Charity Registration No. 1067673

Company Registration No. 3469653 (England and Wales)

ABILITYNET

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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COMPANIES HOUSE

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

Trustees	Dr Michael Taylor (Chairman)	
	David Barnett	
	Mike Bernard (representing IBM UK Limited)	
	Bill Brown	
	Sarah Foxall (representing Microsoft Ltd)	
	Kush Kanodia	
	David Morriss	
	Lawrence Phillips	
	Nishita Sharma	
	Aileen Thompson	
	Rhianna Kinchin	(Appointed 22 August 2016)
	Suzie Woodhams	(Appointed 28 March 2017)
Patron	Martha Lane Fox, Baroness Lane-Fox of Soho CBE	
President	David Livermore OBE	
Vice President	Roger Jefcoate	
Chief Executive	Nigel Lewis	
Secretary	John Muscroft	
Charity number		
England and 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 United Kingdom	
Auditor	HW Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom	

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

Bankers

Coutts & Co
440 The Strand
London
WC2R 0QS

CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NN3 6NW

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
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ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The Directors present their report and accounts for the year ended 31 December 2016.

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 United Kingdom Accounting Standards including Statement of Recommended Practice (FRS 102), "Accounting and Reporting by Charities" issued in January 2015.

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 Ltd)
K Kanodia
R Kinchin (appointed 22nd August 2016)
D Morriss
L Phillips (representing The Information Technologists' Company)
N Sharma
A Thompson
M Whelan (resigned 21st February 2017)

Subsequent to the year-end Mrs Suzie Woodhams was appointed as a Trustee with effect from 28th March 2017.

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 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 in England and Wales and also in Scotland. 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

AbilityNet currently has twelve Trustees, who are also directors under company law; there are three Corporate Trustees being IBM (UK) Ltd, Microsoft Ltd and The Information Technologists' Company who each appoint representatives to the Board; other Trustees are selected for a range of skills to meet the existing or emerging needs of AbilityNet. Potential candidates, when a vacancy occurs, are interviewed by a panel of Trustees led by the Chairman of Trustees. Suitable individuals are briefed by the Chairman and Chief Executive before being proposed for appointment to the Board of Trustees. New Trustees receive a full briefing, including an induction pack, which includes the Memorandum and Articles, minutes of previous meetings and a glossary of terms.

Management

The Chief Executive is responsible for the charity's overall day to day management and reporting to the Board. Key strategic decisions are taken to the Board for approval and where appropriate a sub-committee will be formed to consider anything that requires additional input or that needs resolution before the next scheduled meeting.

The Board of Directors (Trustees) are responsible for the overall strategic direction and sound financial practices within the charity. They hold Board meetings on a quarterly basis and receive a monthly management report from the Chief Executive which includes management accounts and a report on progress to date. The Chairman, as the representative of the Board, also 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.

Senior Managers are invited to Board meetings to provide briefings on different aspects of the Charity's work. The Trustees provide advice and support to senior managers whenever appropriate, so that their expertise and insights can be used to benefit the Charity.

The senior management team who served during, or for part of, the year were:

N Lewis (Chief Executive)
M Comerford (Human Resources)
D Dearden (Sales & Marketing)
A Low (Service Delivery) appointed January 2016
E Martin (Operations)
J Muscroft (Finance)

Audit Committee

AbilityNet's formal governance structure includes an Audit Committee which considers the financial outlook of the organisation and related risks.

The Committee meets at least twice a year, one of which is with the External Auditors, to receive and approve reports on the financial audit and ensure actions are completed. Countermeasures are also considered to possible financial, economic and operational risks and reviewed for inclusion on the Charity's Risk Register on a regular basis with follow up actions agreed and progress monitored. During 2016 the AbilityNet Audit Committee was chaired by U D Barnett. The Committee has four experienced Trustees as members and is attended by AbilityNet's Finance Director and Chief Executive. It reports to the Board of Trustees.

Remuneration Committee

The Remuneration Committee considers aspects of AbilityNet's remuneration policy and the reward package of the Chief Executive. This committee is made up of four experienced Trustees and during 2016 was chaired by W J K Brown.

Diversity & Equality

AbilityNet strives to provide an inclusive environment to encourage equal opportunities for all employees and to deal with internal and external stakeholders and members of the public, free from bias in an open and accessible way.

AbilityNet promotes Diversity and Equality within its activities to help add to the cultural awareness and understanding of this important subject within its organisation.

AbilityNet's approach to Diversity and Equality is to provide the context and strategic direction at Board level, supported by mandatory internal training and policies developed to provide a company-wide appreciation and knowledge of the potential issues in these areas. The aim is to educate all our employees of their obligations under the Equality Act and encourage them to act in accordance with its aims in their dealings with each other and stakeholders of the organisation.

How our objectives deliver public benefit

We have referred to 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 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

AbilityNet's purpose is to help improve people lives by supporting them to achieve everything they can at work, at home or in education through the use of technology.

We can change peoples' lives by adapting technology for those who need help. We are distinguished by the combination of our breadth of services, deep expertise and insights, supporting a wide range of individual needs. Our staff and volunteers are experts who care and although our primary focus is the UK, our impact is global.

Some Facts from the Government about Disability

Based on the latest available Government and TUC statistics:

- There are around 11 million people with a limiting long term illness, impairment or disability
- The most commonly reported impairments are those that affect mobility, lifting or carrying
- The prevalence of disability rises with age. Around 6% of children are disabled compared to 16% of working age adults and 45% of adults over State Pension age
- In 2016 47.2% of working-age disabled people were in employment compared to 80.3% of working-age non-disabled people. This represents a 33.1 percentage point gap between disabled and non-disabled people, representing over 2 million people.
- Disabled people are only about half as likely to go to university as non-disabled people and less likely to take up an apprenticeship.

We are the only UK charity reaching out to help this group across the UK to ensure that the technology they use, or wish to use, is accessible, usable and inclusive.

How do we help?

We approach this in four ways:

- we help the disabled, older people and others use technology in their homes, schools or work place;
- we help companies and organisations adapt their digital services and content so it is accessible and inclusive for everyone to use;
- we provide support to our volunteers so they can help the disabled and older people get the best from the technology they use or have access to;
- we promote the demand for and uptake of inclusive and accessible technology.

Achievements and performance

The government's facts show disabled and older people face many challenges in their lives and the requirement to reduce costs by successive governments during austerity has created potentially more roadblocks in this regard. A drive from both government and business to place many of their goods and services "online" continues to leave individuals with a stark choice of only being able to access many of these key services by using technology with little or no additional human intervention.

Whilst there are many initiatives to get people to engage with digital services and obtain digital skills, there are some groups within our society who cannot or do not want to engage in the digital world. AbilityNet endeavours to highlight where digital exclusion is being created and offers the support, knowledge and skills to enable individuals to access online digital services as well as helping organisations make their services more accessible and inclusive.

AbilityNet does this through our assessment and accessibility services as well as through our volunteering services.

Our key areas to influence are:

1. Highlighting the accessibility of websites, mobile apps, systems and content across industry sectors to encourage the adoption of best practice and show where this is not the case
2. Offering and providing companies with advice on the design and delivery of inclusive and usable services by using task-oriented user-focused testing at every stage of the design process, rather than relying on post-hoc accessibility testing
3. Working with technology companies to ensure that they consistently use core inclusion strategies, technologies and practices in all their technologies and systems
4. Supporting and helping disabled and older people make effective use of digital technologies at home, in work and education
5. Encouraging a learning environment for all IT and web design professionals that embeds digital inclusion throughout all roles.

During 2016 we directly and indirectly helped nearly 157,000 people through AbilityNet's services of: advice and information; accessibility consultancy; assessments; personal installations; training; home support visits and technical support.

We also had nearly 494,000 website users with over 30,000 downloads of our fact and skill sheets (a 23% increase on 2015) from our website. There were almost 532,400 page views of MyComputerMyWay (almost 17% up on 2015) to help customise and make computers more accessible. Through our ITCanHelp in home support programme we helped over 1,440 disabled and older people with their IT needs. Our estimate of the public benefit value of our free services delivered in 2016 is approximately £753,000 (a 9% increase on 2015).

Assessment Services

During 2016 we increased our delivery of high quality assessments through our Disabled Student Allowance (DSA) centres. In 2016 we opened an additional centre in Canterbury bringing our total number of centres across England to 8 which allows us to support students across the country from Newcastle to Brighton.

Whilst the Government reported a stable number of disabled students accessing higher and further education, overall we saw a slight reduction in the number of students needing an assessment in 2016 due to the increased choice of centres available to students.

We provided holistic workplace assessments to enable disabled adults either to access work or stay in work should they acquire a disability. Our Workplace Assessment service (WPA) provides employers and their disabled staff an end-to-end solution in the identification of their needs for reasonable adjustments and the provision of any needed equipment and training.

We continue to find significant numbers of organisations interested in implementing our WPA service to support their staff in reasonable adjustment. 2016 was focused on consolidation and productising the service to enable us to capitalise fully on this offering in 2017 and beyond.

Accessibility Services

We had a significant increase in the level of our Accessibility Services compared with the previous year. The beneficiaries were organisations from across the public, private and third sectors and this enabled them to deliver their services and online content in an accessible and inclusive way to the widest possible audience.

This increase clearly points to a greater awareness and need for the development of inclusive and accessible digital products on the web and mobile markets. Whilst this is a positive development it is still constrained to a relatively small proportion of the overall market and there is still much to do to ensure all organisations and providers of digital services understand the need for and benefit of inclusive technology.

Through our accessibility services we specialise in a range of advice and consultancy services covering strategy, audit, user test and accreditation, not only for traditional web services but also for the tablet, mobile and apps arenas, responding to market demands from both clients and end users.

Projects

One Digital
In 2016 we worked closely with the One Digital consortium headed by Digital Unite which is a new initiative backed by the Big Lottery Fund to recruit more than 1,400 digital champions within disability, youth and support organisations to engage with people who are not online and provide them with personal long term support.

The One Digital consortium beneficiaries are people with disabilities and accessibility needs, young adults seeking work, over 65s, and charities and the people they support, so they are able to access essential online services, search and apply for jobs and stay in touch with friends and family. Four out of five over 65s use computers at least once a week which help to alleviate loneliness and connect them to essential services.

We recruited over 60 digital champions who helped over 65 disabled and older people gain digital skills using the resources provided by all of the partners within OneDigital. AbilityNet also created an online training module on accessible technology that is available to help visually impaired people.

Free Services

Advice and Information
These free services are provided by both AbilityNet staff and volunteers, through telephone support to members of the public contacting our help line, supplemented by our informative website which gives access to "free to download" factsheets. These provide a huge range of practical advice on the hardware and software adaptations for specific conditions that can enable digital inclusion and these too have recently been updated by us with the latest advice.

Our support service handled around 670 calls during 2016 with over 30,000 of our factsheets downloaded and nearly 532,400 page views of MyComputerMyWay - our comprehensive, easy to use guide to the accessibility options available for free on computers, tablets and mobiles.

ITCanHelp
The ITCanHelp programme helps both disabled and older people by providing IT support in their homes. The support is delivered by a network of around 240 volunteers across the UK. It ranges from installing equipment to fixing problems and providing training. During 2016 IT Can Help carried out 1,444 visits with a public benefit value of around £180,000.

Technology4Good Awards (T4G)
In 2016 AbilityNet held the 6th annual T4G awards, hosted once more with the generous support of BT. These awards are now established as the unique awards event recognising excellence in innovation from a range of charities, volunteers and businesses. The winners were chosen from nominations selected as showing something really original in working to improve the lives of people through the use of technology. The ceremony was held in July at BT's Centre in St Paul's hosted by technology journalist, Kate Russell. Further information can be accessed at the Tech4goodawards website.

Knowledge Management
In 2016 AbilityNet commenced a new strategic project to consolidate our knowledge and expert resources into one unified offering that will be available to all and will ensure that disabled and older individuals, as well as organisations, can benefit from the knowledge and learning we can provide to help eradicate digital exclusion and isolation.

The first phase commenced in 2016 to review all of our resources and create a plan on how we can develop and publish our knowledge so that it can be shared and is of value to all.

Plans for the future

In 2017 we will continue to deliver on our current 2-year strategic plan which will see the Charity invest in the development of our services and the internal processes and systems used to support them to ensure that they are scalable and efficient to cope with the growth we see for the future.

Whilst some progress was made in 2016, due to the level of increased delivery, especially in our accessibility services, we were unable to make as much progress as we had envisaged and so we will complete this work in 2017. We will continue to deliver and expand our free to user services predominantly around our Advice and Information service and our ITCanHelp programme which will be delivered through a network of volunteers who will provide in home support to those in need.

Critical to this ambition is the continued work and development on our knowledge management and expert resources whereby we can bring all of our knowledge and learning to help disabled and older people with their accessibility needs. The first delivery will be a newly updated MyComputerMyWay product which will contain the latest information and have a new architecture to allow it to be easily embedded in a wider range of 3rd party sites.

Our assessment offering will continue to have 2 main elements – Workplace Assessments (WPA) for those in work or help to get into work and in higher and further education. We will continue to promote our WPA service to organisations as their reasonable adjustment solution within the workplace and provide assessments through the DSA framework at our centres in England.

Our accessibility services will provide clients with a proactive end-to-end service for helping achieve on-line compliance and improving the accessibility of their web, mobile, tablet and application services. In addition as a founder member of the International Association of Accessibility Professionals we will fully participate in the accreditation of all of our consultants.

Review of financial position

AbilityNet reported a surplus of £139,320 for the year ended 31st December 2016 compared with a deficit of £133,775 recorded in the previous year.

The carry forward Designated Fund balances of £53,687 to fund the review and refresh of our MyComputerMyWay online offering and to cover the costs for new meetings for volunteers and training materials were fully expended in 2016 together with an additional £5,000 received for this area.
The restricted fund balance of £10,000 to cover a new volunteer system was partially utilised in 2016 leaving a carry forward balance of £7,860. We anticipate this will be fully expended in 2017.

Our expectations of a deficit in 2016 due to the level of investment in our systems and processes was transformed by the substantial increase in the delivery of our services especially in accessibility which was 83% above budget.
This more than compensated for the slight under performance in our assessment income from DSA and WPA and in our project income which was significantly lower than budgeted as a result of the mutually agreed decision to stop our involvement in the Six Point Foundation Connect project that closed in January 2016.

The surplus made in 2016 enabled us to improve our cash reserves in line with our policy and the Board's prudent approach to financial management. The Balance Sheet still remains strong with trade debtors and creditors being collected and paid to terms.

In 2017, as we continue to deliver on our strategic investments, we anticipate a small surplus will be generated on operations in this, the second year of our current strategic plan. We expect a moderate growth in demand for our accessibility services when compared with last year which will be supplemented by modest growth in our workplace and DSA income streams. This will be underpinned by strong cost management.

Reserves policy

The reserves policy is to aim to provide six months' cover of the Charity's day to day average running costs. At 31st December 2016 reserves (excluding Fixed Assets) stood at £840,064 versus £699,128 from the prior year, providing 3.3 months' cover.

The Board remains committed to replenishing our reserves and working towards attaining the objective set in the policy.

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 range of sources. We have in place internal procedures to control our expenditure and the delivery of our services. Risk management 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 Michael R Taylor
Chairman

Date: 27/06/2017

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

FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees, who are also the directors of AbilityNet for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Board are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Board are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and 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 AUDITOR'S REPORT

TO THE MEMBERS OF ABILITYNET

We have audited the financial statements of AbilityNet for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

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 Board and auditor

As explained more fully in the statement of Trustees' responsibilities, the Board, who are also the directors of AbilityNet for the purposes of company law are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the 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 Trustees' Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Report.

In our opinion, based on the work undertaken in the course of our audit, the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the accounts, and the Trustees' Report has been prepared in accordance with applicable legal requirements.

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 trustees' 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 HW Fisher & Company

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

7/8/17

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted funds	Designated funds	Restricted funds	Total 2016	Total 2015
		£	£	£	£	£
Income and endowments from:						
Voluntary income	2	277,879	5,000	-	282,879	317,927
Charitable activities	3	3,334,949	-	10,000	3,344,949	2,340,482
Investments	4	5,532	-	-	5,532	6,077
Other income	5	17,034	-	-	17,034	-
Total income and endowments		3,635,394	5,000	10,000	3,650,394	2,664,486
Expenditure on:						
Raising funds						
Fundraising and publicity	6	-	-	-	-	10,455
Charitable activities						
IT solutions for disabled people	7	3,440,247	58,687	12,140	3,511,074	2,787,806
Total charitable expenditure		3,440,247	58,687	12,140	3,511,074	2,787,806
Total resources expended		3,440,247	58,687	12,140	3,511,074	2,798,261
Net income/(expenditure) for the year/ Net movement in funds		195,147	(53,687)	(2,140)	139,320	(133,775)
Fund balances at 1 January 2016		704,460	53,687	10,000	768,147	901,922
Fund balances at 31 December 2016		899,607	-	7,860	907,467	768,147

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	11		67,403		69,019
Current assets					
Debtors	13	857,210		338,792	
Cash at bank and in hand		1,286,522		1,168,455	
		2,143,732		1,507,247	
Creditors: amounts falling due within one year	14	(1,279,499)		(781,878)	
Net current assets			864,233		725,369
Total assets less current liabilities			931,636		794,388
Creditors: amounts falling due after more than one year	16		(24,169)		(26,241)
Net assets			907,467		768,147
Income funds					
Restricted funds	17		7,860		10,000
Unrestricted funds					
Designated funds	18	-		53,687	
General unrestricted funds		899,607		704,460	
			899,607		758,147
			907,467		768,147

The accounts were approved by the Board on 27/06/2017

Dr Michael Taylor (Chairman)
Trustee

Company Registration No. 3469653

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Cash flows from operating activities					
Cash generated from operations	22		146,860		166,335
Investing activities					
Purchase of tangible fixed assets		(43,183)		(54,627)	
Proceeds on disposal of tangible fixed assets		-		1,197	
Interest received		5,532		6,077	
Net cash used in investing activities			(37,651)		(47,353)
Financing activities					
Obligations under finance leases		8,858		42,246	
Net cash generated from financing activities			8,858		42,246
Net increase in cash and cash equivalents			118,067		161,228
Cash and cash equivalents at beginning of year			1,168,455		1,007,227
Cash and cash equivalents at end of year			1,286,522		1,168,455

1 Accounting policies

Charity information

AbilityNet is a private company limited by guarantee incorporated in England and Wales. The principal address is Microsoft Campus, Thames Valley Park, Reading, RG6 1WG, United Kingdom.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The Charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

At the time of approving the accounts, the Board have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity.

Designated funds are donations where the donor has not specified a use, but the trustees have allocated these donations to specific projects being undertaken by the Charity.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1.4 Incoming resources

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy.

The value of services provided by volunteers has not been included in these accounts.

Intangible income (such as rent-free accommodation) is included where a third party is bearing the cost of supplying the resources and the resources can be valued with reasonable accuracy.

Investment income is included when receivable.

Incoming resources from charitable trading activities are accounted for when earned.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

1 Accounting policies **(Continued)**

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of attracting voluntary income and the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities and services for its beneficiaries.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT has been included as a support cost.

All support costs are allocated to the one charitable activity of IT solutions for disabled people.

1.6 Tangible fixed assets

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1 Accounting policies **(Continued)**

1.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered and provision for bad and doubtful debts.

Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Foreign exchange

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in net incoming resources.

2 Voluntary income

	Unrestricted funds	Designated funds	Restricted funds	Total 2016	Total 2015
	£	£	£	£	£
Donations received	30,408	5,000	-	35,408	87,018
Intangible income	243,080	-	-	243,080	213,777
Fundraising income	4,391	-	-	4,391	17,132
	277,879	5,000	-	282,879	317,927
For the year ended 31 December 2015	253,140	53,687	11,100		317,927
Donations received					
The Patrick & Helena Frost Foundation	10,000	-	-	10,000	10,000
Access to Work workplace contributions	5,789	-	-	5,789	5,509
The Information Technologists' Company	4,000	5,000	-	9,000	-
The Act Foundation	5,000	-	-	5,000	-
The Freemasons' Grand Charity	-	-	-	-	5,000
Individual donations	1,819	-	-	1,819	3,122
Microsoft	-	-	-	-	33,113
ElasticSearch Limited	-	-	-	-	15,574
Other	3,800	-	-	3,800	14,700
	30,408	5,000	-	35,408	87,018

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

Intangible income					
IBM	65,000	-	-	65,000	65,000
Microsoft	50,000	-	-	50,000	59,360
BT	50,000	-	-	50,000	25,000
Google	78,080	-	-	78,080	64,417
	243,080	-	-	243,080	213,777
Fundraising income					
LNC.COM Ltd	3,380	-	-	3,380	-
The Freemasons' Grand Charity	-	-	-	-	10,000
The Information Technologists' Company	-	-	-	-	4,000
Other	1,011	-	-	1,011	3,132
	4,391	-	-	4,391	17,132

3 Charitable activities

	2016	2015
	£	£
Fees from services provided	3,334,949	2,296,410
Grants received	10,000	44,072
	3,344,949	2,340,482
Analysis by fund		
Unrestricted funds	3,334,949	
Restricted funds	10,000	
	3,344,949	
For the year ended 31 December 2015		
Unrestricted funds		2,296,410
Restricted funds		44,072
		2,340,482
Grants received		
Sobell Foundation	10,000	10,000
The Information Technologists' Company	-	5,000
SensePark	-	18,747
First Utility	-	10,000
Other	-	325
	10,000	44,072

4 Investments

	2016	2015
	£	£
Interest receivable	5,532	6,077

5 Other income

	2016	2015
	£	£
Other income	17,034	-

6 Raising funds

	2016	2015
	£	£
Fundraising and publicity		
Consultancy	-	10,455
	-	10,455
For the year ended 31 December 2015		
Fundraising and publicity		10,455

7 Charitable activities

	2016 £	2015 £
Staff costs	1,991,600	1,548,937
Depreciation and impairment	18,676	18,776
Equipment and direct project costs	208,365	112,331
Staff development and recruitment	99,401	4,826
Professional membership	14,608	12,078
Rent and rates	100,619	81,581
Telephone	4,456	4,918
Motor expenses	34,965	51,303
Travel and subsistence	75,412	72,061
Printing and postage	3,249	2,163
Office facilities and services	243,080	213,777
Connectivity costs	10,120	9,191
Miscellaneous expenses	18,598	16,750
Advertising and PR	42,257	25,333
Consultancy	26,017	25,415
	2,891,423	2,199,440
Share of support costs (see note 8)	605,651	573,366
Share of governance costs (see note 8)	14,000	15,000
	3,511,074	2,787,806
Analysis by fund		
Unrestricted funds	3,440,247	
Designated funds	58,687	
Restricted funds	12,140	
	3,511,074	
For the year ended 31 December 2015		
Unrestricted funds		2,742,634
Restricted funds		45,172
		2,787,806

8 Support costs

	Support costs	Governance costs	2016	2015
	£	£	£	£
Staff costs	439,714	-	439,714	432,663
Depreciation	26,123	-	26,123	11,247
Staff development and recruitment	13,197	-	13,197	29,773
Insurance	11,916	-	11,916	10,487
Bank charges	3,029	-	3,029	1,699
Netsuite charges	14,843	-	14,843	17,992
Irrecoverable VAT	2,013	-	2,013	2,894
Legal and professional fees	8,915	-	8,915	1,861
Other support costs	85,901	-	85,901	64,750
- Governance				
Audit fees	-	14,000	14,000	14,000
Accountancy	-	-	-	1,000
	605,651	14,000	619,651	588,366
Analysed between				
Charitable activities	605,651	14,000	619,651	588,366

The Charity identifies all costs associated with its support and governance functions and allocates them entirely to the one charitable activity of IT solutions for disabled people.

9 Employees

Number of employees

The average monthly number employees during the year was:

	2016 Number	2015 Number
IT solutions for disabled people	45	37
Support staff	8	8
	53	45

Employment costs	2016 £	2015 £
Wages and salaries	2,198,029	1,788,819
Social security costs	154,811	127,048
Other pension costs	78,474	65,733
	2,431,314	1,981,600

The key management personnel of the Charity comprise the senior management team as detailed in the trustees' annual report.

The total amounts of employee emoluments received by the senior management team were £387,310 (2015: £330,028). The highest paid member of the senior management team received emoluments of £98,384 (2015: £97,261).

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year, but four of them were reimbursed a total of £947 (2015: £63) for training, travelling and stationery expenses.

The number of employees whose annual remuneration was £60,000 or more were:

	2016 Number	2015 Number
£60,000 to £70,000	2	2
£70,000 to £80,000	1	1
£90,000 to £100,000	2	1

10 Pension and other post-retirement benefit commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund.

Contributions payable by the company for the year were £78,474 (2015: £65,733).

The expense has been allocated to unrestricted expenditure on the same basis as wages and salaries.

11 Tangible fixed assets

	Assessment assets	Office equipment	Total
	£	£	£
Cost			
At 1 January 2016	161,267	143,733	305,000
Additions	6,490	36,693	43,183
Disposals	-	(30,635)	(30,635)
At 31 December 2016	167,757	149,791	317,548
Depreciation and impairment			
At 1 January 2016	138,978	97,003	235,981
Depreciation charged in the year	18,754	26,045	44,799
Eliminated in respect of disposals	-	(30,635)	(30,635)
At 31 December 2016	157,732	92,413	250,145
Carrying amount			
At 31 December 2016	10,025	57,378	67,403
At 31 December 2015	22,289	46,730	69,019

The net book value of fixed assets held under finance lease at the year end is £47,841 (2015: £41,010).

12 Financial instruments

	2016	2015
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	824,486	308,904
Carrying amount of financial liabilities		
Measured at amortised cost	(340,481)	(237,301)

13 Debtors

	2016	2015
Amounts falling due within one year:	£	£
Trade debtors	804,595	291,413
Other debtors	19,891	17,491
Prepayments and accrued income	32,724	29,888
	857,210	338,792

14 Creditors: amounts falling due within one year

	2016	2015
	£	£
Obligations under finance leases	26,935	16,005
Other taxation and social security	210,292	133,391
Trade creditors	89,377	91,628
Other creditors	19,884	18,188
Accruals and deferred income	933,011	522,666
	1,279,499	781,878

15 Deferred income

	2016	2015
	£	£
Balance as at 1 January 2016	437,427	194,065
Amount released to income	(940,124)	(180,871)
Amount deferred in the year	1,255,592	424,233
Balance as at 31 December 2016	752,895	437,427

Deferred income consists of service agreements invoiced in advance of the service being provided.

16 Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Obligations under finance leases	24,169	26,241

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		
	Balance at 1 January 2016	Incoming resources	Resources expended	Balance at 31 December 2016
	£	£	£	£
IT Can Help	10,000	10,000	(12,140)	7,860

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.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

		Movement in funds		
	Balance at 1 January 2016	**Incoming resources**	**Resources expended**	**Balance at 31 December 2016**
	£	**£**	**£**	**£**
MyComputerMyWay	48,687	-	(48,687)	-
IT Can Help	5,000	5,000	(10,000)	-
	53,687	5,000	(58,687)	-

MyComputerMyWay (MCMW) is a programme designed to help individuals and organisations adapt their computer settings to make their devices easier to use.

IT Can Help programme helps disabled and older people by providing IT support in their homes. The support is delivered by a network of 230 volunteers across the UK and ranges from installing equipment, fixing problems and training.

19 Analysis of net assets between funds

	Unrestricted funds	**Designated funds**	**Restricted funds**	**Total**
	£	**£**	**£**	**£**
Fund balances at 31 December 2016 are represented by:				
Tangible assets	67,403	-	-	67,403
Current assets/(liabilities)	856,373	-	7,860	864,233
Long term liabilities	(24,169)	-	-	(24,169)
	899,607	-	7,860	907,467

20 Operating lease commitments

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

	2016	**2015**
	£	**£**
Within one year	26,935	16,005
Between two and five years	24,169	26,241
	51,104	42,246

21 Related party transactions

The related parties during the year were as follows:

Trustees:

Dr M R Taylor is Freeman of The Information Technologists' Company and Chairman of the Board of Trustees of the UK IT training charity, U Can Do IT.

M Bernard is an employee of IBM UK Limited.

S Foxall is an employee of Microsoft Limited.

D Morriss is Liveryman, past Master and Member of the Court and Audit committee of The Information Technologists' Company and a Trustee of the WCIT Charity.

L Phillips is Liveryman and Court Assistant of The Information Technologists' Company.

Senior Management Team:

Nigel Lewis is Liveryman of The Information Technologists' Company and Vice President of the International Association of Accessibility Professionals.

D Dearden is a Director of Clear Talent Limited.

22 Cash generated from operations

	2016	2015
	£	£
Surplus/(deficit) for the year	139,320	(133,775)
Adjustments for:		
Investment income recognised in profit or loss	(5,532)	(6,077)
Depreciation and impairment of tangible fixed assets	44,799	30,023
Movements in working capital:		
(Increase)/decrease in debtors	(518,418)	46,699
Increase in creditors	486,691	229,465
Cash generated from operations	146,860	166,335