needs.

The Outreach teams also work with the residential services when a tenant is ready to move into community accommodation so that each tenant is well supported throughout their move. Outreach services supported more than 30 Deaf people across the year to lead independent lives by giving support in difficult tasks at home and elsewhere.

Our Advocacy service works with Deaf people in health and social care settings to make sure they are treated fairly and receive what they are entitled to. Advocates work to help people understand complicated situations, explain their rights and make sure their views and opinions are properly heard. The team delivered 1,181 advocacy sessions across the year, which is a 12% increase over the year before. This service is delivered by trained advocates who offer a specialist service in BSL.

SignHealth's Therapy Service is for Deaf people who are feeling stressed, low in mood, depressed, anxious or worried. Deaf people are referred to a BSL-fluent therapist, often Deaf themselves, who will listen and provide advice and support. Sessions take place face-to-face, either in person or online, and everything is confidential. Deaf clients can have a one-on-one conversation in their own language

and culture, without the need for an interpreter, and this therapy is highly effective, producing excellent results.

An online one to one conversation service is also offered and this has grown from strength to strength with more than 20% of our sessions in March delivered online.

The team received 404 referrals across the year, ensuring that Deaf people received therapy directly in BSL. In 2018 the service achieved outstanding results:

- 58% of Deaf patients achieved recovery, compared to a national NHS target of 50%
- 91% of Deaf clients were fully satisfied with SignHealth's service

SignHealth's Domestic Abuse service is the UK's only BSL-based service to help Deaf men, women and children who experience domestic abuse. Deaf people are more at risk of domestic abuse than hearing people.

We provide practical and emotional support to Deaf people who are experiencing domestic abuse, and to those who have survived it. The team help people to make choices and to stay safe. This year we have seen an increase in demand for our healthy relationship courses. In 2018 DeafHope received 110 new referrals in the year and supported clients for over 1,025 hours. The team also ensured information on staying safe and awareness of domestic abuse was offered to people across all of the areas we work in.

We also have a unique project working with young Deaf people to raise awareness of abuse and domestic violence. It gives young people the knowledge, skills and confidence to develop healthy relationships, to protect themselves and to be safe. The project worked with and supported over 292 young Deaf people in 2018.

Beneficiaries of our services

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees continue to consider how planned activities will contribute to the aims and objectives they have set.

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities provide direct benefit to the Deaf people who use our support services, to Deaf people in the wider community as a whole, and to the health professionals who provide care to Deaf people and their families.

The trustees have concluded that there is no detriment or harm arising from its aims and objectives.

We would like to extend our sincere appreciation to everyone who has supported SignHealth during the year. The extremely kind and generous contributions have significantly helped to improve the lives of the people we serve, for which we are incredibly grateful.

We would especially like to thank all the organisations who have supported us, including the following:

Age Partnership Charitable Foundation	The Casey Trust
Barclays Plc	The Charles Hayward Foundation
BBC Children in Need	The Childwick Trust
Bien Venue Ltd	The Clothworkers Foundation
Bupa Foundation	The Constance Travis Charitable Trust
Charles Irving Charitable Trust	The Coutts Foundation
Department for Culture, Media and Sport	The Hudson Charitable Trust
Douglas Heath Eves Charitable Trust	The Hugh Symons Charitable Trust
DPD Group UK Ltd	The James Weir Foundation
Ernest Kleinwort Charitable Trust	The Kirkby Foundation
Farrow & Ball	The Leeds Community Foundation
Federation of Groundwork Trust	The Lynn Foundation
Friends at Work / Bell Fundraising	The Pilgrim Trust
George A Moore Foundation	The Pilkington Charities Fund
Hertfordshire Community Foundation	The Rayne Foundation
Home Office	The Roland Callingham Foundation
John Lyon's Charity	The Rhododendron Trust
K E Prideaux-Brune's Charitable Settlement	The Roger Vere Foundation
King Cullimore Charitable Trust	The Rest Harrow Trust
Kent Police Crime Commissioner	The Sovereign Health Care Charitable Trust
London Councils Grant Committee	The Stella Symons Charitable Trust
Miles Trust for the Putney and Roehampton Community	The Stock Exchange Veterans Charity Association
My Nametags	The Sydney Black Charitable Trust
Ovingdean Hall Foundation	Universal Music Group International Limited
Paypal Giving Fund	Wade's Charity
Pixel Fund	Waitrose Ltd
Sainsbury's	Wandsworth Youth Centre
Sir Winston Churchill Educational Trust for the Deaf	Warwickshire Masonic Charitable Association Ltd
Sutton Coldfield Municipal Charities	White Stuff Foundation
The Ammco Trust	Wimbledon Foundation
The Ardwick Trust	William and Christine Eynon Charity

We would also like to say a huge thank you to all the 572 wonderful schools and groups that have supported SignHealth by taking part in our annual fundraising event, sign2sing (www.sign2sing.org.uk) in February 2019. The event has so far raised over £32,000 for our work with Deaf adults and children, and involved approximately 50,000 school children, firemen, brownies, Lord Mayors, journalists, parents, teachers, office workers and choirs across the country signing and singing to our specially written song, 'Greatest Day'.

In April 2018 four amazing individuals ran the London Marathon for SignHealth raising an incredible £19,000! Our heartfelt thanks to David Winchcombe and all at DPD, Andy Walsh, Sophie Kendrick and Jesal Thakker for all the training, dedication and fantastic fundraising. Thank you to all of our runners for their support, training and dedication.

We were delighted to win the Charity Governance Award 2019 in the Board Diversity and Inclusion category, recognising the transformation that the charity's governance has undergone in the last few

years. SignHealth's Domestic Abuse Service, DeafHope, has also been nominated for the Community Organisation (Disability) award at the National Diversity Awards.

As in previous years, much of the support we have received over the year has been towards our award-winning Domestic Abuse Service, DeafHope, run by Deaf people for Deaf people affected by domestic abuse. Our service helps to improve awareness, resilience and independence and is achieving some great results: 100% of survivors declared they were more aware of their rights, had better access to services, were better able to make safe choices, and felt more confident. It relies entirely upon voluntary contributions and grants to operate and the Trustees extend their thanks and appreciation to these donors for the support they have given throughout the year. The service particularly benefited in the year from a grant of £148,444 from the London Councils Grant Committee to support our work in London, £94,932 from the Department of Culture, Media and Sport to extend our work to Deaf women and girls in Greater Manchester, and £125,000 from the Home Office.

As always, a massive thank you to each and every one of you, we couldn't do the work we do without you.

Financial Review

Building on significant changes made in the charity over the past 2 years, SignHealth turned its finances around in 2018/19, and made its first operating surplus for several years.

In the year to 31 March 2019, the group made an operating surplus of £213,788 against a budgeted surplus of £36,664. The charity is still dealing with a small number of residual legacy issues arising from the restructure, and the surplus therefore includes adjustments for one-off liabilities still to be resolved. The underlying surplus from day-to-day operations is therefore higher than the value on the face of the accounts.

Income shrank further, to £4.6million from £5million in the previous year. This reduction is mainly due to the sale of InterpreterNow, which generated turnover of £584,684 in the prior year. It however reflects the charity's focus on sustainability, and on cutting loss-making activities. This gives the charity a strong foundation from which to build in future years.

In March 2019, SignHealth sold Annaly House, which had been a centre of the charity's activities in previous years. The property had been out of day-to-day use since 2012. Its sale generated cash receipts of £2.024million. As the property was valued at a level higher than the eventual purchase price, the statement of financial activities records a loss on sale of £598,000. SignHealth therefore recorded an overall loss of £384,212 for the year.

Beaconsfield Executive Office Centre

BEOC's activity comprised the rent of office premises within the charity's previous head office building in Beaconsfield. The company ceased trading in August 2017, as the building was sold. The company was struck off on 20 November 2018.

InterpreterNow

InterpreterNow was sold to Sign Language Interactions Ltd on 30 April 2018. It made an operating loss of £1,476 in the month before it was sold (2017-18: operating surplus £27,606). The subsidiary had historically operated at a loss, with net debts of £571,077 carried forward at 1 April 2018, and its sale was part of the restructure that has enabled SignHealth to come back into surplus. The sale generated a profit of £35,669.

Principal risks and uncertainties

SignHealth's approach to Risk Management centres on identifying, measuring, monitoring and controlling the key risks relating to all of its services and operations.

Overall responsibility and accountability for risk lies with the Board of Trustees. Since April 2018 this has been supported by a formally constituted sub-committee of the Board of Trustees, the Audit & Risk Committee.

The Audit & Risk Committee is responsible for ensuring a robust assurance framework is in place, along with appropriate and functioning processes and systems and processes to support it. The Committee Chair reports to the Board of Trustees on a regular basis through verbal reports at each Board Meeting and an Annual Report in the third quarter of each financial year. It should be noted that the Audit & Risk Committee does not have delegated responsibility to review the financial performance of the organisation.

Responsibility for identifying risk lies with the Executive Leadership Team (ELT), who consider existing risks and identify new ones. The ELT formally updates the organisational Risk Register and its associated Action log quarterly, in advance of Audit & Risk Committee and Board of Trustee Meetings.

Members of the Executive Leadership Team take specific responsibility for risk within each area of risk that has been identified. They play an important role in identifying and understanding risks that arise, and are responsible for ensuring that appropriate controls are in place to ensure these risks are being managed and mitigated.

SignHealth's current Risk Register focuses on the following Risk Areas:

- Safeguarding
- Quality & Regulatory Compliance
- Financial Management
- Business Continuity
- Governance
- Regulatory Breach
- The Deaf Community
- Policy

In April 2019 ELT held a workshop to identify risks relating to the newly approved Three-Year Plan. These risks were discussed with the Audit & Risk Committee and resulted updated risks being proposed to the Board of Trustee for inclusion in the next version of the Risk Register. The Audit & Risk Committee also took this opportunity to review its work to date, to ensure it fully supports the Executive Leadership Team to identify and manage risk appropriately, and to provide the Board of Trustee with the reassurance and assurance it requires.

Reserves policy

The Trustees have reviewed and updated the charity's reserves policy, to more explicitly articulate the links between the policy and the charity's key risks and strategic objectives.

In doing so, SignHealth differentiates between short, medium and long-term risks as follows:

1. **Short term:** meeting working capital requirements and mitigating unbudgeted, in-year financial risks. In SignHealth's case, examples might be to manage the cash flow implications of seasonal variations in activity, managing the impact of an empty flat in a residential property, or paying for interim cover for key personnel.

Reserves held to mitigate these short-term risks must be held as cash or short-term deposits to allow immediate access as needed.

2. **Medium term:** mitigating the financial impact of changes foreseen over the next 1-3 year planning cycle, allowing sufficient time for the charity to develop to meet these challenges whilst minimising the impact of any required changes. Examples would include managing the foreseeable impact of changes in public sector funding or benefits policy.

Reserves held to mitigate these medium-term risks can be held as long-term cash deposits, or in investment funds, as their drawdown can be planned over a longer period of time.

3. **Long term:** ensuring the charity can invest in planned renewal of infrastructure and intellectual property, so that its assets do not become outdated over time. This would include investment in property, IT and digital assets, and in professional development of staff.

Reserves held to mitigate these long-term risks would be designated by the board of trustees, against an agreed investment plan. Trustees will expect the charity to build these reserves back up over time, in order to support ongoing investment.

4. **Supporting innovation:** having funds available to identify and act on opportunities to branch out into new activities that will achieve its charitable objectives, whilst minimising risk and impact on the charity's existing activities. This would include research and development of new services and policy areas.

Reserves held to support innovation will be designated by the Board of Trustees against a clear investment plan. These funds would be held to support explicitly high-risk activity, and as such there is less requirement of a financial return.

The Board of Trustees will review the level of reserves set against each risk category, regularly as part of the annual budgeting cycle, and immediately in the event of a significant change in the charity's activities, size or risk profile.

Based on SignHealth's current size and scope of activities, the Trustees consider that 1 month's operating expenditure is sufficient to cover short-term risks (2019-20: £380K), and a further five months' operating expenditure is sufficient to mitigate medium term risks (2019-20: £1.9million). SignHealth therefore aims to hold a minimum of six months' operating expenditure (2019-20: £2.28million) at all times.

At 31 March 2019, SignHealth's free reserves were £3,163,652, which equates to eight months' operating expenditure. The charity's free reserves significantly increased at the very end of the

financial year, due to the sale of its remaining property. The trustees will designate remaining funds against long-term investments and innovation during the 2019-20 year.

Going Concern

The Trustees have approved a break-even budget for 2019-20 and have reviewed the projected cash flow to March 2020. They are confident that, with appropriate budgetary controls, SignHealth will continue in operation and that it is appropriate to prepare these financial statements on a going concern basis.

Plans for the future

We have developed a new Three-Year Plan for the organisation, in collaboration with the people who work and volunteer at SignHealth. Our work will focus on three key objectives in order to make progress towards achieving our Purpose of improving Deaf people's health and wellbeing.

Growth – we will grow SignHealth's services to reach more Deaf people

- There will be more care home places in SignHealth services, supporting more Deaf people to get support in BSL for their mental health
- More Deaf people, including young people, will have access to psychological therapy in BSL
- Deaf people across the UK will be able to access domestic abuse services in BSL

Profile – we will increase SignHealth's profile with key audiences

- We will have developed our profile with three key groups: Sources of income and referrals; People with power or influence; and Deaf people.
- The views of Deaf people who have used health services, including our own, will drive the future of SignHealth.
- More research into Deaf people's health will be underway, and its results used to inform SignHealth's future.

Strength – we will continue to strengthen our organisation

- SignHealth will be a BSL Proud organisation.
- Staff will be employed within a clear salary structure.
- SignHealth staff will be supported to become even better leaders.
- IT and buildings at SignHealth will be regularly invested in and updated.

We are excited about the new Three-Year Plan for SignHealth and look forward to reporting our progress next year.

Structure, governance and management

The organisation is a private company limited by guarantee, incorporated on 14 May 1991 and registered as a charity on 13 May 1992.

At 1 April 2018, SignHealth had two trading companies: Beaconsfield Executive Office Centre Limited, registration number 07427251, and InterpreterNow Limited, registration number 05300335. InterpreterNow Limited was sold on 30 April 2018. Beaconsfield Executive Office Centre Limited was struck off the Companies House register on 20 November 2018.

Charitable objects

The relief of Deaf and hearing-impaired persons in particular by, but without limitation, the provision of residential services and of other such services, activities and facilities as the charity shall from time to time deem fit.

Governance

SignHealth is a company limited by guarantee, with registration number 02610559, and a registered charity with number 1011056. The company was established under a Memorandum of Association, which created the objects and powers of the charitable company, and is governed by its Articles of Association. All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

The Memorandum and Articles of Association were reviewed and updated in November 2017.

Over the course of 2018-19 three Trustees stepped down:

- Susanne Rees stepped down as Trustee in September 2018
- Jonathan Gallard stepped down as Trustee and Interim Treasurer in March 2019
- Philip Gerrard stepped down as Trustee in May 2019

As a result of these changes, the Board of Trustees undertook a process to recruit new Trustees to the Board. An Appointment Brief was developed and advertised in a variety of appropriate environments, as well as to the professional networks of Trustees and Senior Management.

Five new Trustees were appointed to the Board of Trustees in May 2019. This returned the membership of the Board to ten Trustees, the maximum permitted by SignHealth's Memorandum and Articles of Association. In line with SignHealth's ambitions to be a Deaf-led organisation, the newly formed Board of Trustees is made up of six Deaf and four hearing Trustees.

None of the Directors has any beneficial interest in the Company. All Directors agree to contribute £1 in the event of a winding up. Related party transactions are detailed in note 10 of the accounts.

The charity is governed by the Board of Trustees who meet with management regularly. Day to day management is delegated to the Chief Executive and the Executive Leadership Team. The Board of Trustees meet regularly and receive reports from the Chief Executive and Executive Leadership Team. The Chair, as representative of the Board, maintains regular contact with the Chief Executive. The Executive Leadership Team are invited to Board Meetings to provide reports on their areas of work. The Trustees provide advice and support to the Executive Leadership Team and other areas of the charity where their expertise is appropriate.

Leadership and management

There is a new Executive Leadership Team in place, following a restructure during the latter part of 2018. SignHealth now has a smaller ELT with a majority of d/Deaf staff as its members.

During the year, further investment was made in Management and Leadership training with managers across SignHealth and this will continue across the new Three-Year Plan.

The Chief Executive meets with all staff teams regularly throughout the year and has regular quarterly Leadership Exchange meetings with all managers across SignHealth.

We continue to take part in a cross-charity mentoring scheme, run in partnership with Sense, Action on Hearing Loss, NDCS and RNIB.

Fundraising Regulations

Whilst SignHealth engages in public fundraising, it does not use professional fundraisers or commercial participators. The charity nevertheless observes and complies with the relevant fundraising regulations and codes and is a member of the Fundraising Regulator. During the year SignHealth was compliant with these regulations and codes, and the charity received no complaints relating to its fundraising practice.

Appointment of Trustees

In March 2019 the Board of Trustees undertook a process to recruit new Trustees to the Board.

An Appointment Brief was developed and advertised in a variety of appropriate environments, as well as to the professional networks of Trustees and Senior Management.

Five new Trustees were appointed to the Board of Trustees in May 2019. This returned the membership of the Board to ten Trustees, the maximum permitted by SignHealth's Memorandum and Articles of Association.

In line with SignHealth's ambitions to be a Deaf-led organisation, the newly formed Board of Trustees is made up of six Deaf and four hearing Trustees.

Vetting and checks of new Trustees was carried out in line with Charity Commission guidance and all new Trustees had induction meetings with the Chief Executive and each of the Directors on the Executive Leadership Team. New Trustees participated in the Board Development Away Day in May 2019, an event aimed at increasing the effectiveness of SignHealth's Board of Trustees and which it is proposed becomes an annual occurrence.

One of the newly-appointed Trustees, Tania Hudson, agreed to take up the role of Treasurer.

Related parties and relationships with other organisations

Both Trustees and key management personnel complete annual declarations of interest. Trustees declare any conflicts of interest at the beginning of each meeting and discuss how the conflict should be managed with regard to agenda items.

Details of related party transactions can be found in note 10 of the financial statements.

Remuneration policy for key management personnel

The Chief Executive's salary is determined by the Board of Trustees, and their review will take account of the past year's achievements, environmental and market conditions, and of sector comparisons.

The pay of senior staff is reviewed annually and can be increased in accordance with average earnings and the level of responsibility required. In view of the charitable nature of the company, the remuneration benchmark is determined through comparative research into charities of a similar size and scope.

Statement of responsibilities of the trustees

The trustees (who are also directors of SignHealth for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group, and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interests in the charity.

The charity has taken out indemnity insurance on behalf of the Trustees.

SignHealth

Trustees' Annual Report

For the year ended 31 March 2019

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 25 July 2019 and signed on their behalf by

Emma Ferguson-Coleman
Trustee

Opinion

We have audited the financial statements of SignHealth (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. Our opinion on the group financial statements does not cover the other

Independent auditor's report

To the members of SignHealth

For the year ended 31 March 2019

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

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

Independent auditor's report

To the members of SignHealth

For the year ended 31 March 2019

statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)

25 July 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

SignHealth

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2019

	Note	Continuing Unrestricted £	Discontinued Unrestricted £	Restricted £	2019 Total £	Continuing Unrestricted £	Discontinued Unrestricted £	Restricted £	2018 Total £
Income from:									
Donations and legacies	2	138,951	-	28,243	167,194	155,760	-	33,450	189,210
Charitable activities									
Social care	3a	2,860,939	-	23,091	2,884,030	2,879,317	-	8,317	2,887,634
Therapies	3b	744,795	-	142,432	887,227	823,184	-	100,530	923,714
Domestic abuse	3c	1,690	-	406,016	407,706	6,605	-	239,775	246,380
Other charitable activities	3d	61,188	-	-	61,188	57,251	-	68,485	125,736
InterpreterNow	3e	-	38,853	-	38,853	-	546,204	-	546,204
Fundraising events		35,751	-	-	35,751	59,750	-	-	59,750
Investments	4	66,862	-	-	66,862	40,195	-	-	40,195
Other income	6	-	35,769	-	35,769	-	-	-	-
Total income		3,910,176	74,622	599,782	4,584,580	4,022,062	546,204	450,557	5,018,823
Expenditure on:	5								
Raising funds		260,890	-	-	260,890	281,624	-	-	281,624
Charitable activities									
Social care		2,847,990	-	47,154	2,895,144	3,059,730	-	31,646	3,091,376
Therapies		549,038	-	139,132	688,170	696,984	-	195,550	892,534
Domestic abuse		-	-	424,288	424,288	-	-	388,850	388,850
Other charitable activities		61,971	-	-	61,971	137,435	-	91,506	228,941
InterpreterNow		-	40,329	-	40,329	23,378	557,078	-	580,456
Total expenditure		3,719,889	40,329	610,574	4,370,792	4,199,151	557,078	707,552	5,463,781
Net income/(expenditure) before net gains on revaluation/sale of assets		190,287	34,293	(10,792)	213,788	(177,089)	(10,874)	(256,996)	(444,958)
Net (losses)/gains on sale/revaluation of assets	13	(598,000)	-	-	(598,000)	50,000	-	-	50,000
Net income/(expenditure) for the year	7	(407,713)	34,293	(10,792)	(384,212)	(127,089)	(10,874)	(256,996)	(394,958)
Transfers between funds	20	34,293	(34,293)	-	-	(102,380)	10,874	91,506	-
Net movement in funds		(373,420)	-	(10,792)	(384,212)	(229,469)	-	(165,490)	(394,959)
Reconciliation of funds:									
Total funds brought forward		3,800,548	-	68,026	3,868,574	4,030,017	-	233,516	4,263,533
Total funds carried forward		3,427,128	-	57,234	3,484,362	3,800,548	-	68,026	3,868,574

Discontinued activities relate to InterpreterNow Ltd, which was sold on 30 April 2018. All other activities are continuing. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20a to the financial statements.

As at 31 March 2019

	Note	The group		The charity	
		2019	2018	2019	2018
		£	£	£	£
Fixed assets:					
Tangible assets	12	263,476	286,228	263,476	286,228
Investments	14	100	100	100	201
		<u>263,576</u>	<u>286,328</u>	<u>263,576</u>	<u>286,429</u>
Current assets:					
Properties held for sale	13	–	2,622,000	–	2,622,000
Debtors	16	496,408	706,891	496,408	694,194
Cash at bank and in hand		3,084,984	689,137	3,084,984	682,095
		<u>3,581,392</u>	<u>4,018,028</u>	<u>3,581,392</u>	<u>3,998,289</u>
Liabilities:					
Creditors: amounts falling due within one year	17	(360,606)	(435,782)	(360,606)	(359,975)
		<u>3,220,786</u>	<u>3,582,246</u>	<u>3,220,786</u>	<u>3,638,314</u>
Net current assets		<u>3,220,786</u>	<u>3,582,246</u>	<u>3,220,786</u>	<u>3,638,314</u>
Total net assets		<u><u>3,484,362</u></u>	<u><u>3,868,574</u></u>	<u><u>3,484,362</u></u>	<u><u>3,924,743</u></u>
Funds:					
Restricted income funds	20a	57,234	68,026	57,234	71,762
Unrestricted income funds:					
Designated funds		263,476	286,228	263,476	286,228
General funds		3,163,652	3,514,320	3,163,652	3,566,753
Total unrestricted funds		<u>3,427,128</u>	<u>3,800,548</u>	<u>3,427,128</u>	<u>3,852,981</u>
Total funds		<u><u>3,484,362</u></u>	<u><u>3,868,574</u></u>	<u><u>3,484,362</u></u>	<u><u>3,924,743</u></u>

Approved by the trustees on 25 July 2019 and signed on their behalf by

E Ferguson–Coleman
TrusteeT Hudson
Trustee

Consolidated statement of cash flows

For the year ended 31 March 2019

	Note	2019 £	£	2018 £	£
Cash flows from operating activities					
Net (expenditure) for the reporting period (as per the statement of financial activities)		(384,212)		(394,959)	
Depreciation charges		108,338		105,516	
Losses/(gains) on investment properties		598,000		(50,000)	
Dividends, interest and rent from investments		(66,862)		(40,195)	
Decrease/(increase) in debtors		210,483		(165,904)	
(Decrease) in creditors		(75,176)		(46,938)	
Net cash provided by / (used in) operating activities			390,571		(592,480)
Cash flows from investing activities:					
Dividends, interest and rents from investments		66,862		40,195	
Proceeds from the sale of fixed assets		2,024,000		2,750,000	
Purchase of fixed assets		(85,586)		(303,737)	
Net cash provided by investing activities			2,005,276		2,486,458
Cash flows from financing activities:					
Repayments of borrowing		–		(1,643,501)	
Cash inflows from new borrowing		–		200,000	
Net cash (used in) financing activities			–		(1,443,501)
Change in cash and cash equivalents in the year			2,395,847		450,477
Cash and cash equivalents at the beginning of the year			689,137		238,660
Cash and cash equivalents at the end of the year			3,084,984		689,137

1 Accounting policies

a) Statutory information

SignHealth is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is Falcon Mews, 46 Oakmead Road, London, SW12 9SJ.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate on a line-by-line basis the results of the charitable company and its wholly-owned subsidiaries Interpreter Now Limited until its sale on 30 April 2018, and Beaconsfield Executive Offices Centre until its striking off on 20 November 2018. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the parent charity and its subsidiary companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. The Charity has sold two properties, which has allowed it to pay off all debts and resulted in a material net increase in cash levels.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any requirements attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any conditions attached to the grants are expected to be met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

1 Accounting policies (continued)**g) Fund accounting (continued)**

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The indirect costs of overall direction and administration, comprising the salary and overhead costs of the central function, is apportioned to activities as a proportion of headcount in each service area;

● Raising funds	2% (2018: 3%)
● Social care	79% (2018:76%)
● Therapies	9% (2018:10%)
● Domestic abuse	9% (2018: 8%)
● Other charitable activities	1% (2018: 1%)
● Interpreter Now	0% (2018:2%)

Governance costs are allocated to each of the activities on the following basis which is an estimate, based on staff headcount, of the amount attributable to each activity:

● Raising funds	2% (2018: 3%)
● Social care	79% (2018:76%)
● Therapies	9% (2018:10%)
● Domestic abuse	9% (2018: 8%)
● Other charitable activities	1% (2018: 1%)
● Interpreter Now	0% (2018:2%)

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold Land and Buildings	50 years
● Leasehold Land and Buildings	Over the period of the lease
● Fixtures, Fittings and Equipment	4 years
● IT Equipment	3 years

1 Accounting policies (continued)

l) Investments in subsidiaries

Investments in subsidiaries are at cost.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 3 and 12 months.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Gifts	133,951	2,954	136,905	122,511	10,950	133,461
Legacies	5,000	25,289	30,289	33,249	22,500	55,749
	138,951	28,243	167,194	155,760	33,450	189,210

3 Income from charitable activities

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
3a Social care						
Access to work	-	12,941	12,941	4,791	-	4,791
Fees	2,786,035	-	2,786,035	2,803,581	-	2,803,581
Client income	74,904	-	74,904	70,945	-	70,945
Grants receivable	-	10,150	10,150	-	8,317	8,317
Sub-total for Social Care	2,860,939	23,091	2,884,030	2,879,317	8,317	2,887,634
3b Therapies						
Fees	744,795	-	744,795	823,184	-	823,184
Grants receivable	-	142,432	142,432	-	100,530	100,530
Sub-total for Therapies	744,795	142,432	887,227	823,184	100,530	923,714
3c Domestic abuse						
Fees	1,690	-	1,690	6,605	-	6,605
Grants receivable	-	406,016	406,016	-	239,775	239,775
Sub-total for Domestic abuse	1,690	406,016	407,706	6,605	239,775	246,380
3d Other charitable activities						
Fees	61,188	-	61,188	57,251	-	57,251
Grants receivable	-	-	-	-	68,485	68,485
Sub-total for other charitable activities	61,188	-	61,188	57,251	68,485	125,736
3e Interpreter Now – discontinued						
Interpreter Now Income	38,853	-	38,853	546,204	-	546,204
Sub-total for Interpreter Now	38,853	-	38,853	546,204	-	546,204
Total income from charitable activities	3,707,465	571,539	4,279,004	4,312,561	417,107	4,729,668

4 Income from investments

	2019 Total £	2018 Total £
Interest receivable	2,740	665
Beaconsfield Executive Office Centre rental income	-	22,931
Other rental income	64,122	16,599
	66,862	40,195

All income from investments is unrestricted.

5a Analysis of expenditure (current year)

	Charitable activities								2019 Total £	2018 Total £
	Raising funds £	Social care £	Therapies £	Domestic abuse	Other charitable activities	Interpreter Now discontinued £	Governance costs £	Support costs £		
Staff costs (Note 8)	157,227	1,514,688	307,533	218,498	35,975	4,745	7,307	607,460	2,853,433	3,147,372
Other staff costs	33,897	26,097	68,618	16,641	8,121	30,023	48,409	54,455	286,261	418,937
Travel and subsistence	341	28,398	126,747	7,893	4,163	771	3,881	21,834	194,028	224,752
Building costs	-	244,860	7,500	5,607	-	-	-	145,824	403,791	405,791
Running costs	3,876	38,786	47,543	15,681	1,332	4,771	11,285	127,268	250,542	496,860
Fundraising and marketing	40,769	168	310	48,201	-	-	-	12,341	101,789	84,116
Beneficiary costs	-	56,850	-	61	-	-	-	-	56,911	53,643
Other trading costs	20	7,285	-	-	-	19	-	29,644	36,968	372,648
Accountancy and audit	-	-	-	-	-	-	8,840	-	8,840	34,108
Legal and professional	-	-	-	-	-	-	7,754	62,136	69,890	120,038
Depreciation and impairment	-	-	18,501	287	-	-	-	89,551	108,339	105,516
	236,130	1,917,132	576,752	312,869	49,591	40,329	87,476	1,150,513	4,370,792	5,463,781
Support costs	23,010	908,906	103,546	103,546	11,505	-	-	(1,150,513)	-	-
Governance costs	1,750	69,106	7,872	7,873	875	-	(87,476)	-	-	-
Total expenditure 2019	260,890	2,895,144	688,170	424,288	61,971	40,329	-	-	4,370,792	
Total expenditure 2018	281,624	3,091,376	892,534	388,850	228,941	580,456	-	-		5,463,781

5b Analysis of expenditure (prior year)

	Charitable activities						Governance costs £	Support costs £	2018 Total £
	Raising funds £	Social care £	Therapies £	Domestic abuse	Other charitable activities	Interpreter Now – discontinued £			
Staff costs (Note 8)	153,800	1,573,417	411,857	229,232	110,331	106,291	51,339	511,105	3,147,372
Other staff costs	33,479	54,161	70,934	2,538	12,700	3,451	–	241,674	418,937
Travel and subsistence	296	27,061	162,077	8,683	6,160	1,831	1,919	16,725	224,752
Building costs	–	279,347	5,801	10,313	824	–	–	109,506	405,791
Running costs	5,330	42,678	74,921	11,341	16,160	147,909	11,146	187,375	496,860
Fundraising and marketing	41,800	177	6,566	15,256	8,125	9,993	–	2,199	84,116
Beneficiary costs	–	53,026	–	527	60	–	–	30	53,643
Other trading costs	162	83	1,101	–	61,495	229,197	–	80,610	372,648
Accountancy and audit	–	–	–	–	–	11,845	22,263	–	34,108
Legal and professional	–	7,300	13,676	–	–	–	38,485	60,577	120,038
Depreciation and impairment	–	–	6,900	–	–	46,561	–	52,055	105,516
	234,867	2,037,250	753,833	277,890	215,855	557,078	125,153	1,261,856	5,463,781
Support costs	42,550	959,010	126,186	100,948	11,887	21,275	–	(1,261,856)	–
Governance costs	4,207	95,116	12,515	10,012	1,200	2,103	(125,153)	–	–
Total expenditure 2018	281,624	3,091,376	892,534	388,850	228,941	580,456	–	–	5,463,781

Notes to the financial statements

For the year ended 31 March 2019

6 Other activities

On 30 April 2018, SignHealth sold 100% of its interest in InterpreterNow Ltd. The transaction generated an overall profit on disposal of £35,669.

On 20 November 2018, Beaconsfield Executive Offices Company Ltd was dissolved, generating a loss of £100, equal to the value of 100% of its share capital.

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2019 £	2018 £
Depreciation	108,338	105,516
Loss/(gain) on revaluation of fixed assets	598,000	(50,000)
Interest payable	–	42,033
Operating lease rentals:	251,787	148,888
Auditor's remuneration (excluding VAT):		
Audit	9,500	10,800
(Over)/under-accrual for prior year audit	(2,800)	–
Other services	1,200	5,675
	<u>1,200</u>	<u>5,675</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	2,452,614	2,751,184
Redundancy and termination costs	46,339	33,950
Social security costs	217,650	241,043
Employer's contribution to defined contribution pension schemes	136,830	121,195
	<u>2,853,433</u>	<u>3,147,372</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2019 No.	2018 No.
£60,000 – £69,999	1	–
£100,000 – £109,999	1	1
	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £495,490 (2018: £508,666). The Key Management Personnel includes the Trustees, the CEO, and all members of the Executive Leadership Team (Operations Director, Director of Finance and Resources, Director of Fundraising, Head of Human Resources, Head of Policy and Communications, and the Governance and Performance Manager).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

Notes to the financial statements

For the year ended 31 March 2019

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)

£3,752 of trustee expenses, for attendance at trustee meetings, was incurred or paid on behalf of 4 trustees in the year (2018: £1,612 for 3 trustees).

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 127 (2018: 134).

The FTE number of employees for the year was 90 (2018: 96)

Staff are split across the activities of the charitable company as follows (head count basis):

	2019 No.	2018 No.
Raising funds	3	4
Social care	90	91
Therapies	10	12
Domestic abuse	10	9
Other charitable activities	1	1
Interpreter Now	–	2
Administration	12	14
Governance	1	1
	<u>127</u>	<u>134</u>

10 Related party transactions

In the year to 31 March 2019, SignHealth and Interpreter Now Ltd (until 30 April 2018 a fully owned subsidiary of SignHealth) paid Deaf Direct £435 for interpreting services (2018: £59,288). P Gerrard, a trustee of SignHealth, was the CEO of Deaf Direct until September 2017.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The charity has taken out indemnity insurance on behalf of the Trustees.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. Its charge to corporation tax in the year was:

	2019 £	2018 £
UK corporation tax at 19%	<u>–</u>	<u>–</u>

12 Tangible fixed assets

The group

	Leasehold land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At the start of the year	191,920	83,818	248,511	524,249
Additions in year	2,763	3,450	79,373	85,586
Disposals	-	-	(139,684)	(139,684)
At the end of the year	194,683	87,268	188,200	470,151
Depreciation				
At the start of the year	29,320	41,290	167,411	238,021
Charge for the year	46,183	16,765	45,390	108,338
Disposals	-	-	(139,684)	(139,684)
At the end of the year	75,503	58,055	73,117	206,675
Net book value				
At the end of the year	119,180	29,213	115,083	263,476
At the start of the year	162,600	42,528	81,100	286,228

The charity

	Leasehold land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At the start of the year	191,920	83,818	108,827	384,565
Additions in year	2,763	3,450	79,373	85,586
At the end of the year	194,683	87,268	188,200	470,151
Depreciation				
At the start of the year	29,320	41,290	27,727	98,337
Charge for the year	46,183	16,765	45,390	108,338
At the end of the year	75,503	58,055	73,117	206,675
Net book value				
At the end of the year	119,180	29,213	115,083	263,476
At the start of the year	162,600	42,528	81,100	286,228

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2019

13 Properties held for sale

Properties held for sale during the year 2018–19 comprise Annaly House (Old Church), which was owned by the SignHealth charity. On 8 March 2019 the property was sold.

At 31 March 2018, the property was valued at £2.85million, less £228,000 payable to determine charges on the property. This was based on an open market valuation carried out by Jones Lang Lasalle in November 2016. The property was eventually sold for £2.2million less £176,000 in respect of charges. The corresponding loss on investment of £598,000 is shown on the face of the statement of financial activities.

14 Investments and subsidiary undertakings

During the year, the charitable company owned the whole of the issued ordinary share capital of Interpreter Now Limited and Beaconsfield Executive Offices Centre (BEOC), which are companies registered in England and Wales. BEOC's activities ceased when the property at Baring Road was sold on 23 August 17, and the company was dissolved on 20 November 2018. InterpreterNow Ltd was sold on 30 April 2018. A summary of the results of the subsidiaries until their sale or closure is shown below:

	Interpreter Now Ltd		BEOC	
	2019 £	2018 £	2019 £	2018 £
Turnover	38,853	584,684	–	22,931
Expenditure	(40,329)	(557,078)	–	(14,021)
Operating profit / (loss)	(1,476)	27,606	–	8,910
Write-off intercompany debt	572,553	–	–	–
Deed of covenant to parent undertaking	–	–	–	(8,910)
Profit / (loss) for the financial year	571,077	27,606	–	–
The aggregate of the assets, liabilities and funds				
Assets	–	141,562	–	9,569
Liabilities	–	(712,639)	–	(9,469)
Funds	–	(571,077)	–	100

		Company number	Percentage Held	Number Held at 31 March 2019	Number Held at 31 March 2018
InterpreterNow Limited	30 Nov 04	05300335	100%	–	1
Beaconsfield Executive Offices Centre Limited	2 Nov 10	07427251	100%	–	100
Listed investments				100	100
Total investments				100	201

All the above subsidiaries are incorporated in England & Wales.

The registered office of the above subsidiaries is Falcon Mews, 46 Oakmead Road, Balham, London, SW12 9SJ.

15 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2019 £	2018 £
Gross income	4,509,959	4,449,567
Result for the year	(453,514)	(422,686)

16 Debtors

	The group		The charity	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	260,529	476,425	260,529	391,527
Other debtors	412	884	412	884
Prepayments and accrued income	235,467	229,582	235,467	175,481
Amounts owed by group undertakings	-	-	-	126,302
	496,408	706,891	496,408	694,194

All of the group's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in note 17 below.

17 Creditors: amounts falling due within one year

	The group		The charity	
	2019 £	2018 £	2019 £	2018 £
Trade creditors	64,600	77,842	64,600	40,270
Taxation and social security	59,103	70,203	59,103	63,803
Other creditors	29,143	10,592	29,143	10,592
Accruals	198,077	114,633	198,077	101,351
Deferred income (note 18)	9,683	162,511	9,683	143,959
	360,606	435,782	360,606	359,975

18 Deferred income

Deferred income comprises income that has been billed in advance.

	The group		The charity	
	2019 £	2018 £	2019 £	2018 £
Balance at the beginning of the year	162,511	159,578	143,959	114,543
Released to income in the year	(666,294)	(711,918)	(585,075)	(402,371)
Deferred in the year	513,466	714,851	450,799	431,786
Balance at the end of the year	9,683	162,511	9,683	143,959

19a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed assets	100	263,476	–	263,576
Net current assets	3,163,552	–	57,234	3,220,786
Net assets at 31 March 2019	3,163,652	263,476	57,234	3,484,362

19b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed assets	100	286,228	–	286,328
Properties held for sale	2,622,000	–	–	2,622,000
Net current assets	892,220	–	68,026	960,246
Net assets at 31 March 2018	3,514,320	286,228	68,026	3,868,574

20a Movements in funds (current year)

	At 1 April 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2019 £
Restricted funds:					
Deaf Hope	44,026	284,136	(299,412)	–	28,750
Residential	4,974	35,066	(33,289)	–	6,751
Therapy	–	49,207	(45,000)	–	4,207
Brudenell road	15,748	–	–	–	15,748
Deaf with cancer	1,778	–	–	–	1,778
Leeds Crisis Centre	1,500	–	(1,500)	–	–
DCMS	–	94,932	(94,932)	–	–
Home Office	–	125,000	(125,000)	–	–
Access to Work	–	12,941	(12,941)	–	–
Total restricted funds	68,026	601,282	(612,074)	–	57,234
Unrestricted funds:					
Designated funds:					
Fixed asset fund	286,228	85,586	(108,338)	–	263,476
Total designated funds	286,228	85,586	(108,338)	–	263,476
General funds	3,514,320	3,899,212	(4,249,880)	–	3,163,652
Total unrestricted funds	3,800,548	3,984,798	(4,358,218)	–	3,427,128
Total funds	3,868,574	4,586,080	(4,970,292)	–	3,484,362

The narrative to explain the purpose of each fund is given in note 20c.

20b Movements in funds (prior year)

	At 31 March 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2018 £
Restricted funds:					
Deaf Hope	98,085	241,776	(295,835)	–	44,026
Residential	5,170	31,450	(31,646)	–	4,974
Brudenell road	15,748	–	–	–	15,748
Tablets4Health	–	68,485	(159,991)	91,506	–
Nick Kitson	3,736	–	(3,736)	–	–
Deaf with cancer	1,778	–	–	–	1,778
Leeds Mental Health	16,078	(2,541)	(13,537)	–	–
Online Therapy	40,590	44,235	(84,825)	–	–
HIV	40,576	–	(40,576)	–	–
Leeds Crisis Centre	10,858	10,858	(20,216)	–	1,500
Health Promotion	897	–	(897)	–	–
DCMS	–	56,294	(56,294)	–	–
Total restricted funds	233,516	450,557	(707,553)	91,506	68,026
Unrestricted funds:					
Designated funds:					
Fixed asset fund	41,447	303,737	(58,956)	–	286,228
Total designated funds	41,447	303,737	(58,956)	–	286,228
General funds	3,988,570	4,314,530	(4,697,273)	(91,506)	3,514,320
Total unrestricted funds	4,030,017	4,618,266	(4,756,229)	(91,506)	3,800,548
Total funds	4,263,533	5,068,823	(5,463,782)	–	3,868,574

20c Purposes of restricted funds

DeafHope

DeafHope refers to our work with the Deaf survivors of domestic abuse and includes Young DeafHope, where we work with Deaf children. It is funded by our fantastic supporters, who in 2018–19 include the Home Office, The Charles Hayward Foundation, The Pilgrim Trust, The Police and Crime Commissioners for Kent and Surrey, Wandsworth Community Fund, Hertfordshire Community Foundation, Ernest Kleinwort, Children in Need, Generations, and John Lyons.

£148,444 was awarded from the London Councils Grant Committee during the financial year 2018–2019 for DeafHope and was expended for the purpose for which it was awarded: for abused Deaf women and children in London. Of the grant, £6,597 was spent on direct project costs, £10,730 on project overheads and £131,117 on staff costs.

Residential

Support has kindly been received for specific work in our residential schemes, including small refurbishment work at some of the homes and breaks with carers for those service users with the most complex mental health needs.

Therapy/Online Therapy

With support from the Bupa Foundation, Comic Relief, the Rayne Foundation and the Pixel Fund, we have been able to develop an online resource for Deaf people needing cognitive behavioural therapy (CBT).

20c Purposes of restricted funds (continued)

Brudenell Road

Funding received for 'Brudenell Road' refers to a new housing scheme we are developing in Leeds.

Deaf with Cancer

Funding provides therapy for deaf people diagnosed with or recovering from cancer.

Leeds Mental Health & Leeds Crisis Centre

The Leeds Community Foundation has funded two projects: one to provide peer-to-peer support for Deaf people with mental health needs and another to provide crisis community support.

DCMS

The Department of Culture, Media and Sport provides a grant to support a domestic violence support service for Deaf women and girls in Greater Manchester.

Home Office

The Home Office is providing a grant over 2 years to enable SignHealth to improve its capacity to respond to deaf victims of domestic abuse.

£124,986 was awarded from during the financial year 2018–2019 for DeafHope, and was expended for the purpose for which it was awarded. Of the grant, £82,919 was spent on direct project costs, £9,212 on project overheads and £32,855 on staff costs.

Access to Work

SignHealth receives funds from the Department of Work and Pensions, to reimburse the cost of additional communications support workers employed on the SignHealth payroll, providing support to SignHealth staff in receipt of an Access to Work grant.

Tablets4Health

Tablets4Health is the shortened name we use for our Department of Health's Innovation Excellence and Strategic Development funded project, 'Improving Deaf Patient Experience through Telecommunications Technology', which is assessing the innovative use of technology by Deaf people in health settings. This project finished on 31 March 2018.

Nick Kitson

Bursary funds have been restricted in memory of former trustee, Nick Kitson.

HIV

A project to help prevent HIV infection and raise awareness among Deaf people, with funding from Public Health England.

Purposes of Designated Funds and General Funds

The fixed asset fund represents the net book value of all assets held by the charity, excluding the Restricted funds.

Notes to the financial statements

For the year ended 31 March 2019

21 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2019	2018	2019	2018
	£	£	£	£
Less than one year	241,548	216,313	6,897	3,313
One to five years	43,000	76,875	14,307	7,800
	284,548	293,188	21,204	11,113

22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.