



Taking
Action

Annual Report and
Financial Statements
2014-15

Our cause

It's staggering to think that deafness, tinnitus and hearing loss affect more than 10 million people in Britain today – that's more than cancer, heart disease and dementia put together. Every year half a million adults come forward for a hearing test and as the population ages more and more of us will be affected.

To give you an idea of just how many people are affected, in the UK today:

- Four million who could benefit from hearing aids, don't have them.
- 0.8 million people have severe or profound hearing loss, meaning they hear very little or nothing at all.
- One in 10 people suffer with tinnitus.

Deafness, tinnitus and hearing loss can devastate lives

There is no cure, there are no breaks or moments of escape. The effect on someone's quality of life, relationships, job prospects and education can be devastating:

- People with hearing loss have a significantly increased risk of developing dementia – between 2-5 times.
- Deafness and hearing loss have been linked to isolation, depression and cognitive decline.

- Some people with tinnitus have been driven to suicide because of the unceasing noise in their head or ears.
- People are more likely to be unemployed, and many are forced into early retirement because of their deafness or hearing loss.

We are Action on Hearing Loss

Our purpose is to help people who are confronting deafness, tinnitus and hearing loss to live the life they choose. We enable them to take control of their lives and remove the barriers in their way.

We give people **Support and Care**, develop **Technology and Treatments**, and campaign for **Equality**.

Contents

Welcome	4
Trustees' Report	6
Strategic Report	6
Achievements and performance	8
Our future plans	33
Financial review	37
Risks and uncertainties	44
Structure, governance and management	46
Statement of Trustees' responsibilities	52
Independent auditors' report	53
Financial statements	57
Acknowledgements	84
How can we help each other	86

The Board of Trustees of Action on Hearing Loss presents its annual report and audited financial statements for the year ending 31 March 2015. These comply with the Companies Act 2006, Action on Hearing Loss's governing document and the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities (2005). Details of our trustees, professional advisers, and legal and administrative details are included on pages 49-51.

Welcome

Last year we continued to make exciting progress towards achieving the objectives set out in our strategy, *Taking Action. Hearing loss: a national and local response*. But what did this mean in real terms? This meant that, in practice, all of us – staff and volunteers – worked to:

- Give people confronting deafness, tinnitus and hearing loss, support and care to take control of their lives so they can live the life that they choose.
- Develop technology and treatments to enable people to take control of their lives.
- Campaign for equality and remove the barriers that prevent people confronting deafness, tinnitus and hearing loss from living the lives that they choose.

We're really pleased with what we've achieved this year. There's one highlight that stands out: we expanded our services for people who are deaf, with additional support needs, meaning that **10% more people are now benefitting** from our high-quality, personalised care and support.

We **helped more people with hearing aids** to benefit from them, and **supplied straight-talking, up-to-the-minute information to more people** so that they can manage their condition(s). With over 130,000 interventions, our local services also **supported more people, face-to-face, in more communities** across the UK than ever before. The £1.6m that we invested in biomedical research grants resulted in promising research discoveries and advanced the

development of potential treatments. We also supported an additional £3.3m of public funding, by working in partnership with the Biotechnology and Biological Sciences Research Council.

We worked to **influence Westminster and the various devolved administrations across the UK** to take hearing loss seriously: securing government hearing loss strategies across the UK. We were particularly pleased to challenge, successfully, the proposed cuts to statutory hearing loss services within some local authorities.

To make sure the work we do is sustainable, we **worked hard to diversify our income streams**. We increased our fundraising income and secured more media coverage. We completed the restructuring of our commercial services and outsourced the logistics element of our Products business to improve efficiency and ensure future cost-effectiveness.

We also **improved the way we measure the impact of our work** to evidence the difference we make to people's lives. We launched our new internal campaign to highlight our organisational values: People, Passion and Partnership which better demonstrate how we work together to deliver our strategy and what is important to us.

But, of course, there's much more to be done. We're determined to extend our reach to the people who need our help – and to do it in a flexible way that meets local needs, reaching even more people, whilst making sure that every pound goes as far as possible.

During 2015/16 we will continue to fund promising research that we hope will uncover exciting discoveries, leading to better technology and treatments.

We will increase the number of first-rate researchers working in the field. We will also develop and expand our translational research programme: this will speed up the development of promising new treatments into clinical trials. We will renew our focus on technology.

We will continue to **develop information packs – full of practical advice on rights and how to exercise them** – for people who need to access a breadth of services from health and social care services to education, training and the workplace. We will also publish a follow-up to our 2011 report *Hearing Matters*, a ground-breaking and comprehensive report on deafness, tinnitus and hearing loss – and use its practical recommendations to create the changes we need for the people we serve.

We will increase our public profile and refresh our brand, so that more people connect with our cause and understand how we can help. Our Commercial Services Group will continue to focus on growing sales, supporting our charitable work and helping people by providing innovative products and services.

Our supporters rightly expect that we will be as effective and efficient as we can in pursuing these goals. That's why we will focus on making sure that our internal services are lean and effective and that staff and volunteers feel motivated and supported.

We're very excited about the opportunities we have to change the world for people with deafness, tinnitus and hearing loss.

We can't achieve any of this without the help of our staff and volunteers, and our wonderful supporters and members who make our work possible. We are enormously grateful for everything they do.

In this report we summarise our achievements – and detail just some of our plans. We, along with our colleagues on the Board of Trustees, trust that you'll be as inspired to take future action as are we.



Stephen Hill
Chairman



Paul Breckell
Chief Executive

Trustees' Report

Strategic report

Our vision

A world where hearing loss doesn't limit or label people, where tinnitus is silenced – and where people value and look after their hearing.

Our purpose

To **help** people confronting deafness, tinnitus and hearing loss to live the life **they choose**. We enable them to take **control** of their lives and remove the barriers in their way.

Our strategy

We give people **Support and Care**, develop **Technology and Treatments**, and campaign for **Equality**.

Our values

Our values, People, Passion and Partnership, enable us to deliver our strategy.

People

We treat people as people – with human warmth, dignity and respect. We treat people as whole people, not just as an issue or a problem to be solved. We show kindness, care and understanding and treat people how we would like to be treated.

Passion

We are passionate about our work and we want to make a real difference in people's lives. If things can be improved, we won't just settle for how they are. We're prepared to challenge the status quo. We strive for high standards, to do our very best. We take positive risks and innovate, trying new things.

Partnership

We work alongside others to achieve the best results. We listen carefully and try hard to understand. We share insights, ideas, learning and resources. We respect and value differences and we enable others to participate. We act with integrity and build trust.

Our strategy:



Support and Care

To help people confront deafness, tinnitus and hearing loss to take control of their lives, so they can live the life they choose.



Technology and Treatments

To enable people to take control of their lives, so they can live the life they choose.



Equality

To campaign to remove barriers that people confronting deafness, tinnitus and hearing loss face, so they can live the life they choose.

Our aims:

1. Make sure that people with hearing loss or tinnitus have access to information, advice, and peer support.
2. Give people, who are deaf and have additional support needs, greater choice, control and independence.
3. Transform hearing services, so hearing-service provision is high quality, accessible and joined up.

1. Find ways to protect and restore hearing, and silence tinnitus.
2. Encourage innovation and take-up of new technology that will help people confronting deafness, tinnitus and hearing loss.

1. Influence governments to bring about wider transformational change.
2. Target organisations to encourage them to be more accessible to people with hearing loss.
3. Ensure that people who are deaf have access to communication support and technology.

2014-15 Our highlights

This year we gave information, advice and support to tens of thousands of people:

We provided
1.6m



hours of high-quality and personalised care and support to

466

people who are deaf with additional support needs.

Our local services supported

2,600



people who have multiple sensory needs, face-to-face.

Our local services supported
28,000

people face-to-face, in more communities across the UK than ever before.

Our Information Line helped

28,000
PEOPLE

We helped
13,000

people with hearing aids to benefit from them...

...through
40,000
interventions.

We successfully

responded to unprecedented threats to stop the provision of free hearing aids on the NHS, by influencing

- 2** Clinical Commissioning Groups in England to cease their plans, and
- 1** to scale them back.

Our Hearing Check was taken by
115,000
people

Our online resources, notably pdf information sheets, were downloaded
50,000 times

Our befriending services supported
6,000
people across the UK

We invested
£1.6m



in research grants into treatments to prevent hearing loss, restore hearing and silence tinnitus. We also supported an additional

£3.3m

of public funding into hearing research, by working in partnership with the Biotechnology and Biological Sciences Research Council.



As a result of our research, a revolutionary new genetic test, to more accurately diagnose the cause of deafness, is now available through the NHS.



We worked hard to diversify our income streams, growing fundraising income and securing more media coverage. Our new, streamlined organisational values – People, Passion and Partnership – developed by our staff and volunteers – are at the heart of everything we do.



The Action Plan on Hearing Loss

published by the Department of Health and NHS England, is a truly landmark moment – the culmination of four years' influencing efforts. Now we have a real opportunity to secure greater exposure for hearing loss across the health sector.



We made good progress on our four-nations strategy

work to identify and bring about specific changes in each part of the UK. In particular, a Scottish Joint Sensory Strategy was received enthusiastically, and we published our manifesto for Northern Ireland – in partnership with other deaf organisations – with key asks for each government department. In Wales, the government is now working with us to draw up a plan for audiology and people with hearing loss.



Support and Care

Achievements and performance

Support and Care

This is where we invest most of our funding.

In 2014/15 we spent
£23.9 million

on a wide range of services to support individuals.

£20.5 million of this was from income received directly for delivering these services. The remaining £3.4m was funded by voluntary income and reserves.

Our aim: Make sure that people with hearing loss or tinnitus have access to information, advice, and peer support.

There are 10 million people in the UK with different levels of hearing loss – and they all have slightly different information needs. We have the expertise to provide tailored information, advice and peer support to them and their families, where they need it.

Our impact:

- We supported people across the UK through our Information Line. We took 19,000 calls and responded to 9,000 emails (that's an email-support increase of 37%).
 - More than 28,000 clients and 14,000 professionals, from all over the UK, benefited from our insightful and supportive face-to-face advice.
 - Through 40,000 interventions, the staff and volunteers running our friendly Hear to Help services served over 13,000 people in the community, and
- at home. Their practical support varies from helping to change fiddly hearing aid batteries and doing repairs – to simply being there to listen.
- When three of these Hear to Help services, in the North of England, were threatened with closure at the beginning of 2014, we secured statutory income to make sure we continue delivering this crucial service in Hull, Leeds and Rotherham.



“My hearing aids are my life now”, says Edna. “But the pieces are so small and fiddly that it’s impossible for me to clean them. And they need to be maintained or I can’t hear. That’s why I started going to my local Action on Hearing Loss service in Redbridge. I was able to hear so much better after each visit.

Unfortunately, I can’t get out much any more, so Steve (pictured with Edna) comes to my house to do my repairs. He’s so reliable and always cheers me up with his smiley face. I can’t praise the service enough. It’s absolutely essential because nobody should have to be without their hearing!”

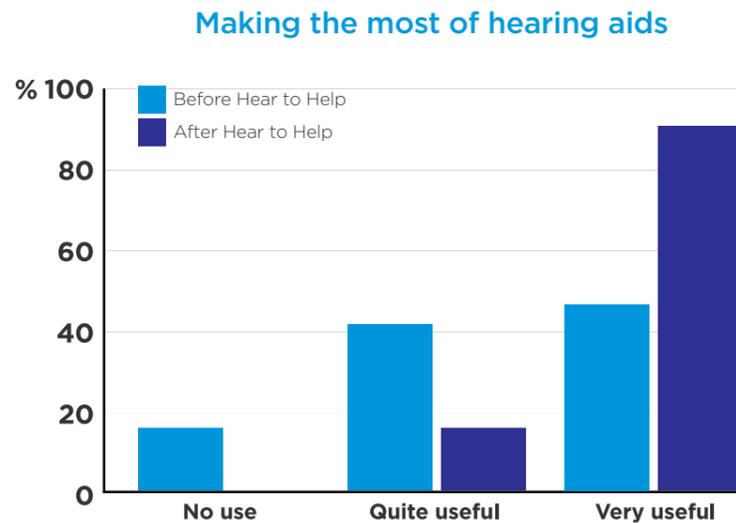
- Our staff and volunteers also run Hear to Meet and InTouch befriending services. They’ve proved invaluable in reducing the isolation facing people with hearing loss. Last year they helped people across England, Wales, Northern Ireland and Scotland 6,000 times.
- Our sensory services in England helped 2,600 people – exceeding our annual target by 19%. We work with local authorities to assess the needs of, and provide solutions for people who are deaf, deafened, deafblind or have a hearing loss.
- In Northern Ireland, we worked hard to bring about better services for people with tinnitus; and we supported 72 new people on a one-to-one basis – 55% more than we predicted.
- We produced a highly practical toolkit, so that nurses can improve the care they give to patients with hearing loss. We were delighted when it was shortlisted for the coveted *Nursing Times* Award.
- We piloted new sensory services in Wales supporting 119 people. This involves giving practical support to people with sensory loss when they’re in hospital – and helping them to return home safely. We’ve been awarded funding in Cardiff for 2015/16 and hope to secure funding from across Wales.
- Last year, our Moving On employment service in Scotland held employment-support meetings with 233 people – amazing considering we aimed to meet 30. Now, with funding from the Big Lottery, we will be able to continue and extend our work for the next three years.

Hands-on help with hearing

Hear to Help – run by our staff and a growing number of committed, trained volunteers – is all about supporting people so that they can make the most of their hearing aids.

So, how do we know it works? We asked people how **useful** they found their hearing aid(s), before and after receiving our support. As the bar chart shows, before we came along (or people came to us), 14% of people who'd used Hear to Help said their hearing aid was no use at all.

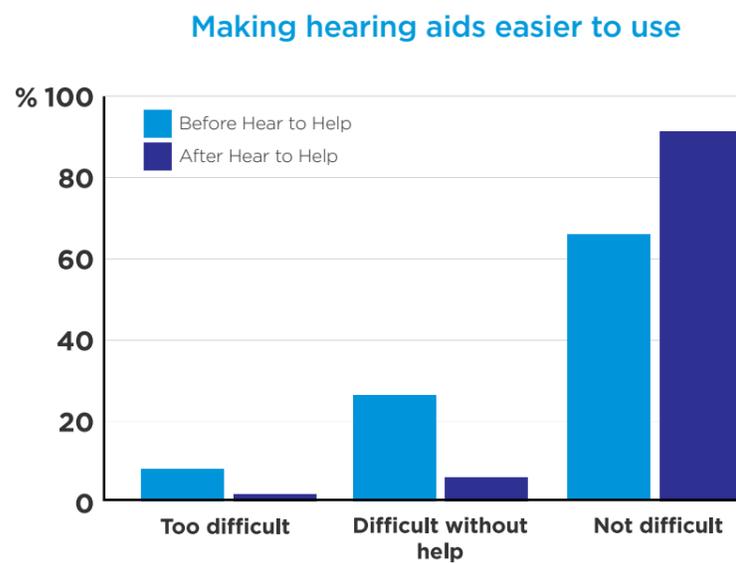
By helping people make the most of their hearing aid, we reduced this figure to zero! And we doubled the number of people who felt their hearing aid was now very useful.



We also asked them how **difficult** they found using their hearing aids before and after coming to Hear to Help.

Over a third of people said they found their hearing aid too difficult to use (8%) or difficult to use without help (26%) before they came to us.

But, after using our services – and getting the right information and simply being shown what to do, this combined figure plummeted from 34% to only 7%, with 93% saying they now had no difficulty using their hearing aid.



How we've made a difference to...

people with hearing aids

"I now have a service I can rely on if I have a problem with my aid. Thank you very much – it has certainly given me confidence in my everyday life."

"I now feel I'm not disturbing my neighbours."

"I no longer try to hide my deafness – I feel like a person and join in."

"It took me a long time to get used to the hearing aids – but now I feel the benefit. If I didn't have this I'd be lost. Now you can take part, you can get involved."

people who have tinnitus

"Good to be able to chat to someone with tinnitus. GPs don't have the time, whereas your one-to-one service gives [me] an hour."

"Useful to have someone who understands. Lack of understanding from GPs increases stress."

"Especially useful as the person assisting has tinnitus herself."

"Offered me hope. Learned more today from Christine than from the consultants over the past few months."

"Excellent service, to travel around province helping people – you're one in a million!"

Our aim: Give people, who are deaf and have additional support needs, greater choice, control and independence.

We continue to enable people in our care and support services to achieve their goals. The support we offer ranges from long-term residential care to helping individuals adjust to living independently in the community.

Our impact:

- We were able to deliver 1.6m hours of support to 466 people through our 45 care and support services – that’s 16% more people than last year. This means we helped more people to maximise their independence and exercise personal choice, control and self-determination – and express their individuality.
- In November we took on the management and delivery of Viridian deaf outreach and supported-living services – with no disruption to the vital support provided.
- Our care and support services were judged once again to be of a high quality; all three, national regulating bodies declared them fully compliant.
- We continued to offer – and develop – person-centred services. This isn’t just jargon – it means putting each individual – and their goals – at the heart of the support they receive.
- ‘Making it Real’ is the sector-wide commitment to transform adult social care through personalisation and community-based support. We’re proud that 23 of our services can now display the Making it Real kitemark; that’s five more than last year.



Lucy’s family holiday

The world can be a challenging place for Lucy. Now 37, Lucy is, in her mum, Helen’s words, “anxious, and unpredictable, but also loving and curious – with a wicked sense of humour!” She relies on sign language to communicate, loves watching films, and is a mega Man City fan.

Lucy has been supported by Action on Hearing Loss for over 11 years; for the past seven of those, in her own home in Kent. “Jackie Worth has worked with Lucy that whole time, and has been a constant believer in her,” says Helen. “Without doubt, she and her team have changed Lucy’s life, have given her as much independence as she can cope with, and have ensured she has every opportunity to achieve.”

Lucy had dreamed of being able to go away with her family for more than 20 years, but her challenges seemed to make it unthinkable. But with the constant support of Jackie and her team from

Action on Hearing Loss, this year, Lucy’s dream became reality.

As Helen says, “It was never going to be easy – the staff had some difficult nights, but for us all, especially Lucy, the days were wonderful: swimming in the sea, playing games – even eating out at the beach.”

Lucy knew the trip was being planned, but not when. She cannot cope with too much anticipation, so was only told it was happening on the morning of departure. Helen again: “With the support of Action on Hearing Loss, we had not just a snatched hour once a fortnight but five, lovely, long days together – Lucy, her dad, her brother, and me.

“We cannot thank Jackie and her team enough for their dedication, calmness, and professionalism in their support of Lucy – and for making this holiday not just a dream but a fabulous reality.”

Our aim: Transform hearing services, so that hearing-service provision is high quality, accessible and joined up.

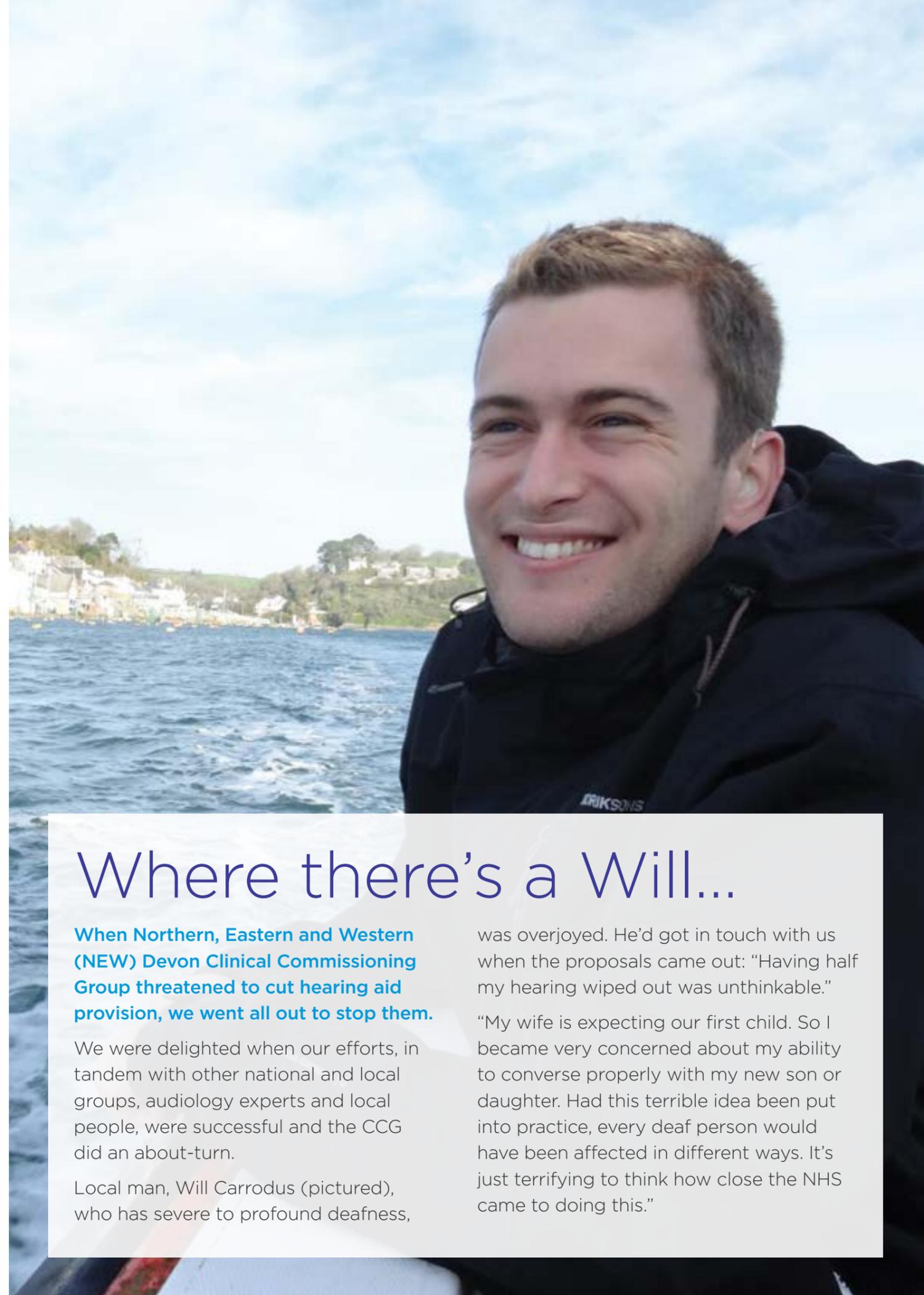
Our research shows that there are significant barriers to people accessing the services they need; inadequate integration between health and social care and vital rehabilitative services such as lipreading classes; and that the hospital-care model alone is no longer appropriate for our ageing population. This has to change.

Our impact:

- The Action Plan for Hearing Loss was published by the Department of Health and NHS England – the culmination of four years’ influencing work. The plan highlights the major impacts of hearing loss and encourages the government, providers and commissioners to take specific action to improve the situation.
- Our new report, ***Under Pressure: NHS Audiology across the UK*** looked at UK-wide variation in the provision of hearing loss services – and detailed the impact of budget cuts and increased demand. In parallel, we campaigned on specific areas concerning England, Northern Ireland, Scotland and Wales.
- Faced with unprecedented threats to stop the provision of free hearing aids on the NHS, we persuaded two Clinical

Commissioning Groups in England to cease their plans, and one to scale them back, although we have more work to do to stop them altogether.

- Everyone who participated in the Welsh government-funded sensory engagement project, to support people with sensory loss to shape the future of public services, said they felt their voices had been heard through this work.
- We are passionately committed to helping more people benefit from lipreading classes – lipreading enables people to live fuller and more independent lives. We have been working on a project funded by the Department for Business, Innovation and Skills to investigate, specifically, the value of lipreading in helping people move into, or stay in, work.
- In Scotland, funding was secured to support social research into lipreading. This included evaluating the impact of lipreading, and looking at when someone’s ready to access lipreading support. The research findings were published in March 2015.



Where there’s a Will...

When Northern, Eastern and Western (NEW) Devon Clinical Commissioning Group threatened to cut hearing aid provision, we went all out to stop them.

We were delighted when our efforts, in tandem with other national and local groups, audiology experts and local people, were successful and the CCG did an about-turn.

Local man, Will Carrodus (pictured), who has severe to profound deafness,

was overjoyed. He’d got in touch with us when the proposals came out: “Having half my hearing wiped out was unthinkable.”

“My wife is expecting our first child. So I became very concerned about my ability to converse properly with my new son or daughter. Had this terrible idea been put into practice, every deaf person would have been affected in different ways. It’s just terrifying to think how close the NHS came to doing this.”



Technology and Treatments

Achievements and performance

Technology and Treatments

In 2014/15 we spent
£3.6 million

of voluntary income towards developing technology and treatments.

Our aim: Find ways to protect and restore hearing, and silence tinnitus.

Right now, there are no treatments or cures that can undo or halt the progression of hearing loss, or silence tinnitus. The main reason is simple: not enough money is put into research and ‘translating’ scientific discoveries into commercially viable treatments. More must be done. That’s why we support the training of scientists to work on new treatments, target funding to the most promising areas of research – and break down barriers to translational research which turns new treatments quickly into clinical trials. Also, by generating excitement about the possibility of better treatments and cures we aim to increase funding, and act as a catalyst for private and statutory investment.

Our impact:

- We invested in building research capacity, and funding world-class discovery and translational research.
 - Funded 14 summer studentships – giving science undergraduates the chance to gain experience of working in a top hearing-research laboratory.
 - Awarded nine conference bursaries to allow researchers at the start of their careers to participate in an international hearing research conference.
- To **build capacity** we:
- Funded five new PhD studentships. One award is being jointly funded with Advanced Bionics, a cochlear implant manufacturer.
 - Awarded five Pauline Ashley New Investigator grants to help kick-start the careers of promising new researchers.

“Funding from Action on Hearing Loss supported our development and evaluation of a breakthrough method for fitting hearing aids [now used around the globe] and the development of several diagnostic tests.”

**Professor Brian Moore,
Emeritus Professor of
Auditory Perception,
University of Cambridge**

To **make scientific discoveries** that will lead to new treatments:

- We awarded five International Research Project grants. The projects aim to improve the diagnosis of hearing problems, identify and understand the role of genes involved in age-related hearing loss and otosclerosis, and investigate a drug that may prevent hearing loss caused by aminoglycoside antibiotics.
- Our researchers published findings on the causes of hearing loss – and the mechanisms by which tinnitus could be reduced.
- We funded 13 small projects through our flexi-grant scheme. These will generate pilot data and enable us to explore new avenues of research.
- By working in partnership with the Biotechnology and Biological Sciences Research Council (BBSRC) we have supported an additional £3.3million of public funding into hearing research.

To **strengthen the translation of discoveries into real treatments:**

- We awarded a new grant to develop an objective measure of tinnitus, which will address a significant barrier in the development of treatments.
- We’ve helped companies seeking to understand the hearing loss market and make connections with investors, academics and clinical groups.
- Companies we’ve helped started clinical trials of drugs to treat tinnitus, age-related hearing loss, Ménière’s disease and glue ear – and the first-ever clinical trial of a gene therapy to restore hearing has begun.
- Our research has led to a revolutionary, new genetic test for deafness, which is now available through the NHS, to help people get a more accurate diagnosis of the cause of their deafness.



Life-changing technology

"I lost all my hearing after contracting meningitis when I was 19-months old. Luckily, when I was three, I was one of the first children in the UK to receive a cochlear implant (CI), so I was able to 'catch up'."

Now 24, Helen Willis, pictured above in the lab, has two degrees from Oxford and, with our financial backing, she's working with Professor Stuart Rosen, at University College London, to research and develop an accurate tool to assess 'listening effort' - the sometimes exhausting mental process involved in picking out what you want to hear from a noisy world of sound.

Chronically increased levels of listening effort can lead to tiredness, depression

- even a breakdown. Once a tool is developed, says Helen, "In the future it might even become possible for clinicians to adapt the 'tuning' process, for people with CIs, to reduce the listening effort when processing speech."

Helen acknowledges the 'debt' she owes to her implant - "this incredible, life-changing technology."

"I'm inordinately grateful to have been awarded funding to begin repaying this debt. I hope I'm able to use my additional insight and understanding to help other CI users gain maximum benefit - and fulfil *their* potential."

For every £1 we invest in hearing research, a further

£10

is attracted in follow-on funding



55%

of the PhD students we have supported were still active in hearing research - significantly higher than the sector norm [as of July 2014]

There are **18** 

drugs for treating hearing loss or tinnitus in clinical development [as of 31 March 2015]

Our aim: Encourage innovation and take-up of new technology that will help people confronting deafness, tinnitus and hearing loss.

Technology plays a vital role in allowing people confronting deafness, tinnitus and hearing loss to take control of their lives, so they can live the life they choose.

We're forging strong links with manufacturers of assistive technology to bring new products to market through our online shop, and are also influencing policy to ensure new technology is accessible and inclusive.

Our impact:

- We've developed a comprehensive strategy to catalyse the innovation of new assistive technology.
- The Engineering and Physical Sciences Research Council (EPSRC) awarded £3.7m to support six projects that aim to improve the fitting and performance of hearing aids. We contributed to a workshop to generate research questions, advised on the wording of the call for proposals and gave support to some of the applications.
- Our hearing loop app concept has been shortlisted for a Nesta Inclusive Technology Prize. The winning concepts will be announced in June 2016.
- Our work with the Digital Television Group (DTG) has resulted in TV audio access requirements being included in best practice guidelines (DTG U-Book) for digital TV.



Equality

Achievements and performance

Equality

In 2014/15 we spent
£6.0 million

relating to this objective.

We secured income of **£2.8 million** and the remainder came from voluntary income and reserves.

Our aim: Influence governments to bring about wider transformational change.

People with hearing loss don't always have the same access to services – and the opportunity to make the same life choices – as everyone else. That's why we're calling on the UK governments to take stronger action to improve accessibility.

Our impact:

- We made good headway, with our four-nations strategy work, to identify and bring about the changes needed in each part of the UK. Notably, we launched a Scottish Joint Sensory Strategy and, in Northern Ireland, our manifesto, produced in partnership with other deaf organisations, issued key asks for each government department. In Wales, the government is now working with us to draw up a plan for audiology and people with hearing loss.
- Work accelerated on the follow-up to our 2011 report *Hearing Matters* – our major analysis of and recommendations for hearing loss in the UK – and an accompanying four-nation influencing strategy, got underway.

Our aim: Target organisations to encourage them to be more accessible to people with hearing loss.

We live in a world where people with a hearing loss are still disadvantaged and discriminated against. Often, it's just a case of people being unaware of the simple actions they can take to improve communication with someone who has a hearing loss. We're determined to make people more deaf aware.

Our impact:

- We provided 116 Deaf Awareness and 41 Start to Sign training sessions to voluntary, private and public sector organisations.
- We awarded our Louder Than Words™ chartermark to the London Borough of Redbridge – the first time a local authority has received it across all its services and departments. Redbridge can confidently say it's achieved high accessibility standards for staff and customers with hearing loss and is striving for continuous improvement in this area. 233 people benefited from our employment-support meetings which support people to make informed decisions about the different choices available to them in employment, training, education and self-employment – a massive leap in demand.
- We also carried out 229 work-based assessments, where we advised employers on how best to support staff with hearing loss. Although this is a 9% decrease on last year, we did manage to outperform our target by 4%.
- The findings in our research report, *Hidden Disadvantage*, included new figures on the impact of hearing loss on employment opportunities – plus the experiences of people forced to retire early, and examples of the importance of employer attitudes. The report has been presented to key parliamentarians and policymakers, including the Chair of the Work and Pensions Select Committee.
- Access to Work (AtW) is a vital government-funded scheme that helps people with disabilities gain equal access to workplaces, but its future is under threat. We met with the Minister for Disabled People to discuss this, followed by regular discussions with DWP (Department for Work and Pensions) policy officials and AtW operational representatives to consider potential solutions to current challenges.
- We're delivering a pilot package of support as part of our 'managing hearing loss when seeking or in employment' project, funded by the Department for Business, Innovation and Skills. We've already developed an online information portal and ran a hearing loss workshop.
- We have produced a new resource for people who face barriers when visiting the cinema because of their hearing loss. This empowers them to constructively complain, in order to resolve issues, such as poor provision of subtitled screenings and a lack of assistive technology.



We first met Vinny Murray at the job club we were running at his school in Ayrshire. Vinny and some of his classmates are deaf or have hearing loss, so we were helping them to apply to college.

Vinny told us what he'd really love to be – a football coach. So one of our advisers contacted Kilmarnock, Vinny's local team, who agreed to take him on as a volunteer, coaching children with disabilities. He started in February 2014 and, in August, Vinny became a paid employee.

But Vinny didn't stop there. He also enrolled for a National Certificate in Football Coaching at Ayrshire College. To make sure he was prepared for the transition to college, he attended our 'College Preparation' course. "It really helped build my confidence and understanding of what to expect," he said.

During his first year at college, Vinny continued to coach Kilmarnock's Mini-Kickers – and ran their summer football club. He's also been accepted onto an Advanced Sports and Fitness course – taking him one step closer to his ultimate goal.

Our aim: Ensure people who are deaf have access to communication support and technology.

Getting the right communication support is a huge challenge for people with hearing loss. That's why we offer the services of a wide range of highly qualified communication professionals, including British Sign Language (BSL) interpreters, lipspeakers, notetakers, deafblind interpreters and speech-to-text reporters.

We believe that, with improved access to communication support and technology, people can avoid isolation.

Our impact:

- We delivered 17,000 sign language assignments to people who needed communication support, and over 1,000 assignments to people needing non-BSL or electronic support to communicate. Although a slight decrease (3%) compared to last year – reflecting the loss of contracts in Wales – across the UK we are now supporting more people than two years ago. We're currently reconfiguring our communication support business – and are negotiating with suppliers to provide remote captioning and video-relay services.
- We sold 103,000 products to help people with deafness, hearing loss or tinnitus maintain their independence. Despite these strong sales, our products business had a challenging financial year, as a result of the restructure in commercial services that will improve efficiency and future cost effectiveness.

A new world

Our products and services have a real and dramatic impact on people's lives:

Margaret Hill purchased an amplified cordless telephone:

"For the first time in years I can now hear 100% clearly what is said on the phone! I now really enjoy speaking to family and friends without pretending to hear what they say."

Jean Parry was very satisfied with a tinnitus relaxer:

"I was so relieved to receive it as it helps me deal with my loud tinnitus. I'm now able to get off to sleep."

L Poutney bought a neckloop-amplified, wireless TV listener:

"It has opened a new world for me. I can walk about the house and still hear the TV. Thank you for the splendid service from your staff."

E Gordon ordered an amplified mobile phone:

"It's wonderful. So easy to use and, more especially, to be able to hear. I've always used text, now I can speak. I'm thrilled! I'm going on 93 – thanks to your new catalogue for giving another extension to my life!"

"This was a fantastic [Deaf Awareness] course – engaging and extremely positive. As a result, we will be looking into other areas of accessibility for people who are deaf and hard of hearing in our organisation."

Octavia Housing, London

"Bellman & Symfon was delighted to enter into a new agreement with Action on Hearing Loss this year for the continuing distribution of our market-leading alerting and audio product ranges. Building on our successful 16-year relationship, we will work together to develop and deliver exciting, new, innovative technology to improve the lives of people in the UK who are deaf or have hearing loss."

Mark Catling, Area Sales Manager, UK and Ireland from Bellman & Symfon

Our future
plans

Our strategy: Taking action

Our national and local strategy sets out clearly how, by 2018, we will get closer to our vision of a world where deafness, hearing loss and tinnitus do not limit or label people – and where people value their hearing.

2014-15 was the second year of our five-year strategy. Here's how, in 2015-16, we will continue to deliver it. The three aims at the heart of our strategy remain our focus:

Support and Care

We will continue to provide tailored services for people with hearing loss in their communities, including hearing aid support, hearing screening, befriending and information services. We intend to extend these services to benefit more people.

We will continue to support people who are deaf with additional support needs, to have more choice, control and independence – and continue to put personalisation at the centre of this work.

We will influence government, commissioners, health professionals and providers so that people with hearing loss have easy access to a diagnosis, are provided quickly and effectively with the most appropriate devices and support, and receive high-quality aftercare to help them manage the condition. We will build public and political support for the introduction of hearing screening for people aged 65.



Technology and Treatments

We will continue to invest in building research capacity, fund world-class research and strengthen translational research to accelerate the development of new treatments and cures for hearing loss and tinnitus. We will generate excitement about the possibility of better treatments and cures.

We will improve our understanding of how technology can better meet the needs of people confronting deafness, tinnitus and hearing loss, and work with developers and manufacturers to catalyse the development of new technology that will allow people to live the life they choose.



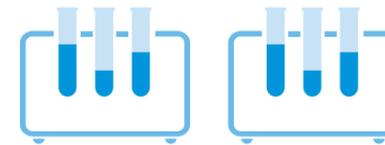
Equality

We will continue to ensure that people with severe hearing loss have the same access to services, and the opportunity to make the same life choices as everyone else, by improving access to key areas – and calling on UK governments to bring about wider transformational change.

We aim to **increase** the reach of our services by

10% 

We will invest a further **£1.6 million** in **cutting-edge research grants** and training to accelerate the development of new treatments.



We will publish a follow-up to our **2011 report *Hearing Matters*** – a major report on deafness, tinnitus and hearing loss in the UK – and make recommendations for governments, assemblies, and the public, private and voluntary sectors.

In order to achieve these aims:

- We will increase our income and maintain our sustainability by generating more income, and make all our work more effective by maximising the value of our brand.
- Our Commercial Services will expand their reach and make sure people have access to relevant organisations and products.
- We will make sure our internal support functions provide services that are effective and enable the organisation to achieve its goals. We will make sure our organisational culture is one that inspires employees and volunteers to achieve their goals.
- We will make sure the organisation is financially healthy and sustainable so that we can deliver our strategy.

Financial review

Financial Highlights 2014-2015

A positive year financially with our year-end finances being in line with budget

Income:
£37.1m

Expenditure:
£38.3m

Charitable services delivered the **ambitious growth planned in the budget**

Our fundraising investment recruited nearly **15,000** new supporters

Net fundraising income:
£6.6m



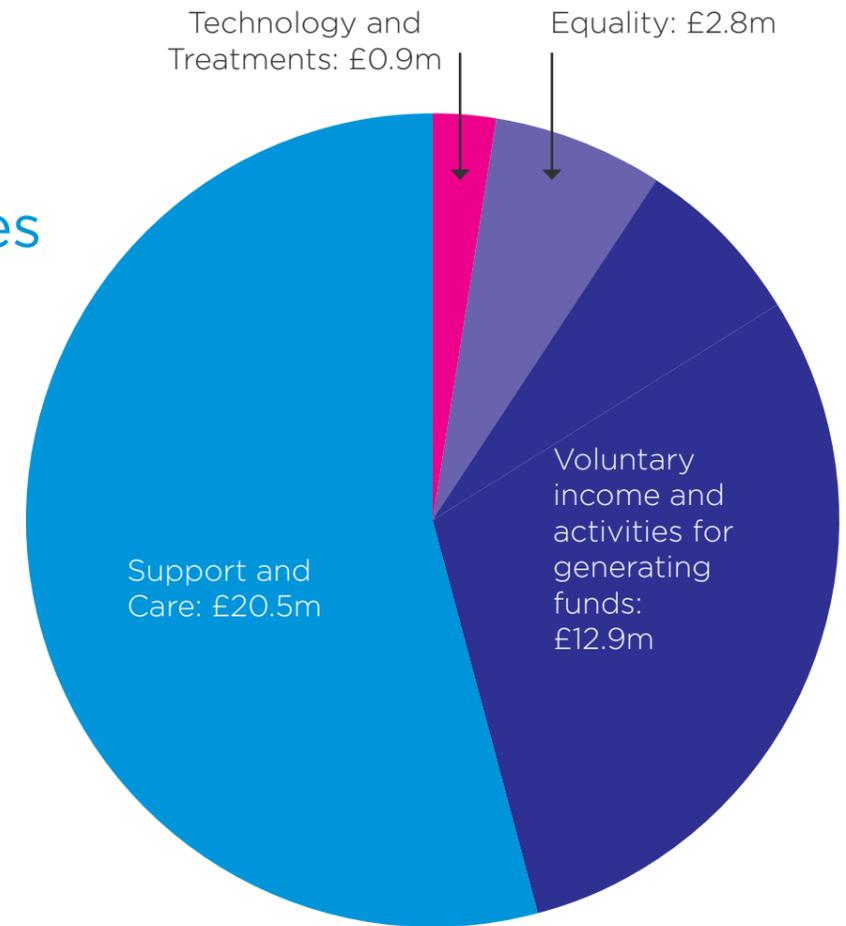
For every pound we spend, 12p is spent on fundraising

Expenditure control helped offset income challenges

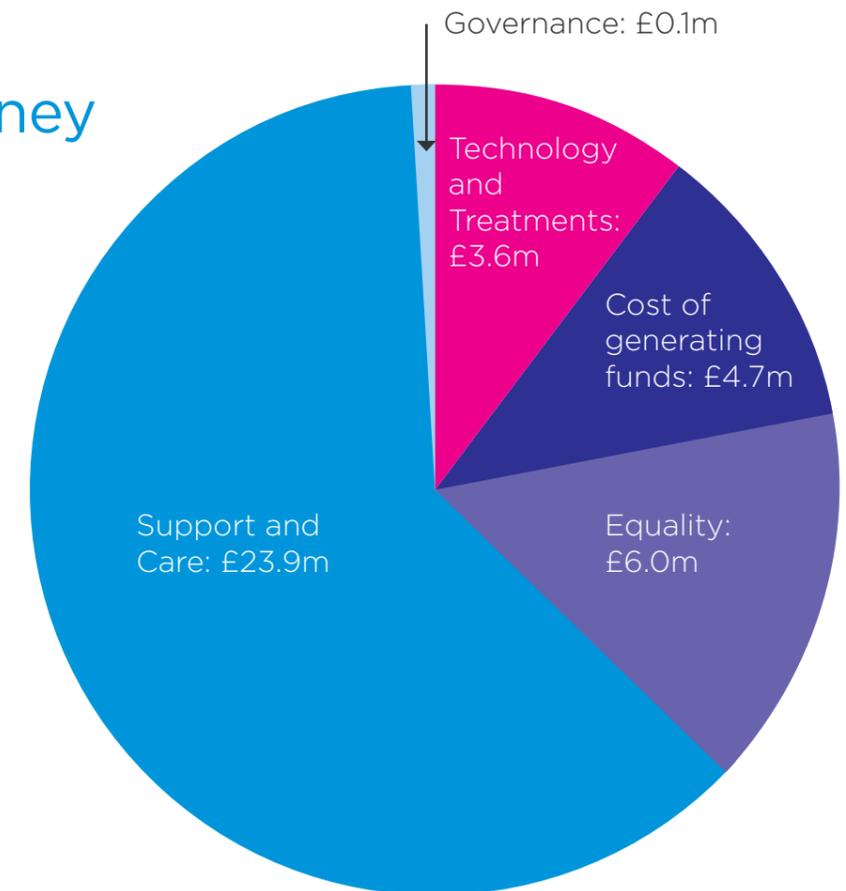


The **key challenge** was around commercial services, where a net loss of £0.7m was generated as a result of the major programme of change. But this will generate a more flexible and fit-for-purpose structure for the future.

Where our money comes from:



How our money is spent:



Overview

We delivered an operating deficit of £1.5m, which was in line with our budget. We delivered this due to our charitable services having delivered ambitious growth in line with our plans, and by growing fundraising income growth in comparison to the previous year.

It was a very challenging year for our commercial services, in particular, products, where a net loss of £0.7m was incurred due to a major change programme that will deliver a more flexible and fit-for-purpose structure for the future. Good budget management throughout the year allowed us to deliver the net position despite the challenges.

Income

Our total income for the year was £37.1m. This is marginally lower than in 2013/14 when we received income of £37.9m (excluding the income from the sale of our London head office of £9.2m). The incoming resources of £37.1m are made up of income generated from charitable activities: this comes mainly from fees, and voluntary income such as donations and legacies, and from commercial activities.

Voluntary income, including legacies, generated £11.3m this year in comparison to £10.7m in 2013/14.

Expenditure

Our overall expenditure decreased from £38.8m in 2013/14 to £38.3m in 2014/15. Expenditure on charitable activities was marginally lower in 2014/15 – a decrease of £0.4m, from £33.9m in 2013/14 to £33.5m in 2014/15.

Cost of generating funds

The total cost of generating funds, including investment manager costs, was £4.7m: a decrease of £0.2m from last year. So, for every pound we spend, 12p is spent on fundraising. This figure is the same as in 2013/14 but higher than in past years due to our planned investment in door-to-door fundraising, now in its second year, which will enable us to increase and diversify our voluntary income in the years ahead.

Balance sheet

Fixed assets have increased from £9.2m as at March 2014 to £9.5m as at March 2015. This increase of £0.3m is due to an increase in the value of our investment portfolio.

Current assets have decreased from £19.6m as at March 2014 to £17.5m as at March 2015, due to the decrease in cash as a result of the net outflow in the year particularly for our door-to-door investment, and an increase in the level of outstanding debt.

Current liabilities of £3.2m as at March 2015 are £0.4m lower than last year.

Pensions

We operate a funded pension scheme that has both defined-benefit and defined-contribution sections. We closed the defined-benefit section to new entrants on 1 October 2001 and closed it to new accruals on 31 March 2010.

The annually calculated notional surplus or deficit on the funding of the scheme is shown in the financial statements as the 'pension reserve' and is deducted from unrestricted funds in the balance sheet.

A detailed, actuarial, triennial valuation was carried out on 31 March 2012.

Following this, a revised funding plan was agreed with the members and the pension-scheme trustees.

The funding plan is a schedule of deficit-reduction payments designed to eliminate the deficit by 2031.

As part of the annual report and accounts-preparation process, an actuarial valuation was carried out on 31 March 2015 using the methodology recommended by Financial Reporting Standard 17. This valuation shows the market value of the scheme's assets to be £66.9m and the current value of the liabilities to be £79.9m. The net deficit on the scheme as at 31 March 2015 was £13.0m, compared with a net deficit of £13.1m as at 31 March 2014, in response to volatile market factors at the valuation date and the actuarial assumptions made. Further details are included in note 18.

A detailed, actuarial calculation, which is required by the pension scheme trustees on a triennial basis, is currently being carried out based on information as at 31 March 2015. This valuation will include the review and potential revision of contribution rates for scheme members and Action on Hearing Loss, as well as the review and potential revision of the required annual deficit-reduction payments that Action on Hearing Loss is required to pay to the scheme. These new contribution rates and schedules must be agreed within 15 months of the date of the actuarial valuation and details will be disclosed in the annual report and accounts next year, at which point the process will have been formally completed.

Reserves policy

Free reserves available for use exclude restricted and designated funds and the tangible fixed assets held as unrestricted funds. Free reserves also exclude any deficit reported on the pension scheme.

As a matter of policy, each year the Trustees review the value of the reserves required to be held in investments, cash and cash equivalents that are not restricted to any particular purpose. We also consider our exposure to the risk of any significant loss of income or unforeseen cost. A drop in income is the major risk that these reserves are held to mitigate against. We recognise that there is voluntary income risk in relation to the current economic climate; a social enterprise income risk given current market conditions and the changes experienced within public sector funding; and the volatility of the stock markets or other factors, leading to declining legacy values and reduced donations.

Free reserves excluding the pensions reserve and the designated funds:

	2015 £m	2014 £m
Total unrestricted funds	13.1	13.7
Less:		
Unrestricted tangible fixed assets	(4.3)	(4.2)
	8.8	9.5
Represented by:		
- investments	3.4	3.2
- current assets	8.9	9.7
- current liabilities	(3.5)	(3.4)
	8.8	9.5

The Trustees have agreed that free reserves should be in the range of between £5.0m and £7.0m with a target of £6.0m. Free reserves as at 31 March 2015 are above this because of the sale of the headquarters building in March 2014. The Trustees have agreed to continue investing substantially in the door-to-door fundraising programme, from reserves, as an income-growth and diversification strategy. This continual investment will bring free reserve levels back to within the policy range by the end of the 2015/16 year. A designated fund of £8m has been identified to support the purchase of a new headquarters building in the coming months.

The Trustees will continue to monitor the free reserves closely during 2015/16. In light of the above, our reserves level and our future plans, the Trustees consider it appropriate to prepare the financial statements on a going-concern basis.

The table below shows the change in free reserves from 31 March 2014 to 31 March 2015.

Investment policy and performance

Our investment objective for the charity's financial assets is to maximise long-term, total return with appropriate attention to risk management and our likely liquidity requirements. The asset allocation targets that have been set by the Board are:

Equities	45	-	65%
Fixed income	15	-	30%
Property	5	-	10 %
Alternatives	5	-	15 %
Cash	0	-	10 %

The actual allocations are shown in note 11 which demonstrates that the asset allocations at year end are within the target ranges shown above. The Board of Trustees has set the fund managers a series of additional limitations on the way the portfolio is managed, as follows:

- Fixed income assets should have a minimum rating of BBB with assets rated BBB not representing more than 10% for the fixed interest portfolio.
- Fixed income assets should have a maturity of seven years or less with a weighted average of no more than five years.

We expect and encourage our fund managers to take social, environmental and ethical considerations into account when assessing the suitability of investments, and when exercising the rights attached to our investments. The Board has an Investment Committee that reviews fund manager and investment performance on a regular basis.

Fund managers are assessed against a performance benchmark set by the Board of Trustees. The performance benchmarks are:

FTSE All-Share Index	40%
FTSE World (ex-UK) Index	20%
FTSE Gilts 0-5 Year	20%
IPD UK all Property	10 %
LIBOR +3%	10 %

Overall, the year to 31 March 2015 has been a positive year for investments, with a +9.95% total return for the year, compared with a benchmark return of +8.71%. The external conditions remain extremely volatile, however, and the Trustees intend to keep the investment approach under particular scrutiny during the year to 31 March 2016.

Risks and uncertainties

The Trustees continue to support a formal risk management process to assess business risks and implement risk management strategies through regular reviews and oversight by the Audit Committee. This has involved identifying the types of risk faced by Action on Hearing Loss, prioritising them in terms of potential impact and likelihood of occurrence and then identifying and implementing mitigation steps.

Strategic risk identification and oversight this year has focused on continued careful management of our financial position, improved regulatory reporting meeting changing requirements and a review and restructure of the commercial offering of the charity.

Action on Hearing Loss has a clear policy in relation to its strategic risk appetite, being more risk averse in terms of financial management and risk neutral in terms of supporting the aims of our beneficiaries. As Trustees we recognise that there remain uncertainties that could affect our risk mitigation strategy through uncontrollable external factors such as government policy and make-up and the wider economic climate.

In the year, key areas of strategic risk and mitigation strategies for Action on Hearing Loss are:

Risk	Mitigation
<p>Financial risk which includes:</p> <ul style="list-style-type: none"> • Not meeting our targets for unrestricted income • Loss of, or reduction of funding streams • Uncontrolled expenditure • Our free reserve position falling below the parameters set by the reserves policy. <p>These risks would reduce our capacity to deliver our strategy.</p>	<ul style="list-style-type: none"> • A detailed approach is taken to budget setting with development of financial plans that are reviewed and approved by the Board of Trustees. Regular detailed financial monitoring is carried out during the year and quarterly re-forecasts are prepared. Actions are taken to mitigate against budget income pressures, including effective cost management measures. • Regular monitoring of the impacts of austerity measures emanating from local authority and central government expenditure, mitigating associated risks by improving efficiencies and where necessary considering long-term viability of service delivery. • Implementing a new commercial services strategy and reviewing our fundraising strategies to maximise our unrestricted income streams. • Continuing to invest in diverse income-generating strategies to maintain and grow unrestricted income. • Proactive management of our pension fund obligations. • Prudent investment strategy managed by appointed external fund managers.

Governance risk

which includes:

- Lack of compliance to legal and regulatory requirements
- Conflicts of interest
- Lack of appropriate oversight or delegations of responsibility.

These risks could have an indirect impact on our operational delivery and the degree of regulatory scrutiny we may face.

- Trustees are recruited through open and transparent member elections or through advertisement and appointment of co-opted positions managed by the Board of Trustees Nominations Committee.
- Board of Trustees-approved delegated authority regularly reviewed and clearly communicated.
- Independent reporting framework to the Board of Trustees is maintained.
- We have reviewed and updated our compliance and regulatory reporting to reflect legislative and regulatory changes, examples being restrictive interventions, safeguarding and fraud reports.
- We have a number of monitoring tools in place such as a quality-monitoring system, an online complaints system, and online incident-reporting system. These existing tools will be valuable in supporting new requirements introduced by the Care Act 2014 effective from April 2015.

Brand protection and reputation risk which includes:

- Loss of brand value, reducing fundraising and influencing potential.
- Receiving damaging publicity.

We recognise that reputation and brand are essential to maximise support and organisational impact. If risks around these were to materialise, key stakeholders such as funders and beneficiaries may no longer wish to be involved with us, meaning that we would consequently be less able to achieve our desired impact.

- We protect our brand reputation by delivering a proactive and reactive communications and marketing strategy, and by ensuring appropriate training and policies are in place to govern external communications and social media.
- We work to engage stakeholders and people we support in our campaigns and the services we offer.
- We have an ethics and brand risk management policy that helps to ensure we form appropriate partnerships.
- We track complaints and feedback to ensure we are aware of potential issues.
- We are members of the Fundraising Standards Board and other professional standards bodies.
- We work to build our brand through marketing and by ensuring our values are embedded in our staff and external communications.

Asset Management - our people, money and property risks which include:

- Inability to recruit and retain people with the required skills and expertise.
- Not achieving best value from expenditure.
- Our infrastructure not being fit for purpose.

These risks would mean that we would be unable to effectively work towards our objectives, reducing our impact.

- Our most important asset is our people. So that we continue to recruit and retain people of the required calibre, we invest significantly in learning and development. We have person-centred recruitment policies and we have commenced a review of our pay and reward structure.
- We carry out an annual survey of our staff and volunteers and, from this, we develop and implement action plans to address key issues.
- We have reviewed and updated our Fraud Policy to reduce the risk of loss from the Charity.
- We are reviewing our property portfolio to ensure we maximise the value from our estate.

Structure, governance and management

Structure

Action on Hearing Loss is the trading name of the charitable company limited by guarantee, the Royal National Institute for Deaf People (RNID). It is registered as a charity (no. 207720 England and Wales and SC038926 Scotland). Action on Hearing Loss is governed by its Articles of Association, adopted on 14 May 1948, and last amended on 7 November 2008.

Action on Hearing Loss's objects are to promote and encourage the prevention and mitigation of deafness and the better treatment, education, training, employment and welfare of people who are deaf or hard of hearing, and generally to promote, safeguard, and protect the welfare of such people.

Action on Hearing Loss has a wholly owned subsidiary, RNID Activities Limited, which carries out non-charitable trading activities to raise funds for Action on Hearing Loss. During the financial year, it made an operating profit of £54,627 (2014: £49,569).

On 31 March 2013 Action on Hearing Loss merged with the Hearing Research Trust (known as Deafness Research UK), a charity whose core purpose was the

encouragement and support of hearing research, achieving this through the provision of grants for high-quality, UK-based hearing research. Two years on, we still have a long-term commitment to funding hearing research as a part of our organisational strategy, and the merger has and will continue to enable us to invest more in hearing research.

Public benefit

All of our activities are undertaken to further our charitable purposes for the benefit of the public. The Trustees use Charity Commission guidance on public benefit (section four of the Charities Act 2006).

Governance

Board of Trustees

The Board of Trustees is responsible for the overall governance of Action on Hearing Loss. Trustees are either elected or co-opted. The total number of Trustees may not exceed 14. Eight Trustees are elected directly by members and, of these eight, three seats are reserved for Trustees elected respectively by members resident in Wales, Northern Ireland and

Scotland. Six seats are allocated to co-opted Trustees who are not elected but appointed by the Board of Trustees. All Trustees are appointed for a term not exceeding three years, at the end of which they must retire but are then eligible for reappointment (either by election or by being co-opted). Trustees are not normally eligible to serve for more than two terms in total.

Effective partnership between Trustees and staff continues to contribute significantly to our success. Trustees are required to meet at least three times a year. In the year up to 31 March 2015, they met at four, quarterly board meetings and reviewed strategy and performance, and set our operating plan and the annual budget.

During the year we carried out a Board of Trustees diversity survey that helped the Trustees to understand its make-up and, importantly, help identify specific personal attributes, qualities, skills or knowledge that would benefit the Board when it seeks to recruit for vacant Trustee positions.

Four Trustees completed their terms of office during the year and stood down

– Ashley De Safrin, Professor Norman Black, Sir Peter Job and Sir Rodney Brooke. The Board of Trustees wishes to acknowledge its thanks and appreciation for their valuable contributions to the work of Action on Hearing Loss.

Board induction

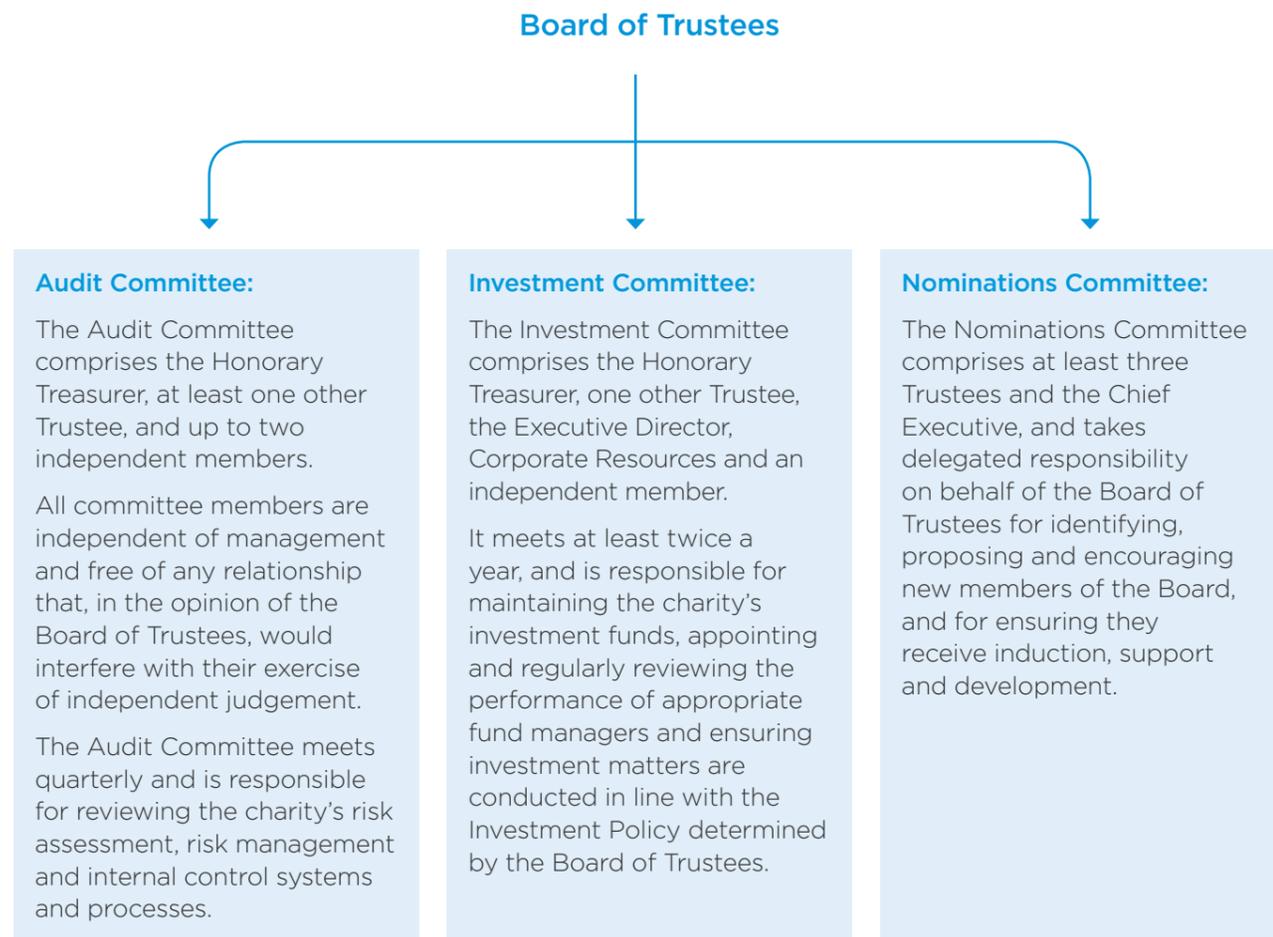
Four new Trustees joined us during the year – Eric Roux, Ingrid Gallen, Richard Jones, and Richard Turner. We are delighted to welcome them to the Board at this exciting time. New Trustees receive an induction pack containing detailed information about us, how we are organised, and our work. They are invited to spend time with the Executive Directors and to familiarise themselves with our activities, to prepare themselves for effective and informed decision-making.

Trustees are encouraged to attend training sessions to develop their knowledge and skills.

Committees of the Board

The Board delegates certain powers in connection with the charity's management and administration, as set out below. This delegation is controlled by requiring the committees to report back regularly to the Board, ensuring that all decisions made under delegated powers can be ratified by the full Board in due course.

All committees provide an annual report to the Board, outlining key areas of work undertaken and plans for future years.



Chief Executive:

The Chief Executive is responsible for the day-to-day management of Action on Hearing Loss and for implementing policies agreed by the Board of Trustees. The Chief Executive is assisted by five Executive Directors and nine Directors.

Country Advisory Groups

The Country Advisory Groups in Wales, Scotland and Northern Ireland each comprise a nominated Trustee who is the elected Trustee for the relevant country, representatives elected by members who are resident in the relevant country, and a number of co-opted members. Each Advisory Group is tasked with long-term planning for their country and advises the Country Directors on local priorities and issues.

Trustees	Audit Committee	Investment Committee	Nominations committee
Stephen Hill, Chairman			✓ (chair)
Harry McQuillan, Honorary Treasurer	✓ (chair)	✓ (chair)	
Caroline Ashley			✓
Professor Norman Black (to 7 November 2014)			
Conor Boland			
Sir Rodney Brooke (to 7 November 2014)	✓		
Peter Clarke			
Carol Cole			
Ingrid Gallen (from 7 November 2014)			
Win Griffiths			
Sir Peter Job (to 7 November 2014)		✓	
Richard Jones (from 7 November 2014)			
Janine Roebuck			✓
Eric Roux (from 7 November 2014)	✓	✓	
Ashley de Safrin (to 7 November 2014)	✓		✓
Quentin Summerfield			✓
Liz Tait	✓		
Richard Turner (from 7 November 2014)			

Executive Officers (as at 31 March 2015)

Chief Executive, Paul Breckell			✓
Executive Director, Corporate Resources and Company Secretary, Peter Robson		✓	
Executive Director, Commercial Services, Kate Bull			
Executive Director, Fundraising and Marketing, David Steadman			
Executive Director, Services, Louise Pritchard			
Executive Director, Biomedical Research, Sohaila Rastan			

Patron

HRH The Duke of York

Vice Presidents

Sir Malcolm Bruce
 Keith Butler-Wheelhouse
 Gerald Corbett
 Sir Rocco Forte
 Dame Evelyn Glennie
 Baroness Howe of Idlicote
 Peter Marks
 Sir John McTaggart
 Steven Norris
 Dame Esther Rantzen
 James Strachan
 Jack Straw
 Stephen Thomas

Management**Grant-making policy**

We award biomedical research grants to fund world-class research projects that will accelerate the development of medical treatments to prevent hearing loss, restore hearing and alleviate tinnitus. We also make grants to increase the numbers of trained research staff, build future research capacity and support small-scale activities that will strengthen the hearing research community. Universities, non-profit research institutes and technology-led small businesses from any country are eligible for funding, except where geographical and organisational-type restrictions are stated for specific funding schemes.

We widely publicise our calls for grant proposals. The proposals we receive are subjected to an appropriate level of expert peer review, typically involving independent external reviewers and an independent grant-review panel. We make the final decision about each award on the basis of this expert advice, the relevance

of the research to our Biomedical Research Strategy, and our available budget. We usually make payments every six months and review progress regularly. Everyone involved in the grant application process is asked to abide by our Biomedical Research Programme's Code of Conduct and Conflict of Interest Policy.

We occasionally award a small number of grants for social and technical research to help provide the evidence basis for campaigning and policy development. We also award grants to develop our library collection, currently housed and managed by University College London. Other details of grants payable are shown in Note 6 to the financial statements.

Employees, volunteers and members

We aim to be an organisation where employees feel fulfilled, supported and developed. Employees are kept fully informed about our strategy and objectives, as well as day-to-day news and events. Regular information about the organisation is available through meetings, briefings, monthly 'must know' posters and our intranet site - The Loop. All employees are encouraged to give their suggestions and views on performance and strategy. We create a variety of opportunities for staff to feed back, including an annual survey.

We support equal opportunities, and hold both the Investor in People standard and the Two Ticks 'positive about disability' symbol. We follow a policy of recruitment and promotion on the basis of aptitude and ability without discrimination. We pursue the employment of disabled people and the continued employment and retraining of employees who become disabled during employment with us.

We are committed to the training, career development and promotion of all employees. We assess an individual's career development with an annual appraisal and regular one-to-one meetings. We provide training programmes to meet any ongoing needs, with the aim of developing employees for both their current and potential future roles. We particularly seek to encourage employees with hearing loss to play an active role in developing both the organisation and themselves, with specific training courses to meet this need. At the end of the financial year, 16.0% (2014: 19.5%) of our staff were disabled or had a hearing loss.

We recognise the invaluable work that our members and volunteers do on our behalf and the part they play in contributing to the achievement of our shared objectives. There are 1,400 dedicated volunteers actively involved in supporting our services throughout the UK, and we thank all our members, campaigners and donors for contributing their time and energy to supporting ongoing campaigns and fundraising activities.

Principal professional advisers**Solicitors**

Bates Wells and Braithwaite
 2-6 Cannon Street
 London EC4M 6YH

External auditor

PricewaterhouseCoopers LLP
 1 Embankment Place
 London WC2N 6RH

Investment managers

Smith & Williamson
 25 Moorgate
 London EC2R 6AY

Statement of Trustees' responsibilities

The Trustees (who are also Directors of the Royal National Institute for Deaf People – trading name of Action on Hearing Loss – for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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 judgments and estimates that are reasonable and prudent

- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going-concern basis, unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of 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.

In so far as the Trustees are aware:

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

By order of the Board of Trustees – the Annual Report (incorporating the Strategic Report) has been approved by the Board of Trustees and signed on its behalf by:



Stephen Hill
Chairman

Action on Hearing Loss is the trading name of the Royal National Institute for Deaf People.

Principal and Registered office: 19-23 Featherstone Street, London EC1Y 8SL

10 September 2015

Independent auditors' report

To the members and trustees of the Royal National Institute for Deaf People – trading name of Action on Hearing Loss

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- 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 2015 and of the group's incoming resources and application of resources, including its income and expenditure and the group's cash flows for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The group financial statements and parent charitable company financial statements (the 'financial statements'), which are prepared by the Royal National Institute for Deaf People, comprise:

- the group and parent charitable company balance sheet as at 31 March 2015.
- the consolidated statement of financial activities (incorporating an income and expenditure account) for the year then ended.
- the group cash flow statements for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ('ISAs (UK & Ireland)'). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material

misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the group's and the charitable company's circumstances and have been consistently applied and adequately disclosed.
- the reasonableness of significant accounting estimates made by the Trustees; and
- the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received Under the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Trustees' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

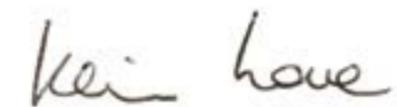
Responsibilities for the financial statements and the audit

Our responsibilities and those of the Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 52 and 53, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members and Trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Kevin Lowe

(Senior Statutory Auditor)

for and on behalf of
PricewaterhouseCoopers LLP

Chartered Accountants and
Statutory Auditors

London

28 September 2015

Financial statements

Financial Statements

Consolidated statement of financial activities

Company number: 454169.

For the year ended 31 March 2015 (incorporating an income and expenditure account).

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2015 £'000	Total Funds 2014 £'000
Incoming resources from generated funds					
Voluntary income					
Donations, gifts and unrestricted grants		3,110	124	3,234	2,963
Legacies		7,850	203	8,053	7,729
Activities for generating funds					
Weekly lottery		551	-	551	600
RNID Activities Limited	9	63	-	63	58
Other incoming resources		771	-	771	1,823
Surplus from sale of fixed assets		64	-	64	9,198
Investment income	2	180	8	188	145
Incoming resources from charitable activities					
Support and Care		19,127	1,335	20,462	20,572
Technology and Treatments		374	540	914	879
Equality		2,497	334	2,831	3,123
Total incoming resources		34,587	2,544	37,131	47,090
Resources expended					
Cost of generating funds					
Fundraising costs		4,679	-	4,679	4,849
RNID Activities Limited		9	-	9	z 8
Investment Management costs		19	-	19	9
		4,707	-	4,707	4,866
Net incoming resources available for charitable application		29,880	2,544	32,424	42,224

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2015 £'000	Total Funds 2014 £'000
Charitable activities					
Support and Care		21,783	2,141	23,924	25,710
Technology and Treatments		2,481	1,095	3,576	2,993
Equality		5,598	386	5,984	5,175
Total cost of charitable activities		29,862	3,622	33,484	33,878
Governance costs		88	-	88	81
Total resources expended	4	34,657	3,622	38,279	38,825
Net (outgoing)/incoming resources before other recognised gains and losses	3	(70)	(1,078)	(1,148)	8,265
Realised (loss)/gain on investments		(15)	-	(15)	88
Net (expenditure)/income		(85)	(1,078)	(1,163)	8,353
Other recognised gains and losses					
Unrealised gains on investments		259	-	259	31
Actuarial loss on defined benefit pension schemes	18	(621)	-	(621)	(1,528)
Net (outgoing)/incoming resources before transfers		(447)	(1,078)	(1,525)	6,856
Gross transfers between funds		3	(3)	-	-
Net movement in funds		(444)	(1,081)	(1,525)	6,856
Fund balances brought forward at 1 April		8,634	3,386	12,020	5,164
Fund balances carried forward at 31 March		8,190	2,305	10,495	12,020

The notes on pages 62 to 83 form part of these financial statements. All amounts reflected above relate to continuing activities. There are no other gains or losses in the current or preceding year.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

There is no material difference between the (deficit) on ordinary activities before taxation and the (deficit) for the financial year stated above and their historical cost equivalents.

Balance sheets

Company number: 454169. For the year ended 31 March 2015.

	Note	Group		Charity	
		2015 £'000	2014 £'000	2015 £'000	2014 £'000
Fixed assets					
Tangible assets	10	6,038	5,952	6,038	5,952
Investments	11	3,502	3,234	3,502	3,234
Total fixed assets		9,540	9,186	9,540	9,186
Current assets					
Stocks and work in progress	12	588	515	588	515
Debtors	13	5,956	4,547	6,017	4,608
Short-term deposits		10,887	11,608	10,887	11,608
Cash at bank and in hand		-	2,888	-	2,821
Total current assets		17,431	19,558	17,492	19,552
Creditors					
Amounts falling due within one year	14	3,253	3,625	3,247	3,619
Bank overdrafts and short-term borrowings		263	-	330	-
Net current assets		13,915	15,933	13,915	15,933
Total assets less current liabilities (ex. pension liability)		23,455	25,119	23,455	25,119
Defined benefit pension scheme liability	18	12,960	13,099	12,960	13,099
Net assets including pension liability	17	10,495	12,020	10,495	12,020
The funds of the charity					
Endowment funds	19	68	68	68	68
Restricted income funds	19	2,237	3,318	2,237	3,318
		2,305	3,386	2,305	3,386
Unrestricted income funds excluding pension liability		12,923	13,758	12,923	13,758
Designated fund	19	8,000	8,000	8,000	8,000
Revaluation reserve		227	(25)	227	(25)
Pension reserve		(12,960)	(13,099)	(12,960)	(13,099)
Total unrestricted income funds		8,190	8,634	8,190	8,634
Total charity funds		10,495	12,020	10,495	12,020

These financial statements were approved by the Board of Trustees and authorised for issue on 10 September 2015.

The notes on pages 62 to 83 form part of these financial statements.



Stephen Hill
Chairman

Harry McQuillan
Honorary Treasurer

Consolidated cash flow statement

Company number: 454169. For the year ended 31 March 2015.

	Note	2015 £'000	2014 £'000
Net cash outflow from operating activities	21	(3,438)	(843)
Returns on investments and servicing of finance			
Interest paid		(10)	(19)
Interest received		83	59
Dividends received		105	86
Net cash inflow from returns on investments and servicing of finance		178	126
Capital expenditure and financial investment			
Purchase of property		(330)	(366)
Purchase of other tangible fixed assets/work in progress		(488)	(232)
Proceeds from sale of tangible fixed assets		230	11,643
Purchase of fixed asset investments		(952)	(3,761)
Sale of fixed asset investments		928	5,639
Cash (outflow)/inflow from capital expenditure and financial investment		(612)	12,923
Net cash (outflow)/inflow before management of liquid resources and financing		(3,872)	12,206
Management of liquid resources			
Decrease/(Increase) in short-term deposits		721	(10,362)
Net cash inflow/(outflow) from the management of liquid resources		721	(10,362)
(Decrease)/Increase in cash	23	(3,151)	1,844
Cash at 1 April		2,888	1,044
(Decrease)/Increase in cash		(3,151)	1,844
Cash at 31 March		(263)	2,888

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with applicable accounting standards in the United Kingdom.

In preparing the financial statements Action on Hearing Loss complies with "Accounting and Reporting by Charities" Statement of Recommended Practice (SORP) 2005, Charities Act 2011, the Companies Act 2006 and to Charities Accounts (Scotland regulations 2006) and Charities and Trustee Investment (Scotland) Act 2005 and consistently applied accounting policies.

After making enquiries, the Trustees have a reasonable expectation that Action on Hearing Loss has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined, in the Statement of Trustees' Responsibilities on pages 52 to 53.

Basis of consolidation

The consolidated financial statements incorporate the results of Action on Hearing Loss ("the Charity") and its subsidiary undertaking on a line by line basis. The consolidated entity is referred to as "the Group". No separate company Statement of Financial Activities (SoFA) has been prepared for the Charity as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The Charity's loss for the financial year of (£1,148,000), (2014: Profit of £8,265,000), is the same as the group result as the subsidiary's profits are

remitted to the Charity under Gift Aid regulations.

Incoming resources

Donations and gifts are accounted for on a received basis. Legacies are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable certainty. Pecuniary legacies are recognised as receivable once probate has been granted and notification has been received. For residuary and reversionary legacies, entitlement is established once the charity has been notified of an impending distribution, including notification of legacy payments after year end where the distribution was agreed by the personal representative prior to the year end.

Grant income

Revenue grants are credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless they relate to a specific future period, in which case they are deferred.

All other income is accounted for on an accruals basis.

Donated services and gifts in kind over £20,000 are included as both income and expenditure in the relevant category.

Resources expended

All resources expended are accounted for on an accruals basis. 'Charitable activities' includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been apportioned as a percentage of staff employed on the relevant service. Governance costs are those associated

with constitutional and statutory requirements. Support costs include the central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Grant commitments

Action on Hearing Loss Policy:

Grants are generally made to organisations to facilitate research into hearing loss and tinnitus. Grants payable are charged to the SoFA when a constructive obligation exists, that is when the recipient has been informed they will receive payment. The full value of the charitable grant is not recognised as a creditor but is disclosed as a future commitment.

Deafness Research UK Policy:

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classed under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the trust. The grants are accounted for where either the Trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the trust.

Both accounting policies are largely consistent and the only reason for the difference is due to the terms of the contract, with Action on Hearing Loss's generally stating a six-month review period rather than a 12-month review period with Deafness Research UK

contracts. Therefore, the suggested accounting policy to cover both entities has been noted below:

Joint accounting policy:

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the charity. The grants are accounted for where either the Trustees have agreed to pay the grant without condition or any condition attaching to the grant is outside the control of the charity. The full value of the charitable grant is not recognised as a creditor but is disclosed as a future commitment.

Tangible fixed assets

All assets costing more than £5,000 are capitalised. All purchased assets are recorded at cost. All gifted assets are valued at date of receipt.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets on a straight line basis over their expected useful lives at the following annual rates:

Freehold and long-leasehold properties:	at least 2%
Improvements to freehold and long-leasehold properties:	4%
Short-leasehold properties:	over lease term
Fixtures, fittings & furniture:	20%
Computer equipment:	20%
Other equipment:	20%
Motor vehicles:	20%

No depreciation is provided on freehold land or assets in the course of construction.

Investments

Investments are recorded in the balance sheet at their market value at the Balance Sheet date. Gains and losses are recognised in the SoFA. Realised gains and losses are calculated as the difference between disposal proceeds and the opening market value of the investment, or cost if purchased during the year. Unrealised gains and losses represent the movement in market value during the year.

Stocks

Stocks are valued at cost and this is reviewed on an annual basis. Items are written down completely or partially after this review if it is felt that they are not saleable or only saleable at a discount.

Operating leases

Rentals paid under operating leases are charged to the SoFA on a straight line basis over the lease term.

Pension costs

Action on Hearing Loss operates three funded pension schemes in the UK. One scheme has both defined benefit and defined contribution sections and the others just have defined contribution sections. The first scheme is accounted for under FRS 17 "Retirement Benefits".

The defined benefit pension scheme current service costs together with the scheme interest cost less the expected return on the scheme assets for the year are charged to the SoFA within staff costs. The scheme actuarial gains and losses are recognised immediately after net incoming/(outgoing) resources for the year within other recognised gains and losses.

The defined benefit scheme assets are measured at fair value at the balance sheet

date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

Contributions to the defined contribution scheme are charged to the SoFA in the period to which they relate.

Accrual of benefits under the defined benefit section of the Scheme ceased with effect from 31 March 2010.

Liabilities

Liabilities are recognised when Action on Hearing Loss has an obligation to make payment to a third party. Grants payable are included in the period when the conditions are met by the receiving entity and a constructive obligation exists.

The grants usually require satisfactory progress reports from the project. Grants authorised but unpaid at the balance sheet date are disclosed as commitments in note 6 where conditions remain unfulfilled by the intended recipient.

Funds

Unrestricted funds are those funds which are expendable at the discretion of the Trustees in furtherance of the charity's objects. Designated funds are unrestricted funds that the Trustees of the Charity have set aside, out of general funds, and comprise sums set aside to buy a new property.

Restricted and endowment funds are subject to specific restrictions imposed by the donor or by the nature of the appeal.

Transfers between funds - these may arise when there is a charge from unrestricted funds to other funds or there is a release of restricted funds to unrestricted funds.

Foreign exchange

Transactions in foreign currencies are translated at the rate of exchange prevailing at the time of transaction.

Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date.

Foreign exchange gains and losses incurred are included in the SoFA within

charitable activity expenditure for the period in which they are incurred.

Taxation

The activities of the Charity and its charitable subsidiary are exempt from corporation taxation under section 505 of the Income and Corporation Taxes Act 1988 to the extent that they are applied to the organisation's charitable objects. The trading subsidiary does not generally pay UK corporation tax because their policy is to pay taxable profits as Gift Aid to the Charity. Irrecoverable VAT is included in the cost of those items to which it relates.

2. Investment income

	2015 £'000	2014 £'000
Income from listed investments - UK	105	86
Interest received - bank	82	34
Interest received - investments	1	25
	188	145

3. Net incoming/(outgoing) resources before other recognised gains and losses

This is stated after charging/(crediting):

	2015 £'000	2014 £'000
Interest payable:		
bank loans and overdrafts wholly repayable within five years	10	19
Depreciation	566	656
(Profit)/Loss on disposal of fixed assets	(64)	(9,195)
Payments under operating leases:		
land and buildings	869	1,055
other	149	299
External auditors' remuneration:		
statutory audit fee	51	53
other non-audit fees - grant return audit	2	2
Tax advisory services	9	3

4. Analysis of total resources expended

	Direct costs		Support costs		Total 2015 £'000	Total 2014 £'000
	Staff £'000	Other £'000	Staff £'000	Other £'000		
Cost of generating funds						
Fundraising costs	1,424	2,966	135	154	4,679	4,849
RNID Activities Limited	-	9	-	-	9	8
Investment management fees	-	19	-	-	19	9
	1,424	2,994	135	154	4,707	4,866
Charitable activities						
Support and Care	13,072	5,634	2,448	2,770	23,924	25,710
Technology and Treatments	836	2,544	92	104	3,576	2,993
Equality	2,113	3,337	251	283	5,984	5,175
	16,021	11,515	2,791	3,157	33,484	33,878
Governance costs	-	88	-	-	88	81
Total resources expended	17,445	14,597	2,926	3,311	38,279	38,825
Total resources expended 2014	17,590	14,902	3,362	2,971	38,825	

5. Support costs

Basis of allocation: by staff number

	Corporate & management	Finance & Strategy directorate	Information systems	People, Learning & development	Risk, legal & property	Total 2015 £'000	Total 2014 £'000
	£'000	£'000	£'000	£'000	£'000		
Fundraising	35	47	49	60	98	289	337
Support and Care	627	844	884	1,088	1,775	5,218	5,250
Technology and Treatments	24	32	33	41	66	196	186
Equality	64	86	91	111	182	534	560
Total	750	1,009	1,057	1,300	2,121	6,237	6,333
Total 2014	1,108	1,133	953	1,320	1,819	6,333	

6. Grants payable

The aggregate amount of grants made during the year ended 31 March 2015, analysed by recipient, was:

Analysis	Institution	Number of grants 2015	2015	2014
			£'000	£'000
Medical research into hearing loss	University College London	39	397	513
	Kings College London	8	161	82
	Otomagnetics	2	98	48
	Acies Bio	2	97	47
	Washington University in St Louis	3	71	-
	MRC Cognition and Brain Sciences Unit	3	54	-
	MRC Harwell	2	50	-
	University of Indiana	2	49	24
	University of Melbourne	2	49	25
	University of Manchester	4	47	74
	Newcastle University	1	47	7
	MRC Institute of Hearing Research	2	46	-
	University of Leicester	3	44	70
	John Hopkins University Central Lockbox	2	37	41
	University of California	1	34	68
	Keele University	2	29	5
	University of Sheffield	4	28	34
	Radboud University Medical Centre	1	27	-
	University of Sussex	4	27	37
	Purdue University	1	26	-
Cincinnati Children's Hospital Medical Center	1	24	49	
Harvard Medical School	1	22	43	
Nottingham University	3	22	21	
Washington State University	1	20	69	
University of Southampton	2	13	15	
Cardiff University	1	12	24	
Oxford University	1	12	80	
Plymouth University	2	6	-	
Subtotal		100	1,549	1,376

6. Grants payable (continued)

		Number of grants 2015	2015 £'000	2014 £'000
Analysis	Institution			
Medical research into hearing loss (continued)	Subtotal brought forward from page 67	100	1,549	1,376
	The Commonwealth Society for the Deaf	1	5	-
	Rutgers University	1	5	-
	State University of New York	1	5	-
	University Hospital Antwerp	1	5	-
	University of Michigan	1	5	-
	University of Western Ontario	1	5	-
	Medical Research Council	1	2	146
	University of Southern California	1	2	-
	University Medical Centre Groningen	-	-	22
	Boston University	-	-	5
	Louisiana State University & A & M College	-	-	5
	MRC Institute of Hearing Research	-	-	5
	Southern Illinois University School of Medicine	-	-	5
	University of Buenos Aires	-	-	5
	University of Glasgow	-	-	5
	University of Illinois	-	-	5
	Tel Aviv University	-	-	5
	Western University Toronto	-	-	5
	British Society of Audiology	-	-	2
	University of Cambridge	-	-	1
		108	1,583	1,592
Welfare, education and training for deaf and hard of hearing people	University College London	1	22	31
	The Ear Foundation	1	5	-
	Midland Regional Association for the Deaf	-	-	3
		2	27	34
Medical research into hearing loss	Individual Grants			
	ARO Conference Bursary Award	8	5	10
		8	5	10
	Total grants	118	1,615	1,636

Of the total grant funding made during the year, £1.6m related to biomedical research projects. In addition to the above, the Charity expects to fund future grants totalling £2,523,171, which have been awarded subject to satisfactory reviews during the course of the project being funded. These have not been provided for in Action on Hearing Loss's financial statements. The expenditure for grants sits mainly within the 'Technology and Treatments' line for charitable expenditure

within the SoFA. Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Charity. The grants are accounted for where either the trustees have agreed to pay the grant without condition or up to the point at which the conditions have been fulfilled. The key condition is a regular review by the Charity, and this can be on a 6-month or 12-month basis, as specified in the grant award letter.

7. Employees

	2015 £'000	2014 £'000
Staff costs consist of:		
Wages and salaries	17,950	18,435
Social security costs	1,392	1,448
Other pension costs	1,491	1,378
	20,833	21,261
The above figures include temporary and agency staff employed by Action on Hearing Loss at a cost of £842,087 (2014: £566,022)		
The average monthly number of employees during the year was made up as follows:	2015	2014
Support and Care	615	607
Technology and Treatments	23	22
Equality	63	65
Fundraising	34	39
Finance, human resources, information systems and administration	63	69
	798	802
The average monthly number of employees on full-time equivalent basis during the year was:	685	720
No. of employees receiving gross salaries over £60,000		
£60,001 to £70,000	1	2
£70,001 to £80,000	-	-
£80,001 to £90,000	3	3
£90,001 to £100,000	-	-
£100,001 to £110,000	2	1

None of these employees (2014: zero) is in the defined benefit pension scheme, and six (2014: six) are in the defined contribution pension scheme. Contributions in the pension year to the defined contribution scheme were £68,984, in respect of six employees (2014: six with contributions of £23,350).

As at 31 March 2015 the Chief Executive of Action on Hearing Loss was the highest paid member of staff. In the year to 31 March 2015 he received remuneration of £108,308 (2014: £108,308) and was a member of the defined contribution pension scheme.

There is a remuneration pay strategy in place that governs the level of pay for all members of staff. There was no change to the Chief Executive's pay and benefits during the year.

The Board of Trustees directly sets the pay of the Chief Executive. It also agrees the pay policy and process for the organisation.

The policy defines a pay structure that sets pay levels, these being benchmarked at regular intervals.

8. Trustees' remuneration

None of the members of the Board of Trustees received any remuneration during this year or last year.

During the year, seven Trustees (2014: eight) received reimbursements of non-private travel and subsistence expenditure amounting to £4,841 (2014: £3,614).

There were no related party transactions during the year.

9. Subsidiary company

Action on Hearing Loss owns 100% of the issued share capital of trading company RNID Activities Limited. The charity's investment in RNID Activities Limited is £2.

The year end of RNID Activities Limited is 31 March 2015.

RNID Activities Limited is a trading subsidiary of the charity handling fundraising events, commercial mailing list brokering agreements and commercial sponsorship partnerships.

As it is a wholly owned subsidiary, related party transactions between RNID Activities Limited and Action on Hearing Loss are exempt from disclosure under FRS 8.

RNID Activities Limited turnover for the year ended 31 March 2015 was £63,437 (2014: £57,579), cost of sales were £508 (2014: £428), administration expenses were £8,303 (2014: £7,582), which left an operating profit of £54,627 in 2015 (2014: £49,569).

10. Tangible assets – Group and Charity

	Freehold	Long leasehold	Short leasehold	Total property	Fixtures, fittings & furniture	Computer equipment	Other equipment	Total other	Grand total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost									
At 1 April 2014	7,127	243	204	7,574	2,914	3,692	804	7,410	14,984
Additions	266	-	64	330	36	11	-	47	377
Work in progress	-	-	-	-	-	441	-	441	441
Disposals	(267)	-	-	(267)	(69)	(1)	(4)	(74)	(341)
At 31 March 2015	7,126	243	268	7,637	2,881	4,143	800	7,824	15,461
Accumulated depreciation									
At 1 April 2014	2,455	48	145	2,648	2,608	2,976	800	6,384	9,032
Charge for year	175	8	17	200	146	218	2	366	566
Disposals	(105)	-	-	(105)	(65)	(1)	(4)	(70)	(175)
At 31 March 2015	2,525	56	162	2,743	2,689	3,193	798	6,680	9,423
Net book value									
At 31 March 2015	4,601	187	106	4,894	192	950	2	1,144	6,038
At 31 March 2014	4,672	195	59	4,926	306	716	4	1,026	5,952

Although the policy for tangible fixed assets is to account for them at historic cost less accumulated depreciation, Action on Hearing Loss commissions valuations of its major freehold and leasehold properties at regular intervals. The charity's major properties were last valued at 31 March 2010 by an external professional valuer. This valuation indicated that the market value of the properties on an existing use basis was higher than their net book value. The Trustees consider that there have been no material changes since this valuation, therefore no provision for impairment is deemed necessary.

Assets under construction are accounted for at cost. They are not depreciated until they are brought into use. Within computer equipment are assets under construction with a cost of £441,009 (2014: £110,481) and property improvement with a cost of £Nil (2014: £25,575).

The headquarters building was disposed of the previous year and has been leased back for a period of up to three years, while a new headquarters is acquired.

11. Fixed asset investments

	2015 £'000	2014 £'000
Group and Charity		
Value of investment portfolio at 1 April	3,234	4,993
Additions	952	3,761
Disposals	(928)	(5,639)
Realised (losses)/gains on investments	(15)	88
Unrealised gains on investments	259	31
Market value at 31 March	3,502	3,234
Represented by:		
Listed securities:		
Direct UK equities	984	830
Direct overseas equities	518	470
UK corporate bonds	499	565
UK government bonds	134	65
UK equity funds	280	204
Overseas equity funds	481	393
UK property funds	298	450
Infrastructure	191	151
Multi-asset Funds	117	106
	3,502	3,234
Cost at 31 March	3,275	3,259
Included in the portfolio are the following individual investments which represent more than 5% by value of the total fund.		
Cash	218	415
BlackRock UK property	298	329

12. Stocks and work in progress – Group and Charity

	2015 £'000	2014 £'000
Equipment and publications	588	515

13. Debtors

	Group		Charity	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Trade debtors	3,718	2,470	3,718	2,470
Gift Aid donation due from RNID Activities Limited	-	-	55	50
Other debtors	143	14	149	25
Prepayments and accrued income	2,095	2,063	2,095	2,063
	5,956	4,547	6,017	4,608

14. Creditors: amounts falling due within one year

	Group		Charity	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Trade creditors	861	753	861	753
Taxation and social security	360	352	360	352
Other creditors	226	413	226	413
Accruals	1,456	1,685	1,450	1,679
Deferred income	350	422	350	422
	3,253	3,625	3,247	3,619
Deferred income 1 April	422	394	422	394
Deferred income raised	332	325	332	325
Deferred income released	(404)	(297)	(404)	(297)
Deferred income 31 March	350	422	350	422

15. Legacies

The Trustees have been notified that the Charity is a beneficiary of a number of estates for which the amounts to be paid to the Charity have not yet been confirmed. In view of the uncertainty over the amounts that may be received, the Trustees have concluded that the conditions for recognition of these legacies have not yet been met and, accordingly, these legacies are not reflected in these financial statements. Provisional estimates indicate a potential value of these legacies of £5.4m (2014: £4.7m).

16. Capital Commitments – Group and Charity

As at 31 March 2015, Action on Hearing Loss had capital expenditure authorised and contracted in respect of freehold property of £48,093 (2014: £57,281) and other assets of £Nil (2014: £131,814).

These figures are provided for in the financial statements for the year ended 31 March 2015.

17. Analysis of group net assets between funds

	Unrestricted funds	Restricted funds	Endowment funds	Total funds 2015	Total funds 2014
	£'000	£'000	£'000	£'000	£'000
Fund balances at 31 March are represented by:					
Tangible fixed assets	4,399	1,639	-	6,038	5,952
Investments	3,434	-	68	3,502	3,234
Current assets	16,833	598	-	17,431	19,558
Current liabilities	(3,516)	-	-	(3,516)	(3,625)
Pension liability	(12,960)	-	-	(12,960)	(13,099)
Group net assets	8,190	2,237	68	10,495	12,020

18. Pension scheme

Action on Hearing Loss operates a funded pension scheme in the UK (the "Scheme"). The scheme has both defined benefit and defined contribution sections, although the defined contribution section is relatively small. Pension benefits in the defined benefit section are related to the member's final salary at retirement (or earlier if they leave the Scheme before retirement) and their length of service. Accrual of benefits under the defined benefit section of the Scheme ceased with effect from 31 March 2010.

The pension cost that would have been charged to operating surplus under FRS17 for the year amounts to £308,000 (2014 pension cost: £370,000). This charge is equal to the contributions of £308,000 (2014: £370,000) paid by Action on Hearing Loss in respect of the defined contribution section of the Scheme.

Contributions to the Scheme for the year beginning 1 April 2015 are expected to be £938,000, plus contributions to the Defined Contributions scheme. Except where stated otherwise, the remainder of the FRS 17 pensions note relates only to the Defined Benefit Section of the Scheme.

A full actuarial valuation of the Scheme was carried out at 31 March 2015 by a qualified, independent actuary.

The funding plan is a schedule of 12 monthly deficit reduction payments that started in 2009, designed to eliminate the deficit by 2031.

18. Pension scheme (continued)

	2015	2014
	£'000	£'000
A. The amounts recognised in the balance sheet are as follows:		
Present value of funded obligations	(79,851)	(66,980)
Fair value of plan assets	66,891	53,881
Deficit	(12,960)	(13,099)
Liabilities	(12,960)	(13,099)
Net liability	(12,960)	(13,099)
B. Changes in the present value of the scheme liabilities:		
Opening liabilities	66,980	66,219
Interest cost	2,637	2,573
Actuarial (gains)/losses	10,832	(757)
Benefits paid	(1,694)	(1,706)
Increase in defined contribution section liabilities	1,096	651
Liabilities at end of year	79,851	66,980
C. Changes in the fair value of the scheme assets:		
Opening fair value of scheme assets	53,881	54,022
Expected return on defined benefit section assets	2,486	2,313
Actuarial (losses)/gains	10,211	(2,285)
Contributions by employer	911	886
Benefits paid	(1,694)	(1,706)
Increase in defined contribution section assets	1,096	651
Fair value of scheme assets at the year end	66,891	53,881
D. The amounts included within the Statement of Financial Activities are as follows:		
Expected return on scheme assets	2,486	2,313
Interest on pension liabilities	(2,637)	(2,573)
Total amount charged within net incoming/(outgoing) resources	(151)	(260)
Actuarial losses	(621)	(1,528)
Total amount charged to the Statement of Financial Activities	(772)	(1,788)
	2015	2014
	£000	£000
The actual return on the scheme assets in the year	12,697	28

18. Pension scheme (continued)

	2015 £'000	2014 £'000
E. The major categories of scheme assets as a percentage of total scheme assets are as follows:		
Equities and property	23%	27%
Fixed interest	41%	38%
Index-linked gilts	12%	10%
Insured annuities	1%	1%
Cash	5%	2%
Other	5%	8%
Defined contribution scheme	13%	14%
F. Principal assumptions used by the actuary were (in nominal terms):		
Discount rate at 31 March	3.30%	4.50%
Rate of increase in salaries	n/a	n/a
Future LPI pension increases	3.00%	3.40%
Revaluation in deferment	3.00%	3.40%
Inflation assumption	3.00%	3.40%
Assumed life expectations on retirements at age 65:		
Retiring today - males	22.4	22.3
Retiring today - females	24.7	24.6
Retiring in 20 years - males	24.2	24.1
Retiring in 20 years - females	26.7	26.6

G. The amounts for the current and previous years are as follows:

	2015 £000	2014 £000	2013 £000	2012 £000	2011 £000
Present value of scheme liabilities	79,851	(66,980)	(66,219)	(60,206)	(50,808)
Scheme assets	66,891	53,881	54,022	49,030	44,839
Deficit	(12,960)	(13,099)	(12,197)	(11,176)	(5,969)
Experience adjustments on scheme liabilities	(10,832)	757	(3,730)	(7,456)	140
Experience adjustments on scheme assets	10,211	(2,285)	2,206	1,451	527
Cumulative actuarial losses shown in the SoFA	(14,303)	(13,682)	(12,154)	(10,630)	(4,625)

18. Pension scheme (continued)

H. Expected return on assets

The assumptions used in determining the overall expected return of the scheme assets have been set with regards to yields available on government bonds, corporate bonds, bank base rates and incorporating appropriate risk margins. The fair value of the Scheme's assets, which are not

intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the Scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain, were:

	Long-term rate of return expected at 31/3/2015 p.a.	Fair value at 3/31/2015 £'000s	Long-term rate of return expected at 31/3/2014 p.a.	Fair value at 31/3/2014 £'000s
Equities and property	5.20%	15,600	6.60%	14,369
Fixed interest	3.35%	27,198	5.10%	20,544
Index-linked gilts	2.20%	7,956	3.60%	5,520
Insured annuities	3.30%	789	4.50%	729
Cash	0.50%	3,128	0.50%	1,049
Other	5.20%	3,578	6.60%	4,124
Overall expected return on defined benefit section assets	3.65%	-	5.41%	-
Defined contribution section assets	-	8,642	-	7,546

19. Group/Charity statement of funds

Designated

	Note	Balance 1 April 2014 £'000	Incoming resources and gains £'000	Outgoing resources £'000	Balance 31 March 2015 £'000
Property purchase fund		8,000	-	-	8,000
Total designated - Group and Charity		8,000	-	-	8,000

Property purchase fund: The purpose of this fund is to purchase a new building as the headquarters of Action on Hearing Loss was sold on 24 March 2014.

19. Group/Charity statement of funds (continued)

Restricted and endowment funds

	Balance 1 April 2014 £'000	Incoming resources and gains £'000	Outgoing resources £'000	Transfers £'000	Balance 31 March 2015 £'000
Restricted					
	Balance b/f	Incoming resources	Outgoing resources	Transfers	Balance c/f
The Bath Charity	1,676	-	(37)	-	1,639
Research into the Improvement of Hearing Aids	-	58	-	-	58
Healthier Lives Northern Ireland	67	199	(208)	-	58
Hear to Meet Wales	32	110	(106)	-	36
Harlow Trust Fund	36	-	(1)	-	35
Glasgow Integrated Sensory Services	26	52	(44)	-	34
Isle of Wight Befriending	35	20	(21)	-	34
In Touch	24	104	(95)	-	33
Hear to Help Leeds	-	35	(10)	-	25
Pathway to Lipreading Scotland	30	38	(46)	-	22
Hear to Meet in Kirklees	50	-	(28)	-	22
Hear to Help Wales	26	161	(169)	-	18
Ayrshire and Arran Integrated Sensory Services	51	6	(44)	-	13
On the Move	32	20	(42)	-	10
BIS Lipreading	18	30	(38)	-	10
SHSCT Hear to Help	-	43	(35)	-	8
Tinnitus Service Northern Ireland	3	46	(45)	-	4
Hear to Help in London	-	30	(27)	-	3
Hear to Care	-	34	(31)	-	3
Hear to Help in The Belfast Health and Social Care Trust area	-	47	(46)	-	1
Richardson Trust	433	8	(441)	-	-
Restricted to the general objects of Deafness Research UK	316	-	(316)	-	-
Legacy to be used for the benefit of people in the Canterbury area	125	-	(125)	-	-
Biomedical - delivery of drugs through the tympanic membrane	32	-	(32)	-	-
Northumberland Information Volunteering Project	28	57	(85)	-	-
Subtotal	3,040	1,098	(2,072)	-	2,066

Restricted and endowment funds

	Balance 1 April 2014 £'000	Incoming Resources and gains £'000	Outgoing resources £'000	Transfers £'000	Balance 31 March 2015 £'000
Restricted					
	Balance b/f	Incoming resources	Outgoing resources	Transfers	Balance c/f
Subtotals brought forward	3,040	1,098	(2,072)	-	2,066
Tayside Integrated Sensory Service	14	20	(31)	(3)	-
Hear to Help (Outreach volunteer project) Northern Ireland	10	51	(61)	-	-
Borders Local Integrated Sensory Services	9	42	(51)	-	-
General Biomedical Research	-	142	(142)	-	-
Legacy restricted to Tinnitus Research	-	66	(66)	-	-
NI Employability Programme	-	61	(61)	-	-
General Biomedical Research restricted to the UK	-	60	(60)	-	-
Legacy restricted to Biomedical Research	-	60	(60)	-	-
Provision of Sensory Services Northern Ireland	-	47	(47)	-	-
South of Tyne Hear to Help	-	45	(45)	-	-
Hear to Help Service in Southern Trust area of Northern Ireland	-	43	(43)	-	-
Youth Volunteering in Wales	-	37	(37)	-	-
General Research into Tinnitus	-	34	(34)	-	-
Other restricted Funds	245	738	(812)	-	171
Restricted funds	3,318	2,544	(3,622)	(3)	2,237
Endowed					
The Wennington Charity	68	-	-	-	68
Endowed funds	68	-	-	-	68
Total funds	3,386	2,544	(3,622)	(3)	2,305

The purpose of these restricted funds is explained on pages 80 and 81.

19. Group/Charity statement of funds (continued)

The Bath Charity is restricted to providing relief for the charitable needs of deaf and hard of hearing people by the provision of services.

Research into the Improvement of Hearing Aids is a grant which could help the 6.5 million people over 60 with age-related hearing loss.

Healthier Lives Northern Ireland is run in partnership with the Education and Guidance Service for Adults and the Employers Forum on Disability Northern Ireland to ensure more than 725 deaf and hard of hearing people in Northern Ireland achieve their full potential.

Hear to Meet Wales supports older people with hearing loss, and those at risk of experiencing loneliness, to overcome the barriers of social exclusion by providing a mutually supportive relationship to build confidence and aid accessibility to community services.

The Harlow Trust provides funding for deaf and hard of hearing people to participate in financial qualification courses.

Glasgow Integrated Sensory Services support people with sensory impairment living in the Greater Glasgow and Clyde area by strengthening existing structures, introducing additional support services such as Hear to Help, and by raising awareness and the profile of sensory impairment in the region.

Isle of Wight Befriending Service supports those made isolated through hearing loss and other long-term conditions, using staff and volunteers, by providing practical support and advice, build mutually supportive relationships to building confidence and develop existing services.

The In Touch project aims to help deaf and hard of hearing people across Northern Ireland and specifically targets those people living in the community and in residential accommodation.

Hear to Help Leeds is a volunteer-led service which provides hearing aid support on a one-to-one basis and in drop-in settings in Leeds. It also provides information on hearing equipment and other services available for local people with hearing loss.

Pathway to Lipreading Scotland, under the direction of the Scottish Lipreading Strategy Group, aims to understand existing evidence, triggers and best timing to access lipreading classes and develop a multi-agency pathway to lipreading classes.

Hear to Meet in Kirklees is funded by Kirklees Council and supports older people with hearing loss, and those at risk of isolation and experiencing loneliness, to overcome the barriers of social exclusion. They are doing this through delivering befriending and information activities such as drop-in sessions to build confidence and aid accessibility to community services. They work with other agencies and charities in order to extend their reach.

Hear to Help Wales is a volunteer-led service which provides hearing aid support on a one-to-one basis and in drop-in settings in communities across Wales.

Ayrshire and Arran Integrated Sensory Services is delivered in partnership with RNIB and supports people with sensory impairment living in the Ayrshire and Arran area by strengthening existing structures, introducing additional support services such as Hear to Help and by raising awareness and the profile of sensory impairment in the region.

On the Move provides funding for improving the health, wellbeing and life skills of, and increasing access to information and services for deaf and hard of hearing people. The project works with other agencies to provide information and advice on the provision of healthcare, social care, education, training, employment and leisure. It will also fund delivery of a programme of accredited training courses, develop a user forum, support work placements and encourage peer support within central Scotland.

BIS Lipreading aims to assess the benefits of accessing a package of lipreading and hearing support for those wishing to move into or remain in employment.

SHSCT Hear to Help provides hearing aid support on a one-to-one basis and in drop-in settings across the Southern Health and Social Care Trust area.

Tinnitus Service Northern Ireland aims to run tinnitus courses across Northern Ireland enabling people to understand how to cope and manage their condition.

Hear to Help in London is a volunteer-led service which provides hearing aid support on a one-to-one basis and in drop-in settings in communities across London.

Hear to Care aims to improve the long-term care and support for older people in care settings.

Hear to Help in The Belfast Health and Social Care Trust area is a volunteer-led service which provides hearing aid support on a one-to-one basis through home visits and drop-in centres.

The Richardson Trust is restricted to providing accommodation and services for deaf and hard of hearing people in the north of England.

This fund is restricted to general expenditure relating to **Deafness Research UK**.

The legacy is to be used for the **benefit of people in the Canterbury area**.

This fund is restricted to biomedical research for **delivering drugs through the tympanic membrane**.

Northumberland Information Volunteering Project is led by a Regional Volunteer Manager and team of volunteers to provide information to help deaf and hard of hearing people, their families and professionals working with them in the community.

Glasgow Outreach In partnership with RNIB, Glasgow City Council and NHS Glasgow, this funding is used to develop the existing integrated access to sensory equipment through a community outreach and training scheme.

Hear to Help Northern Ireland is a volunteer-led service which provides hearing aid support on a one-to-one basis and in drop-in settings in communities across Northern Ireland.

Age Related Hearing Loss Research funding aims to identify molecular processes that could be targeted with drugs to prevent this form of hearing loss, making it a problem of the past.

The **General Biomedical Research** fund furthers the work to find treatments and cures for hearing loss and deafness.

This funds research into silencing **tinnitus**.

NI Employability Programme supports people across Northern Ireland to enter employment.

Gateshead and South Tyneside Sight Service is a befriending and information service to enable older people with sensory loss to meet their peers and have access to information and support on managing their sensory loss.

This fund furthers our **Biomedical Research** work to find treatments and cures for hearing loss and deafness.

Provision of Sensory Services Northern Ireland funds our sensory work in Northern Ireland where we support people who are deaf, deafened, deafblind or have a hearing loss.

South of Tyne Hear to Help is a volunteer-led service which provides hearing aid support on a one-to-one basis and in drop-in settings in communities south of the Tyne.

Hear to Help in Southern Trust area of Northern Ireland is a volunteer-led service which provides hearing aid support on a one-to-one basis and in drop-in settings in communities.

Youth Volunteering in Wales funds our youth volunteering programme in Wales.

General Research into tinnitus funds research into silencing tinnitus.

Other restricted funds comprises 59 restricted funds providing income in support of Action on Hearing Loss activities.

20. Commitments under operating leases

Group and Charity

As at 31 March 2015, Action on Hearing Loss had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings £'000	2015 Other £'000	Land and buildings £'000	2014 Other £'000
Operating leases which expire:				
Within 1 year	549	58	848	59
In 2-5 years	293	91	119	240
After 5 years	27	-	88	-
	869	149	1,055	299

21. Reconciliation of net outgoing resources to net cash outflow from operating activities

	2015 £'000	2014 £'000
Net (outgoing)/incoming resources for the year	(1,148)	8,265
Interest paid	10	19
Interest received	(83)	(59)
Dividends received	(105)	(86)
	(1,326)	8,139
Depreciation charge for year	566	656
(Proceeds) from sale of fixed assets	(64)	(9,198)
(Increase) in stocks	(73)	(152)
(Increase)/Decrease in debtors	(1,409)	52
(Decrease)/Increase in creditors	(372)	286
Pensions reserve funding deficit movements	(760)	(626)
Net cash outflow from operating activities	(3,438)	(843)

22. Reconciliation of net cash to movement in funds

	2015 £'000	2014 £'000
(Decrease)/Increase in short-term deposits	(721)	10,362
(Decrease)/Increase in cash	(3,151)	1,844
Change in net funds resulting from cash flow	(3,872)	12,206
Movement in net funds in the year	(3,872)	12,206
Cash and short-term deposits at 1 April 2014	14,496	2,290
Net funds at 31 March 2015	10,624	14,496

23. Analysis of changes in net funds

	At 1 April 2014 £'000	Cash flows £'000	At 31 March 2015 £'000
Short-term deposits	11,608	(721)	10,887
Cash at bank and in hand	2,888	(3,151)	(263)
	14,496	(3,872)	10,624

24. Corporation tax

As a charity, Action on Hearing Loss is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

25. Post balance sheet event

Included in the charity and groups fund are £8m of designated funds for the purchase and relocation of a new head office. After the balance sheet date, on 17th August 2015 the charity completed on the purchase of a freehold property in London for £6,650,000. The remaining designated fund balance is for all costs associated with the design, fit out and relocation to the new head office property.

Acknowledgements

We are grateful to the following funders who have given generously the following grants, donations, sponsorship and gifts in wills during the financial year.

Big Lottery Fund

(this funding is restricted)

Healthier Lives for Deaf and Hard of Hearing People - Northern Ireland

Hear to Help (Outreach Volunteer Project) - Northern Ireland

Hear to Help - Wales

Hear to Meet - Wales

In Touch Project - Northern Ireland

Northumberland Information Volunteering Project - England

On the Move - Scotland

Statutory

Abertawe Bro Morgannwg University Health Board

Aneurin Bevan University Health Board

Belfast Health & Social Care Trust (BHSCT) - Hear to Help

Cardiff and Vale University Health Board

Cwm Taf University Health Board

Department of Business, Innovation and Skills (BIS) - Managing hearing loss in the workplace project

Department of Health - Hear to Care

Department of Health, Social Services & Public Safety (DHSSPS)

Disability Employment Services (DES) - Employability Programme for Deaf People

Dundee Community Health Partnership - Tayside Hear to Help

Dundee Community Regeneration Fund - Tayside Hear to Help

East Dunbartonshire Council - Glasgow Hear to Help

Help for Health Trust - Hull Local Community Support

Health & Social Care Board (HSCB) - Hearing Loss Awareness Campaign

Health & Social Care Board (HSCB) - Tinnitus Service

National Health Service - North Dorset Hear to Help

Northern Health & Social Care Trust (NHSCT) - Hear to Help

Public Health Agency

- Public Health Hearing Campaign
Scottish Government

Scottish Government - Lipreading

South Eastern Health & Social Care Trust (SEHSCT) - Community Services

South Eastern Health & Social Care Trust (SEHSCT) - Hear to Help Service

Southern Health & Social Care Trust (SHSCT) - Hear to Help

Voluntary Action Fund - Glasgow Hear to Help

Welsh Government - Equality and Inclusion in Wales

Western Health & Social Care Trust (WHSCT) - Sensory Support Services

European Fund

European Social Fund (ESF) & Department of Employment & Learning (DEL) - Employability Programme for Deaf People

Special EU Programmes Body - Sensory Engagement Programme

Trusts

Adint Charitable Trust - Biomedical Research

The Charles Wolfson Charitable Trust - Biomedical Research

CLEAR Project - Mindfulness Training

The Colt Foundation - Biomedical Research

The Constance Travis Charitable Trust - Biomedical Research

The Dickinson Charitable Trust

The Edith Murphy Foundation - Biomedical Research

Esme Mitchell Trust - Information Service Northern Ireland

The Eveson Charitable Trust - Biomedical Research

The Galanthus Trust - Biomedical Research

The Haberdashers' Company - Wandsworth and Lewisham Hear to Help

The Hospital Saturday Fund - Biomedical Research

The Inman Charity - Biomedical Research

The Liz and Terry Bramall Foundation - Leeds Hear to Help
- Manchester Hear to Help

The Nora and Olive Brewer Memorial Trust

Oticon Foundation - Borders Local Integrated Sensory Services (BLISS)

Philip and Marjorie Robinson Charitable Trust - Biomedical Research

The Robertson Trust - Scottish Borders Hear to Help

Rosetrees Trust - Biomedical Research

Santander Foundation - North of Tyne Hear to Help
- Birmingham Hear to Help

Sylvia Waddilove Foundation UK - Biomedical Research

Ted & Dorothy Banfield Trust - Biomedical Research

Corporate

3M

Advanced Communications Solutions Limited (ACS)

The Bar Library - Information Service Northern Ireland

Bombardier Aerospace (NI) Foundation - Information Service Northern Ireland

Boots Hearingcare

Ulster Bank Staff Charity Fund - Harkness Gardens Care Home

Willis Group

We remember with deep gratitude the 347 donors who left gifts to us in their wills in 2014/15. Every legacy gift is truly appreciated. Sadly, we cannot list all of them so we would like to acknowledge one of them as an indication of our gratitude to him - Geraint M Evans.

Many other organisations, trusts and individuals have given generously during the year and we are very grateful to all our supporters. This funding enables us to continue our vital work for people confronted by deafness, tinnitus and hearing loss.

Major donors

Dr Roger J Allport

Steven Bloomfield

Keith and Pam Butler-Wheelhouse

Sir Naim Dangoor CBE and Family

Richard Desmond

Melanie and Stephen Edge

Stephen Hill

The Kilfinan Trust

MariaMarina Foundation

Marston Family Foundation

John and Ann-Margaret Walton

Dr Susan Wilson

How can we help each other?

How we can help you

One in 6 of the British population suffers from hearing loss, so the chances are that, if you don't suffer from hearing loss yourself, you know someone who does. We have a wide range of services that could help.

Information, resources and forums:

Take a look at our informative website actiononhearingloss.org.uk to find out more about what we do, to access our up-to-date online resources – or to visit our forums to share ideas with, and gain support from, other people who have hearing loss and/or tinnitus.

Information Line: You can contact us for information or advice by calling our free helpline on [0808 808 0123](tel:08088080123). This is a great place to start if you want information on any aspects of deafness, hearing loss or tinnitus, or about our services and how we could help you or your friends and family.

Products and equipment: You'll be amazed at how many ways our products can make life easier, safer and more enjoyable. Visit our online shop: actiononhearingloss.org.uk/shop

Or call:

Products [03330 144525](tel:03330144525)

Textphone [03330 144530](tel:03330144530)

Text relay [18001 03330 144525](tel:1800103330144525)

After-sales support team [03330 144485](tel:03330144485)

Training, consultancy and work-based

assessments: Our deaf awareness training, start to sign training and work-based assessments help to ensure that the workplace and public places are accessible for people who are deaf or have hearing loss. For more information:

Tel: [03330 2405658](tel:033302405658)

Email: access.solutions@hearingloss.org.uk

Web: actiononhearingloss.org.uk/accessolutions

Locate and Rate Hearing Services:

If you need a hearing service, we want you to make an informed choice.

Locate and Rate enables you to search for hearing services in your area, both NHS and private, and see how other people have rated it. Visit Locate and Rate actiononhearingloss.org.uk/locateandrate.

How you can help us

We can't do what we do without donations and our dedicated volunteers. Join our brilliant cause and help us to achieve even more in 2015/16.

Volunteer: Our 1,400 volunteers bring skills, experience, energy, enthusiasm and commitment to Action on Hearing Loss – and volunteering can make a difference in your life too, enabling you to meet new people and learn new skills. To find out more about volunteering, email volunteering@hearingloss.org.uk

Become a member:

Join us today! Become a member and stay connected. From just £12.50 a year you'll receive our award-winning quarterly magazine, packed full of news and views. Be kept up-to-date with all the very latest research into treatments and cures, read about others' real-life experiences, and pick up great tips and advice. You'll even receive a discount from our product catalogue and online shop.

You'll also have the chance to connect with thousands of people sharing their experiences of deafness, tinnitus and hearing loss. For more information, and to sign up to be a member, visit our [website](http://actiononhearingloss.org.uk).

Raise funds for us: Whether you have 10 minutes or 10 days, if you want to go it alone or as part of a group, there are countless ways you can do your part and have fun at the same time, while making a difference to those with deafness, tinnitus and hearing loss. We love finding new and different ways to raise money. So, if you are bursting at the seams with a totally original idea and want to come up with your own event or challenge – then go for it! After all, it is all about raising money your way. We have Regional Fundraising Managers throughout the UK who would be delighted to help you every step of the way.

As well as organising your own fundraising event, why not nominate us as your business or community group's Charity of the year? You could even share your birthday or anniversary with us and take part in Celebration giving. Or simply adopt a collection tin to place locally. For more information or to register your interest email: events@hearingloss.org.uk

Donate now: You can make a one-off donation or set up a regular direct debit actiononhearingloss.org.uk/donate.

Campaign: Campaign with us to make things better for people who are deaf or have a hearing loss, and encourage others to value their hearing. We speak to politicians, public services, fellow charities, businesses, and the general public so we can make a difference to people's lives. Visit the campaign pages actiononhearingloss.org.uk/campaigns to read more about what we're doing, and how to get involved.

Become a supporter: We are always looking for enthusiastic volunteers to help our fundraising efforts – whether you wish to join or lead a fundraising group or would like to help at one of our planned collections, we would be delighted to hear from you. Email events@hearingloss.org.uk to get involved.



“I love helping others with the same disability – and we all learn from each other, too.”

Climbing out of her black hole

“I’ve worn hearing aids for 18 years but it’s only in the last six months that my husband Stewart really understands what it’s like for me.

“It’s very easy to isolate yourself when you have a hearing loss. I’ve certainly done it – in particular, when all the grandchildren are here, round the dinner table. They get it more, now, but in the past, when I’ve tried to keep up with the conversation and I’ve said, ‘What was that?’ and the response is ‘Oh, it doesn’t matter’, then I’d disappear into the kitchen. Stewart would call it my ‘black hole’...”

Jenny’s life’s been transformed by her hearing aids and she now volunteers for us: “I can relate to the people who come in” [to our Brighton Resource Room].

“They start by saying, ‘I can hear people, but...’ and I respond: ‘But you can’t understand what they’re saying?’ Then I show them my hearing aids and their shoulders visibly relax and it all tumbles out.”

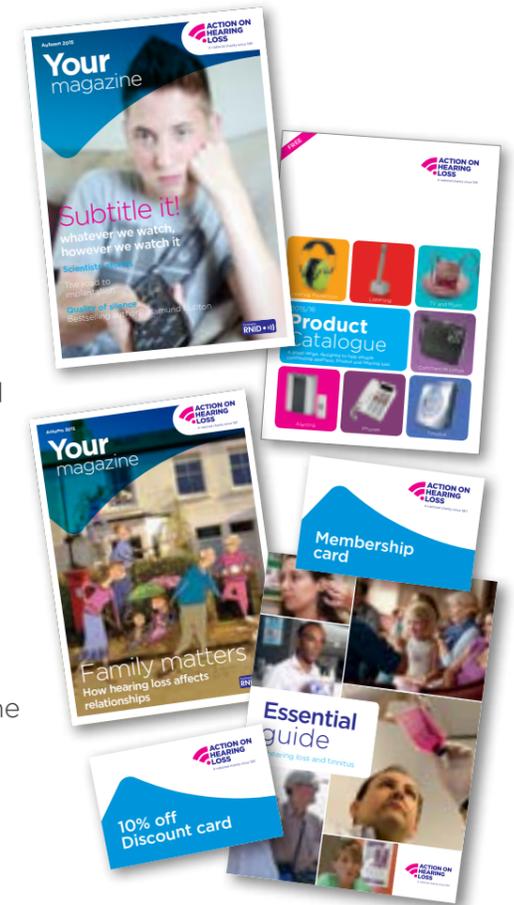
**Volunteer Jenny Macintosh,
East Sussex**

Join us

Become a member today!

From just £12.50 a year you will receive all these fantastic benefits:

- The Action on Hearing Loss quarterly magazine packed with:
 - Expert tips on everything from how to manage tinnitus to how to get the best from your hearing aid
 - Product reviews and advice from industry professionals
 - Inspiring real-life stories
 - Ground-breaking research news
- A fantastic 10% discount on orders over £40 from our catalogue or online shop
- Monthly e-bulletin – the **Soundbite** email brings you the latest news on research, products and local services
- Influence our future direction by voting in trustee elections.



It’s so easy to join:

- Fill in the form below and overleaf – choose to pay by direct debit or credit/debit card or cheque.
- Call **020 7296 8264** or textphone **020 7296 8246**
- Visit www.actiononhearingloss.org.uk/join

Your details: (please print in block capitals)

Name:

Address:

Postcode:

Date of birth:

Text/Tel. number*:

Email*:

*By providing my details I confirm that I am happy to receive email, SMS and telephone communications from Action on Hearing Loss about their vital work.

Please select a payment option below

- Payment by Direct Debit** Please fill in form overleaf
- Payment by credit/debit card or cheque**
- £22.00** Standard rate **£15.00*** Concession rate

*Concession rate applies if you are retired, unwaged or a full-time student

- I enclose a cheque/PO made payable to Action on Hearing Loss

Or:

- I would like to pay by credit/debit card
- Visa** **Mastercard** **Maestro (Switch)**

Card no.

Expiry date / Issue no.

Security code*

*Last three digits on the signature strip on the back of the card.

Signature Date

Action on Hearing Loss values your support and promises to respect your privacy. The data we gather and hold is managed in accordance with the Data Protection Act (1998). We would like to keep you informed about our vital work and how you can help. If you do not want to receive this information, please let us know by emailing supporterservices@hearingloss.org.uk or by writing to us at: Supporter Services, Action on Hearing Loss, 19-23 Featherstone Street, London EC1Y 8SL.

Please send your completed form to:
Freepost RTLS-HYHS-RUJA, Action on Hearing Loss, 19-23 Featherstone Street, London EC1Y 8SL

Together we can improve the lives of 10 million people living with hearing loss...



Research towards better treatments



Campaigning for equal rights

Membership isn't just about marvellous magazines; it's about staying connected. As a member of Action on Hearing Loss, you'll be joining thousands of other like-minded people who care about deafness, tinnitus and hearing loss – and want to make a real difference!

Join today by completing the form below or you can join online at

www.actiononhearingloss.org.uk/join



Local hearing aid support

104 years of impact

1911

Leo Bonn, a deaf merchant banker, establishes the National Bureau for Promoting the General Welfare of the Deaf.



1939



During World War II we send out hearing aids to deaf prisoners of war which can be converted into miniature radio receivers.

1948



We successfully lobby for the NHS to provide free hearing aids and batteries UK-wide.

1957



Our first helpline, Personal Advice Bureau, is launched.

1958



HRH The Duke of Edinburgh becomes our Royal patron.

2000



Working in partnership NDCS, hearing screening for new born babies is introduced.

2004



Our first community hearing aid support project is launched.

2012



Research breakthrough: hearing restored by growing new nerve cells in gerbils' ears.

2015



We respond successfully to unprecedented threats, in some areas, to stop providing free hearing aids on the NHS.

Payment by Direct Debit

Please fill in your Direct Debit information opposite and your personal details overleaf.

I would like to make a payment of:

- £12.50 Concession rate*
- £17.50 Standard rate

Each year from the:

- 1st
- 15th

of the next available month

*Concession rate applies if you are retired, unwaged or a full-time student

Instruction to your Bank/Building society to pay by Direct Debit

Please complete the below form and return to: Freepost RTLS-HYHS-RUJA, Action on Hearing Loss, 19-23 Featherstone Street, London EC1Y 8SL



Service user number

2 5 0 9 0 1

Name and full postal address of your Bank/Building Society.

To the manager Bank/Building society

Address

Postcode

Name(s) of account holder(s)

Branch sort code Bank/building society account number

Reference

Please pay Action on Hearing Loss Direct Debits from the account detailed in this instruction subject to the safeguards assured by the Direct Debit Guarantee. I understand that this instruction may remain with Action on Hearing Loss and if so details will be passed electronically to my Bank/Building Society.

Signature(s) Date

Banks and Building Societies may not accept Direct Debit Instructions for some types of account.

giftaid it

Make your membership and donations worth 25% more at no extra cost to you!

Please tick one box only.

Yes, I would like Action on Hearing Loss to treat all donations I have made for the four years prior to this year and all donations I make in the future as Gift Aid donations until I notify you otherwise. I confirm that I have paid or will pay Income Tax and/or Capital Gains Tax for each tax year (6 April one year to 5 April the next) that is at least equal to the amount of tax that all the charities or Community Amateur Sports Clubs (CASCs) that I donate to will reclaim on my gifts for that tax year. I understand that other taxes such as VAT and Council Tax do not qualify. I understand the charity will reclaim 25p of tax on every £1 that I have given.

No, I am not a UK taxpayer.

Our purpose is to help people confronting deafness, tinnitus and hearing loss to live the life they choose. We enable them to take control of their lives and remove the barriers in their way.

To find out more about what we do and how you can support us, go to www.actiononhearingloss.org.uk

Action on Hearing Loss Information Line

Telephone **0808 808 0123**

Textphone **0808 808 9000**

SMS **0780 000 0360**

(standard text message rates apply)

Email information@hearingloss.org.uk

Join us

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