

REGISTERED NUMBER: 3124204
REGISTERED CHARITY NUMBER: 1053184

BID SERVICES
(a company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011



BID SERVICES
(a company limited by guarantee)

ANNUAL REPORT

YEAR ENDED 31 MARCH 2011

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BID SERVICES
(a company limited by guarantee)

DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2011

CONSTITUTIONAL AND ADMINISTRATIVE DETAILS

Charity Name	BID Services
Charity Registration Number	1053184
Company Registration Number	03124204
Registered Office	Deaf Cultural Centre Ladywood Road Birmingham B16 8SZ

Board of Trustees

The directors, who are also trustees of the charity, serving during the year were as follows:

Mr M Reynolds (Chair)
Mr L Martin (Deputy Chair)
Mrs G Conway
Mr C Daniels
Mr G Gillan (Treasurer)
Mr J Hay MBE (resigned 23 September 2010)
Mr S Hewitt
Mr M Jackson
Mrs E Wilcox
Mrs S Channings
Mr A Stewart
Mr E Trowsdale

The directors retiring by rotation are Mr L Martin, Mrs S Channing and Mr A Stewart and being eligible, offer themselves for re-election.

The charitable company maintains indemnity insurance for its directors and officers at an annual premium of £3,139 (2010 £4,045)

Councillor A Rudge has been nominated by Birmingham City Council. Currently there is no representative from Solihull Metropolitan Borough Council. Nominees act as observers and none has voting rights.

Directors are selected against pre-determined skills criteria designed to ensure that the board has the necessary knowledge with which to direct BID.

The board has an establishment of 12 members of whom a minimum of 6 are from the deaf community. It is empowered to co-opt up to three members in addition.

Company Secretary	B Sheppard	
Senior Management Team	Bryan Sheppard	Chief Executive
	Jo-Ann Moyles	Director of Operations
	Gail Penberthy	Director of Development
	Michael Price	Director of Resources

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DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2011

CONSTITUTIONAL AND ADMINISTRATIVE DETAILS

Independent Auditors

Clement Keys
39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

Bankers

National Westminster Bank plc
30a Harborne Road
Edgbaston
Birmingham
B15 3AA

Principal Activities

The principal activities of BID Services ("BID") continue to be the provision of care and support to deaf people, together with education and training to further their advancement in the community at large.

The policies adopted in furtherance of the principal activity of the company are to promote, safeguard and protect the interests and welfare of deaf people. In the course of the year, and in response to changes in the operating environment, the principal activity was expanded to allow the charitable company to address a wide range of disability.

Company Status

The charity is a company limited by guarantee (number 3124204), and as such has no share capital. The company is governed by its Memorandum and Articles of Association, as updated in January 2008. The liability of the members of the company, as set out in the Memorandum of Association, is limited to £1 per member.

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DIRECTORS' REPORT (continued)

YEAR ENDED 31 MARCH 2011

Trustee and Director induction and training

New directors receive induction training appropriate to the role they are to fulfil. Directors regularly review their requirement for training and this is provided as and when required. In the course of the previous year a training session covering responsibilities under charity law was held.

Organisational Structure

The charity's main operating base is near the centre of Birmingham; the charity also operates residential accommodation for deaf people and these premises are located within the City of Birmingham.

The board meets a minimum of 6 times a year and additional meetings are held as required.

Day to day management of the organisation is delegated to the Chief Executive and the Senior Management team. Policies and procedures detail limits to authority.

Risk Review

A group of staff and trustees met in January to review the risks to which the Charity is exposed. Key risks identified include completion, failure to respond to change and loss of key personnel. In many ways these flow directly from the political and economic choices made by the Coalition, in essence a major transfer of resources from public to private sector disguised under the cloaks of Big Society and realignment of the UK economy possible resulting in the marginalisation for the voluntary and community sector.

New business acquisition and staff development and learning have been at the forefront to BID's strategy for more than six years and this has left us well placed to respond to current challenges.

In addition, the trustees continue to respond to the uncertainty by planning increases in the general fund, closely monitoring the financial performance of all activities and critically assessing any project requiring capital expenditure.

OBJECTIVES AND ACTIVITIES

In shaping the charitable company's objectives for the year and planning its activities the Trustees have considered the Charity Commission's guidance on public benefit.

The objectives of the charity as set out in the Memorandum and Articles of Association are to relieve deaf, deafened and hard of hearing, those who use sign language as their preferred language and those with other disabilities in any manner which is now or shall hereafter be deemed to be charitable in law.

The trustees currently aim to realise this by improving access for deaf people and people with other disabilities to standard community resources, and to reduce dependency - both manifestations of the social cohesion and empowerment agendas. In addition they wish to change the way in which the deaf community views itself, in particular the schisms within it, and how it is viewed by society at large

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DIRECTORS' REPORT (continued)

YEAR ENDED 31 MARCH 2011

These aspirations have been interpreted and developed into the following objectives which underpin the annual organisational work plan.

1. Business Development: Seeking new opportunities and developing business to build a more adaptable, stronger and sustainable organisation;
2. Quality: Working together to continually improve standards to achieve high levels of quality from people that are professional, committed and engaged,
3. Communication. Recognise and respect people's preferred style of communication,
4. Equality and Diversity. Celebrating difference, we value and treat people with respect to give them more choice and an improved quality of life, and
5. Training, Learning and Development. Investing in staff development and providing progression opportunities to develop skilled, effective and dynamic people.

Each year a range of initiatives is planned by staff and managers and these are reflected in the annual work plan which is approved by the trustees. Each initiative is analysed to determine how it is going to be done, by whom and when, resources required and performance indicators established. The work plan is monitored throughout the year as part of the performance review cycle and the results presented to trustees annually.

ACHIEVEMENT AND PERFORMANCE

Care Management

Care management service continues to provide a quality and professional service to deaf people via two Service level Agreements with Local Authorities. Considerable work has been undertaken to develop a full understanding of the personalisation agenda which currently underpins service planning for the future. It is likely that the coalition's spending review will have a considerable influence on the shape and scale of future service activity.

Equipment Service

We continue to provide an effective service to people with hearing impairments. Like care management it is likely that the Coalition's spending review will have considerable influence on the shape and scale of future service activity.

Communication Service

This service continues to develop through diversification and provides a quality interpreting service to individuals, the health service and other statutory bodies, for deaf people in employment and organisations. Our innovative 24/7 interpreting service was introduced some years ago and continues to provide support to deaf people in challenging situations. British Sign Language and Deaf Awareness remain a core service provision but changes in further education funding make the provision of classes somewhat financially challenging for all concerned.

Employment Services

Given the radical changes in routes into employment to be instigated via Work Programme, we have worked with a number of potential contractors researching how we might best meet the needs of deaf people in the coming years.

Lifelong Learning

Work continues with Nottingham Trent University and a wide range of other organisations, (British and European) developing modern, assisted technologies in the form of 'Serious Games' for Disabled people. Particularly aimed at disabled people and young people at risk of social exclusion, the games raise aspirations and achievement through interactive technology learning. This assists them towards realising their full potential and independence.

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DIRECTORS' REPORT (continued)

YEAR ENDED 31 MARCH 2011

Volunteer Services

Volunteers continue to make a significant contribution to our work although lack of supporting funding does make the use of volunteers more difficult.

Deafcare

The service, which provides domiciliary care services for deaf people by deaf people continues, enabling service users to live in the community and in their own homes successfully.

Supporting People

In the course of the year, Supporting People services throughout Birmingham were subject to a tender process. We were successful in retaining a considerable part of our current provision and also in obtaining contracts for delivery of other services, thus further diversifying our income streams. These services are now fully mobilised.

Public Education, Development and Research

The brief of the department is to raise the profile of BID in order to increase both public and community awareness of our services and to secure funding to ensure future sustainability. The Development Team has continued to raise awareness of the organisation and generated new funding and project opportunities for BID benefiting both the community and the organisation itself.

In the course of the year the department's activities have been refocused reflecting the changed funding environment and considerable success has been attained.

Residential Services

A range of initiatives has been undertaken throughout the year to support all the residents to live an enjoyable life within the home and the wider community.

Deaf Cultural Centre

The brief of the Deaf Cultural Centre is to provide a space where the uniqueness of deaf culture is celebrated and to raise its profile. In the course of the year funding was secured from the Arts Council to develop a multi stranded project to raise the skills of deaf artists and provide more opportunities for deaf people to participate in the arts. Other activities included our traditional Christmas party for the children of Ladywood and exhibitions of art and artefacts

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DIRECTORS' REPORT (continued)

YEAR ENDED 31 MARCH 2011

FINANCIAL REVIEW

The financial statements have been prepared in accordance with the requirements of the Statement of Recommended Practice Accounting and Reporting by Charities and the Companies Act 2006.

Net outgoing resources for the year amounted to £7,008 compared to incoming resources of £468,028 last year. After transfers between funds the general unrestricted fund increased to £1,991,388.

Pension scheme deficits are of some concern but the trustees are keen to maintain a sensible balance between the potential for longer term liabilities and costs and the need to maintain the schemes as a key part of our employee reward package.

Investment Policy and Performance

Taking account of the evolving macro-economic situation in the course of the year along with forecast demands on resources, the trustees decided to continue their policy of keeping reserves in cash or near cash. Various instruments are selected to balance maximisation of return with risk and cash availability. In response to the unfolding banking situation a more risk averse view of financial institutions has continued and this, while limiting overall returns, means that our exposure to loss of funds was limited.

Reserves Policy

The reserves policy requires the general fund to be maintained at around 25% +/- 2 ½% of the coming year's budgeted expenditure. Clearly deflationary economic and competitive conditions predispose a considerably higher figure. An assessment of the current economic situation along with risks to contract security and the need to be able to respond proactively to opportunities as they become available indicate a requirement of £1.9m. The current year's budget plans progress towards this goal.

PLANS FOR FUTURE PERIODS

The Coalition's macroeconomic policy along with early neo conservative social policy indications are a common theme of this report. The organisation's strong financial position will provide a reasonable foundation from which to respond creatively to opportunities and the focus of future planning is primarily about business development and long term sustainability.

DIRECTORS' RESPONSIBILITIES

The Council of Trustees (who are also directors for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepting Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing those financial statements, the directors are required to:

- Select a suitable accounting policies and then apply them consistently,
- Observe the methods and principles in the Charities SORP,
- Make judgements and estimates that are reasonable and prudent,
- State whether applicable UK accounting standards have been followed, subject to any material departure 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 company will continue in business.

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DIRECTORS' REPORT (continued)

YEAR ENDED 31 MARCH 2011

DIRECTORS' RESPONSIBILITIES (continued)

The directors are responsible for keeping 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. They 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.

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

Provision of information to auditors

So far as each of the directors is aware at the time the report is approved.

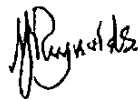
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the directors have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors Clement Keys will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

**Approved by the board
and signed on its behalf by:**



Director

6 October 2011

BID SERVICES
(a company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BID SERVICES

We have audited the financial statements of BID Services limited for the year ended 31 March 2011 which comprise the Statement of Financial Activities, Balance Sheet and the related notes. 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).

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors Responsibilities set out on page 6 the directors (who are also the trustees of the charitable company for the purpose of charity law) 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 International Standards of Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on the financial statements

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 2011 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BID SERVICES (continued)

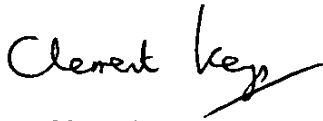
Opinion on other matters prescribed by Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Directors.



Simon Atkins FCA

Senior Statutory Auditor
for and on behalf of:

6 October 2011

CLEMENT KEYS
Chartered Accountants
Statutory Auditors
39/40 Calthorpe Road
Edgbaston
Birmingham
B15 1TS

BID SERVICES
(a company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2011

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	2011 Total £	2010 Total £
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2	10,962	-	163,042	174,004	245,830
Investment income	3	34,177	-	-	34,177	25,446
Incoming resources from charitable activities						
Contract service and trading income	4	3,636,511	-	-	3,636,511	4,170,975
Total incoming resources		3,681,650	-	163,042	3,844,692	4,442,251
Resources expended						
Costs of generating funds						
Costs of generating voluntary income		42,596	-	-	42,596	63,500
Interest and other finance costs		11,000	-	-	11,000	32,742
Charitable activities		3,118,110	116,274	176,194	3,410,578	3,523,692
Other resources expended		308,196	-	-	308,196	275,512
Governance costs		79,330	-	-	79,330	78,777
Total resources expended	5	3,559,232	116,274	176,194	3,851,700	3,974,223
Net incoming/(outgoing) resources being net income/(expenditure) for the year before other recognised gains and losses						
		122,418	(116,274)	(13,152)	(7,008)	468,028
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes		94,000	-	-	94,000	(70,000)
Net incoming/(outgoing) resources being net income/(expenditure) for the year		216,418	(116,274)	(13,152)	86,992	398,028
Reconciliation of funds						
Funds brought forward at 1 April 2010		1,774,970	3,889,404	304,852	5,969,226	5,571,198
Funds carried forward at 31 March 2011		1,991,388	3,773,130	291,700	6,056,218	5,969,226

All amounts above are derived from continuing operations and the charitable company has no recognised gains or losses other than those passing through the Statement of Financial Activities and hence no separate statement of total recognised gains and losses is presented.

All of the activities of the charitable company are classed as continuing.

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Registered Number 03124204

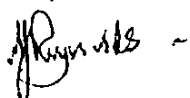
BALANCE SHEET

AS AT 31 MARCH 2011

	Note	2011	2010
		£	£
Fixed assets			
Tangible assets	9	5,109,721	5,241,643
Investments	10	10,000	10,000
		<u>5,119,721</u>	<u>5,251,643</u>
Current assets			
Debtors	12	364,327	293,815
Cash at bank and in hand		1,711,109	1,773,337
		<u>2,075,436</u>	<u>2,067,152</u>
Creditors: amounts falling due within one year	13	(633,496)	(715,548)
		<u></u>	<u></u>
Net current assets		1,441,940	1,351,604
Total assets less current liabilities		<u>6,561,661</u>	<u>6,603,247</u>
Creditors: amounts falling due in more than one year			
Loans	14	(296,443)	(338,021)
		<u></u>	<u></u>
Net assets excluding pension scheme liability		6,265,218	6,265,226
Defined benefit pension scheme liability	15	(209,000)	(296,000)
		<u></u>	<u></u>
		<u>6,056,218</u>	<u>5,969,226</u>
Unrestricted funds			
General funds – general	17	2,200,388	2,070,970
- pension fund	17	(209,000)	(296,000)
Designated funds	17	3,773,130	3,889,404
Restricted funds	17	291,700	304,852
		<u></u>	<u></u>
		<u>6,056,218</u>	<u>5,969,226</u>

Approved by the Board of Directors on 6 October 2011

Signed on its behalf by:



Director

BID SERVICES
(a company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

1. Accounting policies

The following accounting policies have been applied in dealing with items which are considered material in relation to the financial statements

a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act 2006 and in compliance with the revised Statement of Recommended Practice - 'Accounting and Reporting by Charities' and applicable accounting standards. They include the results of the charitable company's operations which are described in the Trustees' Report.

Consolidated accounts have not been prepared as the company is exempt from preparing the same under Section 400 of the Companies Act 2006 being a wholly owned subsidiary included within the group accounts of a parent undertaking established under the law of an EEA state.

b) Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within a group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS1.

c) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charitable group is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable group, are recognised when it becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charitable group where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charitable group earns the right to consideration by its performance. Where income is received in advance of performance it is treated as deferred income and included within creditors.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

1. Accounting policies – continued

d) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred.

Charitable expenditure comprises those costs incurred by the charitable group in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable group and include audit fees and costs linked to the strategic management of the charitable group.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

e) Unrestricted funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds

f) Designated funds

Designated funds are unrestricted funds earmarked by the Directors for particular purposes

g) Restricted funds

Where income is received for purposes specified by the donor or by the terms of the appeal under which it was raised, that income is shown as restricted in the statement of financial activities. Expenditure for the specified purposes is shown as restricted expenditure. Any unexpended balance is carried forward as restricted income funds.

h) Deferred income

Deferred income comprises amounts granted in advance on projects where it is clear from the terms under which the funds are received that they cannot be used until future periods or there are pre-conditions to entitlement which have not yet been met.

i) Investments

Investments in subsidiary undertakings are stated at cost.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

1. Accounting policies - continued

j) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is calculated so as to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings	. over 50 years
Freehold improvements	: over 10 years
Long leasehold buildings	. over 50 years
Computer equipment	. over 3 – 5 years
Motor vehicles	. over 4 years
Fixtures and equipment	. over 5 – 10 years

k) Pensions

The charitable company pays contributions to a personal pension plan, a defined contribution pension scheme and two multi employer defined benefit schemes. The charge in the accounts represents amounts payable in respect of the personal pension plan and the defined contribution scheme. In the case of one of the defined benefit schemes it is not possible to identify the underlying share of assets and liabilities belonging to BID so the contributions charged in the statement of financial activities are those collected by the schemes' managers for the year based on actuarial advice. In the case of the other scheme contributions are charged to the statement of financial activities in accordance with rates advised by the scheme actuary.

l) Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis.

m) Gifts in kind

Gifts in kind are valued at their open market value as reported by external valuers and recorded at that value as both incoming and outgoing resources in these financial statements.

n) Taxation

As a charitable company, BID Services, is exempt from tax on income and gains falling within section 478 of the Taxes Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen within the charitable company.

o) VAT

The charitable company is registered for VAT and all costs are therefore shown exclusive of VAT.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

2. Voluntary income	2011 £	2010 £
Legacies	1,000	1,000
Donations	10,962	11,247
Department of Health S64 Palliative Care Project	-	5,956
Grants and donations from Trusts	162,042	195,833
Funds from Birmingham & District Tinnitus Group	-	31,794
	<u>174,004</u>	<u>245,830</u>
3. Investment income	2011 £	2010 £
Bank interest	34,177	25,446
	<u>34,177</u>	<u>25,446</u>
4. Incoming resources from charitable activities	2011 £	2010 £
Statutory bodies – contract service income	2,989,630	3,478,744
Trading and other activities	646,881	692,231
	<u>3,636,511</u>	<u>4,170,975</u>

5 Resources expended by activity

	Finance Costs £	Direct cost £	Support costs £	2011 Total £	2010 Total £
Charitable activities					
- Community services	-	2,131,419	571,426	2,702,845	2,770,850
- Residential services	5,358	613,375	61,049	679,782	759,370
- Public education development and research	-	301,762	34,385	336,147	268,894
Activities for generating funds	11,000	34,000	8,596	53,596	96,242
Governance	-	67,560	11,770	79,330	78,777
	<u>16,358</u>	<u>3,148,116</u>	<u>687,226</u>	<u>3,851,700</u>	<u>3,974,223</u>

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NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2011

6. Support costs by activity

	Community services	Residential services	Public education development and research	Activities for generating funds	Governance	2011 Total	2010 Total
	£	£	£	£	£	£	£
Facilities	266,835		14,222	3,555	10,201	294,813	297,492
Human resources and administration	129,065	25,370	8,379	2,095	652	165,561	163,139
Finance	94,678	19,030	6,285	1,571	489	122,053	126,941
Information technology	80,848	16,649	5,499	1,375	428	104,799	143,607
	<u>571,426</u>	<u>61,049</u>	<u>34,385</u>	<u>8,596</u>	<u>11,770</u>	<u>687,226</u>	<u>731,179</u>

Support costs are allocated as follows:

Facilities	- surface area utilised/occupied
Finance and HR	- full time equivalent staff members
IT	- units of equipment

7. Trustees and staff costs

Members of the trustee board and committees do not receive any remuneration for their services. During the year, two directors received travel and subsistence expenses of £41 (2010: £328).

Staff costs were as follows:

	2011 £	2010 £
Wages and salaries	2,277,595	2,418,990
Social security costs	185,959	199,861
Pension costs	<u>104,295</u>	<u>112,241</u>
	<u>2,567,849</u>	<u>2,731,092</u>

One employee received emoluments in the banding £80,000 - £85,000, together with contributions to a defined contribution pension scheme of £8,178 (2010: £8,178).

Charitable funds have been used to purchase indemnity insurance for the trustees at a cost of £3,139 (2010: £4,045).

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

7. Trustees and staff costs – continued

The average weekly number of employees during the year was as follows.

	2011	2010
	No.	No.
Community services	65	75
Residential services	13	22
Public education, development and research	1	8
Activities for generating funds	6	1
Governance	1	1
Support	10	12
	<hr/>	<hr/>
	96	119
	<hr/>	<hr/>

8. Net incoming resources

Net incoming resources are stated after charging:

	2011	2010
	£	£
Auditors' remuneration - audit services	15,000	7,696
- VAT advice and other services	6,678	2,070
Depreciation – owned assets	248,349	216,601
Rentals payable under operating leases		
- office equipment	2,986	2,922
Interest on pension scheme liability	11	16
Other financial costs	4	16
	<hr/>	<hr/>

9. Tangible fixed assets

	Long leasehold property	Freehold land and buildings	Motor vehicles	Plant machinery fixtures and fittings	Total
	£	£	£	£	£
Cost					
At 1 April 2010	4,520,277	1,043,121	19,500	487,771	6,070,669
Additions	-	-	-	116,427	116,427
Disposals	-	-	-	(162,629)	(162,629)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	4,520,277	1,043,121	19,500	441,569	6,024,467
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation					
At 1 April 2010	271,217	150,779	9,750	397,280	829,026
Charge for the year	90,405	69,438	4,875	83,631	248,349
Elimination on disposal	-	-	-	(162,629)	(162,629)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2011	361,622	220,217	14,625	318,282	914,746
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book amount					
At 31 March 2011	4,158,655	822,904	4,875	123,287	5,109,721
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2010	4,249,060	892,342	9,750	90,491	5,241,643
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

BID SERVICES
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

10 Investments in subsidiary undertaking

The charitable company owns 100% of the ordinary share capital of Deaf Cultural Centre (Trading) Limited a company incorporated in the United Kingdom. The shares were acquired at a cost of £10,000. The principal activity of Deaf Cultural Centre (Trading) Limited is the provision of catering services and facilities hire.

11. Current asset investments	2011	2010
	£	£
Sterling Liquid Deposit Funds	1,681,833	1,739,293
	<hr/>	<hr/>
12. Debtors	2011	2010
	£	£
Fees receivable	163,576	178,458
Other debtors and accrued income	75,107	29,356
Prepayments	53,292	37,694
Amounts due from subsidiary undertaking	72,352	48,306
	<hr/>	<hr/>
	364,327	293,815
	<hr/>	<hr/>
13. Creditors: amounts falling due within one year	2011	2010
	£	£
Creditors	97,741	47,049
Other taxation and social security costs	60,808	63,802
Loans	30,000	30,000
Other creditors	84,893	81,676
Amounts due to subsidiary undertakings	68,315	-
Accruals	96,604	74,975
Deferred income	195,135	418,046
	<hr/>	<hr/>
	633,496	715,584
	<hr/>	<hr/>
14. Creditors: amounts falling due after one year	2011	2010
Loans	296,443	338,021
	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

14. Creditors: amounts falling due after one year (continued)

Included within the above are amounts falling due for repayment as follows.	2011 £	2010 £
Less than 1 year	30,000	30,000
In 1 – 2 years	30,000	30,000
In 2 – 5 years	266,443	308,021
	<u>326,443</u>	<u>368,021</u>

The figure for loans constitutes a loan from National Westminster Bank plc of £450,000 repayable in monthly instalments over 15 years from the date of draw down. Interest is charged at one percentage point over Base Rate. It is secured by a first legal charge on Chesterberry which is situated at Chester Road, Birmingham.

15 Defined benefit pension scheme liability

	£
At 1 April 2010	296,000
Movement for the year	(87,000)
	<u>209,000</u>
At 31 March 2011	<u>209,000</u>

16 Analysis of assets between funds

	Unrestricted £	Designated £	Restricted £	Total £
Tangible fixed assets	1,590,027	3,519,694	-	5,109,721
Investments	10,000	-	-	10,000
Net current assets	896,804	253,436	291,700	1,441,940
Loans > 1 year	(296,443)	-	-	(296,443)
Pension Fund	(209,000)	-	-	(209,000)
	<u>1,991,388</u>	<u>3,773,130</u>	<u>291,700</u>	<u>6,056,218</u>
Total net assets	<u>1,991,388</u>	<u>3,773,130</u>	<u>291,700</u>	<u>6,056,218</u>

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

17. Movement in funds

	1 April 2010 £	Incoming £	Outgoing £	Transfers £	31 March 2011 £
Restricted funds					
Employment	13,434	82,324	(56,737)	-	39,020
Deaf Cultural Centre	90,381	-	(1,920)	-	88,461
Arts	40,266	27,523	(63,789)	-	4,000
Palliative care	14,402	-	(8,652)	-	5,750
Volunteers	80	22,785	(10,077)	-	12,789
Others	114,495	29,910	(32,634)	-	111,771
Birmingham & District Tinnitus-Group	<u>31,794</u>	<u>500</u>	<u>(2,385)</u>	<u>-</u>	<u>29,909</u>
Total restricted funds	<u>304,852</u>	<u>163,042</u>	<u>(176,194)</u>		<u>291,700</u>

Purposes of restricted funds

Employment

Funds held to support activities furthering opportunities for employment for deaf people.

Deaf Cultural Centre

Proceeds of capital appeal to support the cost of construction the Deaf Cultural Centre. It is being amortised over the life of the building.

Arts

Funds from Arts Council England supporting the Deaf Arts Development Project.

Volunteers

Funds supporting voluntary activity

Birmingham and District Tinnitus Group

Funds held to support the activities of this group.

	1 April 2010 £	Incoming £	Outgoing £	Transfers £	31 March 2011 £
Unrestricted funds					
Designated					
Business development fund	200,000	-	-	-	200,000
IT Development fund	4,560	-	-	-	4,560
Residential development fund	48,876	-	-	-	48,876
Building development fund	3,635,968	-	(116,274)	-	3,519,694
Total designated funds	<u>3,889,404</u>	<u>-</u>	<u>(116,274)</u>	<u>-</u>	<u>3,773,130</u>
General funds	<u>2,070,970</u>	<u>3,681,650</u>	<u>(3,552,232)</u>	<u>-</u>	<u>2,200,388</u>
Pension fund	(296,000)	87,000	-	-	(209,000)
Total unrestricted funds	<u>5,664,374</u>	<u>3,768,650</u>	<u>(3,668,506)</u>	<u>-</u>	<u>5,764,518</u>
Total Funds	<u>5,969,226</u>	<u>3,931,692</u>	<u>(3,844,700)</u>	<u>-</u>	<u>6,056,218</u>

BID SERVICES
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

17. Movement in funds - continued

Purposes of designated funds

Business development fund

IT Development fund

Residential development fund

Building development fund

To facilitate future organisational development.

Support depreciation of IT assets.

This fund supports the development of an owned property into a home for deaf people.

This fund was created to support the construction of the Deaf Cultural Centre. The balance will reduce in line with depreciation of the building.

18 OPERATING LEASE COMMITMENTS

At the year end the charitable company has annual commitments under non-cancellable operating leases as follows:

	2011	2010
	Equipment	Equipment
	£	£
2-5 years	2,986	2,922

In addition to the above the charitable company holds a 125 year lease expiring in 2131 from Birmingham City Council on which a peppercorn rent is payable.

19. CAPITAL COMMITMENTS

A contract was placed with Mansell Plc to construct the new Deaf Cultural Centre in April 2006. The building was handed over on 7 September 2007. The total cost of the project including professional fees was finalised in the year ended 31 March 2009. The final payment of £65,067 has been provided for. No other capital expenditure was contracted for.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

20. PENSIONS

As at the year end, pension contributions outstanding were £3,238 (2010 : £3,328).

(a) Pension costs – West Midlands Pension Fund

Certain employees of the charitable company are members of the West Midlands Metropolitan Authorities Pension Fund, a defined benefit scheme.

The pension cost is assessed in accordance with the advice of an independent qualified actuary using the projected unit method. This scheme is subject to a triennial review with the most recent one having been at 31 March 2007. This valuation has been rolled forward to 31 March 2011 for the purposes of the rules in Financial Reporting Standard Number 17 Retirement Benefits ("FRS17") used in the disclosure below.

The FRS17 figures as at 31 March 2011 were based on projecting forward the 31 March 2010 valuation for one year.

Amounts recognised in the balance sheet	2011 £'000	2010 £'000
Present value of funded obligations	(666)	(762)
Fair value of plan assets	<u>457</u>	<u>466</u>
Net amount recognised	(209)	(296)
Amounts recognised as:		
Liabilities	<u>(209)</u>	<u>(296)</u>
	(209)	(296)
	<u></u>	<u></u>
Amounts recognised in the SOFA	2011 £'000	2010 £'000
Components of pension cost		
Current service cost	(3)	(2)
Interest cost	(42)	(40)
Expected return on plan assets	31	24
Past service cost	<u>-</u>	<u>-</u>
	(14)	(18)
	<u></u>	<u></u>

BID SERVICES
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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

	2011	2010
(a) Pension costs – West Midlands Pension Fund – continued		
Movement in surplus during the year		
Deficit in scheme at beginning of year	(296)	(215)
Movement in year:		
(Current service cost)	(3)	(2)
Contributions	7	7
(Past service costs)	-	-
Net return on assets/(interest cost)	(11)	(16)
Actuarial loss	<u>94</u>	<u>(70)</u>
Deficit in scheme at end of year	<u>(209)</u>	<u>(296)</u>
Plan assets	2011	2010
	% £'000	% £'000
The weighted average asset allocation and expected % return at the year end was as follows.		
Asset category		
Equities	7.50 318	7.50 341
Government Bonds	4.40 45	4.50 40
Other Bonds	5.40 32	5.20 36
Property	6.50 52	6.50 43
Other	0.50 <u>10</u>	0.50 <u>6</u>
	<u>457</u>	<u>466</u>
Weighted average assumptions used to determine obligations at:	2011	2010
	%	%
Rate of increase in salaries	4.75	5.35
Rate of pension increase	3.00	3.60
Discount rate	5.50	5.65
Inflation assumption	3.00	3.60
Mortality non-retireds		PA92(yob)mc+1yr
Mortality retired		PA92(yob)+1yr
Difference between expected and actual return on scheme assets:		
	2011	2010
	(£'000)	(£'000)
Amount (£'000)	(12)	90
Percentage of scheme assets	-2.6%	19.3%
Experience gains and losses on scheme liabilities:		
	2011	2010
	(£'000)	(£'000)
Amount (£'000)	53	-
Percentage of scheme liabilities	7.9%	0.0%
Total amount recognised in statement of financial activities:		
	2011	2010
	(£'000)	(£'000)
Amount (£'000)	94	(70)
Percentage of scheme liabilities	14.1%	(-9.2%)

BID SERVICES

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NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2011

(b) Pension costs - Pensions Trust (CARE Scheme)

BID SERVICES (BID) participates in the CARE Pension Scheme which is a multi-employer defined benefit scheme. The scheme is funded and is contracted out of the state scheme.

The main benefits provided by the Scheme are:

- (i) a pension of one-eightieth of the member's career average revalued earnings for each year (and months proportionately) of pensionable service, plus;
- (ii) each member has a money purchase account (which is also administered by The Pensions Trust) into which monies are transferred as a result of bonus declarations by the Trustee.

BID pays contributions at the rate of 10% of earnings and members pay contributions based on the age-related scale (equal to age divided by ten).

It is expected that contributions at this level will be sufficient to meet the cost of the core pension benefit.

The Trustee commissions an actuarial valuation of the Scheme every three years. The actuarial valuation assesses whether the Scheme's assets at the valuation date are likely to be sufficient to pay the pension benefits accrued by members as at the valuation date. Asset values are calculated by reference to market levels. Accrued pension benefits are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

As at the balance sheet date there were 32 active members of BID in the Scheme.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. The Scheme is a multi employer scheme, where the assets are co-mingled for investment purposes, and benefits are paid out of total Scheme assets. Accordingly, due to the nature of the Scheme, the accounting charge for the period under FRS17 represents the employer contribution payable.

The last formal valuation of the scheme was performed as at 30 September 2007 by a professionally qualified actuary using the "projected unit credit" method. The market value of the Scheme's assets at the valuation date was £10.9 million. The valuation revealed a surplus of assets compared to liabilities of £1.5 million equivalent to a past service funding level of 116%.

The financial assumptions underlying the valuation as at 30 September 2007 were as follows:

	% pa
Rate of return pre retirement	6.1
Rate of return post retirement	5.3
Rate of revaluation on accrued pensions	2.9
Rate of pension increases	2.25
Rate of price inflation	2.9

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

(b) Pension costs - Pensions Trust (CARE Scheme) - Continued

The Scheme Actuary has prepared an Actuarial report that provides an approximate update on the funding position as at 30 September 2010. This funding update revealed an increase in the assets of the Scheme to £16.5 million and indicated an increase in the shortfall of assets compared to liabilities of approximately £2.9 million, equivalent to a past service funding level of 85%..

Following a change in legislation in September 2005 there is a potential debt on BID SERVICES that could be levied by the Trustee of the Scheme. The debt is due in the event of it becoming insolvent or ceasing to participate in the Scheme or the Scheme winding up. The actuary has estimated the employer debt if BID Services had withdrawn from the scheme as at 30 September 2007 to be £288,000.

(c) Pension costs - Pensions Trust (Growth Plan)

BID participates in the Pension Trust's Growth Plan which is a multi-employer pension plan. The Plan is funded and is not contracted out of the state scheme.

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from Normal Retirement Date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The Trustee commissions an actuarial valuation of the Growth Plan every 3 years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns.

BID paid contributions at the rate of 8% during the accounting period. Members paid contributions at a rate of 6% during the accounting period.

As at the balance sheet date there were 8 active members of the Plan. BID SERVICES has closed membership of the Plan to new entrants.

It is not possible in the normal course of events to identify the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS17 represents the employer contribution payable.

The last formal valuation of the Scheme was performed as at 30 September 2008 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £742 million and the Plan's Technical Provisions (ie past service liabilities) were £770.6 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £28.6 million, equivalent to a funding level of 96%.

The financial assumptions underlying the valuation as at 30 September 2009 were as follows.

	% pa
Investment return on pre retirement	7.6
Investment return post retirement	5.6
Bonuses on accrued benefits	225
Rate of price inflation	3.2

The next full actuarial valuation will be carried out as at 30 September 2011.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

21. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption in FRS8 paragraph 3(c) not to disclose transactions with group companies, as consolidated financial statements are prepared.

22. POST BALANCE SHEET EVENTS

Subsequent to the yearend an offer to purchase the property at Hemyock Road has been received
The sale has yet to complete

23. ULTIMATE HOLDING COMPANY

The directors consider that LINOTA Limited, a company incorporated in England and Wales, is the ultimate holding company. Copies of the group accounts may be obtained from the Company Secretary at the address shown at page 1