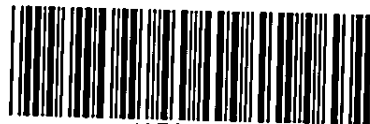


Charity Registration No 1067673

Company Registration No 3469653 (England and Wales)

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

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

Trustees	Dr Michael R Taylor (Chair) U D Barnett W J K Brown C J Gant C Knight (representing Worshipful Company of Information Technologists, appointed 01/01/2010) M Lambert (representing Microsoft Limited) D Morriss A Pollard (representing British Computer Society) N Sharma J Tabor (representing IBM UK Limited)	
Secretary	U D Barnett	
Charity number	1067673	
Company number	3469653	
Principal address	Microsoft Campus Thames Valley Park Reading RG6 1WG	
Registered office	Acre House 11-15 William Road London NW1 3ER	
Auditors	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom	
Bankers	CCLA Investment Management COIF Charity Funds 80 Cheapside London EC2V 6DZ	CAF Bank 18-20 St Andrew Street London EC4A 3AY
	Coutts & Co 440 The Strand London WC2R 0QS	Barclays Bank Plc Leicester LE87 2BB

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
CONTENTS

	Page
Directors' report	1 - 7
Statement of Directors' responsibilities	8
Independent auditors' report	9 - 10
Statement of financial activities	11
Balance sheet	12
Notes to the accounts	13 - 24

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009

The Directors present their report and accounts for the year ended 31 December 2009

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

Directors

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

Dr Michael R Taylor - Chair

U D Barnett

W J K Brown

C J Gant

C Knight (representing Worshipful Company of Information Technologists, appointed 01/01/2010)

M Lambert (representing Microsoft Limited)

D Morriss

A Pollard (representing British Computer Society)

N Sharma

J Tabor (representing IBM UK Limited)

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

Related parties

These are set out in note 21

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 established the objects and powers of the charitable company and is governed by its Articles of Association

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009

Trustee recruitment, appointment, training and induction

Trustees are appointed as representatives of either Microsoft, IBM or BCS, additional trustees are identified by Board Members to provide specific skills to meet emerging needs. Potential trustees are interviewed informally by a panel from the existing trustees, submit their CV and meet and are briefed by the Chair and CEO 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.

Senior Managers are invited to board meetings on an ongoing basis to provide briefings on different areas of work and each trustee is being linked with a senior manager to forge closer links with a particular area of work.

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 of trustees which supervises the audit process, follows up and addresses on-going financial issues, and which also monitors the Risk Register.

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 CEO and, where necessary, secures agreement from the Board for urgent action, unless already empowered by the Board to make the necessary decision.

During 2009 a Diversity & Equality Committee was formed.

Diversity & Equality

In the first quarter of 2009 AbilityNet turned its focus to Diversity & Equality, this entailed the drawing up of a Diversity & Equality Policy and the setting up of a Diversity & Equality Committee. The Company's aim was to ensure that all commitments outlined in the Company's Diversity & Equality policy were being met and exceeded where possible. This Committee comprises the Chairman of the Board of Trustees, together with a Senior Director and Head of HR. Diversity & Equality is a permanent agenda item at all trustee meetings which conveys our ongoing commitments in this area. 2009 also saw the introduction of mandatory Diversity & Equality Training for all AbilityNet Employees, and this training is an annual event to ensure that all employees are kept abreast of any changes in this area. Diversity & Equality now forms an integral part of all our policies and procedures.

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009

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 in the public and private sectors, including the voluntary sector, as well as individuals across the United Kingdom and elsewhere.

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

Objectives and activities

The company's objects are to promote relief for persons with physical, sensory or mental disabilities, and to develop their physical and mental capabilities, 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. ICT access is able to make a huge impact on the lives of disabled people by offering greater equality of opportunity for education and employment, as well as improved life choices, independence and self-esteem. AbilityNet provides a comprehensive set of services, tailored to meet each individual's need, including initial information and advice, personal assessment of need, recommendations on assistive and adaptive technology, configuration of specialist systems, add-ons and upgrades, installation, training and ongoing support.

Achievements and performance

Since over 90% of jobs now involve ICT and over 60% of the population use the internet for communication, retail and entertainment, access to both ICT and the internet is now seen as a human right, and issues surrounding the 'digital divide' are gaining an increasingly high profile. In other words, ICT which could become the great 'enabler' of society is in danger of making the gap even greater. 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 difficult, 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 some 9.8 million. 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.

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 our lives at work, in education, in the home and at 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. Whilst the technology should make it easier and more effective to deliver and access services, access for all is by no means guaranteed and there is an ever

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009

present danger of creating a digitally excluded society for individuals who have a disability, limiting health condition or are elderly

The services that AbilityNet provide are therefore critical in overcoming and preventing ICT being inaccessible and unusable by the people who need it most to enable their lives. The number of people requiring help is approximately 10 million and increasing as the UK population ages. There are a large number of organisations, both public and private, that need our help to make the services they deliver via IT are truly accessible. The continuing challenge for AbilityNet is how we can reach this increasing volume of people so they can use our services and support.

During 2009 we directly helped 38,404 people through our advice and information service, assessments, personal installations, training, home support visits, provision of loan bank equipment and technical support. We also had over 11 million user sessions on our website www.abilitynet.org.uk and nearly 150,000 downloads of our fact and skill sheets. There were over 180,000 users of the MyComputerMyWay to help customise and make their own computers more accessible.

Accessibility Services

The Accessibility Services team maintained a strong growth in both delivery of services and raising their profile in 2009. They worked with clients in all sectors, including the Cabinet Office, Highways Agency, BBC, American Express, Microsoft, Barclays, UFI and RNIB. 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 services, in which it particularly excels, is in disabled user testing – now using the facility of a comprehensive 'Usability Laboratory'. Growth in this area has increased dramatically and continues apace.

Switched On Communities and Sustaining Switched On Communities

These two projects, Switched on Communities (SOC) funded by DSGI and Sustaining Switched on Communities (SSOC) funded by The Big Lottery Fund, funds AbilityNet to work with voluntary organisations throughout the country, supplying them with accessible IT equipment, training and support, thereby enabling them to make their own services more accessible for disabled individuals and so extend AbilityNet's reach.

DSGI provided £585,000 over three years and The Big Lottery Fund England made a £699,644 grant to enable AbilityNet to deliver across the UK encompassing all the regions in England, Scotland, Wales and Northern Ireland.

Wales Remote Assessment Project

Through the innovative use of new technologies, AbilityNet's Remote Assessment Projects in Scotland (funded by Big Lottery Fund Scotland and Learndirect) and in London (funded by The City Bridge Trust) have proved remarkable success stories, adding depth and breadth to our reach. The Remote Assessment Project has continued with its development and 2008 saw the Big Lottery Fund Wales grant £250,000 to establish 'Wales Remote Assessment Project'. This project works with

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009

90 organisations throughout Wales, creating Remote Assessment capabilities in local communities and making those organisations' services more accessible to disabled individuals

Play AT IT

The Play AT IT project is funded by The Big Lottery to £248,395 over two years to focus on helping pre-school disabled children to utilise accessible technology in their early years. We have found that many pre-school disabled children who attend nursery are often excluded from play and early learning as they are not able to undertake the same activities as other youngsters, such as drawing etc. By providing such young children with accessible ICT including specific pre-school software learning resources, these young disabled children can be included so that they develop alongside peers.

Play AT IT Northern Ireland

An extension of Play AT IT, focusing on pre-nursery children in Northern Ireland and funded by the Roald Dahl Foundation, providing £26,840 for the first year and £49,480 for years 2 and 3.

Sustaining AAC Throughout England

Alternative Augmentative Communication (AAC) is high on the public agenda but there has been a divide in its recognition and hence a low take-up of their use in schools. AbilityNet identified that a reason for this is many schools was that they had not experienced the advantages of AAC devices and therefore understandably were hesitant to invest in them.

Sustaining AAC Throughout England creates a sustainable model for the provision of AAC equipment and support. It achieves this by giving local commissioners the opportunity to sample the service initially free of charge so that they are able to understand the clear benefits AAC provide to children with a disability. They can then re-commission the service the following year on a paid basis. Becta is funding this project over 3 years up to £118,528 subject to funds availability.

Talk is Cheap, Communication is Priceless (TICCIP)

AbilityNet use innovative approaches to drive down the cost and increase the effectiveness of all aspects of Alternative Augmentative Communication (AAC) provision, including assessment, AAC devices, training and support and collaboration between professionals.

Currently, although of a high standard, AAC services can be expensive, involving a great deal of staff time and travel, hence creating long waiting lists which in turn can make sustainability an issue for the organisations providing the AAC services.

The TICCIP project will research, map and report on what is being done provided within AAC assessment. It will evaluate both in terms of cost effective and premium services and identify where there are gaps in scalable provision, the strengths of the local teams and the budgets of the local commissioners. The project will also include trials in a scalable range of AAC assessments developed specifically to facilitate multi-agency working. Becta funded £74,933 as a one year project.

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009

Plans for the future

Looking to the future for AbilityNet our focus and mission continues to be the same, reaching out to the 9.8 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

During 2010 and beyond our intent is to continue to deliver and grow our

- free services to a greater number of beneficiaries who need our help, delivering assessments, advice and information, free resources, training and equipment
- partner relationships, working with over 300 community and voluntary organisations across the UK delivering accessible ICT into the heart of local communities
- unique and innovative methods of delivery of our services which give flexibility and easy access to our beneficiaries whilst driving down cost
- work on raising awareness across government, public and commercial sectors and to individuals on the benefits of and how to obtain accessible ICT

Public Benefit Statement

Directors of a charity have a duty to report in their Annual Report on their charity's public benefit. The Directors of AbilityNet have considered the requirements which are explained on the Charity Commission website. These came into force for accounting periods ending 31st March 2009.

The sections of this report above entitled "Objectives and activities" and "Achievements and performance" set out AbilityNet's objectives and reports on the activity and successes in the year to 31 December 2009 as well as explaining the plans for the current financial year. AbilityNet's work benefits a very wide range of organisations, including the voluntary sector and individuals across the United Kingdom and elsewhere.

The Directors have considered this matter and concluded

- 1 That the aims of the organisation continue to be charitable
- 2 That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need
- 3 That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay
- 4 That there is no detriment or harm arising from the aims or activities

Review of financial position

During the year to 31st December 2009 AbilityNet reported an overall deficit of £65,692. Reserves at the year-end fell to £175,920.

The first quarter of 2009 continued the good progress from 2008 but, as anticipated, the national economic situation significantly affected AbilityNet causing a major reduction in income levels and a performance deficit in the second quarter.

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2009

Prearranged plans were quickly implemented to reduce the cost base to match the lower income levels. This involved some redundancies and an overall employee salary reduction programme which is anticipated to be temporary. Part of the Standby Facility was drawn-down to support the cash balances. During the fourth quarter AbilityNet returned to a small surplus position but not sufficient to offset the initial losses in the second and third quarters.

With the benefit of the Standby Facility, AbilityNet has maintained good operating levels of both restricted and unrestricted cash resources. Trade debtors, trade and tax creditors continue to operate at target levels and loan capital and interest payments are being met to terms.

The stabilised financial operating situation has resulted in AbilityNet earning a surplus in the first quarter of 2010. However, AbilityNet is anticipating and planning for the current difficult economic situation to continue throughout 2010 with an easing during 2011.

Reserves policy

At 31st December 2009 reserves (excluding Fixed Assets) stood at £108,985. The reserves policy is to aim towards three months of operating expense in cash reserves.

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

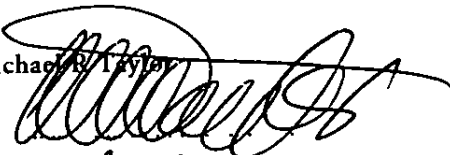
Each of the Directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditors are unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are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

Auditors

In accordance with section 489 of the Companies Act 2006, a resolution proposing that H W Fisher & Company be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of Directors

Dr Michael R. Taylor
Chair
Date


08/06/2010

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. 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 TRUSTEES OF ABILITYNET**

We have audited the accounts of AbilityNet for the year ended 31 December 2009 set out on pages 11 to 24. These accounts have been prepared in accordance with the accounting policies set out on pages 13 to 14.

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. 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. 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.

Basis of opinion

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

**ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)**

TO THE TRUSTEES OF ABILITYNET

Opinion

In our opinion

- the accounts give a true and fair view of the state of the company's affairs as at 31 December 2009, 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
- the information given in the Directors' Report is consistent with the accounts

H W Fisher & Company

**A G 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 14/6/10

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
<u>Incoming resources from generated funds</u>					
Voluntary income	2	265,021	77,000	342,021	360,545
Investment income	3	1,185	-	1,185	10,877
		<u>266,206</u>	<u>77,000</u>	<u>343,206</u>	<u>371,422</u>
Incoming resources from charitable activities	4	1,671,377	536,623	2,208,000	2,528,771
Other incoming resources	5	1,825	-	1,825	4,121
		<u>1,939,408</u>	<u>613,623</u>	<u>2,553,031</u>	<u>2,904,314</u>
Total incoming resources					
<u>Resources expended</u>					
Costs of generating funds					
Fundraising and publicity	6	114,161	-	114,161	137,269
		<u>114,161</u>	<u>-</u>	<u>114,161</u>	<u>137,269</u>
Charitable activities					
IT solutions for disabled people		1,877,939	613,623	2,491,562	2,606,787
		<u>1,877,939</u>	<u>613,623</u>	<u>2,491,562</u>	<u>2,606,787</u>
Governance costs		13,000	-	13,000	19,115
		<u>13,000</u>	<u>-</u>	<u>13,000</u>	<u>19,115</u>
Total resources expended		<u>2,005,100</u>	<u>613,623</u>	<u>2,618,723</u>	<u>2,763,171</u>
Net (expenditure)/income for the year/ Net movement in funds		<u>(65,692)</u>	<u>-</u>	<u>(65,692)</u>	<u>141,143</u>
Fund balances at 1 January 2009		241,612	-	241,612	100,469
		<u>241,612</u>	<u>-</u>	<u>241,612</u>	<u>100,469</u>
Fund balances at 31 December 2009		<u>175,920</u>	<u>-</u>	<u>175,920</u>	<u>241,612</u>

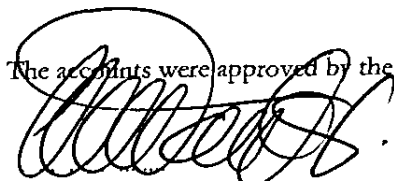
The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2009

	Notes	2009 £	£	2008 £	£
Fixed assets					
Tangible assets	13		66,935		94,366
Current assets					
Stocks		10,858		26,040	
Debtors	14	241,817		418,635	
Cash at bank and in hand		355,842		402,858	
		<u>608,517</u>		<u>847,533</u>	
Creditors, amounts falling due within one year	15	<u>(439,532)</u>		<u>(673,395)</u>	
Net current assets			<u>168,985</u>		<u>174,138</u>
Total assets less current liabilities			<u>235,920</u>		<u>268,504</u>
Creditors, amounts falling due after more than one year	16		<u>(60,000)</u>		<u>(26,892)</u>
Net assets			<u><u>175,920</u></u>		<u><u>241,612</u></u>
Income funds					
Unrestricted funds			<u>175,920</u>		<u>241,612</u>
			<u><u>175,920</u></u>		<u><u>241,612</u></u>

The accounts were approved by the Board on



Dr Michael R Taylor (Chair)
 Director

08/06/2010

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

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 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 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

IT Equipment	On a straight line basis over their estimated life of 3 years
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ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting Policies **(Continued)**

15 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

16 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.

17 Pensions

The pension costs charged in the accounts represent the contributions payable by the company during the year in accordance with FRS 17.

18 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 2009

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Donations and gifts	265,021	77,000	342,021	360,545
Donations and gifts				
Unrestricted funds			81,898	100,106
Donations received			151,000	151,000
Intangible income			32,123	42,900
Fundraising income			265,021	294,006

Donations were received and fully expended in 2009 from

Clore Duffield Foundation	30,000
Ofenheim Charitable Trust	2,500
Mr & Mrs J A Pye's Charitable Trust	500
Cuthbert Horn Trust	3,000
Salter's Company	2,000
St Jude's Trust	2,000
Bazley Charitable Trust	500
Weinstock Fund	1,000
Sandra Charitable Trust	1,000
Intellect	1,538
Groundwork - Reaching for Gold	15,000
Individual donations	22,859
	<u>81,898</u>

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

IBM - £95,000, Microsoft - £50,000, BCS - £6,000

3 Investment income

	2009 £	2008 £
Interest receivable	1,185	10,877

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

4 Incoming resources from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
Income relating to IT solutions for disabled people	<u>1,671,377</u>	<u>536,623</u>	<u>2,208,000</u>	<u>2,528,771</u>

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

Equipment supply and educational products	(265,050)		265,050	538,895
Fees from services provided	(1,406,327)		1,406,327	1,173,672
Fees from contracts		(160,483)	160,483	312,930
Big Lottery Fund		(376,140)	376,140	503,274
	<u>(1,671,377)</u>	<u>(536,623)</u>	<u>2,208,000</u>	<u>2,528,771</u>

5 Other incoming resources

	2009 £	2008 £
Other income	<u>1,825</u>	<u>4,121</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Grant funding £	Total 2009 £	Total 2008 £
Costs of generating funds						
Fundraising and publicity	90,432	-	23,729	-	114,161	137,269
Charitable activities						
<u>IT solutions for disabled people</u>						
Activities undertaken directly	1,546,059	52,281	823,222	-	2,421,562	2,444,841
Grant funding of activities	-	-	-	70,000	70,000	161,946
Total	1,546,059	52,281	823,222	70,000	2,491,562	2,606,787
Governance costs	-	-	13,000	-	13,000	19,115
	1,636,491	52,281	859,951	70,000	2,618,723	2,763,171

Professional fees in other costs includes payments to the auditors of £13,000 (2008 £13,000) 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>23,729</u>	<u>35,406</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

8 Activities undertaken directly

	2009	2008
	£	£
Other costs relating to IT solutions for disabled people comprise		
Equipment and direct project costs	348,251	753,488
Staff development and recruitment	10,398	11,009
Rent and rates	43,585	43,864
Telephone and postage	11,477	14,533
Motor expenses	69,961	61,629
Travel and subsistence	95,027	99,021
Printing and postage	3,584	5,140
Professional fees	23,274	2,537
Insurance	15,440	13,733
Bank charges	2,801	2,940
Office facilities and services	151,000	151,000
Netsuite charges	18,125	22,592
Miscellaneous expenses	43,178	40,863
VAT Irrecoverable	10,850	4,939
Fundraising and publicity - other costs	(23,729)	(35,406)
	<u>823,222</u>	<u>1,191,882</u>

9 Grants payable

	Total 2009
	£
Grants to institutions	
Macclesfield and District Disability Information Bureau	5,000
Rise	5,000
Age Concern	15,000
Key Ring	15,000
Project Cosmic	5,000
The Hope Foundation	10,000
The Riverside Centre	5,000
Leicestershire Centre For Integrated Living	10,000
	<u>70,000</u>
Total for 2008	<u>161,946</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

10 Governance costs

	2009	2008
	£	£
Other governance costs comprise		
Audit fees	13,000	13,000
Professional fees	-	6,115
	<u>13,000</u>	<u>19,115</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year (2008 £nil)

12 Employees

Number of employees

The average monthly number of employees during the year was

	2009	2008
	Number	Number
Charitable activities	39	40
Fundraising	3	3
	<u>42</u>	<u>43</u>

Employment costs

	2009	2008
	£	£
Wages, salaries and subcontractors	1,414,644	1,140,172
Social security costs	140,369	125,210
Other pension costs	81,478	62,345
	<u>1,636,491</u>	<u>1,327,727</u>

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

	2009	2008
	Number	Number
£60,000 to £70,000	1	-
£70,000 to £80,000	-	1
£80,000 to £90,000	1	-
	<u>2</u>	<u>1</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

13 Tangible fixed assets

	Donated assets £	Office equipment £	Total £
Cost			
At 1 January 2009	136,002	66,067	202,069
Additions	19,979	7,863	27,842
Disposals	-	(2,680)	(2,680)
At 31 December 2009	155,981	71,250	227,231
Depreciation			
At 1 January 2009	89,434	18,269	107,703
On disposals	-	(826)	(826)
Charge for the year	29,669	23,750	53,419
At 31 December 2009	119,103	41,193	160,296
Net book value			
At 31 December 2009	36,878	30,057	66,935
At 31 December 2008	46,568	47,798	94,366

14 Debtors

	2009 £	2008 £
Trade debtors	182,594	348,961
Other debtors	225	1,290
Prepayments and accrued income	58,998	68,384
	241,817	418,635

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

15 Creditors, amounts falling due within one year	2009	2008
	£	£
Bank loans	24,732	24,832
Trade creditors	89,036	242,188
Taxes and social security costs	56,176	81,837
Other creditors	6,238	-
Accruals and deferred income	263,350	324,538
	439,532	673,395

Total deferred income carried forward at 31 December 2009 is £244,643. Deferred income brought forward at 1 January 2009 was £311,978.

16 Creditors, amounts falling due after more than one year	2009	2008
	£	£
Loans	60,000	26,892
Analysis of loans		
Wholly repayable within five years	84,732	51,724
Included in current liabilities	(24,732)	(24,832)
	60,000	26,892
Loan maturity analysis		
Debt due in one year or less	24,732	24,832
In more than one year but not more than two years	60,000	26,892
	84,732	51,724

17 Pension and other post-retirement benefit commitments

Defined contribution

	2009	2008
	£	£
Contributions payable by the company for the year	81,478	62,345

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

18 Restricted funds

Reconciliation of incoming resources

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes

	Deferred Income brought forward*	Funds received in the year	Incoming resources expended in the year	Deferred Income carried forward*
	£	£	£	£
Supported One Stop	-	10,000	(1,396)	8,604
Big Lottery Fund Childrens Play (PlayATIT)	11,906	104,090	(81,566)	31,252
Roald Dahl (PlayATIT Northern Ireland)	-	16,382	(19,560)	(3,178)
Percy Bilton Charity (PlayATIT NI)	-	5,000	-	5,000
Big Lottery Fund - Wales	10,902	93,197	(92,350)	11,749
Big Lottery Fund BASIS (SSOC)	106,676	162,918	(202,225)	67,369
DSG International plc (SOC)	47,242	-	(47,242)	-
BECTA TICCIP	-	54,872	(54,192)	680
BECTA Sustainability	-	39,000	(37,582)	1,418
RAP London	511	-	(511)	-
Roger & Jean Jefcoate Charitable Trust	-	5,000	-	5,000
Individual assessments and training work	-	77,000	(77,000)	-
	<u>177,237</u>	<u>567,459</u>	<u>(613,624)</u>	<u>131,072</u>

* Included in creditors

- ✓ The Play AT IT project is funded by The Big Lottery over two years to focus on helping pre-school disabled children to utilise accessible technology in their early years

The Big Lottery Fund - Wales grant was to establish 'Wales Remote Assessment Project' This project works with 90 organisations throughout Wales, creating Remote Assessment capabilities in local communities and making those organisations' services more accessible to disabled individuals

The two projects, Switched on Communities (SOC) funded by DSGI and Sustaining Switched on Communities (SSOC) funded by The Big Lottery Fund, funds AbilityNet to work with voluntary organisations throughout the country, supplying them with accessible IT equipment, training and support, to enable them to make their own services more accessible for disabled individuals

The TICCIP (Talk is Cheap, Communication is Priceless) project is to research, map and report on what is being done provided within Alternative Augmentative Communication (AAC) assessment. It will evaluate both in terms of cost effective and premium services and identify where there are gaps in scaleable provision, the strengths of the local teams and the budgets of the local commissioners

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

18 Restricted funds

(Continued)

Individual assessment and training work includes grants from the following

	£
Three Oaks Trust	2,500
Lloyds TSB Foundation	40,000
Triangle Trust 1949	3,000
Eveson Charitable Trust	10,000
Sobell Foundation	5,000
P F Edwards Charitable Trust	3,500
29th May 1961 Charitable Trust	3,000
C H K Charities Ltd	3,000
Goldsmiths' Company	2,500
Ammco Trust	500
Arnold Burton 1998 Trust	1,000
Hawthorn Charitable Trust	2,500
Bartlett Taylor Charitable Trust	500
	<u>77,000</u>

19 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2009 are represented by			
Tangible fixed assets	66,935	-	66,935
Current assets	608,517	-	608,517
Creditors amounts falling due within one year	(439,532)	-	(439,532)
Creditors amounts falling due after more than one	(60,000)	-	(60,000)
	<u>175,920</u>	<u>-</u>	<u>175,920</u>

20 Commitments under operating leases

At 31 December 2009 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2009	2008	2009	2008
	£	£	£	£
Expiry date				
Within one year	<u>18,570</u>	<u>35,920</u>	<u>-</u>	<u>1,061</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2009

21 Related parties

The related parties during the year were as follows

Dr Michael R Taylor is a freeman of the Worshipful Company of Information Technologists

David Morriss is a former trustee of the British Computer Society and liveryman of the
Worshipful Company of Information Technologists

Jane Tabor is an employee of IBM UK Ltd

Matthew Lambert is an employee of Microsoft Limited

Alan Pollard was President of the British Computer Society during the period November 2008
To November 2009 During that period he was Chairman of the Trustees of the Society
He is a Court Liveryman of the Worshipful Company of Information Technologists

Colin Knight is a liveryman of the Worshipful Company of Information Technologists