

**REGISTERED NUMBER: 3124204**  
**REGISTERED CHARITY NUMBER: 1053184**

**BID SERVICES**  
**formerly Birmingham Institute for the Deaf**  
**(a company limited by guarantee)**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**



**BID SERVICES**  
**(a company limited by guarantee)**

**ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2008**

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**BID SERVICES**  
**(a company limited by guarantee)**

**DIRECTORS' REPORT**

**YEAR ENDED 31 MARCH 2008**

**CONSTITUTIONAL AND ADMINISTRATIVE DETAILS**

**Name of Charity**

The organisation is incorporated under the name of BID Services. It was previously known as Birmingham Institute for the Deaf changing its name by Special Resolution on 11 June 2008. It is commonly known as BID Services with deaf people.

**Principal Activities**

The principal activities of BID continued 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. There have been no material policy changes during the year.

During the year a wholly owned subsidiary, called Deaf Cultural Centre (Trading) limited, was incorporated to provide catering services at the Centre together with facilities hire.

**Charitable Status**

BID Services is a registered charity number 1053184.

**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.

The company is exempt from using the title "limited" under Section 30 of the Companies Act 1985.

**Board of Directors**

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

Mrs G Conway  
Mr C Daniels  
Mrs F Debney (Resigned 24 May 2007)  
Mr G Gillan  
Mr J Hay  
Mr S Hewitt  
Mr M Jackson  
Mr M Reynolds (Chair)  
Mr D Shilston  
Mrs E Wilcox

The directors retiring by rotation are Mrs G Conway, Mr. J Hay and Mr D Shilston. Mr D Shilston retired at the AGM. Mrs G Conway and Mr J Hay being eligible, offer themselves for re-election.

The charitable company maintains indemnity insurance for its directors and officers at an annual premium of £3,119.

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**DIRECTORS' REPORT (continued)**

**YEAR ENDED 31 MARCH 2008**

Mrs S Botteley and Cllr C Dring are nominated by Birmingham City Council. Solihull Borough Council is entitled to nominate an observer but the position is currently unfilled. They act as observers and none of them 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 6 are from the deaf community.

**Trustee Induction and training**

New directors receive induction training appropriate to the role they are to fulfill. Directors regularly review their requirement for training and this is provided as and when required.

**Organisational Structure**

The charity's main operating bases are 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 Senior Management team. Policies and procedures detail limits to authority.

<b>Company Secretary</b>	B Sheppard
<b>Registered Office and Principal address</b>	Ladywood Road Birmingham B16 8SZ
<b>Auditors</b>	Clement Keys 39/40 Calthorpe Road Edgbaston Birmingham B15 1TS
<b>Bankers</b>	National Westminster Bank plc 30a Harborne Road Edgbaston Birmingham B15 3AA

**BID SERVICES**  
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**DIRECTORS' REPORT (continued)**

**YEAR ENDED 31 MARCH 2008**

**Senior Management Team**

Bryan Sheppard Chief Executive  
Joann Moyles Director of Operations  
Gail Penberthy Director of Development  
Michael Price Director of Resources

**Risk Review**

During the course of the year, a risk analysis was conducted by a group of staff and trustees. Following an assessment of our current and future operating environment, delegates considered a range of risks to which the organisation may be exposed. Risks were assessed in terms of likelihood of occurrence and impact, in the event of them occurring. Resulting scores were ranked to identify those which would have most impact on the organisation.

The largest risks facing the organisation are those arising from demographic change and the increasingly competitive third sector environment. These can only be addressed by using the resources of the charity to ensure that staff and trustees have the necessary range of abilities and skills with which to respond to the full range of dynamic drivers.

**OBJECTIVES AND ACTIVITIES**

The objectives of the charity as set out in the Memorandum and Articles of Association are to relieve deaf, deafened and hard of hearing, and those who use sign language as their preferred language 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 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.

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

1. Improvement of communication at all levels within the organisation,
2. Improvement of the quality of BID services through a wide range of initiatives,
3. Develop and adapt services to meet the current and changing needs of the deaf community,
4. Ensure that training and development needs of all staff and volunteers are identified and a plan created to meet the need,
5. Develop a strategy that will enable BID to effectively campaign for better services for all deaf 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 and the results presented to trustees annually.

Following a strategic review which highlighted continuing change in the Third Sector environment and, in particular, developments in government, local authority and quango procurement, the trustees agreed to work towards formation of a group of charities which would be able to respond to those developments. This would mean that ultimate control of BID would be ceded to the holding charity which would be responsible for coordination and development of the group that will be able to respond effectively to these changes

**BID SERVICES**  
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**DIRECTORS' REPORT (continued)**

**YEAR ENDED 31 MARCH 2008**

**ACHIEVEMENT AND PERFORMANCE**

**Care Management**

This service continues to operate within the legislative framework and statutory obligations and responsibilities. Training in Common Assessment Framework, Safeguarding and Mental Capacity has ensured that Social Workers and Care Managers are up to date in their approach to service provision. The dedicated safeguarding senior worker takes responsibility for all in-house training and ensures a consistent approach to the protection of vulnerable adults and children.

**Equipment Service**

The equipment service has undergone a comprehensive and robust service review and has implemented many of the recommendations ensuring that the service is modern, efficient and effective.

The provision of an Assessment Room has facilitated accurate and realistic assessments of need.

**Communication services**

The Interpreting service continues to provide a variety of communication options across the range of deafness. Diversification and successful bids have been vital to the success of the service and has spread the financial risk and enhanced sustainability.

The British Sign Language and deaf Awareness Training activities were restructured with direct employment of trainers has allowed service improvements. The introduction of 'Taster Courses' has been a valuable tool for recruitment onto BSL level one and additional enrolment opportunities throughout the year has enabled more access to training. The addition of a BSL/NVQ level four course has completed the circle of BSL training and has enabled BID to train and qualify its own interpreters in-house.

**Employment Services**

The successful Route to Work project completed the planned 18 months period. Further funding is currently being sought to ensure deaf people have the opportunity to continue along the journey to work.

**Community Services**

Both the deaf prison project and youth service are currently undergoing fundamental review so that they meet the needs of the community, and are both financially attractive and appealing to funders. Consultation and negotiations are currently in progress.

The volunteer service continues to support deaf people to avail of volunteering opportunities in a variety of settings that allow the acquisition of skills, qualifications and experience that enhance lives.

**Supporting People**

The organisation has continued to provide services under a re-negotiated contract to provide both floating and residential services across Birmingham. Service provision continues in Solihull, Coventry and Staffordshire and a contract has been secured to provide services in County Durham. An innovative project to develop a culturally specific palliative care service is being funded by the Department of Health.

**BID SERVICES**  
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**DIRECTORS' REPORT (continued)**

**YEAR ENDED 31 MARCH 2008**

**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 sustain existing projects and develop new services. 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.

Major profile raising initiatives in the year included establishing a bespoke web presence for the Deaf Cultural Centre and further developing that of BID. New activities include the Deaf Heritage project, supported by the Heritage Lottery Fund, inclusion in a number of European wide e-learning projects and membership of a number of cluster groups and forums, to name but a few.

Significant awareness continues to be generated by the Marketing and Campaigns Team in the local media, using the network of journalist and public relations contacts built up over recent years. Advertising space has been purchased within a number of regional publications that appeals to a strong ABC 1 demographic and the educational and medical audience groups in order to raise the profile of the organisation to those who can support through donations, purchase services and make referrals from our direct client group. Funds raised from trusts has increased in the course of the year although this is recognised to be an increasingly competitive arena.

**Residential Services**

In June 2007, the extension and refurbishment of Chesterberry was completed and the staff and residents moved back from their temporary accommodation. Soon after, two residents and the staff from Maple Court moved to Chesterberry allowing Maple Court to be closed. The new environment has been well received by staff and residents and the home continue to support all the residents to live an enjoyable life within the home and the wider community.

**Deaf Cultural Centre**

The Deaf Cultural Centre was handed over by the contractor in early September and was officially opened by HRH, The Princess Royal on September 10<sup>th</sup>, 2007. A community launch was held in October and over 800 people attended. The café and bar were opened and progress was made towards establishing the Deaf Cultural Centre as a conference centre.

**Financial Review**

The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities 2005.

Net incoming resources for the year amounted to £632,577 compared to £196,136 last year. After transfers between funds the general unrestricted fund increased to £1,111,896.

**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.

**Reserves Policy**

The reserves policy requires the general fund to be maintained at some £1,100,000 based on budgeted revenue expenditure in the next financial year. The general fund is £1,111,896.

**BID SERVICES**  
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**DIRECTORS' REPORT (continued)**

**YEAR ENDED 31 MARCH 2008**

**PLANS FOR FUTURE PERIODS**

Key objectives for the coming year include responding to changes in the third sector contract arena, developing the deaf Cultural Centre and establishing the charitable grouping. A new set of marketing materials is under development to refresh the BID brand and better reflect the organisation's current position and future aspirations. This will also include significant developments to the BID website with the aim of making the site a more effective and accessible information provider.

**Post Balance Sheet Note**

On June 10<sup>th</sup> the charitable grouping referred to earlier came into being. Linota (a company with charitable objectives formed for the purpose) became the sole and controlling member of BID, Birmingham Citizen Advocacy and deafconnect. It is planned that group charities will work closely together to maximise development opportunities.

**DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the net income and expenditure for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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 charitable company will continue on that basis.

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 1985. The Board is 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 financial information included on the charitable company's website.

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 company's auditors are unaware; and
- as the directors of the company we have taken all the steps that they 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.



**BID SERVICES**  
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**DIRECTORS' REPORT (continued)**

**YEAR ENDED 31 MARCH 2008**

**AUDITORS**

Clement Keys have expressed their willingness to continue in office and a resolution for their reappointment as auditors is to be proposed at the forthcoming Annual General Meeting.

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

  
M Reynolds

**18 September 2008**

**BID SERVICES**  
**(a company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

We have audited the financial statements of BID Services for the year ended 31 March 2008 on pages 9 to 31. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Audit Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion :

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's and the group's affairs at 31 March 2008 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

**39/40 Calthorpe Road**  
**Edgbaston**  
**Birmingham**  
**B15 1TS**

  
**CLEMENT KEYS**  
**Chartered Accountants**  
**Registered Auditors**

**18 September 2008**

**BID SERVICES**  
(a company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	2008 Total £	2007 Total £
<b>Incoming resources:</b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	2	21,523	-	149,570	171,093	90,325
Investment income	3	80,333	-	-	80,333	108,705
Commercial trading operations	5	54,238	-	-	54,238	-
<b>Incoming resources from charitable activities</b>						
Contract service and trading income	4	4,156,419	-	-	4,156,419	3,539,385
<b>Total incoming resources</b>		<b>4,312,513</b>	<b>-</b>	<b>149,570</b>	<b>4,462,083</b>	<b>3,738,415</b>
<b>Resources expended</b>						
<b>Costs of generating funds</b>						
Costs of generating voluntary income		79,295	-	-	79,295	77,914
Commercial trading operations	5	54,119	-	-	54,119	-
Interest and other finance costs		-	45,043	-	45,043	-
<b>Charitable activities</b>		<b>3,069,563</b>	<b>-</b>	<b>81,449</b>	<b>3,151,012</b>	<b>3,074,728</b>
Other resources expended		381,181	-	-	381,181	315,879
Governance costs		118,856	-	-	118,856	73,758
<b>Total resources expended</b>	6	<b>3,703,014</b>	<b>45,043</b>	<b>81,449</b>	<b>3,829,506</b>	<b>3,542,279</b>
<b>Net incoming resources before transfers</b>		<b>609,499</b>	<b>(45,043)</b>	<b>68,121</b>	<b>632,577</b>	<b>196,136</b>
Transfer to Building Development Fund		(531,126)	531,126	-	-	-
<b>Net incoming resources before other recognised gains</b>		<b>78,373</b>	<b>486,083</b>	<b>68,121</b>	<b>632,577</b>	<b>196,136</b>
<b>Other recognised gains and losses:</b>						
Unrealised gains on investments		-	-	-	-	-
Realised gains on investments		-	-	-	-	52,593
Actuarial (losses) on defined benefit pension schemes	25	(33,736)	-	-	(33,736)	(27,000)
<b>Net movement on funds</b>		<b>44,637</b>	<b>486,083</b>	<b>68,121</b>	<b>598,841</b>	<b>221,729</b>
<b>Reconciliation of funds</b>						
Funds brought forward at 1 April 2007		1,067,259	3,110,214	107,805	4,285,278	4,063,549
<b>Funds carried forward at 31 March 2008</b>		<b>1,111,896</b>	<b>3,596,297</b>	<b>175,926</b>	<b>4,884,119</b>	<b>4,285,278</b>

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.

All of the activities of the charity are classed as continuing.

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**(a company limited by guarantee)**

**SUMMARY CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT**

**YEAR ENDED 31 MARCH 2008**

	<b>2008</b> <b>£</b>	<b>2007</b> <b>£</b>
<b>Income</b>	4,381,750	3,629,710
Interest and other finance costs	(45,043)	-
Other expenditure	<u>(3,818,199)</u>	<u>(3,569,279)</u>
<b>Net operating income</b>	518,508	60,431
<b>Other income</b>		
Realised gains on disposal of investments	-	52,593
Interest receivable and similar income	<u>80,333</u>	<u>108,705</u>
<b>Net income for the year</b>	<u>598,841</u>	<u>221,729</u>

The Statement of Financial Activities incorporates the Statement of Total Recognised Gains and Losses required by FRS 3.

**BID SERVICES**  
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**CONSOLIDATED BALANCE SHEET**

**31 MARCH 2008**

	<b>Note</b>		<b>2008</b>
		<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Tangible assets	11		5,382,991
Investments	12		135
			<hr/>
			5,383,126
<b>Current assets</b>			
Investments	14	1,688,235	
Stock	15	2,712	
Debtors	16	319,637	
Cash at bank and in hand		40,506	
		<hr/>	
		2,051,090	
<b>Creditors:</b> amounts falling due within one year	17	(1,021,922)	
		<hr/>	
<b>Net current assets</b>			1,029,168
			<hr/>
<b>Total assets less current liabilities</b>			6,412,294
<b>Creditors:</b> amounts falling due in more than one year			
Loans	18		(1,330,175)
Defined benefit pension scheme liability	19		(198,000)
			<hr/>
			4,884,119
			<hr/>
<b>Unrestricted funds</b>			
General funds – general	21		1,309,896
- pension fund			(198,000)
Designated funds	21		3,596,297
<b>Restricted funds</b>	21		175,926
			<hr/>
			4,884,119
			<hr/>

Approved by the Board of Directors on 18 September 2008.

Signed on its behalf by:

  
**G Gillan (Treasurer)**

**BID SERVICES**  
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**COMPANY BALANCE SHEET**

**31 MARCH 2008**

	Note	£	2008 £	£	2007 £
<b>Fixed assets</b>					
Tangible assets	11		5,382,991		3,098,636
Investments	12/13		10,135		6,623
			<hr/>		<hr/>
			5,393,126		3,105,259
<b>Current assets</b>					
Investments	14	1,688,235		2,143,187	
Debtors	16	353,622		290,157	
Cash at bank and in hand		-		1,608	
		<hr/>		<hr/>	
			2,041,857	2,434,952	
<b>Creditors: amounts falling due within one year</b>	17	(1,022,888)		(1,089,669)	
		<hr/>		<hr/>	
<b>Net current assets</b>			1,018,969		1,345,283
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			6,412,095		4,450,542
<b>Creditors: amounts falling due in more than one year</b>					
Loans	18		(1,330,175)		-
Defined benefit pension scheme liability	19		(198,000)		(165,264)
			<hr/>		<hr/>
			4,883,920		4,285,278
			<hr/>		<hr/>
<b>Unrestricted funds</b>					
General funds – general	22		1,309,697		1,232,523
- pension fund	22		(198,000)		(165,264)
Designated funds	22		3,596,297		3,110,214
<b>Restricted funds</b>	22		175,926		107,805
			<hr/>		<hr/>
			4,883,920		4,285,278
			<hr/>		<hr/>

Approved by the Board of Directors on 18 September 2008.

Signed on its behalf by:

**G Gillan (Treasurer)**

**BID SERVICES**  
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**CONSOLIDATED CASH FLOW STATEMENT**

**YEAR ENDED 31 MARCH 2008**

	Note	£	2008 £
<b>Reconciliation of changes in resources to net cash outflow from operating activities</b>			
Net incoming resources before other recognised gains			551,243
Depreciation			220,238
Loss on disposal of fixed assets			-
Increase in pensions			-
Increase in stocks			(2,712)
Increase in debtors			(29,480)
Decrease in creditors			(164,250)
			<hr/>
<b>Net cash inflow from operating activities</b>			<b>575,039</b>
			<hr/>
<b>Cashflow statement</b>			
<b>Net cash inflow from operating activities</b>			<b>575,039</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		18,940	
Dividends received		61,393	
		<hr/>	
Net cash inflow from returns on investment			80,333
<b>Capital expenditure and financial investment</b>			
Payment for tangible fixed assets		(2,504,593)	
		<hr/>	
Net cash outflow from capital expenditure and financial investment			(2,504,593)
<b>Management of Liquid resources</b>			
Disposal of investments held as liquid resources		<u>289,717</u>	
Net cash inflow from management of liquid resources			289,717
<b>Financing</b>			
Long term borrowings		<u>1,426,841</u>	
Net movement in long term borrowings			<u>1,426,841</u>
			<hr/>
<b>Net cash outflow for the year</b>			<b>(132,663)</b>
			<hr/>

No comparative figures are given as this is the first period of reporting on a consolidated basis

**BID SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**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 include the results of the charitable group's operations which are described in the Trustees' Report.

The financial statements have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act 1985 and in compliance with the revised Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued in March 2005 and applicable accounting standards.

The charitable company has availed itself of Paragraph 3 of Schedule 4 to the Companies Act 1985 by adapting the Companies Act formats to reflect the special nature of its activities.

The group financial statements consolidate the results of the charitable company and its wholly owned subsidiary on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charitable company itself following exemptions afforded by section 230 of the Companies Act 1985 and paragraph 397 of the SORP.

**b) Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the charitable company 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 company, are recognised when it becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charitable company 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 company 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.
- Investment income includes dividends and interest receivable. Certain managed funds do not distribute their income which is rolled up and reflected in the unit value. Interest receivable is credited to funds in proportion to cash holdings.



**BID SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**1. Accounting policies – continued**

**b) Resources expended**

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

Charitable expenditure comprises those costs incurred by the charitable company 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 company and include audit fees and costs linked to the strategic management of the charitable company.

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.

**d) 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.

**e) Designated funds**

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

**f) 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.

**g) 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.

**h) Stocks**

The charitable company donates the majority of items held as stock and these are written off as they are purchased.

**i) Investments**

Unlisted and listed investments are stated at market value. Unrealised gains and losses resulting from movements in market value are included in the Statement of Financial Activities.

**BID SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**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 benefit scheme. In the case 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.

**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 505 of the Taxes Act 1988 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 been arisen within the charitable company.

**o) VAT**

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

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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

<b>2. Voluntary income</b>	<b>2008 £</b>	<b>2007 £</b>
Legacies	10,000	29,100
Donations	11,523	22,782
Community activities	-	102
Grants and donations from Trusts	<u>149,570</u>	<u>38,341</u>
	171,093	90,325
	<hr/>	<hr/>
<b>3. Investment income</b>	<b>2008 £</b>	<b>2007 £</b>
Dividends and interest from listed investments and managed funds	61,393	104,010
Bank interest	<u>18,940</u>	<u>4,695</u>
	80,333	108,705
	<hr/>	<hr/>
<b>4. Incoming resources from charitable activities</b>	<b>2008 £</b>	<b>2007 £</b>
Statutory bodies – contract service income	3,723,832	3,114,720
Trading and other activities	<u>432,587</u>	<u>424,665</u>
	4,156,419	3,539,385
	<hr/>	<hr/>

**5. Net Income from trading activities**

A summary of The Deaf Cultural Centre (Trading) Limited results and balance sheet are shown below.

**Profit and loss Account**

	<b>2008 £</b>
Turnover	54,238
Cost of sales	<u>(14,577)</u>
<b>Gross Profit</b>	39,661
Administration expenses	<u>(39,542)</u>
<b>Operating profit</b>	119
Interest receivable	80
	<hr/>
Profit on ordinary activities	<u>199</u>

**BID SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**5. Net income from trading activities (continued)**

<b>Balance Sheet</b>	<b>2008</b>
	<b>£</b>
Stocks	2,712
Debtors	20,758
Cash at bank and in hand	47,241
Creditors	<u>(60,512)</u>
<b>Net assets</b>	<b>10,199</b>
	<hr/>
<b>Represented by</b>	
Called up share capital	10,000
Profit and loss	<u>199</u>
<b>Net Assets</b>	<b>10,199</b>
	<hr/>

**6. Resources expended by activity**

	<b>Trading operations</b>	<b>Finance Costs</b>	<b>Direct cost £</b>	<b>Support costs £</b>	<b>2008 Total £</b>	<b>2007 Total £</b>
<b>Charitable activities</b>						
- Community services	-	-	1,870,480	544,294	2,414,774	2,080,412
- Residential services	-	-	677,408	65,760	743,168	900,348
- Public education development and research	-	-	326,166	36,670	362,836	400,422
<b>Activities for generating funds</b>	-	45,043	81,541	9,169	135,753	87,339
Trading Operations	54,119	-	-	-	54,119	-
<b>Governance</b>	<u>-</u>	<u>-</u>	<u>106,443</u>	<u>12,413</u>	<u>118,856</u>	<u>73,758</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	54,119	45,043	3,062,038	668,306	3,829,506	3,542,279
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**BID SERVICES**  
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**NOTES TO THE ACCOUNTS**

**YEAR ENDED 31 MARCH 2008**

**7. Support costs by activity**

	Community services	Residential services	Public education development and research	Activities for generating funds	Governance	2008 Total	2007 Total
	£	£	£	£	£	£	£
Facilities	280,509	-	14,951	3,738	10,723	309,921	173,755
Human resources and administration	71,487	14,220	4,696	1,176	365	91,944	136,999
Finance	87,082	28,742	9,493	2,373	739	128,429	123,771
Information technology	105,216	22,798	7,530	1,882	586	138,012	120,000
	<u>544,294</u>	<u>65,760</u>	<u>36,670</u>	<u>9,168</u>	<u>12,413</u>	<u>668,306</u>	<u>554,525</u>

Support costs are allocated as follows:

Facilities	- surface area occupied
Finance and HR	- full time equivalents
IT	- unit of equipment

**8. Trustees and staff costs**

Members of the trustee board and committees do not receive any remuneration for their services. During the year one director received travel and subsistence expenses of £194 (2007 : £250).

Staff costs were as follows:	2008 £	2007 £
Wages and salaries	2,332,883	2,206,159
Social security	199,153	189,763
Pensions	<u>117,160</u>	<u>128,974</u>
	<u>2,649,196</u>	<u>2,524,896</u>

One employee received emoluments of over £80,000, together with contributions to a defined contribution scheme of £8,043 (2007 : £7,200)

**BID SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**8. Trustees and staff costs – continued**

The average weekly number of employees during the year, calculated on the basis of fulltime equivalents was as follows:

	<b>2008</b>	<b>2007</b>
	<b>No.</b>	<b>No.</b>
Community services	66	58
Residential services	17	21
Public education, development and research	7	7
Activities for generating funds	1	1
Governance	1	1
Support	<u>10</u>	<u>10</u>
	<b>102</b>	<b>98</b>

**9. Net incoming resources**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration - audit services	9,000	8,496
- VAT advice and other services	1,775	1,293
Depreciation – owned assets	220,238	81,656
Rentals payable under operating leases		
- land and buildings	41,728	40,296
- office equipment	3,965	4,578

**10 Financial activities of the company**

The financial activities shown in the consolidated statement of financial activities includes those of the company's wholly owned subsidiary.

A summary of the financial activities undertaken by the company is set out below.

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Incoming resources from generated funds	251,346	199,030
Incoming resources from charitable activities	<u>4,156,419</u>	<u>3,539,385</u>
Gross incoming resources	<b>4,407,765</b>	<b>3,738,415</b>
Costs of generating funds	(79,295)	(77,914)
Total expenditure on charitable activities	(3,590,649)	(3,390,607)
Governance costs	<u>(106,443)</u>	<u>(73,758)</u>
Net income resources for the year	631,378	196,136
Other recognised gains/(losses)	<u>(32,736)</u>	<u>25,593</u>
Net movement on funds	598,642	221,729
Funds brought forward	<u>4,285,278</u>	<u>4,063,549</u>
Total funds carried forward	<b>4,883,920</b>	<b>4,285,278</b>

**BID SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

<b>11. Tangible fixed assets</b>					
<b>Group and company</b>	<b>Assets in the</b>	<b>Long</b>	<b>Freehold</b>	<b>Plant</b>	<b>Total</b>
	<b>course of</b>	<b>leasehold</b>	<b>land and</b>	<b>machinery</b>	
	<b>construction</b>	<b>property</b>	<b>buildings</b>	<b>fixtures</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>and fittings</b>	<b>£</b>
				<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 April 2007	2,624,388		467,164	380,651	3,472,203
Transfer from assets in the					
Course of construction	(2,624,388)	2,278,900	345,488	-	-
Additions	-	2,114,100	170,687	219,806	2,504,593
Scrappings	-	-	-	(210,979)	(210,979)
At 31 March 2008	-	4,393,000	983,339	389,478	5,765,817
<b>Depreciation</b>					
At 1 April 2007	-	-	52,930	320,637	373,567
Charge for the year	-	87,860	31,426	100,952	220,238
Scrappings	-	-	-	(210,979)	(210,979)
At 31 March 2008	-	87,860	84,356	210,610	382,826
<b>Net book amount</b>					
At 31 March 2008	-	4,305,140	898,983	178,868	5,382,991
At 31 March 2007	2,624,388	-	414,234	60,014	3,098,636

**BID SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

<b>12. Fixed asset investments -group</b>	<b>2008</b>
	<b>£</b>
<b>Market value</b>	
At 1 April 2007	-
Additions	-
Disposals	-
Movement in market value	<u>-</u>
	-
Cash held for investment	-
Other cash deposits	<u>135</u>
At 31 March 2008	<u>135</u>
<b>Cost</b>	
At 31 March 2008	<u>-</u>
The market value at the end of the year represents:	
<b>Cash deposits</b>	
Deposit held by investment managers	-
Other cash deposits	<u>135</u>
	<u>135</u>
All investments are held in the UK	

**13 Investments in subsidiary undertaking**

The company owns 100% of the share capital of Deaf Cultural Centre (Trading) Limited. 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.

Further information regarding the results and assets of the subsidiary is given in note 5

<b>14. Current asset investments – group and company</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Sterling Liquid Deposit Funds	<u>1,688,235</u>	<u>2,143,187</u>



**BID SERVICES**  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

15	Stock	Group		Company	
		2008 £	2007 £	2008 £	2007 £
	Goods for sale	2,712	-	-	-
		<u>2,712</u>	<u>-</u>	<u>-</u>	<u>-</u>
16.	Debtors	Group		Company	
		2008 £	2007 £	2008 £	2007 £
	Fees receivable	258,946	-	258,348	152,984
	Other debtors and accrued income	26,167	-	26,167	114,749
	Prepayments	34,524	-	39,375	22,424
	Amounts due from subsidiary undertaking	-	-	29,732	-
		<u>319,637</u>	<u>-</u>	<u>353,622</u>	<u>290,157</u>
17.	Creditors: amounts falling due within one year	Group		Company	
		2008 £	2007 £	2008 £	2007 £
	Bank overdraft	-	-	6,735	-
	Creditors	52,635	-	49,445	183,283
	Other taxation and social security costs	60,370	-	59,705	61,977
	Loans	96,666	-	96,666	-
	Other creditors	9,460	-	9,460	9,033
	Accruals	103,262	-	101,348	110,683
	Deferred income	699,529	-	699,529	724,693
		<u>1,021,922</u>	<u>-</u>	<u>1,022,888</u>	<u>1,089,669</u>
18.	Creditors: amounts falling due after one year	Group		Company	
		2008	2007	2008	2007
	Loans	1,330,175	-	1,330,175	-
		<u>1,330,175</u>	<u>-</u>	<u>1,330,175</u>	<u>-</u>
	Included within the above are amounts falling due for repayment as follows:			2008 £	2007 £
	Less than 1 year			96,666	-
	in 1 – 2 years			96,666	-
	In 2 – 5 years			289,998	-
	More than 5 years			<u>943,511</u>	<u>-</u>
				<u>1,426,841</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**18. Creditors: amounts falling due after one year – continued**

Included in the figure for loans is a facility of £2,500,000 from Futurebuilders England Limited of which £1,000,000 had been drawn down as at the balance sheet date. The facility is repayable in monthly instalments over 15 years from the date of the original draw down. Interest is fixed at 6% per annum for the initial three years from the date of draw down and is subject to variation thereafter. It is secured by a first legal charge on the Deaf Cultural Centre situate at Ladywood Road, Birmingham.

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

<b>19. Defined benefit pension scheme liability – group and company</b>	<b>£</b>
At 1 April 2007	165,264
Movement for the year	<u>32,736</u>
At 31 March 2008	<u>198,000</u>

**20. Analysis of assets between funds - group**

	<b>Unrestricted £</b>	<b>Designated £</b>	<b>Restricted £</b>	<b>Total £</b>
Tangible fixed assets	5,382,991	-	-	5,382,991
Fixed asset investments	135	-	-	135
Net current (liabilities)/assets	(2,646,387)	3,596,297	175,924	1,125,834
Provision for liabilities and charges	<u>(1,624,841)</u>	<u>-</u>	<u>-</u>	<u>(1,624,841)</u>
Total net assets	<u>1,111,898</u>	<u>3,596,297</u>	<u>175,924</u>	<u>4,884,119</u>

**21. Movement in funds - group**

	<b>1 April 2007 £</b>	<b>Incoming £</b>	<b>Outgoing £</b>	<b>Investment gains £</b>	<b>Transfers £</b>	<b>31 March 2008 £</b>
<b>Restricted funds</b>						
Children	32,920	11,628	(19,326)	-	-	25,222
Deaf Cultural Centre	30,808	65,335	(1,922)	-	-	94,221
Information	14,760	-	-	-	-	14,760
Residential	22,559	10,000	-	-	-	32,559
Others	6,758	62,607	(60,201)	-	-	9,164
<b>Total restricted funds</b>	<u>107,805</u>	<u>149,570</u>	<u>(81,449)</u>	<u>-</u>	<u>-</u>	<u>175,926</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**21. Movement in funds – group - continued**

	1 April 2007 £	Incoming £	Outgoing £	Investment gains £	Transfers £	31 March 2008 £
<b>Unrestricted funds</b>						
<b>Designated</b>						
Business development fund	200,000	-	-	-	-	200,000
IT Development fund	4,560	-	-	-	-	4,560
Residential development fund	73,332	-	-	-	(12,228)	61,104
Building development fund	2,832,322	-	(45,043)	-	543,354	3,330,633
<b>Total designated funds</b>	<b>3,110,214</b>	<b>-</b>	<b>(45,043)</b>	<b>-</b>	<b>531,126</b>	<b>3,596,297</b>
<b>General funds</b>	<b>1,232,523</b>	<b>4,312,513</b>	<b>(3,704,014)</b>	<b>-</b>	<b>(531,126)</b>	<b>1,309,896</b>
Pension fund	(165,264)	-	(32,736)	-	-	(198,000)
<b>Total unrestricted funds</b>	<b>4,177,473</b>	<b>4,312,513</b>	<b>(3,781,793)</b>	<b>-</b>	<b>-</b>	<b>4,708,193</b>
<b>Total Funds</b>	<b>4,285,278</b>	<b>4,462,083</b>	<b>(3,863,242)</b>	<b>-</b>	<b>-</b>	<b>4,884,119</b>

**Purposes of restricted funds**

Young people

Funds donated to support a range of activities for young people.

Deaf care

Accumulated surpluses to be used to support the provision of welfare services to the deaf community.

Information

A project funded by the Community Fund to provide and develop information services to the deaf community.

Residential

Funds donated to support recreational activities for deaf residents

**Purposes of designated funds**

Business development fund

To facilitate future organisational development.

IT Development fund

Support depreciation of IT assets.

Residential development fund

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

Building development fund

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

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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**22. Movement in funds – company**

	1 April 2007 £	Incoming £	Outgoing £	Investment gains £	Transfers £	31 March 2008 £
<b>Restricted funds</b>	107,805	149,570	(81,449)	-	-	175,926
<b>General funds</b>	4,342,737	4,258,195	(3,694,938)	-	-	4,905,994
<b>Pension fund</b>	(165,264)	-	(32,736)	-	-	(198,000)
<b>Total funds</b>	4,285,278	4,407,765	(3,809,123)	-	-	4,883,920

**23. OPERATING LEASE COMMITMENTS**

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

	Land and Buildings £	2008 other £	Land and buildings £	2007 Other £
Leases expiring within 1 year	-	-	-	4,577
2-5 years	-	2,986	42,857	-
Over 5 years	-	-	-	-
	-	2,986	42,857	4,577

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.

**24. 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 has been £4,400,000. The project is funded from reserves and it is supported by a loan facility of £2,500,000 from Futurebuilders England Limited. Capital expenditure contracted for but not expended amounts to approximately £200,000.

Following the purchase of Chesterberry from Trident Housing Association last year. A contract was placed with J & S Seddon (Building) Limited to extend and refurbish the property. The total cost of the project including professional fees and purchase of the property is estimated to be £850,000. The project will be funded from reserves and a loan from NatWest Bank Plc secured on the property. Capital expenditure contracted for but not paid amounts to approximately £50,000.

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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**25. PENSIONS**

As at the year end pension contributions outstanding were £2,578 (2007 : £1,602).  
Certain employees of the charitable company are members of the West Midlands Metropolitan Authorities Pension Fund, a defined benefit scheme.

**(a) Pension costs**

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 2008 for the purposes of the rules in Financial Reporting Standard Number 17 Retirement Benefits ("FRS17") used in the disclosure below.

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

The FRS17 figures as at 31 March 2007 were based on projecting forward the 31 March 2004 valuation.

	<b>2008 £'000</b>	<b>2007 £'000</b>
<b>Amounts recognised in the balance sheet</b>		
Present value of funded obligations	(681)	(658)
Fair value of plan assets	<u>483</u>	<u>494</u>
Net amount recognised	<u>(198)</u>	<u>(164)</u>
Amounts recognised as:		
Liabilities	<u>(198)</u>	<u>(164)</u>
	<u>(198)</u>	<u>(164)</u>
<b>Amounts recognised in the SOFA</b>	<b>2008 £'000</b>	<b>2007 £'000</b>
<b>Components of pension cost</b>		
Current service cost	(3)	(3)
Interest cost	(35)	(30)
Expected return on plan assets	34	31
Past service cost	<u>(2)</u>	<u>-</u>
	<u>(6)</u>	<u>(2)</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2008**

**25. PENSIONS – continued**

	<b>2008</b>	<b>2007</b>
<b>(a) Pension costs – continued</b>		
<b>Movement in surplus during the year</b>		
Deficit in scheme at beginning of year	(165)	(139)
Movement in year:		
(Current service cost)	(3)	(4)
Contributions	6	4
(Past service costs)	(2)	-
Net return on assets/(Interest cost)	(1)	1
Actuarial loss	<u>(33)</u>	<u>(27)</u>
Deficit in scheme at end of year	<u>(198)</u>	<u>(165)</u>

**Plan assets**

	<b>2008</b>	<b>2007</b>
	<b>% £'000</b>	<b>% £'000</b>
The weighted average asset allocation at the year end was as follows:		
<b>Asset category</b>		
Equities	7.50 342	7.50 376
Government Bonds	4.60 49	4.70 41
Other Bonds	5.90 27	5.40 24
Property	6.50 43	6.50 40
Other	5.25 <u>22</u>	5.25 <u>13</u>
	<u>483</u>	<u>494</u>

**Weighted average assumptions used to determine obligations at:**

	<b>2008</b>	<b>2007</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	5.35	4.85
Rate of pension increase	3.60	3.10
Discount rate	5.90	5.40
Inflation assumption	3.60	3.10
Mortality non-retirees	PA92(yob)mc+1yr	PA92(yob)MC+3yrs
Mortality retired	PA92(yob)mc+1yr	PA92(yob)MC+3yrs

**Difference between expected and actual return on scheme assets:**

	<b>2008</b>	<b>2007</b>	<b>2006</b>
Amount (£'000)	(24)	3	71
Percentage of scheme assets	(5.0)%	0.6%	14.7%

**Experience gains and losses on scheme liabilities:**

Amount (£'000)	27	0	(4)
Percentage of scheme liabilities	(4.0)%	0.0%	0.6%

**Total amount recognised in statement of financial activities:**

Amount (£'000)	(34)	(27)	32
Percentage of scheme liabilities	5.0%	4.1%	(5.2)%

**BID SERVICES**  
**(a company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2008**

**25. PENSIONS - continued**

**(b) Pensions Trust**

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 is:

- (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).

The rules of the Scheme allow for the declaration of bonuses if this is within the financial capacity of the Scheme assessed on a prudent basis. Bonuses are not guaranteed and are declared at the discretion of the Trustee.

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 31 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. 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 2004 by a professionally qualified actuary using the "projected unit credit" method. The market value of the Scheme's assets at the valuation date was £1.9 million. The valuation revealed a surplus of assets compared to liabilities of £0.5 million equivalent to a past service funding level of 105%.

The financial assumptions underlying the valuation as at 30 September 2004 were as follows:

	% pa
Rate of return pre retirement	6.9
Rate of return post retirement	5.3
Rate of revaluation on accrued pensions	2.9
Rate of pension increases	2.9
Rate of price inflation	2.9

The next actuarial valuation will be carried out as at 30 September 2008.

**BID SERVICES**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**25 PENSIONS – continued**

Following a change in legislation in September 2005 there is a potential debt on the BID SERVICES that could be levied by the Trustee of the Scheme. The debt is due in the event of it ceasing to participate in the Scheme or the Scheme winding up.

**(c) Pension 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 has 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 10 active members of the Plan. BID SERVICES no longer offers membership of the Plan to its employees.

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 2005 by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £675 million and the Plan's Technical Provisions (ie past service liabilities) were £704 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £29 million, equivalent to a funding level of 96%.

The Scheme Actuary has prepared an Actuarial Report that provides an approximate update on the funding position of the Plan as at 30 September 2007. The funding update revealed an increase in the assets of the Scheme to £747 million and indicated a surplus of assets compared to liabilities of approximately £2 million, equivalent to a funding level of 100.2%.

The financial assumptions underlying the valuation as at 30 September 2005 were as follows

	% pa
Investment return on pre retirement	6.9
Investment return post retirement	5.3
Bonuses on accrued benefits	2.25
Rate of price inflation	2.9

The next full actuarial valuation will be carried out as at 30 September 2008.



**BID SERVICES**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2008**

**25 PENSIONS – continued**

**(c) Pension Trust – growth plan – continued**

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 Plan. The Trustee's current policy is that it only applies to employers with pre October 2001 liabilities in the Plan. The debt is due in the event of BID ceasing to participate in the Plan or the Plan winding up. The Plan is closed to new members.

**26. 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.

**27. NOTES TO THE CASH FLOW STATEMENT**

(a)	Analysis of change in net funds:	At 1	Cash	At 31
		April 2007	flows	March 2008
		£	£	£
	Cash at bank and in hand	469,807	(126,175)	343,632
	Cash held by brokers for investment	6,488	(6,488)	-
		<hr/>	<hr/>	<hr/>
		476,295	(132,663)	343,632
		<hr/>	<hr/>	<hr/>
(b) Reconciliation of net cash flow to movement in net funds:				£
	Change in net funds resulting from cash flows			(132,663)
	Net funds at 1 April 2007			476,295
				<hr/>
	Net funds at 31 March 2008			343,632
				<hr/>

**28 POST BALANCE SHEET EVENTS**

On 11 June 2008 the company changed its name by Special Resolution to BID Services

On the same date LINOTA, a private company limited by guarantee and registered in England and Wales, became the sole member of the company

LINOTA, which was incorporated on 3 December 2007, is a company with charitable objectives but it is not a registered charity