

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 2017



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

Trustees	David Barnett Mike Bernard (Appointed 19 December 2017) Alan Brooks (Appointed 7 February 2018) Bill Brown Microsoft: nominee - Sarah Foxall Kush Kanodia David Morriss The Information Technologists' Company: nominee - Lawrence Phillips IBM: nominee - Nicky Rumsey (Appointed 19 December 2017) Nishita Sharma Aileen Thompson Rhianna Kinchin 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	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom

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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

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ABILITYNET
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present their report and accounts for the year ended 31 December 2017.

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 (retired 31st December 2017)
U D Barnett
M Bernard (representing IBM UK Ltd until 19th December 2017 whereupon being reappointed as an independent Trustee effective from the same date)
W J K Brown
S Foxall (representing Microsoft Ltd)
K Kanodia
R Kinchin
D Morriss
L Phillips (representing The Information Technologists' Company)
N Rumsey (representing IBM UK Ltd from 19th December 2017)
N Sharma
A Thompson
M Whelan (resigned 21st February 2017)
S Woodhams (appointed 28th March 2017)

Subsequent to the year-end Mr Alan Brooks was appointed as a Trustee and the new Chairman of AbilityNet with effect from 7th February 2018.

Dr Michael Taylor retired from his position as Chairman of the Board of Trustees and as a Trustee after serving three full terms of three years each at the end of 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 18.

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

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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 thirteen 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. When a vacancy occurs, potential candidates, 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 is 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:

M Comerford (Human Resources)
D Dearden (Sales & Marketing)
N Hallwood (Accessibility – interim assignment)
A Low (Service Delivery)
E Martin (Operations) – resigned June 2017
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 a minimum of 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 2017 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 2017 was chaired by W J K Brown.

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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.

The Board of Trustees provide the context and strategic direction to this area, which is supported by internal training and policies developed to provide a company-wide understanding and awareness of the potential issues that might be encountered. 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 with stakeholders of the organisation.

Safeguarding

AbilityNet is committed to creating a safe and rewarding environment for all of its people to work and volunteer in. This means we have a robust Safeguarding policy to ensure everyone is treated properly and, in addition, a Whistle-blowing policy so that people can raise any concerns they have confidentially.

Some of our staff carry out roles that require them to work with people who are considered to be at a higher risk of harm, for example, vulnerable adults. We carry out regular criminal record checks for people in these jobs.

We regularly review our Safeguarding policy, which aims to improve the knowledge and understanding of our staff and volunteers, irrespective of their position, on the subject of safeguarding.

To ensure we continually maintain policies that are relevant and adhere to the highest standards of safeguarding, we monitor guidance from the Government and the Charity Commission and adapt our approach accordingly.

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 peoples' lives by supporting them to achieve everything they can at work, at home or in education through the use of inclusive technology.

Our goal is to 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 statistics from the Government, the Family Resources Survey 2016/2017 and Scope:

- There are around 13.9 million people with a limiting long term illness, impairment or disability

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- The most commonly reported impairments are those that affect mobility (52%), stamina, breathing, fatigue (38%), and dexterity (27%)
- The prevalence of disability rises with age. Around 8% of children are disabled compared to 19% of working age adults and 45% of adults over State Pension age
- Over 3.4 million disabled people are in employment representing 11.3% of those employed
- Scope estimate that on average, disabled people face extra costs of £570 a month related to their impairment of condition
- 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 facts show disabled and older people face many challenges in their lives and the drive to reduce costs by successive governments has created more challenges to overcome. Both government and business now place many of their goods and services "online" leaving individuals with little choice but to access these key services by using technology with little or no additional human intervention.

Whilst there are initiatives to get people to engage with digital services and obtain digital skills, there are some groups within 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. Working with technology companies to ensure that they consistently use core inclusion strategies, technologies and practices in all their technologies and systems
3. Supporting and helping disabled and older people make effective use of digital technologies at home, in work and education
4. Encouraging a learning environment for all IT and web design professionals that embeds digital inclusion throughout all roles.

During 2017 we directly and indirectly helped over 160,000 people through AbilityNet's services of: advice and information; accessibility; assessments; training; home support visits and technical support.

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We also had nearly 696,000 website users (up 40.9% over 2016) with over 30,000 downloads of our fact and skill sheets from our website.

There were almost 709,400 page views of MyComputerMyWay (up 33.2% over 2016) to help customise and make computers more accessible.

Through our ITCanHelp in home support programme we helped over 1,520 disabled and older people with their IT needs.

Our estimate of the public benefit value of our free services delivered in 2017 is approximately £916,544 (a 21.7% increase on 2016).

Assessment Services

During 2017 we delivered high quality assessments through our Disabled Student Allowance (DSA) centres. We have 8 centres across England from sites as far afield as Canterbury to Newcastle giving students support across large parts of the country. We provided support to 2,143 students during the year, an increase of nearly 20% over 2016.

We also provide holistic workplace assessments to enable disabled adults either to get into 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 helped 850 employees with advice and recommendations to keep them in employment in 2017.

Accessibility Services

Our Accessibility Services grew by 8.4% compared with the previous year. The beneficiaries were organisations from across the public, private and third sectors and our advice and recommendations have enabled them to deliver their online content in an accessible and inclusive way to the widest possible audience.

This continues a trend of greater awareness in this important area of inclusion and 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 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.

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 over 600 calls during 2017 with over 30,000 of our factsheets downloaded and nearly 709,400 page views of MyComputerMyWay - our comprehensive, easy to use guide to the accessibility options available for free on computers, tablets and mobiles.

In 2017 these services provided a collective public benefit value of £916,544.

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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 270 volunteers across the UK. It ranges from installing equipment to fixing problems and providing training. During 2017 IT Can Help carried out 1,523 visits with a public benefit value of £168,801.

Technology4Good Awards (T4G)

In 2017 AbilityNet held the 7th annual T4G awards, hosted with the generous support of BT. These awards celebrate excellence in technology and innovation across a range of charities, volunteers and businesses with the winners being chosen from nominations selected for the work 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.

TechShare Pro 2017

AbilityNet and the Royal National Institute of Blind People (RNIB) presented a major accessibility conference at IBM South Bank in London on 23 November 2017.

It was attended by over 120 accessibility, User Experience and design professionals and sponsored by Barclays, IBM, Microsoft, OrCam and Storm Technologies.

There was a variety of thought provoking presentations from leading organisations in this field. This was the first event of its type in the UK for many years and proved a huge success with plans already in place for the next event in 2018.

Knowledge Management

In 2017 our ongoing strategic project to consolidate our knowledge and expert resources into one unified offering has focussed on developing the system architecture around MyComputerMyWay and updating the content. This resource is already 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.

We plan to further develop personalised content in 2018 as our work continues in this area.

Plans for the future

In 2018 we are working on preparing and articulating our next 5 year plan and goals as AbilityNet celebrates its 20 years' anniversary.

It will also be a year of change for the Charity with the arrival of Alan Brooks as the new Chairman of the Board of Trustees after Dr Michael Taylor stood down from his role at the end of 2017 having completed 9 successful years as AbilityNet's Chairman.

AbilityNet's CEO, Nigel Lewis will also be leaving the Charity at the end of May 2018 after 10 years leading the Charity.

As regards our main funding activities our assessment offering will continue to have 2 main elements – Workplace Assessments (WPA) for those in work or helping to get into work and DSA for those students in higher and further education. We will also work on developing new and innovative ways in how we deliver our WPA service to organisations.

Our accessibility services will provide our clients with a range of services for helping achieve on-line compliance and improving the accessibility of their web, mobile, tablet and application services. In addition as a

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founder member of the International Association of Accessibility Professionals we will continue to fully participate in the accreditation of all of our consultants.

Review of financial position

AbilityNet reported a deficit of £20,713 for the year ended 31st December 2017 compared with a surplus of £139,320 for the year before. This was slightly worse than the small surplus anticipated in this area at the beginning of the year.

The remaining restricted fund balance of £7,860 to cover a new volunteer system was fully utilised in 2017 as we launched our new volunteer management system in the year.

Our accessibility services income showed moderate growth in the year reflecting a growing acknowledgement within organisations of the importance of inclusive design in their online services.

Income from our workplace assessments was stable year to year, whereas in education we saw impressive growth as we helped more students than ever before get the most from their studies.

Our average headcount grew by nearly 4% whereas the cost of employment rose by nearly double that percentage reflecting the buoyant market for many of our skilled employees.

Overhead costs increased as a result of investing in the discovery stage of new methods of delivery and higher facility costs after moving London offices.

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 2017 reserves (excluding Fixed Assets) stood at £813,645 versus £840,064 from the prior year, providing 4.3 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 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

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

Alan Brooks
Chairman

Date: 26 JUN 2018

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; 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.

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ABILITYNET

Opinion

We have audited the accounts of AbilityNet (the 'Charity') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Board have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Board are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF ABILITYNET

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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; or
- the Board were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Board

As explained more fully in the Statement of Trustees' Responsibilities, the Board, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Board are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

United Kingdom

NW1 3ER

28/6/18

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STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income and endowments from:</u>					
Voluntary income	2	312,110	-	312,110	282,879
Charitable activities	3	3,610,616	10,000	3,620,616	3,344,949
Investments	4	2,739	-	2,739	5,532
Other income	5	3,008	-	3,008	17,034
Total income and endowments		3,928,473	10,000	3,938,473	3,650,394
<u>Expenditure on:</u>					
<u>Charitable activities</u>					
IT solutions for disabled people	6	3,940,906	17,860	3,958,766	3,511,074
Total charitable expenditure		3,940,906	17,860	3,958,766	3,511,074
Other	10	420	-	420	-
Total resources expended		3,941,326	17,860	3,959,186	3,511,074
Net (expenditure)/income for the year/ Net movement in funds		(12,853)	(7,860)	(20,713)	139,320
Fund balances at 1 January 2017		899,607	7,860	907,467	768,147
Fund balances at 31 December 2017		886,754	-	886,754	907,467

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

All income and expenditure derive from continuing activities.

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BALANCE SHEET
AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	11		73,110		67,403
Current assets					
Debtors	13	783,438		857,210	
Cash at bank and in hand		1,313,095		1,286,522	
		<u>2,096,533</u>		<u>2,143,732</u>	
Creditors: amounts falling due within one year	14	<u>(1,277,584)</u>		<u>(1,279,499)</u>	
Net current assets			818,949		864,233
Total assets less current liabilities			892,059		931,636
Creditors: amounts falling due after more than one year	16		(5,305)		(24,169)
Net assets			<u>886,754</u>		<u>907,467</u>
Income funds					
Restricted funds	17		-		7,860
Unrestricted funds			886,754		899,607
			<u>886,754</u>		<u>907,467</u>

The accounts were approved by the Board on 26 Jun 2018

Alan Brooks
Trustee

Company Registration No. 3469653

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from operations	20		106,189		146,860
Investing activities					
Purchase of tangible fixed assets		(60,127)		(43,183)	
Interest received		2,739		5,532	
Net cash used in investing activities			(57,388)		(37,651)
Financing activities					
Payment of obligations under finance leases		(22,228)		8,858	
Net cash (used in)/generated from financing activities			(22,228)		8,858
Net increase in cash and cash equivalents			26,573		118,067
Cash and cash equivalents at beginning of year			1,286,522		1,168,455
Cash and cash equivalents at end of year			1,313,095		1,286,522

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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FOR THE YEAR ENDED 31 DECEMBER 2017

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.

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FOR THE YEAR ENDED 31 DECEMBER 2017

2 Voluntary income

	Unrestricted funds	Designated funds	Total 2017	Total 2016
	£	£	£	£
Donations received	25,069	-	25,069	35,408
Intangible income	245,157	-	245,157	243,080
Fundraising income	41,884	-	41,884	4,391
	<u>312,110</u>	<u>-</u>	<u>312,110</u>	<u>282,879</u>
For the year ended 31 December 2016	<u>277,879</u>	<u>5,000</u>		<u>282,879</u>
Donations received				
The Patrick & Helena Frost Foundation	10,000	-	10,000	10,000
Access to Work workplace contributions	6,289	-	6,289	5,789
The Information Technologists' Company	-	-	-	9,000
The Act Foundation	-	-	-	5,000
Ofenheim & Cinderford Charitable Trust	4,000	-	4,000	3,500
Individual donations	2,628	-	2,628	1,819
Ability Net Led Events	1,606	-	1,606	-
Other	546	-	546	300
	<u>25,069</u>	<u>-</u>	<u>25,069</u>	<u>35,408</u>

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	70,000	-	70,000	65,000
Microsoft	50,000	-	50,000	50,000
BT	50,000	-	50,000	50,000
Google	75,157	-	75,157	78,080
	<u>245,157</u>	<u>-</u>	<u>245,157</u>	<u>243,080</u>

Fundraising income				
LNC.COM Ltd	740	-	740	3,380
Comic Relief	3,000	-	3,000	-
JHC	1,000	-	1,000	-
The Information Technologists Company	5,000	-	5,000	-
Other	386	-	386	1,011
Microsoft	5,000	-	5,000	-
Barclays	5,000	-	5,000	-
Storm Interface	2,500	-	2,500	-
Orcam	2,000	-	2,000	-
Ticket sales	5,258	-	5,258	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

2 Voluntary income

(Continued)

The Atkin Foundation	5,000	-	5,000	-
Comptia Member Services	4,000	-	4,000	-
Booking.com	3,000	-	3,000	-
	<u>41,884</u>	<u>-</u>	<u>41,884</u>	<u>4,391</u>

3 Charitable activities

	2017	2016
	£	£
Fees from services provided	3,610,616	3,334,949
Grants received	10,000	10,000
	<u>3,620,616</u>	<u>3,344,949</u>
Analysis by fund		
Unrestricted funds	3,610,616	
Restricted funds	10,000	
	<u>3,620,616</u>	
For the year ended 31 December 2016		
Unrestricted funds		3,334,949
Restricted funds		10,000
		<u>3,344,949</u>
Grants received		
Sobell Foundation	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

4 Investments

	2017	2016
	£	£
Interest receivable	2,739	5,532

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

5 Other income

	2017	2016
	£	£
Other income	3,008	17,034

6 Charitable activities

	2017	2016
	£	£
Staff costs	2,371,667	1,991,600
Depreciation and impairment	20,658	18,676
Equipment and direct project costs	85,692	208,365
Staff development and recruitment	23,586	99,401
Professional membership	18,409	14,608
Rent and rates	179,403	100,619
Telephone	5,279	4,456
Motor expenses	29,389	34,965
Travel and subsistence	77,062	75,412
Printing and postage	2,692	3,249
Office facilities and services	245,157	243,080
Connectivity costs	30,809	10,120
Miscellaneous expenses	(4,996)	18,598
Advertising and PR	64,739	42,257
Consultancy	84,558	26,017
	3,234,104	2,891,423
Share of support costs (see note 7)	710,662	605,651
Share of governance costs (see note 7)	14,000	14,000
	3,958,766	3,511,074
Analysis by fund		
Unrestricted funds	3,940,906	
Restricted funds	17,860	
	3,958,766	
For the year ended 31 December 2016		
Unrestricted funds		3,440,247
Endowment funds - Designated		58,687
Restricted funds		12,140
		3,511,074

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

7 Support costs

	Support costs	Governance costs	2017	2016
	£	£	£	£
Staff costs	483,513	-	483,513	439,714
Depreciation	33,341	-	33,341	26,123
Staff development and recruitment	22,815	-	22,815	13,197
Insurance	13,294	-	13,294	11,916
Bank charges	3,979	-	3,979	3,029
Netsuite charges	29,057	-	29,057	14,843
Irrecoverable VAT	4,998	-	4,998	2,013
Legal and professional fees	3,381	-	3,381	8,915
Other support costs	116,284	-	116,284	85,901
- Governance				
Audit fees	-	14,000	14,000	14,000
	<u>710,662</u>	<u>14,000</u>	<u>724,662</u>	<u>619,651</u>
Analysed between				
Charitable activities	<u>710,662</u>	<u>14,000</u>	<u>724,662</u>	<u>619,651</u>

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

8 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
IT solutions for disabled people	45	45
Support staff	9	8
	<u>54</u>	<u>53</u>

Employment costs

	2017 £	2016 £
Wages and salaries	2,581,420	2,198,029
Social security costs	186,354	154,811
Other pension costs	87,406	78,474
	<u>2,855,180</u>	<u>2,431,314</u>

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 £423,155 (2016: £387,310). The highest paid member of the senior management team received emoluments of £98,465 (2016: £98,384).

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year, none of them were reimbursed (2016: £947) for training, travelling and stationery expenses.

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

	2017 Number	2016 Number
£60,000 to £70,000	-	2
£70,000 to £80,000	1	1
£80,000 to £90,000	1	-
£90,000 to £100,000	1	2
Over £100,000	1	-

9 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 £87,406 (2016: £78,474).

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

10 Other

	2017	2016
	£	£
Net loss on disposal of tangible fixed assets	420	

11 Tangible fixed assets

	Assessment assets	Office equipment	Total
	£	£	£
Cost			
At 1 January 2017	167,757	149,791	317,548
Additions	45,446	14,681	60,127
Disposals	(7,568)	(1,160)	(8,728)
At 31 December 2017	205,635	163,312	368,947
Depreciation and impairment			
At 1 January 2017	157,732	92,413	250,145
Depreciation charged in the year	20,660	33,340	54,000
Eliminated in respect of disposals	(7,568)	(740)	(8,308)
At 31 December 2017	170,824	125,013	295,837
Carrying amount			
At 31 December 2017	34,811	38,299	73,110
At 31 December 2016	10,025	57,378	67,403

The net book value of fixed assets held under finance lease at the year end is £27,659 (2016: £47,841).

12 Financial instruments

	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	743,552	824,486
Carrying amount of financial liabilities		
Measured at amortised cost	374,489	340,481

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

13 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	657,760	804,595
Other debtors	44,015	19,891
Prepayments and accrued income	81,663	32,724
	<u>783,438</u>	<u>857,210</u>

14 Creditors: amounts falling due within one year

	2017	2016
	£	£
Obligations under finance leases	23,571	26,935
Other taxation and social security	162,026	210,292
Trade creditors	119,894	89,377
Other creditors	20,107	19,884
Accruals and deferred income	951,986	933,011
	<u>1,277,584</u>	<u>1,279,499</u>

15 Deferred income

	2017	2016
	£	£
Balance as at 1 January 2017	752,895	437,427
Amount released to income	(896,451)	(940,124)
Amount deferred in the year	889,923	1,255,592
	<u>746,367</u>	<u>752,895</u>

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

16 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Obligations under finance leases	<u>5,305</u>	<u>24,169</u>

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FOR THE YEAR ENDED 31 DECEMBER 2017

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:

	Balance at 1 January 2017	Movement in funds		Balance at 31 December 2017
	£	Incoming resources £	Resources expended £	£
IT Can Help	7,860	10,000	(17,860)	-
	<u>7,860</u>	<u>10,000</u>	<u>(17,860)</u>	<u>-</u>

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 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:

	2017 £	2016 £
Within one year	94,264	26,935
Between two and five years	87,208	24,169
	<u>181,472</u>	<u>51,104</u>

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19 Related party transactions

The related parties during the year were as follows:

Trustees:

N Rumsey is a representative of IBM and an employee.

Dr M R Taylor (now retired) 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.

A Brooks is Liveryman 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.

20 Cash generated from operations	2017	2016
	£	£
(Deficit)/surplus for the year	(20,713)	139,320
Adjustments for:		
Investment income recognised in statement of financial activities	(2,739)	(5,532)
Loss on disposal of tangible fixed assets	420	-
Depreciation and impairment of tangible fixed assets	53,999	44,799
Movements in working capital:		
Decrease/(increase) in debtors	73,772	(518,418)
Increase in creditors	1,450	486,691
Cash generated from operations	106,189	146,860