

**Dumfries & Galloway Hard of Hearing Group (SCIO)**  
**Unaudited Financial Statements**  
**31 March 2017**

**SAINT & CO**

Chartered accountant  
Saint & Co Chartered Accountants  
33/34 Galloway Street  
Dumfries  
DG2 7TN

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Financial Statements

Period from 1 June 2016 to 31 March 2017

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	<b>PAGE</b>
Trustees' annual report	<b>1</b>
Independent examiner's report to the trustees	<b>5</b>
Statement of financial activities	<b>6</b>
Statement of financial position	<b>7</b>
Notes to the financial statements	<b>8</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	<b>14</b>
Notes to the detailed statement of financial activities	<b>15</b>

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# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Trustees' Annual Report

Period from 1 June 2016 to 31 March 2017

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The trustees present their report and the unaudited financial statements of the charity for the period ended 31 March 2017.

### REFERENCE AND ADMINISTRATIVE DETAILS

**Registered charity name** Dumfries & Galloway Hard of Hearing Group (SCIO)

**Charity registration number** SC044692

**Principal office** Third Sector Dumfries & Galloway  
16 Queensberry Street  
Dumfries  
DG1 1EX

### THE TRUSTEES

M McGroarty  
B McIntyre  
B Monnier  
O Galligan  
T Devine  
B Dixon  
L Argente

**ACCOUNTANTS** Saint & Co Chartered Accountants  
33/34 Galloway Street  
Dumfries  
DG2 7TN

**INDEPENDENT EXAMINER** Mr Stuart Farrer FCA  
Chartered accountant  
Saint & Co Chartered Accountants  
33/34 Galloway Street  
Dumfries  
DG2 7TN

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Trustees' Annual Report *(continued)*

Period from 1 June 2016 to 31 March 2017

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### STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a Scottish Charitable Incorporated Organisation governed by its constitution which was registered with OSCR on the 26th February 2014 and last amended on the 25 May 2014.

#### Appointment of Trustees

The management board, which normally meets on a bi-monthly basis, are the charity's trustees. Membership of the management committee is open to any individuals who live in Dumfries & Galloway, and are hard of hearing or empathise with the problems of being hard of hearing and are supportive of the aims of the organisation.

The trustees are elected at the Annual General Meeting which is normally held in September. Under the constitution there must be a minimum of four and not more than ten elected trustees.

#### Management

The management and administration of the charity is the responsibility of the charity trustees who have been appointed a Service Co-ordinator to manage the day-to-day organisation.

The Service Co-ordinator attends the trustee meetings to report to the board and discuss progress and development.

In addition to comprehensive insurance, our staff and volunteers all have disclosures under the Protection of Vulnerable Groups (PVG) Scheme.

### OBJECTIVES AND ACTIVITIES

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.

The organisation's purpose is:

The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

The main activity of the charity is:

- NHS Hearing Aid Care and Repair - Changing batteries, tubes and cleaning aids.
- Advice and Signposting to other Services - Referral to Audiology and Social Work.
- Support to care homes across the region - Identifying training needs, on-going support from our volunteers to Care home staff.

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Trustees' Annual Report *(continued)*

Period from 1 June 2016 to 31 March 2017

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### ACHIEVEMENTS AND PERFORMANCE

This last year, my first as Chair after 10 years as vice chair, has been the most challenging since our inception. We continue to grow, develop and provide an excellent service to hard of hearing people in Dumfries & Galloway. With growth, however, comes costs and responsibilities.

The real challenge this year, from The Board's point of view, has been the constant struggle to fund our organisation and activities. Frankly, we have been a victim of our own success. Last year I said that The Group had ambitious targets to meet and these could only be delivered when the appropriate funding had been raised. Unfortunately these funds have not been forthcoming. I stated last year that the major Scottish Government talking point affecting our organisation would be the Integration of Health & Social Care (The Public Bodies (Joint Working) (Scotland) Act). The Third Sector role within integration is vital and we believe we still have a very effective working model of inter-agency work between the two statutory bodies - the Health Board and the Local Authority - and ourselves as the Third Sector constituent. At the time of writing no further financial assistance has been passed on to our organisation to allow us to sustain our current commitments, never mind developing the service in the way we have set out in our Business Plan.

Having said that, we are grateful for the continued support of The Robertson Trust, See Hear and 3 out of 4 Dumfries & Galloway Council Area Committees for their financial support. We are also indebted to D&G Health Board Audiology and Action on Hearing Loss for the professional expertise and encouragement that they unstintingly deliver.

Unfortunately, our Big Lottery bid was rejected. If successful, this would have sustained our operation for at least three years, but it is our intention to re-visit this funding source.

However, it is always worth remembering - and stating - that we are the only service in Dumfries & Galloway that:

- Maintain 400 hearing aids per month
- Provide 146 hours of clinical services every month
- Provide an outreach service to care homes and home visits
- Deliver Deaf Awareness Training to care staff (recognised as an area where there is a skills gap by Scottish Government)
- Deliver Deaf Awareness Sessions in the community
- We have 48 volunteers covering 19 locations

And, until very recently, we have done this with one full-time and one part-time member of staff.

It is with enormous pride that I can boast that we were nominated and then awarded the Volunteer Friendly Award at Hamilton Race Course in June. DGHoHG, as if we didn't already know, is now a volunteer friendly organisation. It is entirely down to your efforts, commitment and friendliness that we have been awarded this great award.

This year we have 4 Board members stepping down for a variety of reasons. Beatrice has been our longest serving Board Member and has always been a pillar of strength and fountain of knowledge as far as our finances have been concerned. Ollie has been a visionary and a realist in equal parts and has been a driving force in all our attainments and achievements. Lorna has been a phenomenal secretary this past year, extremely efficient and understanding of others' frailties, particularly your humble correspondent. And last, but certainly not least, Teri - our guiding light who we have purloined from Action on Hearing Loss - is going back to her mother planet. I cannot thank you all enough.

Grateful thanks also go to our hard working staff, Janette, Paula and Sian. You do an amazing job which we all appreciate very much.

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# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Trustees' Annual Report *(continued)*

Period from 1 June 2016 to 31 March 2017

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Finally, and most importantly, on behalf of the Board may I congratulate and extend a whole-hearted Thank You to all our volunteers who, against all the odds, have made this year another resounding success for Dumfries & Galloway Hard of Hearing Group.

### **FINANCIAL REVIEW**

Our main source of funding is from grants.

We have secured grants from the Robertson Trust of £16,000 per year from March 2015 for three years to cover 50% of the salary costs of the Service Co-ordinator.

The group has been awarded £32,630.15 from the Scottish Government See Hear Implementation Fund for 50% of salary and associated costs for 2016/17 and 2017/18.

Funding was also received from Greggs Foundation, Health & Social Care Integration, Local Area Committees, Lloyds, SSE and Wigtown Community Shop.

Without financial assistance from NHS (as indicated in the Chairman's report) the organisation would be under pressure to fulfil its commitments.

### **Reserves Policy**

The trustees' policy is to maintain reserves at three months of normal running costs in order to meet commitments and to cover any unexpected expenditure. Over the next few years it is hoped the Charity will be able to meet its reserves policy.

### **PLANS FOR FUTURE PERIODS**

The trustees intend to continue and develop the services that the group provides for the benefit of people with hearing loss across D&G. The group intends to support 25% of the care homes in D&G by providing training and support to ensure that residents with hearing loss are well supported. The group also plans to increase the frequency of some of the drop-ins due to demand and continue to deliver deaf awareness training to organisations. A key area for development for the forthcoming year will be in Day Centres and Day Care Services, allowing us to assist service users that would otherwise be missing out on the opportunity of help and support.

The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:

M McGroarty  
Chairman

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Independent Examiner's Report to the Trustees of Dumfries & Galloway Hard of Hearing Group (SCIO)

Period from 1 June 2016 to 31 March 2017

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I report on the financial statements for the period ended 31 March 2017, which comprise the statement of financial activities, statement of financial position and the related notes.

### RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

### BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

### INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

MR STUART FARRER FCA  
Chartered accountant

Saint & Co Chartered Accountants  
33/34 Galloway Street  
Dumfries  
DG2 7TN

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# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Statement of Financial Activities

31 March 2017

		31 Mar 17			31 May 16
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	1,699	49,171	<b>50,870</b>	43,102
<b>Total income</b>		<u>1,699</u>	<u>49,171</u>	<u><b>50,870</b></u>	<u>43,102</u>
<b>Expenditure</b>					
Expenditure on charitable activities		(1,503)	46,346	<b>44,842</b>	43,568
<b>Total expenditure</b>		<u>(1,503)</u>	<u>46,346</u>	<u><b>44,842</b></u>	<u>43,568</u>
<b>Net income/(expenditure) and net movement in funds</b>					
		<u>3,202</u>	<u>2,825</u>	<u><b>6,028</b></u>	<u>(466)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>7,193</u>	<u>57,978</u>	<u><b>65,171</b></u>	<u>65,637</u>
<b>Total funds carried forward</b>		<u>10,395</u>	<u>60,803</u>	<u><b>71,198</b></u>	<u>65,171</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 12 form part of these financial statements.



# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Statement of Financial Position

31 March 2017

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		Period from 1 Jun 16 to 31 Mar 17		Year to 31 May 16
		£	£	£
<b>CURRENT ASSETS</b>				
Debtors	9	90		150
Cash at bank and in hand		<u>72,247</u>		<u>66,602</u>
		<b>72,337</b>		<b>66,752</b>
<b>CREDITORS: amounts falling due within one year</b>	<b>10</b>	<u><b>(1,138)</b></u>		<u><b>(1,581)</b></u>
<b>NET CURRENT ASSETS</b>			<b>71,199</b>	<b>65,171</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>71,199</b>	<b>65,171</b>
<b>NET ASSETS</b>			<b>71,199</b>	<b>65,171</b>
<b>FUNDS OF THE CHARITY</b>				
Restricted funds			<b>60,803</b>	57,978
Unrestricted funds			<b>10,395</b>	7,193
<b>Total charity funds</b>	<b>12</b>		<b>71,198</b>	<b>65,171</b>

These financial statements were approved by the board of trustees and authorised for issue on .....,  
and are signed on behalf of the board by:

M McGroarty  
Trustee

O Galligan  
Trustee

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The notes on pages 8 to 12 form part of these financial statements.

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Notes to the Financial Statements

Period from 1 June 2016 to 31 March 2017

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### 1. GENERAL INFORMATION

The charity is registered charity in Scotland and is unincorporated. The address of the principal office is Third Sector Dumfries & Galloway, 16 Queensberry Street, Dumfries, DG1 1EX.

### 2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charity Accounts (Scotland) Regulations 2006 (as amended).

### 3. ACCOUNTING POLICIES

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The charity meets the definition of a public benefit entity under FRS102.

#### Going concern

There are no material uncertainties about the charity's ability to continue.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

None

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Notes to the Financial Statements *(continued)*

Period from 1 June 2016 to 31 March 2017

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### 3. ACCOUNTING POLICIES *(continued)*

#### Judgements and key sources of estimation uncertainty *(continued)*

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

None

#### Fund accounting

Unrestricted general funds are those which can be used in accordance with the charitable objects of the charity at the discretion of the Trustees. Designated funds are those which are set aside by the Trustees out of unrestricted general funds for specific future purposes or projects. Restricted funds are those that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular purposes. Further explanation of the nature and purpose of each fund is set out in the notes to the financial statements.

#### Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Notes to the Financial Statements *(continued)*

Period from 1 June 2016 to 31 March 2017

### 4. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
<b>DONATIONS</b>			
Donations	1,699	–	<b>1,699</b>
<b>GRANTS</b>			
Grants	–	49,171	<b>49,171</b>
	<u>1,699</u>	<u>49,171</u>	<u><b>50,870</b></u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
<b>DONATIONS</b>			
Donations	2,470	–	2,470
<b>GRANTS</b>			
Grants	–	40,632	40,632
	<u>2,470</u>	<u>40,632</u>	<u>43,102</u>

### 5. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly £	Support costs £	Total funds 2017 £	Total fund 2016 £
Charitable Activities	42,562	–	<b>42,562</b>	41,030
Governance costs	–	2,280	<b>2,280</b>	2,538
	<u>42,562</u>	<u>2,280</u>	<u><b>44,842</b></u>	<u>43,568</u>

### 6. INDEPENDENT EXAMINATION FEES

	Period from 1 Jun 16 to 31 Mar 17 £	Year to 31 May 16 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<b>840</b>	840
	<u>840</u>	<u>840</u>

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Notes to the Financial Statements *(continued)*

Period from 1 June 2016 to 31 March 2017

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### 7. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>Period from 1 Jun 16 to 31 Mar 17</b>	Year to 31 May 16
	£	£
Wages and salaries	26,581	22,512
Employer contributions to pension plans	624	–
	<u>27,205</u>	<u>22,512</u>

The average head count of employees during the period was 2 (2016: 1). The average number of full-time equivalent employees during the period is analysed as follows:

	<b>31 Mar 17</b>	31 May 16
	No.	No.
Administration	<u>2</u>	<u>1</u>

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

### 8. TRUSTEE REMUNERATION AND EXPENSES

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

### 9. DEBTORS

	<b>31 Mar 17</b>	31 May 16
	£	£
Other debtors	<u>90</u>	<u>150</u>

### 10. CREDITORS: amounts falling due within one year

	<b>31 Mar 17</b>	31 May 16
	£	£
Accruals and deferred income	<u>1,138</u>	<u>1,581</u>

### 11. PENSIONS AND OTHER POST RETIREMENT BENEFITS

#### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £624 (2016: £Nil).

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Notes to the Financial Statements *(continued)*

Period from 1 June 2016 to 31 March 2017

### 12. ANALYSIS OF CHARITABLE FUNDS

#### Unrestricted funds

	At 1 June 2016	Income	Expenditure	At 31 March 2017
	£	£	£	£
General funds	<u>7,193</u>	<u>1,699</u>	<u>1,503</u>	<u>10,395</u>

#### Restricted funds

	At 1 June 2016	Income	Expenditure	At 31 March 2017
	£	£	£	£
Robertson Trust	14,085	16,000	(11,089)	18,996
Greggs	–	803	(408)	395
See Hear Implementation	31,919	–	(13,459)	18,460
Health & Social Care	–	8,667	(4,267)	4,400
Local Area Committee	11,974	8,401	(11,634)	8,741
Lloyds	–	5,000	(3,654)	1,346
SSE	–	10,000	(1,683)	8,317
Wigtown Community Shop	–	300	(152)	148
	<u>57,978</u>	<u>49,171</u>	<u>(46,346)</u>	<u>60,803</u>

### 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Current assets	10,395	61,941	72,336
Creditors less than 1 year	–	(1,138)	(1,138)
<b>Net assets</b>	<u>10,395</u>	<u>60,803</u>	<u>71,198</u>

# **Dumfries & Galloway Hard of Hearing Group (SCIO)**

## **Management Information**

**Period from 1 June 2016 to 31 March 2017**

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**The following pages do not form part of the financial statements.**

# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Detailed Statement of Financial Activities

31 March 2017

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	31 Mar 17	31 May 16
	£	£
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	1,699	2,470
Grants	49,171	40,632
	<u>50,870</u>	<u>43,102</u>
<b>Total income</b>	<u>50,870</u>	<u>43,102</u>
<b>Expenditure</b>		
<b>Expenditure on charitable activities</b>		
Wages and salaries	26,581	22,512
Pension costs	624	–
Rent	3,723	–
Insurance	328	–
Legal and professional fees	2,280	2,538
Telephone	427	292
Manager Travel	1,471	4,367
Manager Training	932	909
Employee Travel	558	–
Employee Training	3	–
Volunteer Travel & Subsistence	3,544	2,740
Volunteer Training	228	672
Clinic Room Hire & Refreshments	1,844	1,977
Postage & Stationery	594	911
Board Meeting Expenses	4	–
Scottish Council on Deaf Awareness	158	100
Equipment Purchases	846	5,492
Professional Memberships	25	–
Other Expenses	672	1,058
	<u>44,842</u>	<u>43,568</u>
<b>Total expenditure</b>	<u>44,842</u>	<u>43,568</u>
<b>Net income/(expenditure)</b>	<u>6,028</u>	<u>(466)</u>

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# Dumfries & Galloway Hard of Hearing Group (SCIO)

## Notes to the Detailed Statement of Financial Activities

31 March 2017

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	31 Mar 17	31 May 16
	£	£
<b>Expenditure on charitable activities</b>		
<b>Charitable Activities</b>		
<b><i>Activities undertaken directly</i></b>		
Wages/salaries	26,581	22,512
Pension costs	624	–
Rent	3,723	–
Insurance	328	–
Telephone	427	292
Manager Travel	1,471	4,367
Manager Training	932	909
Employee Travel	558	–
Employee Training	3	–
Volunteer Travel & Subsistence	3,544	2,740
Volunteer Training	228	672
Clinic Room Hire & Refreshments	1,844	1,977
Postage & Stationery	594	911
Board Meeting Expenses	4	–
Scottish Council on Deaf Awareness	158	100
Equipment Purchases	846	5,492
Professional Memberships	25	–
Other Expenses	672	1,058
	<u>42,562</u>	<u>41,030</u>
<b>Governance costs</b>		
Book-keeping, Payroll and Independent Examination Costs	2,280	2,538
	<u>2,280</u>	<u>2,538</u>
<b>Expenditure on charitable activities</b>	<u><u>44,842</u></u>	<u><u>43,568</u></u>

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