

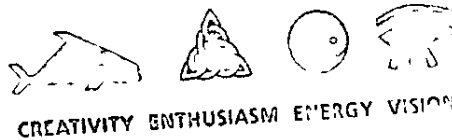
Charity Registration No. 1067673

Charity Registration No. SC039866 (Scotland)

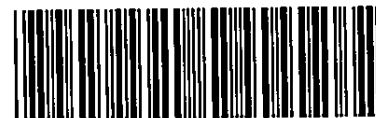
Company Registration No. 3469653 (England and Wales)

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2011

REGISTRAR'S COPY:
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COMPANIES HOUSE

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

President	David Livermore OBE
Vice President	Roger Jefcoate CBE
Patrons	Sir Terry Pratchett OBE Martha Lane Fox
Trustees	Dr Michael Taylor (Chairman) David Barnett Mike Bernard (representing IBM UK Limited) Bill Brown Sarah Foxall (representing Microsoft from December 2011) Chris Gant Colin Knight (representing The Information Technologists' Company) Matt Lambert (representing Microsoft until December 2011) David Morriss Alan Pollard (representing BCS, The Chartered Institute of IT until March 2011, continuing thereafter as an independent Trustee) Nishita Sharma Elizabeth Sparrow (representing BCS, The Chartered Institute of IT from March 2011)
Chief Executive	Nigel Lewis
Secretary	John Muscroft
Charity number	
England & Wales	1067673
Scotland	SC039866
Company number	3469653
Principal address	Microsoft Campus Thames Valley Park Reading RG6 1WG
Registered office	Acre House 11-15 William Road London NW1 3ER

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Auditors

H W Fisher & Company
Acre House
11-15 William Road
London
NW1 3ER

Bankers

Coutts & Co
440 The Strand
London
WC2R 0QS

CCLA Investment Management Limited
80 Cheapside
London
EC2V 6DZ

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
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**ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

The Directors present their report and accounts for the year ended 31 December 2011

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005

Reference and administrative information

The charity is a company limited by guarantee and registered with the Charity Commission under number 1067673 and also with the Office of the Scottish Charity Regulator under number SC039866

Directors

The Directors, who are also directors for the purpose of company law, who served during the year, were

Dr M R Taylor – Chairman
U D Barnett
M Bernard (representing IBM UK Ltd)
W J K Brown
S Foxall (representing Microsoft from December 2011)
C J Gant
M Lambert (representing Microsoft until December 2011)
D Morriss
A Pollard (representing BCS, The Chartered Institute of IT until 15th March 2011 and then elected as an independent Trustee)
N Sharma
E Sparrow (representing BCS, The Chartered Institute of IT from 15th March 2011)
C Knight (representing The Information Technologists' Company)

None of the Directors has any beneficial interest in the company All of the Directors are members of the company and guarantee to contribute £1 in the event of a winding up

Chief Executive who served during the year

N P Lewis

Related parties

These are set out in note 20

Structure, governance and management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated in the UK and registered as a charity The company was established under a Memorandum of Association, which created the objects and powers of the charitable company and is governed by its Articles of Association

Trustee recruitment, appointment, training and induction

Trustees are appointed as representatives of Microsoft, IBM, BCS, The Chartered Institute of IT and The Information Technologists' Company, additional Trustees are identified by Board Members to provide specific skills to meet emerging needs Potential Trustees are interviewed by a panel from the existing Trustees after submitting their CV and are met and briefed by the Chairman and Chief Executive before appointment Successful candidates are then proposed to the Board for approval New Trustees receive a full briefing, including an induction pack, which includes the Memorandum and Articles, minutes of previous meetings and glossary of terms

ABILITYNET

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

Senior Managers are invited to board meetings on an on-going basis to provide briefings on different areas of work. Trustees mentor senior managers wherever appropriate, so that their expertise and insights can be used to benefit the charity and its management.

The senior management team who served during the year were

O Berkery (Human Resources until February 2011)

D Cockburn (Service Delivery)

D Dearden (Sales & Marketing)

R Field (Fundraising)

E Martin (Technical Services)

J Muscroft (Finance)

Management

The Board of Directors (Trustees), who are also directors under company law, are responsible for the overall strategic direction and sound financial practices within the charity. They meet quarterly and receive monthly management reports including management accounts and activity reports from the Chief Executive. There is a standing Audit Committee to supervise the audit process, ensure actions are completed and to address on-going key financial risks.

The Chief Executive reports to the Board and is responsible for the charity's overall day to day management. Key strategic decisions are taken to the board for approval. Where necessary a sub-committee is formed to consider anything that requires additional input or that needs resolution before the next scheduled meeting. Also as the representative of the Board, the Chairman maintains regular contact with the Chief Executive and, where necessary, secures agreement from the Board for urgent action, unless already empowered by the Board to make the necessary decision.

Diversity & Equality Committee

Throughout its operations, AbilityNet is committed to reflecting the diversity of the society we live in and this is reflected in its policies and procedures. The organisation strives to create and sustain an inclusive environment, that provides equal opportunities for all employees, as well as dealing with internal and external stakeholders and members of the public, free from bias and open and accessible to all.

AbilityNet is intent on advancing diversity and equality within all its activities, as it believes this to be socially responsible. Diversity & Equality are seen as essential factors that contribute to the cultural richness and strength of our organisation.

AbilityNet's policy provides coordination and implementation at a strategic level and is supported by additional policies that provide a companywide integrated approach to diversity and equality. The Diversity and Equality Committee comprises the Chairman of the Board of Trustees, together with a Senior Director and the Head of HR.

AbilityNet recognises that a Diversity & Equality policy carries with it responsibilities and requires all employees to recognise these rights and to act in accordance with them in all dealings with the stakeholders of the organisation. In light of this, Diversity and Equality is a permanent agenda item at all Trustee meetings, employees undertake annual mandatory Diversity & Equality training in order to keep them abreast of any changes in this area, and in March 2011 AbilityNet became one of the first organisations within the UK to be 'Clear Assured' – in recognition of its commitment to Diversity & Equality through its recruitment practices.

Diversity & Equality is the cornerstone on which all AbilityNet policies and procedures are based.

Audit Committee

AbilityNet's formal governance structure also includes an Audit Committee which considers the financial outlook of the organisation and related risks. It also reviews the risk management plans of the organisation and associated countermeasures and progress thereof. The committee comprises three experienced Trustees and AbilityNet's Finance Director and reports to the Board of Trustees on a regular basis.

ABILITYNET

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

Remuneration Committee

Another aspect of governance is the Remuneration Committee which considers the reward package of the Chief Executive and broader aspects of AbilityNet's remuneration policy. This committee is made up of four experienced Trustees.

Volunteering Advisory Committee

This Committee was established in 2011 to assist in the creation of a strategy for volunteering which would link in to the overall AbilityNet strategic plan. Using the practical knowledge of volunteering from the members of the committee they will provide feedback to the Board of Directors on future developments in volunteering and how these may affect AbilityNet's own volunteering services.

How our objectives deliver public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the Trustees have considered how planned activities will contribute to the aims and objectives they have set. AbilityNet's work benefits a very wide range of organisations, including the voluntary sector, public and commercial organisations and individuals across the United Kingdom and elsewhere.

Our main objectives and activities and who we try to help are described in more detail below.

Objectives and activities

The organisation's objectives are to provide support for persons with physical, sensory disabilities or mental health difficulties, and to enable individuals to achieve their goals, in particular, but not exclusively, by the use of Information and Communication Technology (ICT).

The main activities offered by the charity directly assist people with any disability or limiting condition, whatever their age or life situation, to enjoy improved independence and quality of life through access to ICT. Access to ICT makes a huge impact on the lives of disabled people by offering greater equality of opportunity and access to education and employment, as well as improved life choices, independence and self-esteem.

We achieve this in three fundamental ways:

Firstly, by providing a comprehensive set of services, tailored to meet each individual's need, including initial information and advice, individual assessment, recommendations on assistive and adaptive technology, configuration of specialist systems, add-ons and upgrades, installation, training and on-going support.

Secondly, working with a wide range of organisations from the private, commercial and third sectors, we provide consultancy advice, auditing, user testing and accreditation of their websites, online and mobile services. These activities help organisations make their online presence and services accessible to the widest community of people so that those who are disabled, have limiting health conditions, or the elderly, can take full advantage of the benefits of online information and services.

These two services of individual assessment and web consultancy combine to help those most disadvantaged to be able to use technology to benefit their individual circumstances and lives.

Thirdly, through our volunteers, we have over 8,000 IT professionals registered as volunteers who help us deliver two key programmes to benefit the disabled. The first is IT4Communities which helps charities within the UK gain access to IT volunteers to deliver IT projects. The second is IT Can Help where volunteers provide IT support to disabled people within their homes.

ABILITYNET

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

Achievements and performance

Since over 90% of jobs now involve ICT and approximately 84% of the UK population use the internet for communication, retail and entertainment, the issues surrounding the 'digital divide' are gaining an increasingly high profile. The UN Convention on Human Rights claims that access to the internet is a basic human right. ICT, which should be the great 'enabler' of society, is in danger of making the gap even greater, creating millions of digitally excluded people who can't benefit from online goods and services.

This means that AbilityNet's specialist expertise is in demand not only for disabled people but also for those who find access to conventional ICT equipment difficult to use, if not impossible, but do not consider themselves to be disabled. The generally accepted estimate for the total number of people involved is in the region of 10 million and it is not diminishing especially due to the ageing UK population. The challenge facing us, as the leading provider of support in this field, is how to extend the reach of our services to address directly more than a fraction of that demand. In order to service this demand we continue to use our own employed staff but are now focusing more on using volunteers to help the disabled and elderly disabled. We have grown our volunteer base to over 8,000 people, predominantly IT professionals, who help those most in need.

Usage of and access to technology continues unabated and will continue to do so. It is therefore evermore necessary that this technology is accessible to all as it pervades all of our lives, at work, in education and in the home and our leisure. The rise of social networks, digital television, on-line and self-service retail as well as on-line access to public services has and will continue to make the use of technology a must in our day to day lives. The explosion in mobile technology and smartphones has made technology and access more affordable, and in some instances more accessible, but access for all is by no means guaranteed and there is an ever present danger of creating a digitally excluded society for individuals who have a disability, a limiting health condition or the elderly.

The services that AbilityNet provide are therefore critical in overcoming and preventing ICT being inaccessible and unusable by the people who need to use technology to enable their lives. Also there are a large number of organisations, both public and private, that need to ensure the services they deliver via technology are fully accessible. This is even more necessary now and into the future as the Government adopts a Digital by Default approach to the delivery of its services.

Through 2011 we directly and indirectly helped nearly 73,000 people through our services of advice and information, accessibility consultancy, assessments, personal installations, training, home support visits, provision of loan bank equipment, technical support, and free IT projects. We also had nearly 1.2 million user sessions on our website and over 224,415 downloads of our fact and skill sheets from our website www.abilitynet.org.uk. There were over 125,174 users of [MyComputerMyWay](#) to help customise and make their computers more accessible. Through the iT4Communities programme we helped over 250 charities with IT projects with an estimated public benefit value of approximately £625,000.

Assessment Services

In 2011 we continued to have strong growth and demand for our assessment service MiDRAS, an outsourced workplace assessment service for employers. MiDRAS provides a holistic approach to workplace assessment encompassing referral, triage, assessment, supply, training, case management and follow-up for major employers. This offering, established in 2010, with one major client has now been sold to 4 other organisations in 2011 and we plan to continue this through 2012 and beyond.

Our London Assessment Centre which was established in the last quarter of 2010 delivers assessments through the Disabled Student Allowance (DSA) scheme. This allows us to provide assessments to students going onto further or higher education. We have built on the great start made and delivered over 500 assessments to students in 2011 as well as opening new outreach centres and facilities in London and the South East.

Accessibility Services

In 2011 AbilityNet delivered accessibility consultancy to over 70 clients across all sectors and of all sizes, both in the UK and across the world.

ABILITYNET

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

During 2011 we continued to work with existing clients as well as bringing on new clients providing consultancy services to help them deliver accessible online and mobile systems and services. In 2011 we saw a marked increase in clients looking to improve and deliver accessible mobile applications.

Whilst an increasing number of companies now provide accessibility services, AbilityNet maintained its position as market leader with a combination of unrivalled expertise, independence and the wide breadth and depth of its services. The area of service for which it is best known and in which it particularly excels, is in disabled user testing – now using the facility of a comprehensive 'Usability Laboratory' in Central London. Growth in this area has increased dramatically and continues apace.

Projects

Throughout 2011 we continued to deliver a range of funded projects. All had the overarching ambition of reaching out into the hearts of local communities and working with local voluntary and community partners to facilitate delivery of assessments, advice & information and equipment.

- Play AT IT Northern Ireland Play AT IT is funded by the Roald Dahl Foundation (£21,842 year one and £49,480 over years 2 and 3) and a donation from the Percy Bilton Charity (£5,000). This three year project focuses on pre-school children in Northern Ireland and in Years 2 and 3 has already worked with 51 Nursery Schools, delivering training to staff and related professionals as well as assessing 183 children.
- The BrainAble project BrainAble is a consortium of European partners running over a 3 year period and is due to complete in December 2012. The project connects the disabled to their physical and social world through a programme that conceives, researches, designs, implements and ultimately validates an ICT based human computer interface (HCI) composed of brain neural computer interaction (BNCI), sensors combined with affective computing and virtual environments. This combination will dramatically improve the quality of life for people with disabilities by overcoming the two main shortcomings they suffer, namely exclusion from home and social activities.
- ATIS4all - Assistive Technology and Inclusive Solutions for All ATIS4all is a European Thematic Network which seeks to facilitate access for everyone to the most suitable AT or accessibility device and service, according to their needs and preferences as well as their contextual characteristics (e.g. ICT solution environment constraints, user device, language, etc.). For this purpose, ATIS4all is establishing and will maintain an open, collaborative portal, offering reliable information on AT and inclusive products and services, as well as cutting-edge technological trends. ATIS4all will contain Web 2.0 participation tools in order to encourage online discussion, the exchange of knowledge and expertise. The portal will also contain a repository and network for open source assistive technology software that supports the best AT development. AbilityNet is a partner to the project leader, Technosite.
- APSIS - Accessible Personalised Services In Public Digital Terminals (PDT) for all APSIS4all will enable end-users to overcome accessibility barriers and to access PDT services in a customised interaction mode, according to their specific needs and preferences. People with disabilities, elderly people and people who are not familiar with ICT, are commonly excluded from accessing the services provided by PDTs due to what can broadly be referred to as accessibility barriers. APSIS4all focuses on overcoming these barriers as well as improving the experience of all PDT users. It achieves this by enabling PDTs to adapt their interfaces automatically, according to the users' needs and preferences and by opening a new variety of interaction modes through the users' mobile devices. AbilityNet is a partner to the project leader, Technosite.
- Sense-Park This project is aimed at Supporting and Empowering Parkinson patients in their home environment through the use of a sensory information system. Sense-Park will develop an unobtrusive and empowering information system for use in the home environment that will provide users with practical, engaging and motivating tools. These tools will enable users to monitor key parameters of their condition (and their temporal changes) in more detail than is now possible. The Sense-Park system will inform users about their motor and non-motor functions while carrying out daily life activities. Sense-Park is supported by the European Commission under the 7th Framework Programme for RTD – Grant Agreement INFSO-ICT-288557.

ABILITYNET

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

iT4Communities (iT4C)

The iT4C programme helps charities within the UK gain access to IT volunteers and to deliver IT projects that benefit the charity. Any charity can apply to iT4C for an IT based project, which could range from an overall Information Strategy, build of a website, help with specific solutions or just general help and advice. The iT4C team works with the charity to properly define the project and the required outcomes, the team then matches the needs of the charity project to one or more of the 8,000 registered volunteers. Defining a charity's project is critical success factor to the high level of completion and success of the projects delivered through the programme.

The work of iT4C is being supported by a grant from the City Bridge Trust (£150,000) over 3 years. With this grant iT4C aims firstly to encourage more London based charities to engage so that they can benefit from the wealth of experience which our volunteers can provide, and secondly, to enable volunteers to benefit from sharing AbilityNet's knowledge and experience of accessibility further to develop their skills in this area for the ultimate benefit of all charities.

The public benefit value of the voluntary services provided in 2011 by iT4C volunteers is estimated to be approximately £625,000.

IT Can Help

In December 2011 the IT Can Help programme was "adopted" by AbilityNet from BCS, The Chartered Institute for IT. The IT Can Help programme helps disabled people by providing IT support in their homes. The support is delivered by a network of 350 volunteers across the UK. The support provided ranges from installing equipment, fixing problems and training. During 2011 IT Can Help carried out 2,262 visits to support people with a disability.

The work of IT Can Help has been funded by BCS, The Chartered Institute for IT for the first three years within AbilityNet to allow us to establish long term funding through our fundraising efforts to sustain and grow this service for disabled people.

Technology4Good Awards (T4G)

In 2011 we established a new awards programme Technology4Good. These unique awards bring together a range of charities and businesses whose work enables people to improve their lives through the use of IT. The awards, hosted by Mariella Frostrup at BT's Centre in St Paul's saw 250 entrants competing for 9 awards to recognize and promote the amazing activity helping disabled people to use technology better within their communities.

The awards were so successful in 2011 that we are running the event again in 2012 and plan to establish this as an annual event to recognize and promote the work of others in using technology to help the disabled and elderly. For more information see www.technology4goodawards.org.uk

Plans for the future

Looking to the future, our focus and mission continues to be the same, reaching out to the 10 million people across the UK who need help to ensure that the technology they use, or wish to use, is accessible and just as importantly, usable.

For 2012 and beyond we intend to focus our efforts around four broad areas:

- 1 Our assessment offering, aimed at helping individuals, will be centred around our MiDRAS reasonable adjustment offering regardless of the setting, in someone's home, at work or in education. We will focus delivering assessments and advice in the workplace with MiDRAS and education through our DSA centres.
- 2 Our web based accessibility services have been brought together in one proposition called iCOMPLY to provide clients an end to end service for governance and accessibility of their on-line presence and services.
- 3 Within 2012 we will bring together iT4Communities, IT Can Help and our Advice and Information services into one department, Volunteer Services, focused on delivering and developing our free services to individuals and charities. These programmes will combine to offer our 8,000 plus volunteers a choice in how they help the

**ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

disabled, by either delivering IT projects, in home support, assessments, training, or general advice and information

- 4 Actively promote the power and benefits of accessible and inclusive technology through a range of marketing lead activities For example building on the T4G awards from 2011 in 2012, attending events such as ND12 and working with key organisations such as Race Online 2012 and One Voice for Accessible ICT

Review of financial position

AbilityNet reported a surplus of £294,946 for the year ended 31st December 2011 compared with a surplus of £138 recorded for the previous year

The year's improved results were mainly due to the full year impact of new contracts and new assessment services launched in the fourth quarter of 2010 The organisation responded very well to the significant increase in activity generated through the higher volumes in the assessment business area

This success has enabled the organisation to improve its reserves position beyond that envisaged in the plan at the start of the year as well as repaying the standby facility in full a year ahead of schedule

The year-end Balance Sheet position has also been strengthened as a result of the improved trading results The liquidity of the organisation continued to be well controlled with trade debtors and creditors being collected and paid to terms

The organisation will strive to identify efficiencies in its operations where possible to help reduce costs during 2012 recognising the economic outlook remains unpredictable

Reserves policy

The reserves policy is to achieve three months coverage of operating expenses At 31st December 2011 reserves (excluding Fixed Assets) stood at £419,352 versus £118,817 from last year, providing over two months' cover

The Reserves Policy is reviewed on a regular basis

Risk factors

The Directors have considered the risks to which the charity is exposed and have established monitoring processes to understand and mitigate those risks Strategic and shorter-term plans are reviewed regularly and funding is obtained from a wide range of sources Internal procedures for control of expenditure, measurement of services and delivery and quality standards are in place It forms an integral part of the management process

Disclosure of information to auditors

Each of the Directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information

Auditors

The auditors, H W Fisher & Company, are deemed to be reappointed under section 487(2) of the Companies Act 2006

On behalf of the board of Directors



Dr M R Taylor
Chairman

Date 19th June 2012

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its net income and expenditure for the year

In preparing these accounts, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 2006 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF ABILITYNET

We have audited the accounts of AbilityNet for the year ended 31 December 2011 set out on pages 12 to 26. These accounts have been prepared in accordance with the accounting policies set out on pages 14 to 15.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As described on page 8, the Trustees, who are also the directors of AbilityNet for the purposes of company law, are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the accounts give a true and fair view.

Our responsibility is to audit the accounts 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 accounts give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006 and comply with the requirements of regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with those accounts.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's accounts are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF ABILITYNET**

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 trustees, and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2011, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the accounts have been properly prepared in accordance with the Companies Act 2006 and comply with the requirements of regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and,

Opinion on other matter prescribed by the Companies Act 2006

the information given in the Directors' Report is consistent with the accounts

**ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF ABILITYNET**

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 accounts are not in agreement with the accounting records and returns, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

**Andrew Rich (Senior Statutory Auditor)
for and on behalf of H W Fisher & Company**

**Chartered Accountants
Statutory Auditor**

Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated 25.6.12

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	Unrestricted funds £	Restricted funds £	Total 2011 £	Total 2010 £
<u>Incoming resources from generated funds</u>					
Voluntary income	2	413,115	3,334	416,449	234,458
Investment income	3	508	-	508	644
		413,623	3,334	416,957	235,102
Incoming resources from charitable activities	4	2,776,145	199,095	2,975,240	2,118,627
Other incoming resources	5	4,850	-	4,850	8,674
Total incoming resources		3,194,618	202,429	3,397,047	2,362,403
<u>Resources expended</u>					
6 to 11					
Costs of generating funds					
Fundraising and publicity		67,487	-	67,487	95,856
Charitable activities					
IT solutions for disabled people		2,819,162	202,429	3,021,591	2,250,350
Governance costs		13,023	-	13,023	16,059
Total resources expended		2,899,672	202,429	3,102,101	2,362,265
Net income for the year/ Net movement in funds		294,946	-	294,946	138
Fund balances at 1 January 2011		176,058	-	176,058	175,920
Fund balances at 31 December 2011		471,004	-	471,004	176,058

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	12		51,652		57,241
Current assets					
Stocks			-		7,753
Debtors	13	546,681		414,522	
Cash at bank and in hand		650,774		192,801	
		1,197,455		615,076	
Creditors: amounts falling due within one year	14	(761,757)		(473,519)	
Net current assets			435,698		141,557
Total assets less current liabilities			487,350		198,798
Creditors: amounts falling due after more than one year	15		(16,346)		(22,740)
Net assets			471,004		176,058
Income funds					
Unrestricted funds			471,004		176,058
			471,004		176,058

The accounts were approved by the Board on

19th June 2012



Dr Michael Taylor (Chairman)
 Director

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, regulation 8 of the Charities Accounts (Scotland) 2006 and the Companies Act 2006

1.2 Incoming resources

Donations are accounted for when receivable. Grant income represents the movement in the year as determined by the stage of completion of the project. Fees for training and consultancy are recognised over the period of the agreement. Income from supply of equipment is accounted for when receivable. Gifts and services in kind are included at a reasonable estimate of their gross value to the Charity. Intangible income (such as rent free accommodation) is included in the Statement of Financial Activities where a third party is bearing the cost of supplying the resources and the resources can be valued. Investment income is recognised on a receivable basis.

1.3 Resources expended

Expenditure is recognised on an accruals basis, inclusive of any irrecoverable value added tax

Costs of generating funds are those costs incurred in attracting voluntary income, in particular grant funding and the costs of maintaining the charity's profile within the sector

Expenditure relating to IT Solutions for Disabled people are those elements of expenditure directly incurred in performing these activities. Project expenditure is aligned to the relevant grant income which is determined by the stage of completion of the project

Governance costs include those costs incurred in the governance of the charity's assets and are primarily associated with constitutional and statutory requirements

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as below

A full year's charge is not accounted for in the year of acquisition. Instead, the depreciation charge is time apportioned based on the month of purchase of the tangible fixed asset

Assessment assets	On a straight line basis over their estimated life of 1-3 years
Office equipment	On a straight line basis over their estimated life of 1-3 years

1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting Policies

(Continued)

1.6 Stock

Stocks of equipment are valued at the lower of cost and net realisable value. Expenditure on demonstration stock is written off in the year it is incurred as the trustees consider that it has a negligible resale value.

1.7 Pensions

The company operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.8 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes.

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2011 £	Total 2010 £
Donations and gifts	413,115	3,334	416,449	234,458

Donations and gifts

Unrestricted funds				
Donations received			19,378	49,361
Intangible income			369,300	164,000
Fundraising income			24,437	5,575
			413,115	218,936

Donations were received and fully expended in 2011 from

Kinsey Charitable Foundation	650
Ofenheim & Cinderford Charitable Trust	3,000
The Drapers' Charitable Fund	5,000
Individual donations	10,728
	19,378

Intangible income comprises primarily free office facilities, software and services as well as equipment
The donors and the nominal values of their donations were

IBM	95,000	95,000
Microsoft	229,300	50,000
BCS, The Chartered Institute of IT	2,000	12,000
The Information Technologists Company	18,000	7,000
BT	25,000	-
	369,300	164,000

3 Investment income

	2011 £	2010 £
Interest receivable	508	644

ABILITYNET
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2011 £	Total 2010 £
Income relating to IT solutions for disabled people	<u>2,776,145</u>	<u>199,095</u>	<u>2,975,240</u>	<u>2,118,627</u>

Included within Income relating to IT solutions for disabled people are the following

Equipment supply and educational products	62,811	-	62,811	74,344
Fees from services provided - Unrestricted	2,713,334	-	2,713,334	1,440,486
Fees from contracts	-	191,279	191,279	431,899
The Big Lottery Fund	-	-	-	171,898
Fees from services provided - Restricted	-	7,816	7,816	-
	<u>2,776,145</u>	<u>199,095</u>	<u>2,975,240</u>	<u>2,118,627</u>

The split of unrestricted incoming resources from charitable activities between the categories listed above has been adjusted for the comparative period in order to give a more accurate representation of the income received. The total income figure, however, has not changed.

5 Other incoming resources

	2011 £	2010 £
Other income	<u>4,850</u>	<u>8,674</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2011 £	Total 2010 £
Costs of generating funds					
Fundraising and publicity	59,784	-	7,703	67,487	95,856
Charitable activities					
<u>IT solutions for disabled people</u>					
Activities undertaken directly	2,100,419	41,594	879,578	3,021,591	2,185,350
Grant funding of activities	-	-	-	-	65,000
Total	2,100,419	41,594	879,578	3,021,591	2,250,350
Governance costs	-	-	13,023	13,023	16,059
	2,160,203	41,594	900,304	3,102,101	2,362,265

Professional fees in other costs includes payments to the auditors of £13,023 (2010 £12,059) for audit fees

The cost equivalent of the intangible income received is included in the 'Other costs' above

7 Fundraising and publicity

Other costs comprise

Fundraising and publicity	<u>7,703</u>	<u>21,111</u>
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ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

8 Activities undertaken directly

	2011 £	2010 £
Other costs relating to income relating to IT solutions for disabled people comprise		
Equipment and direct project costs	148,152	146,921
Staff development and recruitment	11,455	23,868
Rent and rates	30,977	38,156
Telephone	10,448	11,775
Motor expenses	74,359	60,093
Travel and subsistence	69,168	83,528
Printing and postage	2,460	5,232
Insurance	9,781	10,884
Bank charges	1,430	2,029
Office facilities, software and services (Note 2)	369,300	164,000
Netsuite charges and connectivity costs	27,745	31,977
Miscellaneous expenses	32,951	40,169
VAT Irrecoverable	3,274	11,622
Legal and Professional fees	11,525	3,137
Website design and development	40,000	-
Advertising & PR	33,756	5,820
Process review consultancy	10,500	-
Fundraising and publicity - other costs	(7,703)	(21,111)
	879,578	618,100

9 Governance costs

	2011 £	2010 £
Other governance costs comprise		
Audit fees	13,023	12,059
Professional fees	-	4,000
	13,023	16,059

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but 3 of them were reimbursed a total of £537 travelling expenses (2010 No expenses were reimbursed)

ABILITYNET
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

11 Employees

Number of employees

The average monthly number of employees during the year was

	2011	2010
	Number	Number
Charitable activities	38	37
Fundraising	4	4
	42	41

Employment costs

	2011	2010
	£	£
Wages, salaries and subcontractors	1,959,242	1,388,676
Social security costs	139,380	126,372
Other pension costs	61,581	66,099
	2,160,203	1,581,147

The number of employees whose annual emoluments were £60,000 or more were

	2011	2010
	Number	Number
£80,000 to £90,000	1	1
£90,000 to £100,000	1	-

ABILITYNET
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

12 Tangible fixed assets

	Assessment assets £	Office equipment £	Total £
Cost			
At 1 January 2011	197,688	80,613	278,301
Additions	2,311	33,694	36,005
At 31 December 2011	199,999	114,307	314,306
Depreciation			
At 1 January 2011	148,721	72,339	221,060
Charge for the year	30,887	10,707	41,594
At 31 December 2011	179,608	83,046	262,654
Net book value			
At 31 December 2011	20,391	31,261	51,652
At 31 December 2010	48,967	8,274	57,241

The net book value of fixed assets held under finance lease at the year end is £24,813 (2010 nil)

13 Debtors

	2011 £	2010 £
Trade debtors	528,625	403,324
Prepayments and accrued income	18,056	11,198
	546,681	414,522

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

14 Creditors: amounts falling due within one year	2011	2010
	£	£
Bank loans	-	21,067
Net obligations under finance lease and hire purchase contracts	9,401	-
Trade creditors	93,902	143,179
Taxes and social security costs	146,379	99,209
Other creditors	6,707	4,657
Accruals and deferred income	505,368	205,407
	761,757	473,519

Total deferred income carried forward at 31 December 2011 is £401,751 Deferred income brought forward at 1 January 2011 was £166,782

15 Creditors amounts falling due after more than one year	2011	2010
	£	£
Bank loans	-	22,740
Net obligations under finance leases and hire purchase contracts	16,346	-
	16,346	22,740

Analysis of loans

Wholly repayable within five years	-	43,807
Included in current liabilities	-	(21,067)
	-	22,740

Loan maturity analysis

Debt due in one year or less	-	21,067
In more than one year but not more than two years	-	22,740
	-	43,807

Net obligations under finance leases and hire purchase contracts

Repayable within one year	9,401	-
Repayable between one and five years	16,346	-
	25,747	-
Included in liabilities falling due within one year	(9,401)	-
	16,346	-

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

16 Pension and other post-retirement benefit commitments
Defined contribution

	2011	2010
	£	£
Contributions payable by the company for the year	<u>61,581</u>	<u>66,099</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

17 Restricted funds

The income funds of the charity include restricted funds comprising the following movements on donations and grants given on trust for specific purposes

	Movement in funds			
	Deferred/ (accrued) income at 1 January 2011 £	Funds received in the year £	Resources expended £	Deferred/ (accrued) income at 31 December 2011* £
Supported One Stop	13,022	-	(2,804)	10,218
Roald Dahl Foundation (Play AT IT N Ireland)	3,102	18,555	(24,093)	(2,436)
Becta Sustainability	(4,500)	11,876	(7,376)	-
Adobe A2 Conference	2,127	-	-	2,127
BrainAble	18,891	32,912	(36,637)	15,166
iT4Communities	(5,000)	86,816	(94,314)	(12,498)
Technosite	(20,222)	22,698	(2,476)	-
IT Can Help	-	28,000	(4,513)	23,487
ATIS4ALL	-	3,346	(6,828)	(3,482)
APSiS4ALL	-	44,201	(18,273)	25,928
Sense-Park	-	109,683	(1,781)	107,902
Individual assessments and training work	-	3,334	(3,334)	-
	7,420	361,421	(202,429)	166,412

* Included in creditors as deferred income

ABILITYNET
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

17 Restricted funds

(Continued)

The BrainAble project will conceive, research, design, implement and validate an ICT based human computer interface (HCI) It is a European Project funded by the European Commission It is a consortium of European partners delivering the Project, one of which is AbilityNet

iT4Communities (iT4C) is a programme that coordinates a network of 8000 skilled volunteers from the IT sector The programme helps not-for-profit organisations with their IT and strategies Examples of this include IT strategy, website creation, database creation and IT installation

Technosite was a partnership study - Internal Market For Inclusive And Assistive ICT, Targeted Market Analysis And Legislative Aspects - funded by the European Commission and delivered in partnership with other European organisations The study aimed at deepening the knowledge of the inclusive and assistive ICT market mechanisms and barriers and proposed ways to overcome these barriers

Play AT IT Northern Ireland is funded by the Roald Dahl Foundation focussing on pre-school children in Northern Ireland and has so far in Year 2 and 3 of the project worked with 51 Nursery Schools, delivering training to staff and related professionals and assessing 183 children

ATIS4all is a European Thematic Network project which will start and maintain an open, collaborative portal offering reliable information on adaptive technology and inclusive products and services, and cutting-edge technological trends

The APSIS4all is a European collaborative project which will allow end-users to overcome accessibility barriers and access Public Digital Terminal services in a customised interaction mode according to their needs and preferences

Sense-Park is a European collaborative project aimed at supporting and empowering Parkinson patients in their home environment using a sensory information system This monitors daily life relevant parameters of Parkinson disease and their changes

IT Can Help programme helps disabled people by providing IT support in their homes The support is delivered by a network of 350 volunteers across the UK and ranges from installing equipment, fixing problems and training

Individual assessment and training work includes grants from the following

	£
The Arnold Burton 1998 Charitable Trust	250
Florence Nightingale Aid in Sickness Trust	781
The Bazley Charitable Trust	500
St Judes Trust	1,000
Various other organisations	803
	3,334

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2011

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2011 are represented by			
Tangible fixed assets	51,652	-	51,652
Current assets	1,197,455	-	1,197,455
Creditors amounts falling due within one year	(761,757)	-	(761,757)
Creditors amounts falling due after more than one year	(16,346)	-	(16,346)
	<u>471,004</u>	<u>-</u>	<u>471,004</u>

19 Commitments under operating leases

At 31 December 2011 the company had commitments under non-cancellable operating leases as follows

	Land and buildings	
	2011 £	2010 £
Expiry date		
Within one year	<u>16,621</u>	<u>18,046</u>

20 Related parties

The related parties during the year were as follows

Dr M R Taylor is a Fellow of BCS, The Chartered Institute of IT, also a member of the BCS Product and Services Board and Freeman of The Information Technologists' Company

M Bernard is an employee of IBM (UK) Ltd

S Foxall is an employee of Microsoft

C Knight is a Liveryman of the The Information Technologists' Company

M Lambert is now a former employee of Microsoft

D Morriss is a former Trustee of BCS, The Chartered Institute of IT and Liveryman of The Information Technologists' Company

A Pollard is a Past President and former Trustee of BCS, The Chartered Institute of IT and Liveryman of The Information Technologists' Company

E Sparrow is a Past President and former Trustee of BCS, The Chartered Institute of IT, also a member of the BCS Product and Services Board and Freeman of The Information Technologists' Company