

Company No. 03482779
Charity No. 1068077

The Ear Foundation

(A company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2018

The Ear Foundation
hearing and communicating in a technological era



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COMPANY INFORMATION

Company number

03482779

Charity registration number

1068077

Auditor

Rogers Spencer
Newstead House
Pelham Road
Nottingham
NG5 1AP

Accountants and Business Advisors

Rogers Spencer
Newstead House
Pelham Road
Nottingham
NG5 1AP

Bankers

Svenska Handelsbanken AB (publ)
Ground Floor
22a The Ropewalk
Nottingham
NG1 5DT

The Patrons:

Sir Andrew Buchanan, Bt, former Lord Lieutenant of Nottinghamshire
The Rt Rev Paul Butler, Bishop of Durham
Prof Adrian Davis, OBE
Rosalyn Springer
Ken Loach
Marie Males

Vice Presidents:

Professor B McCormick, OBE, PhD, BSc
Professor GM O'Donoghue MCh FRCS

Trustees:

Beth Bearder LL.B LPC
Darren Clark PhD (Hon Treasurer; appointed Vice-Chair 17 May 2016)
Fiona M George MA (resigned 12 September 2017)
Deborah Hall PhD (resigned 30 January 2018)
Ian P Hall BA BMBCh DM FRCP
Lynda K Hodgkinson RGN
Lucy Holton (appointed 12 September 2017)
Patricia Kemp MBE
Andrew H Marshall Bsc MBBS FRCS
Marcelo Rivolta MD PhD (resigned 14 November 2017)
Valerie E Steward BSc FCA FCCA FRSA (appointed Chair – 17 May 2016)
Tracey Twomey MSc BScCS

Chief Executive:

Mel Gregory BA (Hons) Sp+HTh

Secretary and registered office:

Richard Murray
Marjorie Sherman House, 83 Sherwin Road, Lenton, Nottingham, NG7 2FB



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REPORT OF THE TRUSTEES

Chair's Report

It is my pleasure to introduce our Annual Report for 2018, an extended period to ensure that our period end is more closely aligned to those of our main funders.

This period has been a challenging one for the Ear Foundation facing a greater struggle to secure funding along with a greater demand for the services that we provide. You can see from the Trustee's report that we continue to undertake some exciting activities and to make a real difference to our stakeholders. Changes made to some of our services have reinvigorated the offerings and we have started to see benefits which we can build on going forward.

However, despite the positives we find ourselves in deficit again this year. We have taken steps to reduce our cost base without reducing the services that we provide and are making every effort to secure funds from other sources through grant applications and fundraising to ensure that we can continue to provide all the wonderful services that we are so proud of. The deficit has meant that we are still reliant on the bank overdraft, but we are hoping that this situation will improve in the next years.

We have a fabulous team of individuals working with us at the Ear Foundation along with ongoing support from many organisations and individuals. We would not be able to provide such high-quality services if it was not for the energy and devotion of so many people. I would like to thank all of these people for their continued support and look forward to working with you again in the coming year.

2018 will continue to be a challenging year as we deal with the consequences of Brexit and the continued pressures on the sector, but with our strong team around us and your continued support we will meet these challenges head on.

Valerie E Steward BSc FCA FCCA FRSA
Chair of the Trustees' Board

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The trustees present their report together with the audited financial statements for the extended financial year from 1 January 2017 to 31 March 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Ear Foundation Limited is a company limited by guarantee and is registered as a charity with the Charity Commission, registration number 1068077. Its affairs are governed by its Memorandum and Articles of Association.

The liability of the members in the event of the company being wound up is limited to a sum not exceeding £1 each.

The Memorandum and Articles of Association restrict the use of the charity's income and property, such that they must be applied solely toward the objects of the charity and specifically disallows the payment of dividends, bonuses or profits to the members.

Tax status

The company is a registered charity and is exempt from corporation tax.

Recruitment and Appointment of Trustees

The trustees of The Ear Foundation, who are also directors for the purposes of company law, who served during the year were:

Beth Bearder LLB LPC
Darren Clark, PhD (Hon Treasurer)
Fiona George
Deborah Hall PhD
Ian P Hall BA BMBCCh DM FRCP
Lynda K Hodgkinson RGN
Lucy Holton
Patricia Kemp MBE
Andrew H Marshall BSc MBBS FRCS
Marcelo Rivolta MD PhD
Valerie E Steward BSc FCA FCCA FRSA (appointed Chair 17 May 2016)
Tracey Twomey MSc

As mentioned above, the company is limited by guarantee, and as such, the directors have no interest in the share capital of the company.

Trustees are appointed in accordance with the Articles of Association, by recommendation by the trustees or by a qualified voting member of the company. All trustees are required to retire from office at each Annual General Meeting. If the members at the meeting at which the trustees of the Management Committee retire do not fill all the vacancies on the Management Committee, any retiring trustee shall, if willing to act, be deemed to have been re-appointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the re-appointment of the trustee is put to the meeting and lost.

Trustee Induction and Training

New Trustees meet with the Chair of the Board of Trustees and the Chief Executive, so that they are familiar with the charity and the context in which it operates. An induction programme for new Trustees ensures that they become aware of the issues faced by the charity and its opportunities and challenges. The Trustees' handbook is reviewed annually, together with job roles and descriptions for the Chair and Trustees. Each Trustee is encouraged to take on responsibilities in areas in which they have expertise: examples of this are HR, financial and H&S expertise.

Present trustees are already familiar with the practical work of the charity – the Trust board includes parents of young people with cochlear implants and other hearing devices, those who themselves are users of the latest hearing technologies, and those who have been involved with cochlear implantation or hearing technologies through their work. New trustees learn about our work through attendance at our regular series of lectures, and through participation in our events for users and their families.



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Principle Risks and Uncertainties

The principle risks and uncertainties are:

- maintaining and developing financial growth and stability, given the challenging environment for charities
- dealing with a vulnerable and diverse population
- managing a residential property
- keeping up to date with the latest technologies, ensuring we are up-to-date
- keeping staff training up –to-date in diverse areas
- Implementing GDPR
- managing today's expectations of the use of social media safely
- keeping up-to-date with changing charity and HR and H&S law

In order to have effective governance in our organisation we manage these risks carefully, using our professional advisors to do so where necessary. The risks are carefully managed by our CEO and Head of Operations with quarterly meetings with the Board to ensure robust plans are in place. Governance and risk management is an agenda item at each Board meeting, with one meeting per year having Risk as its major focus. Health and Safety, including Risk Management and Safeguarding, is an item at our monthly staff team meetings. Health and Safety management has been outsourced to a company dealing in this specialist area, and is linked to our specialist insurance company and involves regular on-site inspections.

With regard to staffing, we tend to keep our staff and grow them from within, providing training and opportunities for development. Our research along with our industry partners keep us up-to-date with the hearing technology and ensure we remain at the forefront of the field. We buy in specialist HR advice with a specialist advisory service on hand, and with monthly updates on employment law.

We keep up-to-date with charity law with the services of our own solicitors, expert in charity law, by belonging to National Council of Voluntary Societies, and through our collaborative relationships with larger charities. These updates include the management of social media and communications. The Ear Foundation keeps up to date with safeguarding of our young people through regular training given by our risk management providers and attending local NHS and council training and update programmes.

With regard to finance, we deliberately have diverse income streams, and earn our income in addition to seeking voluntary donations in order to be financially secure.

Organisational Structure

The Ear Foundation currently has a Board of nine members who meet quarterly and are responsible for the strategic direction and policy of the charity. They are from a variety of backgrounds relevant to the work of the charity, and provide a range of skills and expertise. The Chair meets regularly with the Chief Executive, appointed August 2016, and a Vice-Chair and Treasurer, Darren Clark, was appointed in May 2016. The Chief Executive and the Head of Operations (who is also Company Secretary) attend the Board Meetings, but have no voting rights.

A scheme of delegation is in place, and day to day responsibility for the provision of services rests with the Chief Executive, who is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The organisational structure, including a system of Duty Managers from the senior members of staff, ensures smooth running of The Ear Foundation in the absence of the CEO, or her Deputy, the Head of Operations. A system of quarterly Progress Reports to the Trust Board reports on key performance indicators on activity, and finance, alerts the Board to any risks being incurred or predicted. The Finance Committee consists of the Chair, the Treasurer, and the CEO, and oversees and agrees the management accounts monthly, reporting to the Board, as well as monitoring cash flow on a weekly basis.

The Ear Foundation has a Strategic Plan developed by the Trustees and strategic aims and objectives are drawn up in the following areas:

- Family Service
- Education
- Clinical Services
- Research
- Awareness and Lobbying
- Fundraising
- Management
- Governance

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The Annual Plan then identifies the aims and objectives for a particular year against the five-year plan, and in September each year, the team review achievements against each strategic objective and discuss and plan specific tasks/ objectives against each of these for the next year. The next strategic plan will be drawn up in September 2018. The Annual plan and budget agreed in December, prior to the start of the new, chronological year. This plan is monitored monthly and reported at quarterly meetings, with a full review by the CEO and Chair half way through the year.

OBJECTIVES AND ACTIVITIES

Deafness, whether in childhood or adulthood, can have devastating, unseen consequences for individual and family, making communication and spoken language difficult and limiting educational and employment options. Yet we live in the most exciting times for deaf people – adults and children alike. Modern technology provides greater opportunities for deaf people than ever before: but all too often the promise is not realised in everyday life for those who could benefit. The Ear Foundation is a unique charity which provides a bridge between the clinical services where the technologies are fitted, and home, school and work where they are used in everyday life to the full benefit of deaf individuals.

The Ear Foundation was established in 1989 to bring cochlear implants for children to the UK. Having established implantation as a routine NHS service, The Ear Foundation has developed a world renowned centre for family support, education and family-centred research, initially focussing its work on profoundly deaf children with cochlear implants. Its programme now includes all hearing technologies, and includes adults, to ensure seamless provision of the best of all modern hearing technology for deaf individuals throughout their lifetime.

The charitable objectives and activities of The Ear Foundation are:

- To promote research into all medical and social aspects of hearing, including deafness, and related conditions; and the publication of the useful results thereof;
- To promote education in the field of such conditions and in furtherance thereof to provide and publish scientific papers and other literature;
- To promote the benefit of persons affected by such conditions by:
 - providing communication technologies for deaf children and adults where not routinely available;
 - facilitating the wider and optimal use of cochlear and other implants in appropriate cases;
 - promoting family-friendly care and rehabilitation of deaf children, young people and adults; and
 - any other charitable means as determined by the trustees.

To these ends, The Ear Foundation's Mission Statement states:

The Ear Foundation is an independent charity that helps deaf people and their families make the best use of technology to improve hearing, communication and spoken language. We do this through:

- education
- family and clinical services
- carrying out research
- advocating for access to the latest hearing technologies.

Our vision is that:

- *All deaf people have the opportunity to hear, communicate and develop spoken language using the latest technological interventions.*

With our internal vision being:

The Ear Foundation is financially self-sustaining, has a high profile and influence nationally and internationally.

The Ear Foundation's Public Benefit Statement:

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.



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In accordance with the Charities Act our charitable purposes include:

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

The primary objectives of The Ear Foundation in accordance with the Charities Act are to provide support to deaf children and adults and their families to optimize the benefit gained from hearing technologies both at home, school and in the work place. We provide a hub of support where families can come to receive information and advice and meet other users of the technology. We also provide a far reaching education programme, supported by user-driven research. We apply for grants and raise money to ensure the ongoing provision of an active family and education programme and have established links with other charities providing similar public benefit.

Our services are free, or at a modest cost, for families of deaf children, for deaf young people and for adults. Where there is any financial difficulty, The Ear Foundation is sympathetic. Specifically:

- We provide services, training and access to information to families and healthcare and educational professionals at discounted or very reasonable prices and make them available free of charge to those who cannot contribute.
- We provide overnight accommodation to families, to facilitate equity of access for all deaf children and people, with a requested modest contribution. This is waived if any family cannot afford to contribute.
- We lead user and family driven research which will benefit patients and their care in the future.

ACHIEVEMENTS AND PERFORMANCE

Our aim is to ensure that deaf children, young people and adults have the best possible opportunities to maximise the benefits of the rapidly developing new hearing technologies, wherever they live and work. The Ear Foundation services include:

- Our Family programme, including groups for deaf children, young people and adults, resources and information
- Educational courses and conferences, including a community education programme
- Our research and public engagement programme, exploring family and user led issues, specialising in qualitative research with the goal of influencing policy and practice
- Our Sound Advice service, enabling children and adults with hearing technologies to maximise their use in everyday life by providing multi-professional habilitation and assessment services for individuals and groups, and advice and access to assistive devices and hearing aids
- Advocating and lobbying for access to the latest hearing technologies.

The Ear Foundation's purpose built Sherman Centre, opened in 2015, includes a conference room, sound treated adult and children's therapy rooms, a quiet family room and a technical information room, called Sound Space. Developing the potential of these facilities has been a focus area in 2017, with 1000 families and children, 1000 professionals using our facility this year and 500 adult technology users. The Soundspace technical suite displays the latest technology available for people with hearing loss. This unique facility has become an important learning space for professionals and families, children and adults and is growing in popularity. It is an important element of our education and family programmes, with all our course participants spending time in the technical suite with a TEF professional as part of their course and being updated on the latest technology available.

Almost every manufacturer of hearing aids and cochlear implants is now represented within our Soundspace suite, making this space a unique resource for all wishing to learn more about the wide range of technology and resources available.

These facilities have made a significant difference to the services offered at The Ear Foundation. We offered 179 courses for professionals, 88 courses for families and 244 drop-in clinics, led by our team in collaboration with the hearing manufacturers.

Drop-in sessions have been arranged with different companies in the Soundspace suite, so that specific advice about particular products can be offered free of charge to users.

Our family and adult sound treated rooms have enabled us to develop our Sound Advice advisory service to families, providing much needed multi-disciplinary advice to families of deaf children. The sound treated rooms have also enabled us to develop an advisory and clinical service for adults with hearing loss.

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We continue to develop and maintain collaborations across the hearing care sector with all industry partners.

During 2017 local business and organisations continued their support of The Ear Foundation's activities through fundraising and volunteering. With special thanks to Capital FM Radio, TDX Group, Vindens Partnership, Medilink East Midlands, Kier Construction, Sainsbury's Local, The University of Nottingham and a range of local businesses, a number of whom made us their charity of the year. Continued support from our local MP, Lilian Greenwood, also enabled us to increase our influence both locally and nationally, particularly with work on promoting awareness of the impact of hearing loss. Global Radio nominated us as one of their charities of the year, enabling us to participate in their "Make some Noise" campaign for charities, which has raised awareness of our work and provided support for our family programme. Details of these achievements are now described for each area of activity.

Family Programme:

Strategic Objectives

1. To provide the Family Programme to all service users in Nottingham, in venues across the UK and abroad, in partnership with other voluntary, statutory and private agencies
2. To produce high quality, family friendly resources in a variety of formats to increase service users' knowledge about hearing technologies and communication
3. To work closely with service users to ensure our family programme remains relevant, timely and accessible
4. To provide family-friendly accommodation for those attending for Cochlear Implantation and other services.

Our unique family centred programme is subdivided into six different sections, ensuring a seamless programme for all ages of deaf young people using technology and their families. This programme is well-attended locally, and the demand to learn this programme is in demand nationally and internationally

- Stay and Play for 0-2 year olds
- Ready, Steady, Go for 2-4 year olds
- Leaping on with Language for 5-11 year olds
- Teens Programme for 11-18 year olds
- Young Leaders for 18- 25 year olds
- Adult users

All Family Programme Courses: figures for Jan 2017 – March 2018

Family Programme Courses	2017 (Jan2017- March 2018)	2016	2015
Stay and Play	11 (14)	8	6
Ready Steady Go (2-5 yrs old)	10 (12)	9	9
Leaping (5-11 yrs old)	10 (12)	7	5
Teenz (11-17 yrs old)	12 (15)	5	6
Residential (Teens Course)	4 (4)	2	2
TOTAL COURSES	47(57)	31	28
Family Programme Course Attendees			
Children with cochlear implants	446 (508)	288	294
Children with hearing aids	245 (280)	160	123
Children with bone conducting hearing implants	15 (19)	25	18
Parents/Carers	292 (351)	298	300
Siblings	82 (95)	58	55
Volunteers	179 (203)	190	134
TOTAL ATTENDEES	1259 (1456)	1019	924

From the table above, it is clear that 2017 was a year of development and growth for the family programme.



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Stay and Play

Stay and Play for babies 0-2yrs, is a play group for deaf babies, which provides an opportunity for new parents to meet, share experiences and questions and obtain information about hearing technology and speech and language acquisition during the important early years. The sessions were well attended and a number of young families have joined The Ear Foundation Family Programme and the programme is growing well.

Ready Steady Go

Our programme for preschool children and their families provides an opportunity for parents to meet, and for preschool children to develop confidence in their communication skills, through support and guidance from the family team. Ready Steady Go facilitates friendships with others with hearing loss and their siblings from an early age.

There was regular attendance of between 10-12 families to Ready Steady Go during 2017. Examples of some topics explored include "My special Ear", "Super Stars" and "Super Hero's day". These topics enabled young people to explore their own unique abilities and qualities and develop a positive sense of self.

LEAPING, Teenagers and Young Adults

We introduced additional sessions for our primary Leaping Programme for primary aged children and their families due to their popularity. Numbers of children accessing our programme have increased significantly and in turn the number of parents and carers benefitting from our family courses and programme have as well. A significant number of additional professionals have attended the Leaping Family Programme Training Events. A new cohort of regular volunteers joined the programme, providing the much needed and appreciated support for running family events and ensuring good adult to child ratios. Our volunteers brought their interest and enthusiasm to the programme and under Clare Allen's leadership implemented the core philosophy of the programme. We were increasingly asked to deliver courses in new locations throughout the UK and internationally.

The Leaping On with Language Programme has added an additional two annual residential courses, three "inset" days during term time, and five Saturday sessions during the year. A new development has been our Young Leaders course for 18-25 year olds transitioning into adulthood.

Our 6th European Friendship Week, in collaboration with Euro CI-Users Association at St John's School for the Deaf in Boston Spa, North Yorkshire, brought together 39 young deaf people with cochlear implants, from six different countries. Our active residential week at Duke's Barn, part funded by a grant from the Ovingdean Foundation, made it possible to run the UK residential course and to offer a number of hardship places ensuring that our most vulnerable young deaf people could attend. We were delighted that our residential work was awarded Outstanding by OFSTED.

We worked with the local Teachers of the Deaf again in 2017 and delivered 3 inset days for Nottinghamshire and Nottingham City deaf secondary aged children to come together once a term, learn about their deafness and develop a peer group, with over 30 young people each time our new premises are well used.

We held a successful Family Open Day in April 2017, where families visited our Sound Space suite, met with other families, and attend family-centred workshops, while enjoying The Ear Foundation facilities.

Leaping on with Language programme has developed with the introduction of a 'Tweens' course for 9-11 year olds, it continues to be recognised as an established language course for primary aged deaf children internationally. Leaping on with Language has become a recognized as flagship resource for primary aged children and professionals and families for this age group.

Education Programme – Courses and conferences

Strategic Objectives

1. *To produce a varied programme of up to date, high quality and challenging Continuing Professional Development (CPD) courses delivered in Nottingham, venues around the UK and abroad*
2. *To work in collaboration with a range of professionals, partners and users to provide relevant and up to date course programmes that includes current research perspectives and the experiences of other course delegates*
3. *To ensure the programme includes a wide range of support approaches that recognise the unique nature of each child's family and needs*
4. *To develop and market educational and support resources, such as booklets, training videos, etc*
5. *To develop web-based support, educational and information services.*



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We deliver our educational programme at our base in Nottingham, around the UK and internationally, and increasingly using online blended learning courses. There has been a significant increase in the use of online courses. The delivery of such a comprehensive, multi-professional programme would not be possible without the support of our valued contributors who give their time and expertise or of our industry supporters who provide support in both sponsorship and expertise.

Education Programme	2017 (Jan2017-March 2018)	2016	2015
In House (UK Delegates)	918 (1159)	929	806
In House (Other Delegates)	30 (57)	62	75
External UK (Other)	1639 (1983)	561	882
External International (Other)	2311 (2327)	1283	821
Virtual Conference	65 (137)	86(group packages)	338(individuals)
Deaf Awareness	165 (204)	41	140
NDCS Workshops	266 (527)	1003(attendees)	323
TOTAL NUMBER OF DELEGATES	5394 (6394)	3965	3385

In spite of challenging financial times in which funds for training have been severely cut within the educational sector, and the challenges in addressing the changing needs of professionals and young deaf people, our education programme continues to be recognized throughout the UK and internationally. We are reaching more professionals than ever before. We are asked to present at international conferences and to deliver international courses regularly. Whole service training days are popular. We continue to develop our online training suite as this is a growing platform for continued professional development.

Highlights this year included:

- The Early Intervention Conference hosted in collaboration with AG Bell in October 2017, was over-subscribed with 220 delegates from 20 countries attending, indicating the need for information in this area and the international reputation of The Ear Foundation in this area of Deaf Education. Amy McConkey Robbins from Indianapolis was an invited presenter.
- The Hearing Loss and Autism Conference, also fully subscribed. It included presentations from Prof Christie Yoshinaga-Itano from Colorado –Bolder University, USA and UK specialists in this area.
- Setting up Early Intervention services in partnership with Hear His Voice Uganda funded by the Cochlear Foundation and supported by GN Resound

Our distance learning packages are growing in popularity. The Teaching Assistant Certificate and Introduction to Hearing Loss for Speech and Language Therapists, both launched in 2016, continued to be in demand in 2017/18, offering a combination of in-house contact days and online learning.

In-House Courses included a special focus on Theory of Mind, Social Thinking and effective use of Technology and Children New to the UK? The Challenges and Solutions of supporting new arrivals with hearing loss

We continue to collaborate with international leaders in the field of hearing loss as we develop our education programme and address the changing needs of professionals and families managing hearing loss. In 2017/18 some highlights included,

- Smile Therapy offered by Karen Schamroth, a tools to facilitate development of social spoken communication skills
- Prof Connie Mayer from Canada delivered courses on “Listening for Language and Literacy in Deaf Children”
- Dr Leo De Raeve hosted a Theory of Mind course with The Ear Foundation in Belgium
- Professor Kris English delivered a course on “Counselling and Listening with the Third Ear for Audiologists”
- Dr Carol Westby delivered two courses called Play The Carol Westby Way and Assessing Children’s Narratives
- Alexander Graham Bell and AV UK for our Early Years Conference
- Prof Barbara Weinstein CUNY University, New York presented on ageing, cognitive decline and dementia

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We worked closely with the National Deaf Children's Society (NDCS), providing educational advice for their Family Officers, reviewing their resources, and running joint courses for parents and professionals throughout the UK. We developed several resources with NDCS including English as an Additional Language, a research report outlining the use of FM for Pre-schoolers, Radio Aid Resource and online Webinar, and provided an evaluation report for a LENA Loan Service.

In the UK, we regularly give input to Teacher of the Deaf training courses, and we now deliver courses throughout the UK, with partners in North West England, North East England, South West England, Wales, Scotland, Northern Ireland and London. The Ear Foundation gave major presentations/workshops at the British Cochlear Implant Group Academic meeting; the British Association of Teachers of the Deaf annual meeting; British Academy of Audiology annual meeting; British Society of Audiology, the British Tinnitus Association conference and European Symposium for Paediatric Cochlear Implantation and OSSEO.

Internationally The Ear Foundation courses are run regularly with partners in Europe and in 2017

These included:

- Ida Institute, Denmark – Seminar on Patient Education
- Adult Hearing Screening, European Parliament, Belgium
- European Symposium for Paediatric Cochlear Implantation – The Ear Foundation provided 12 presentations on the main programme
- OSSEO, Netherlands – Why people do not proceed with Bone Conduction Hearing Implants

Five major conferences were hosted by The Ear Foundation:

- Adult Deafness: Hearing for Healthy Ageing– launch of the report in Westminster(November 2017)
- Adult Deafness Europe: Spend to Save – 2017
- Adult Deafness: Hearing and Cognitive Decline – March 2018
- Getting it Right: 0-5 years Early Intervention Conference – October 2017
- Autism and Hearing Loss – March 2018

'The best professional meeting I have attended recently' AVT, Getting it Right 0-5 years October 2017

'I found the course a really enjoyable and valuable one, coming out of it with lots of idea and suggestions I can put into my daily practice – from the smaller and easier ...to those with long term impact which require more change in daily practice' TA, Teaching Assistant Certificate 2017

'One of the best courses I have been on – very practical and also gave me a better understanding of theory, equipment and audiograms' SLT, Introduction to working with children with hearing loss September 2017

Information and resources

In 2017 we developed the following educational resources to add to our resource library:

- FM online resource

Web-based learning:

Our website is regularly used for booking courses and buying resources. The visitors per day count during 2017 reflects the increased use, with once more over 6.1 million page hits in the extended period from Jan 2017 – March 2018, over 1,100 visitors per day and visitors staying for an average of 10 minutes. The top monthly visitors include UK, Sweden, Norway, Finland, New Zealand, Portugal, USA, Ireland and Australia.

Web-Based Development and Achievement

Our web-based developments:

- We developed a blended interactive learning package for teaching assistants working with children with hearing loss in secondary schools.
- Virtual conferences included; The Young Child and Hearing Loss, Play and its link to Literacy and Theory of Mind, Working with Children New to the Country, Kids with hearing loss: Information for Teaching Assistants.
- Sounding Board, our web-based information platform for parents supported by Advanced Bionics, continues to be well used and provides a monthly newsletter and information service. This service enables non-specialists in the community to access the information they need to utilise implants fully at school and work. Visitors to Sounding Board come from throughout the world: Germany, Canada, Belgium, Russia, China,

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Netherlands, Australia, Argentina, Brazil, New Zealand; with the most common visitors outside the UK being from Russia and China.

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Social media has become increasingly important to us- both Facebook and Twitter are well used, and we have over 4,700 followers for our active Twitter feed.

Advocacy/lobbying

We continue to facilitate Patient and Public Involvement (PPI). Our skills and expertise in qualitative and user led research are increasingly highly valued by the NHS and other statutory bodies. Key achievements include:

- Continued participation the Living Well Task and The Research and Innovation Task and Finish Group, which are part of The Hearing Loss Deafness Alliance. The Ear Foundation produced “Hearing for Healthy Ageing” in collaboration with NHS England. This guide for commissioners and service providers was launched by NHS England for World Hearing Day on March 2017 at a multi-stakeholder meeting in London.
- Participating with EFHOH, the European Federation for the Hard of Hearing, in the European Parliament for World Hearing Day on 3 May 2017 and presenting the evidence for hearing screening in adults.
- Hosting a multi-stakeholder conference at Westminster titled “Hearing for Healthy Ageing” in November 2017. The event was supported by Lillian Greenwood, MP for Nottingham South and Fiona Carragher of NHS England.
- Hosting a European Workshop in Brussels in November 2017, which focused on disseminating the key messages from the Spend2Save, which highlights why investing in hearing technology improves lives and saves society money. Our European Spend to Save Campaign continues to be supported by Dr Sue Archbold
- Our Action Group for Adult Cochlear Implantation submitted a co-ordinated application for the relaxation of NICE criteria for cochlear implantation. If successful, the changed criteria will enable greater access to cochlear implants for adults.
- We launched a new report titled Bimodal Hearing: Hearing Aid and Cochlear Implant, highlighting the benefits of bimodal hearing for users, the challenges of hearing aids and cochlear implants being managed in separate clinics and the restrictive NICE criteria, which only provides one cochlear implant routinely for adults.

Clinical Services: Sound Advice

Strategic Objectives

1. *To provide adult Sound Advice days for groups and individuals*
2. *To provide multi disciplinary assessments of children with cochlear implants, hearing aids & bone anchored hearing aids (BAHAs)*
3. *To provide habilitation services to individuals to promote the best use of the latest hearing technologies in everyday life*
4. *To provide hearing aid, balance and tinnitus services via third party organisation.*

The service is aimed at both adults and children and provides technical advice and information, habilitation and assessment. The children’s service provides interdisciplinary assessments which are designed to provide parents and local services, particularly education services, with information about appropriate support for individual children with cochlear implants and all other hearing technologies. Our audiologist ensures that the technology used is up-to-date, and our service would not be possible without the support of our industry partners: Advanced Bionics, Cochlear Europe, MEDEL, Oticon Medical, PHONAK, and GN Resound. This year we conducted seventy-five multi-disciplinary assessments.

We continue to grow our adult advice and rehabilitation services. The greatest development is in the services we provide into the community, in particular, the drop in clinics in the community where adults can receive support in the use of their hearing aids. When visiting care homes and sheltered housing, staff are given training on the management of hearing aids and their awareness of the importance of hearing is raised.



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Adults travel from throughout the UK for the services providing the opportunity for social and peer group support, and for group and individual sessions on technology, music and communication issues. The increase in numbers can be seen below:

Sound Advice Adult Programme	2017 (Jan2017- March 2018)	2016	2015
Adult Days (number of days)	6 (8)	5	5
Drop In Clinics	195 (244)	187	180
Home Visits	21 (22)	24	19
Sheltered Housing Visits	24 (30)	16	24
Care Home Visits	5 (6)	8	6
TOTAL	251 (310)	248	234
Sound Advice Adult Programme Attendance			
Adult with Cochlear Implants	26 (26)	33	42
Adults with Hearing Aids	254 (310)	173	183
Adults with Bone Conducting Hearing Implants	7 (7)	7	8
Adults with No Device	14 (15)	17	2
Family Members	76 (96)	2	16
Hear 2 Help Interventions	2236 (2771)	1829	1722
Volunteers	55 (73)	56	41
TOTAL	2668 (3298)	2117	2014

Another key development in 2017 was the increased sales of hearing accessories and technology both via the website, and in person, using our new facilities. Our audiologist has increased these services and the number of industry partners we work with, making the latest hearing technologies more easily available to those who need it.

Family and Child-centred Research

Strategic Objectives:

1. *To pursue an academically robust and respected research programme that advances the mission statement of the Ear Foundation*
2. *To develop a research programme which arises from the issues and concerns expressed by users, families and professionals*
3. *To develop a research programme that largely utilises qualitative research methodologies, is multi-disciplinary and involves users*
4. *To ensure that research results are accessible and disseminated via peer-reviewed papers, booklets, professional magazines, conferences and workshops.*

Research Projects carried out from Jan 2017 – March 2018:

Research and Reports for Cochlear Implants

- Choosing and Using Bimodal Hearing: Cochlear Implant and Hearing Aid research and report (Funded by Advanced Bionics)
- Exploring the barriers and facilitators for adult CI referral by audiologists working in non-CI centres (Sponsored by Med-el)

Reports describing Hearing as a Public Health Issue

- Hearing for Healthy Ageing Report for NHS England and contributing to The Action Plan on Hearing Loss
- Spend 2 Save: European Translations, now translated into 14 languages

Research and Reports related to Bone Conduction Hearing Implants

- Decision-Making: Bone-Conducting hearing implants for Adults research and report (Funded by Oticon)
- The Benefits of Bone Conduction Hearing Implants for Adults (Sponsored by Cochlear)



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- Choosing and Using Bone Conduction Hearing Implants: The Family Experience (supported by Cochlear)
- Developing a core Outcome set for The Ear Foundation National Bone Conduction Registry (Supported by Cochlear)

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Research Collaboration with Partner Organisations

- Using Radio Aids with Pre-School Children research and Report(Funded by NDCS)
- English as an Additional Language Report (Funded by NDCS)
- Development of a LENA Loan Service: An Evaluation of Lena Use and Service Requirements (Funded by NDCS)
- An Evaluation of Professional's Use of The Ida Institute My World Tool
- Transitioning for European Young People: Using Telecare Tools to participate in their hearing care (Euro-CIU and The Ida Institute)

Presentations were delivered at various conferences in 2017/18:

- European Parliament: Adult Hearing Screening
- Nordic Audiology College: The Patient Journey & Creating Awareness of Hearing Loss
- British Cochlear Implant Group annual conference: Choosing and Using Bimodal Hearing
- World Congress of Audiology: Wireless technology – baby to boomers
- Adult Hearing Screening Conference: Adults' views on adult hearing screening
- Advanced Amplification Masterclass (UCL) – Assistive listening devices

We published booklets about our research, which we made available free of charge, to increase dissemination and impact. In addition, we also disseminated our research through newsletters and magazines. We ensure that as far as possible reports on our research outcomes are downloadable from our website.

Operations

Strategic Objectives:

1. *To comply with the recognised standards for ensuring good governance, i.e. systems and processes concerned with ensuring the overall direction, effectiveness, supervision and accountability of the Ear Foundation*
2. *To ensure the operations department of the Ear Foundation supports effectively the good practice of governance at the Ear Foundation.*

It is essential that our organisation is well managed and that all risk is minimised, and that our services are run safely and efficiently. Our Operations team is led by a Head of Operations supported by a strong administration team who each have their own areas of responsibility. Our HR, Risk management and Health and Safety services are outsourced to ensure up-to-date advice and guidance on implementation is given. Our insurers are linked to our Risk Management & Health and Safety and are experienced in our field of operations.

This year a key focus area has been preparing for the General Data Protection Regulations (GDPR) which will come into effect from 25th May 2018. We have worked with our risk management team, HR advisors and other specialists in this area to ensure The Ear Foundation are legally compliant by this date.

Financial management and Fundraising

Strategic Objectives

1. *To implement financial plans that ensure financial stability and that complement the aims and objectives of the Ear Foundation*
2. *To develop community-based fundraising activities/events to encourage support and raise awareness*
3. *To submit grant proposals for a variety of projects to support the charitable objectives*
4. *To obtain funding to allow equity of access to all appropriate services and activities*
5. *To ensure that clear, timely, accurate, pertinent and understandable financial reports are available to managers and the Board.*

Rogers Spencer, our accountants, produce our monthly management accounts for our Trustees' financial committee, (Chair of the Board, Treasurer, CEO and Head of Operations) before presentation to our Board.



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Rogers Spencer also provides weekly financial support to our Head of Operations including monitoring of our Income and expenditure, the Debtors list, and the weekly cash flow. These in turn are monitored and reviewed by the CEO, Head of Operations and Trustees' financial committee on a weekly basis.

REPORT OF THE TRUSTEES

Our bankers, Handelsbanken, continue to provide valued support on our financial processes and review our management accounts on a quarterly basis.

Principal Funding Sources

We have a policy of maintaining diverse income streams: donations, fundraising, corporate and institution grants, education and resources sales, earned income from services and consultancy work, and individual contributions. This diversity remains important in the continuing uncertain economic climate. Our educational activities continue to be a major source of income, and we are very grateful to all those who have supported this work through grants and sponsorship, particularly our industry partners; more partners joined us in 2017. These grants enable us to make our activities widely available to all who need them.

In challenging times, it is important to ensure all income streams are developed as effectively as possible. Our fundraising committee, including parents, users of cochlear implants and supporters, actively developed community-based activities, coordinated by our fundraiser, during 2017. Events were designed to raise both money and awareness of our work – while also highlighting the impact cochlear implants and other hearing technologies can have on the lives of deaf children, young people and adults.

We are most appreciative of all those donors that have supported us, particularly the family of the late Mrs Marjorie Sherman and the Archie Sherman Charitable Trust. In Nottingham, the interest of the Lord Mayor, the Chair of the County Council, and our local MP have all raised our profile, and we have benefited from increased media coverage. Those raising funds from us can see with confidence the range of work that is undertaken as a result, and the difference to the lives of those who are deaf that they make. In particular, Global Radio, have done much to raise awareness about The Ear Foundation, our work and awareness of hearing loss, through their Make some Noise Campaign. This campaign has raised heightened public awareness in new audiences. The ongoing support of the BBC Children in Need, The Ovingdean Foundation and Barbara Ward Charitable Trust has enabled our family programme to continue their work.

We continue to work with industry partners, who support our family programme, research, education and public engagement activities, with special thanks to Cochlear, Advanced Bionics, Med-el, Oticon Medical, GN Hearing, Starkey, Sivantos and Phonak.

In addition, our increased use of social media has impacted greatly on our ability to reach and interest fundraisers with the use of Virgin Money, Just Giving, and The Giving Machine.

Restricted Funds

The trustees confirm that, on a fund by fund basis, the assets are available and are adequate to fulfil the obligations of the charity.

Reserves Policy

Since The Ear Foundation was formed in 1989, it has been the policy of the trustees to generate income on an annual basis, and they consider that unrestricted funds are needed to:

- Provide funds which can be allocated to specific projects
- Cover management and administration of the charity, together with the costs of activities in furtherance of the charity's objectives and the cost of generating funds.

Initially, the charity was greatly dependent upon income from donations. Since then, the trustees have improved the balance of income, by taking on other activities which generate income – for example, the provision of courses, conferences, workshops and educational events and the sales of hearing equipment.

As shown by note 14 to the financial statements free reserves (unrestricted reserves less fixed assets) are negative £180,433 (2016: £106,050). Because of this an overdraft facility is in place of £220,000 to ensure sufficient resources to cover this objective. There have been times during the period when we have neared the overdraft limit, but we continue to monitor cash flow closely and are anticipating that with cost savings made and successful fundraising we will have less need for the facility over time. In the meantime we have a wonderful facility which has recently been valued at £1.8m an uplift of nearly £400,000 on the value included in the accounts.

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REPORT OF THE TRUSTEES

PLANS FOR FUTURE PERIODS

The impact of hearing loss remains under-recognised, whether in childhood or adulthood, and our work in supporting access to, and the effective use of, the latest technologies is increasingly necessary. With government cuts in services and increasing demands the pressures on our services are likely to grow even further. Our major goal is to ensure our services are secure for future demands and open to all who need them. The Ear Foundation's achievements during 2017 ensure that future plans for the use of our new facilities are based on an effective and efficient organisation, and the attainment of the new build appears to have built confidence in those who invest in us.

Our business plan covers our strategic aims and objectives in the areas of:

- Family Services
- Education
- Sound Advice/Clinical Services
- Research and Public Engagement
- Finance and Fundraising
- Governance

These aims and the strategic objectives for 2018/19 to fulfil these aims are thus made explicit in our business plan, a copy of which is available on our website.

In the present challenging financial climate for charities, The Ear Foundation's range of activities and hence income sources spread its financial risk, and combines to fulfil its goal of maximising the benefit from current and developing hearing technologies for deaf children, young people and adults. However, with the Third Sector taking an increasing role in local and national priorities, there are many opportunities to provide services for which we are now well placed.

Responsibilities of the Board of Trustees

Company law requires our Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make sound judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

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

In accordance with company law, as the company's directors, we certify that:

So far as we are aware, there is no relevant audit information of which the company's auditors are unaware: and as the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.



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REPORT OF THE TRUSTEES

Members of the Board of Trustees

Members of the Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are set out on page 1.

Auditors

A resolution will be proposed at the Annual General Meeting that Rogers Spencer be appointed as auditors to the charity for the ensuing year.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities and in accordance with the special provisions of 487(2) of the Companies Act 2006 relating to small entities.

Approved by the Trustees on 03 July 2018 and signed on their behalf by:

Valerie Steward
Chair of Board of Trustees



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INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Trustees of The Ear Foundation

We have audited the financial statements of The Ear Foundation for the period ended 31 March 2018 which comprise of the primary statements such as the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate (see note 1); or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

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inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the trustees of The Ear Foundation (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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INDEPENDENT AUDITOR'S REPORT

Independent auditor's report to the trustees of The Ear Foundation (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Melvin Bailey FCCA DChA (Senior Statutory Auditor)
For and on behalf of Roger Spencer
Chartered Certified Accountants
Statutory Auditor

Newstead House
Pelham Road
Nottingham
NG5 1AP



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**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 MARCH 2018**

	Note	Unrestricted Funds £	Restricted Funds £	15 Months Total 2018 £	12 Months Total 2016 £
Income:					
Donations	2(a)	84,200	-	84,200	96,282
<i>Income from charitable activities:</i>					
Operation of The Ear Foundation	2(b)	400,196	583,549	983,745	756,544
Income from other trading activities	2(c)	65,731	-	65,731	55,336
Total income		550,127	583,549	1,133,676	908,162
Expenditure:					
Costs of raising funds	3	69,765	-	69,765	82,645
<i>Expenditure on charitable activities:</i>					
Operation of The Ear Foundation	5	565,813	600,789	1,166,602	935,171
Total expenditure		635,578	600,789	1,236,367	1,017,816
Net income/(expenditure)		(85,451)	(17,240)	(102,691)	(109,654)
Transfers between funds		-	-	-	-
Net movement in funds		(85,451)	(17,240)	(102,691)	(109,654)
Reconciliation of funds:					
Total funds brought forward		680,862	677,821	1,358,683	1,468,337
Total funds carried forward	13	595,411	660,581	1,255,992	1,358,683

All amounts relate to continuing activities.

There are no other recognised gains or losses in the year.

The notes on pages 23 to 30 form part of these financial statements.

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BALANCE SHEET AS AT MARCH 2018

	Note		31 Mar 2018		31 Dec 2016
		£	£	£	£
Fixed assets					
Tangible assets	8		1,436,423		1,464,731
Current assets					
Stocks	9	-		15,521	
Debtors	10	133,311		95,895	
Cash at bank and in hand		1,402		4,570	
		134,713		115,986	
Creditors:					
Amounts falling due within one year	11	(315,144)		(222,034)	
Net current assets/(liabilities)			(180,431)		(106,048)
Net assets			1,255,992		1,358,683
 Charity funds					
- Restricted	13		660,581		677,821
- Unrestricted General	13		595,411		680,862
			1,255,992		1,358,683

The financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Trustees on

Signed on behalf of the Trustees by

.....
V Steward
Chair

.....
D Clark
Treasurer

Company No. 03482779

The notes on pages 23 to 30 form part of these financial statements.

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STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2018

	15 Months 2018 £	12 Months 2016 £
Cashflows from operating activities	<u>(104,508)</u>	<u>(36,021)</u>
Cash flows from investing activities		
Interest paid	(3,752)	(1,836)
Payments to acquire tangible assets	<u>(3,262)</u>	<u>(10,800)</u>
Net cash provided by/(used in) investing activities	<u>(7,014)</u>	<u>(12,636)</u>
Change in cash and cash equivalents in the reporting period	(111,522)	(48,657)
Cash and cash equivalents at the beginning of the reporting period	<u>(71,253)</u>	<u>(22,596)</u>
Cash and cash equivalents at the end of the reporting period	<u>(182,775)</u>	<u>(71,253)</u>
Reconciliation of net movement in funds for the reporting period	2018 £	2016 £
Net movement in funds	(122,590)	(109,654)
Adjustments for:		
Interest paid	3,752	1,836
Depreciation of tangible assets	51,469	37,713
Decrease in stocks	15,521	27,479
Increase in debtors	(37,416)	(25,065)
Increase in creditors	<u>(15,244)</u>	<u>31,670</u>
Net cash provided by/(used in) operating activities	<u>(104,508)</u>	<u>(36,021)</u>
Analysis of cash and cash equivalents	2018	2016
Cash at bank and in hand	1,402	4,570
Bank overdraft	<u>(184,177)</u>	<u>(75,823)</u>
Total cash and cash equivalents	<u>(182,775)</u>	<u>(71,253)</u>

The notes on pages 24 to 31 form part of these financial statements.

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NOTES TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2018

1 Accounting policies

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

Going concern

During the 15 month period the charity have made an overall deficit of £102,691 (2016 £109,614) and continue to have net current liabilities of £180,431 (2016 £106,048). As a result, we have continued to be reliant upon our overdraft facility for our day to day working capital requirements. The facility has been renewed and we continue to have a positive relationship with our bankers. We have taken steps to reduce fixed costs during the period without impacting our ability to provide services and will see ongoing benefits from these reductions going forward. Although we will continue to use the overdraft facility going forward the Trustees believe that it is appropriate to prepare the accounts on a going concern basis.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income and expenditure account

The Statement of Financial Activities on page 21 discloses the identical information as that of the Income and Expenditure Account and as such no separate Income and Expenditure Account has been prepared.

Funds

Funds received by the charity that are earmarked either by the donor or by the terms of the appeal for particular projects are accounted for as restricted funds. All other funds are unrestricted. Designated funds form part of the charity's unrestricted funds.

Income

Income from charitable activities including income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when performance related grants are received in advance of the time period or expenditure to which they relate.

Donations and legacies receivable for the general purposes of the charity are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

Legacies are credited to income when the Charity becomes entitled to the income and there is certainty of receipt and the amount is quantifiable.

Other trading activities income is recognised on a receivable basis.

Voluntary help and gifts in kind

The charity benefits from the many voluntary hours contributed by its supporters. In addition, companies and organisations have provided the use of facilities and equipment without charge. It would be impossible to place a value on all these gifts in kind for which the charity is extremely grateful, and without which, much of the work undertaken could not be achieved.

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NOTES TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2018

1 Accounting policies (Continued)

Expenditure

Expenditure is accounted for when a liability is incurred.

- Charitable activities include expenditure associated with the running of the charity's operations and include both the direct costs and support costs relating to those activities.
- Raising funds are those costs incurred in attracting voluntary income.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Pensions

Contributions to the charity's defined contribution pension scheme are charged to the statement of financial activities in the year in which they become payable.

Value Added Tax

As the charity is unable to reclaim Value Added Tax, all expenditure in these financial statements is shown inclusive of Value Added Tax paid.

Depreciation

Tangible fixed assets are stated at cost and reduced by depreciation calculated to write down the assets to estimated residual value over their expected useful lives at the following rates:

Freehold property	-	1% straight line
Fixtures, fittings and furniture	-	20% straight line
Office equipment	-	25% reducing balance
Computer equipment	-	33% straight line
Audio visual equipment	-	25% straight line

Any assets purchased for specific grant funded projects are capitalised under the appropriate asset classification and written off in accordance with the life of the project.

Depreciation is charged in full in the year of acquisition. No depreciation is charged in the year of disposal.

Stocks

Stocks represent goods for resale which are valued at the lower of cost and net realisable value. Cost is calculated as cost of purchase on a first in, first out basis.

Net realisable value is based on estimated selling price, less further costs to disposal.

Operating leases

Rentals payable under operating leases are charged as an expense on a straight line basis over the term of the lease.



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NOTES TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2018

2 Income	Unrestricted funds £	Restricted funds £	15 Months Total 2018 £	12 Months Total 2016 £
a) Donations				
Donations received	84,200	-	84,200	96,282
Exceptional Income – Sound Space	-	-	-	-
	84,200	-	84,200	96,282
	Unrestricted funds £	Restricted funds £	15 Months Total 2018 £	12 Months Total 2016 £
b) Income from charitable activities				
i) Grants and other income receivable:				
Research	-	197,844	197,844	194,443
Family activities	-	132,944	132,944	77,806
Education	-	192,600	192,600	136,173
Clinical services	-	9,173	9,173	18,960
Contributions in form of room hire	23,756	-	23,756	29,524
ii) Conferences, workshops and educational events	229,393	-	229,393	184,077
iii) Family activities – courses, education & excursions		50,988	50,988	36,994
iv) Clinical services – Sound Advice & audiology sales	147,047	-	147,047	78,567
	400,196	583,549	983,745	756,544
c) Other trading activities. Fund-raising events:	Unrestricted funds £	Restricted funds £	15 Months Total 2018 £	12 Months Total 2016 £
Christmas ball	13,451	-	13,451	15,293
BBQ	1,180	-	1,180	1,801
Marathons and walks	9,867	-	9,867	9,895
Other fund-raising event income	26,147	-	26,147	13,349
Trading and other income	15,086	-	15,086	14,998
	65,731	-	65,731	55,336

Other donations include income generated through the Just Giving website from specific marathon runners particularly in London Marathon, special events bike rides, and those who gave donations to the Ear Foundation of presents for special anniversaries and birthdays. Thanks to all these people.

3 Expenditure - Raising funds

	Unrestricted funds £	Restricted funds £	15 Months Total 2018 £	12 Months Total 2016 £
Salaries and wages	35,799	-	35,799	35,456
Printing and stationery	3,815	-	3,815	4,588
Newsletters, advertising and fundraising				
- Fundraising activities	13,048	-	13,048	19,164
- Brochures	4,389	-	4,389	10,146
- Postage	12,714	-	12,714	13,291
	69,765	-	69,765	82,645



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4 Allocation of support costs

	Staff costs £	Other overheads £	Audit and prof. fees £	15 Months Total 2018 £	12 Months Total 2016 £
Family activities	48,398	23,120	-	71,518	77,056
Clinical service	24,948	11,918	-	36,866	45,953
Education	103,165	49,282	-	152,447	121,037
Research	30,075	14,367	-	44,442	52,791
Governance	26,266	-	26,984	53,250	43,172
	<u>232,852</u>	<u>98,687</u>	<u>26,984</u>	<u>358,523</u>	<u>340,009</u>

Support costs have been allocated to activity on a basis consistent with the use of staff time.

5 Expenditure

	Direct staff costs £	Other direct costs £	Allocate support costs £	15 Months Total 2018 £	12 Months Total 2016 £
Raising funds	35,799	33,966	-	69,765	82,645
Charitable activities					
Family activities	119,634	42,180	71,518	233,332	216,278
Clinical service	61,669	97,463	36,866	195,998	161,921
Education	255,374	125,252	152,447	533,073	340,160
Research	74,341	32,166	44,442	150,949	173,640
Governance costs	-	-	53,250	53,250	43,172
	<u>511,018</u>	<u>297,061</u>	<u>358,523</u>	<u>1,166,602</u>	<u>935,171</u>
Total expenditure	<u>546,817</u>	<u>331,027</u>	<u>358,523</u>	<u>1,236,367</u>	<u>1,017,816</u>

6 Net incoming resources

		15 Months Total 2018 £	12 Months Total 2016 £
Expenditure includes:			
Auditor's remuneration	- Audit services	5,640	4,800
	- Other services	21,344	16,380
Depreciation of owned assets		31,570	37,713
Operating lease rentals		<u>11,092</u>	<u>8,873</u>



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PERIOD ENDED 31 MARCH 2018

7 Employee numbers and costs

The average monthly number of persons (excluding trustees) calculated on a full time equivalent basis (of 37 hours per week) employed by the company during the year was as follows:-

	2018 Number	2016 Number
Management and administration	9	10
Education, research and clinical	<u>11</u>	<u>12</u>
	<u>20</u>	<u>22</u>
	15 Months Total 2018 £	12 Months Total 2016 £
Salary costs – direct	545,160	443,095
Social security	48,053	35,638
Pension costs	<u>36,488</u>	<u>22,307</u>
	<u>629,701</u>	<u>501,040</u>

No employee received emoluments above £60,000 for either year.

Trustees' remuneration

- (a) No trustees were remunerated for either year.
(b) During the year £nil (2016: £nil) of expenses were reimbursed to trustees.

8 Tangible assets

	Freehold Property £	Fixtures, fittings and furniture £	Audio visual and office equipment £	Total £
Cost				
At 1 January 2017	1,593,085	168,198	221,986	1,983,269
Additions	<u>-</u>	<u>-</u>	<u>3,262</u>	<u>3,262</u>
At 31 March 2018	<u>1,593,085</u>	<u>168,198</u>	<u>225,248</u>	<u>1,986,531</u>
Depreciation				
At 1 January 2017	187,986	139,789	190,763	518,538
Charge for the year	<u>-</u>	<u>10,953</u>	<u>20,617</u>	<u>31,570</u>
At 31 March 2018	<u>187,986</u>	<u>150,742</u>	<u>211,380</u>	<u>550,108</u>
Net Book Value				
At 31 March 2018	<u>1,405,099</u>	<u>17,456</u>	<u>13,868</u>	<u>1,436,423</u>
At 31 December 2016	<u>1,405,099</u>	<u>28,409</u>	<u>31,223</u>	<u>1,464,731</u>

The Land Value at 31 March 2018 is £350,309. All tangible assets detailed above are solely for the direct use of the charity.

There is no depreciation charged on the freehold property in the year in accordance with the accounting policy as the residual value of the property exceeds its carrying amount.

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NOTES TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2018

9 Stocks

	31 Mar 2018	31 Dec 2016
	£	£
Goods for resale	<u> -</u>	<u>15,521</u>

There is no material difference between the replacement cost of stock and the amounts stated above.

10 Debtors

	31 Mar 2018	31 Dec 2016
	£	£
Trade debtors	37,830	34,828
Prepayments	15,687	25,374
Other debtors	<u>79,794</u>	<u>35,693</u>
	<u>133,311</u>	<u>95,895</u>

The amounts shown under debtors fall due for payment within one year.

11 Creditors: amounts falling due within one year

	31 Mar 2018	31 Dec 2016
	£	£
Bank overdraft	184,177	75,823
Trade creditors	49,422	45,085
Accruals	24,954	6,365
Deferred income	45,606	82,595
Taxation and social security	9,289	10,550
Other creditors	<u>1,695</u>	<u>1,616</u>
	<u>315,144</u>	<u>222,034</u>

	31 Mar 2018
	£
Deferred income at 1 January 2017	82,595
Resources deferred in period	45,606
Amounts released from previous periods	<u>(82,595)</u>
Deferred income at 31 March 2018	<u>45,606</u>

The bank overdraft is secured by way of legal mortgage over the freehold interest in Marjorie Sherman House, a property owned by The Ear Foundation.

12 Share capital

The company is limited by guarantee and as such has no share capital.

The liability of its members in the event of the company being wound up is limited to a sum not exceeding £1 each.

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NOTES TO THE ACCOUNTS
PERIOD ENDED 31 MARCH 2018

13 Accumulated funds

	Balance at 1 January 2017 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 March 2018 £
Restricted funds:					
Research	-	197,844	197,844	-	-
Family activities	-	183,932	183,932	-	-
Education	-	192,600	192,600	-	-
Clinical services	-	9,173	9,173	-	-
OneFamily Foundation	4,950	-	-	-	4,950
Sound Space	<u>672,871</u>	<u>-</u>	<u>17,240</u>	<u>-</u>	<u>655,631</u>
Total restricted funds	<u>677,821</u>	<u>583,549</u>	<u>600,789</u>	<u>-</u>	<u>660,581</u>
Unrestricted funds:					
General funds	<u>680,862</u>	<u>550,127</u>	<u>635,578</u>	<u>-</u>	<u>595,411</u>
	<u>1,358,683</u>	<u>1,133,676</u>	<u>1,236,367</u>	<u>-</u>	<u>1,255,992</u>

Research

The Ear Foundation's research programme specialises in user and family issues, reporting on the impact of hearing loss and use of hearing technologies in everyday life, to influence policy and practice.

The restricted funding has now come to an end but the work is continuing and is currently funded from general funds.

Family Activities

The Ear Foundation's family programme caters for those of all ages who have a hearing loss and their families. It provides information, training and support groups.

Education

The Ear Foundation's education programme provides training for all professionals who work with those with a hearing loss.

Clinical Services

The Ear Foundation's clinical services provide rehabilitation and advisory services, and supports all those using any kind of hearing or communication technology.

OneFamily Foundation

A grant was provided in the year for a new bathroom facility at Marjorie Sherman House. This will be depreciated in line with the useful economic life of the asset.

Sound Space

The Ear Foundation's sound space project is to fund capital developments to the existing building. Transfers reflect funds donated to purchase fixed assets and to meet the costs of publication materials, whereby the restriction has been satisfied following the purchase of those items.

Project grants are funds received for specific purposes which are generally short term in duration.



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NOTES TO THE ACCOUNTS
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14 Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Total at 31 Mar 2018 £	Total at 31 Dec 2016 £
Restricted funds	660,579	2	660,581	677,821
General unrestricted funds	<u>775,844</u>	<u>(180,433)</u>	<u>595,411</u>	<u>680,862</u>
	<u>1,436,423</u>	<u>(180,431)</u>	<u>1,255,992</u>	<u>1,358,683</u>

15 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund in the year and amounted to £36,488(2016: £22,307).

16 Leasing commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases for plant and equipment, which fall due as follows:

	31 Mar 2018 £	31 Dec 2016 £
Within 1 year	-	-
2 to 5 years	10,346	21,438
Over 5 years	<u>-</u>	<u>-</u>

17 Related party transactions

Donations from trustees totalled£415 (2016: £600) in the period.

18 Ultimate controlling party

The Trustees are considered to be the ultimate controlling party.

