Charity Registration No. 1067673

Charity Registration No. SC039866 (Scotland)

Company Registration No. 3469653 (England and Wales)

ABILITYNET

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2012

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

President	David Livermore OBE
Vice President	Roger Jefcoate CBE, DL
Patrons	Sir Terry Pratchett OBE Martha Lane Fox, Baroness Lane-Fox of Soho CBE
Trustees	Dr Michael Taylor (Chairman) David Barnett Mike Bernard (representing IBM UK Limited) Bill Brown Sarah Foxall (representing Microsoft Ltd) David Morriss Nishita Sharma David Clarke (representing BCS, The Chartered Institute for IT) Lawrence Phillips (representing The Information Technologists' Company) Aileen Thompson Michael Whelan Kush Kanodia
Chief Executive	Nigel Lewis
Secretary	John Muscroft
Charity number:	
England & Wales	1067673
Scotland	SC039866
Company number	3469653
Principal address	Microsoft Campus Thames Valley Park Reading RG6 1WG
Registered office	Acre House 11-15 William Road London NW1 3ER

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

Auditors

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

Bankers

Coutts & Co
440 The Strand
London
WC2R 0QS

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

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
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ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012

The Directors present their report and accounts for the year ended 31 December 2012.

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

Reference and administrative information

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

Directors

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

Dr M R Taylor – Chairman
U D Barnett
M Bernard (representing IBM UK Ltd)
W J K Brown
S Foxall (representing Microsoft Ltd)
C J Gant (resigned 18th December 2012)
C Knight (representing The Information Technologists' Company until 18th December 2012)
D Morriss
A Pollard (resigned 18th December 2012)
N Sharma
E Sparrow (representing BCS, The Chartered Institute for IT)

Since the year end E Sparrow resigned and was replaced by D Clarke and four new Directors were appointed: namely K Kanodia, L Phillips, A Thompson and M Whelan.

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

Chief Executive who served during the year:

N.P.Lewis

Related parties

These are set out in note 20.

Structure, governance and management

Governing Document

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

Trustee recruitment, appointment, training and induction

Trustees are appointed as representatives of Microsoft, IBM, BCS, The Chartered Institute for IT and The Information Technologists' Company; additional Trustees are identified by Board Members to provide specific skills to meet the existing or emerging needs of AbilityNet. Potential Trustees are interviewed by a panel of Trustees chaired by the Chairman of Trustees after submitting their CV. They are then briefed by the Chairman and Chief Executive before being proposed for appointment by 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 glossary of terms.

Senior Managers are invited to board meetings on an on-going basis to provide briefings on different areas of work. 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 the year were:
D Cockburn (Service Delivery)
D Dearden (Sales & Marketing)
E Martin (Technical Services/Operations)
J Muscroft (Finance)

Management

The Board of Directors (Trustees), who are also directors under company law, are responsible for the overall strategic direction and sound financial practices within the charity. They meet quarterly and also receive a monthly management report from the Chief Executive which includes management accounts and a progress update. There is a standing Audit Committee which receives and approves reports on the financial audit, ensures actions are completed and considers countermeasures to possible financial and economic risks.

The Chief Executive reports to the Board being responsible for the charity's overall day to day management. 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. Also, as the representative of the Board, the Chairman maintains regular contact with the Chief Executive and, where necessary, secures agreement from the Board for urgent action, unless already empowered by the Board to make the necessary decision.

Diversity & Equality Committee

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

AbilityNet endeavours to advance Diversity and Equality within all its activities, and sees these as essential factors that contribute to the cultural richness and strength of its organisation.

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

AbilityNet recognises that advocating a Diversity & Equality Policy carries with it responsibilities, requiring all employees to recognise these obligations and to act in accordance with them in all their dealings with the stakeholders of the organisation. In light of this, Diversity and Equality is a permanent agenda item at all Trustee meetings; employees undertake annual mandatory training in order to keep abreast of any changes in this area. In March 2011 AbilityNet became one of the first organisations within the UK to be 'Clear Assured' – in recognition of its commitment to Diversity & Equality through its recruitment practices. This is reviewed each year and AbilityNet is 'Proud to be Clear Assured' in 2013.

Audit Committee

AbilityNet's formal governance structure also includes an Audit Committee which considers the financial outlook of the organisation and related risks. During 2012 the AbilityNet Audit Committee was chaired by U D Barnett. The Audit Committee also reviews the risk management plans of the organisation and associated countermeasures and progress thereof. The committee comprises two experienced Trustees and is attended by AbilityNet's Finance Director. It holds at least two meetings a year, one of which is with the external Auditors. It reports to the Board of Trustees.

Remuneration Committee

The Remuneration Committee considers the reward package of the Chief Executive and broader aspects of AbilityNet's remuneration policy. This committee is made up of three experienced Trustees and during 2012 was chaired by W J K Brown.

Volunteering Advisory Committee

This Committee was established in 2011 to guide and recommend strategies for volunteering to link in to the overall AbilityNet strategic plan. During 2012 the Volunteering Committee was chaired by A Pollard. Using the practical knowledge of volunteering gained by members of the committee the group provides feedback to the Board of Directors on future developments in volunteering and how these may affect AbilityNet's own services. Membership comprises two Trustees, the Service Delivery Director and the Volunteering Manager.

How our objectives deliver public benefit

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

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

Objectives and activities

AbilityNet exists to change the lives of disabled people, to help them achieve everything they can at work, at home or in education. We are the only UK charity reaching out to the 16 million disabled people across the UK who need help to ensure that the technology they use, or wish to use, is accessible and usable.

We do this in four ways:

- we help the disabled and elderly to use technology in their homes, schools or work place;
- we help companies and organisations adapt their digital content so it is accessible for everyone to use;
- we support our 8,000 volunteers help the disabled, the elderly and other charities get the best from technology;
- we promote the demand for and uptake of inclusive and accessible technology.

Achievements and performance

The role and presence of technology within our lives, whether this is at work, in education or in the home, means that the need for making that technology inclusive and accessible has never been more necessary to benefit those most in need within our society. This is clearly demonstrated by the relentless drive by business, charities and the Public Sector to put more and more of their goods and services "online" and for citizens to access them by themselves without additional human intervention – a process known as self-service.

However, there is a very real and present danger of creating a digitally excluded underclass that cannot or does not want to engage in the digital world. These people will inevitably miss out on the best deals, be excluded from society engagement and will miss out on many benefits. This is simply because they have not gained the knowledge, skills or support necessary to access these online services and one of AbilityNet's aims is to help counter this exclusion.

Other services provided by AbilityNet include our direct interventions through our assessment and accessibility services as well as through our volunteering and free services. In 2012 AbilityNet launched the new initiative: "Mind The Digital Gap, it's bigger than you think." (www.abilitynet.org.uk/mindthegap). The initiative contains six key focal areas which we believe can transform the inclusivity and accessibility of technology for the better of everyone but especially the 16 million within our society, predominantly the disabled and elderly, who lack the basic skills and ability to use technology to benefit their lives.

The six key areas are:

1. Design and deliver inclusive and usable services and to achieve this by using task-oriented user-focused testing at every stage of the design process, rather than rely on post-hoc accessibility testing
2. Work with technology companies to ensure that they consistently use core inclusion strategies, technologies and practices in all their technologies and systems
3. Support the creation of a trusted support service to help the disabled and older people make effective use of digital technologies
4. Change how we incentivise digital inclusion through the use of taxation to drive uptake as well as improving take up of compliance auditing to demonstrate that relevant standards are being achieved
5. Ensure that we have a learning environment for all IT and design professionals that embeds inclusion throughout all roles including the national curriculum
6. Actively encourage advocates in Business, Government, The Third Sector and concerned users to come together in a relevant forum so that they can work together in a coordinated way to make technology accessible and inclusive

These six focal areas will shape our activity in 2013 and beyond.

Through 2012 we directly and indirectly helped over 61,000 people use AbilityNet's services of: advice and information; accessibility consultancy, assessments; personal installations; training; home support visits; technical support; and free IT projects. We also had over 520,000 visits to our website and nearly 29,000 downloads of our fact and skill sheets from our website www.abilitynet.org.uk. There were almost 90,000 users of MyComputerMyWay to help customise and make their computers more accessible. Through the iT4Communities programme we helped about 350 charities with IT projects with an estimated public benefit value of approximately £610,000

Assessment Services

Our focus in 2012 has been to continue to deliver high quality assessments through our MiDRAS workplace assessment service, Access to Work and Disabled Student Allowance (DSA) schemes.

MiDRAS provides a holistic approach to workplace assessment encompassing referral, triage, assessment, supply, training, case management and follow-up for major employers.

Our client base for both MiDRAS and DSA has expanded in the year delivering over 5,000 assessments in 2012.

We have also through the year worked to improve how we deliver our assessment services in order to expand our reach and capability to ensure that we have the capacity and ability to help more people make better use of their technology. This work will continue in 2013 with the introduction of a pre-assessment tool and new remote methods of delivering assessments for both our paid and free to use services.

Accessibility Services

The work of our Accessibility Services team continues to help organisations, from the public, private and third sectors to deliver their systems, services and content in an accessible and inclusive way to the widest possible audience.

Whilst we continue to provide advice and consultancy in the area of accessible web design we have greatly expanded our capability within the mobile and apps arena to meet the growing trends and demands from both clients and end users. More and more people access digital content and services within a mobile setting, as well as other emerging technologies such as smart TVs etc. and we will continue to play a leading role in not only growing awareness of but also how to deliver inclusion and accessibility across all environments.

During 2012 we have, working with a number of clients, introduced a new service offering, iComply which not only provides our consultancy services to help our clients deliver inclusion but also encompasses our accreditation offering and on- going review and support to ensure that they maintain inclusion and accessibility over the long term.

One of the highlights during 2012 and previously in 2011 was to be the supplier of web accessibility testing services to the London 2012 games (London Organising Committee of the Olympic and Paralympic Games (LOCOG)).

Projects

Throughout 2012 we continued to deliver a range of funded projects. All had the overarching ambition of reaching out into the hearts of local communities and working with local voluntary and community partners to facilitate delivery of assessments, advice & information and equipment.

- The BrainAble project. BrainAble is a consortium of European partners who have worked together over the last 3 years to dramatically improve the quality of life of disabled people. The focus was to understand more about how disabled people could overcome the biggest challenges they face - exclusion from home and social activities. The project combined an ICT based human computer interface composed of brain neural computer interaction sensors with affective computing and virtual environments. The results included a greater understanding and insight into how new technologies can be used by severely disabled people to improve daily activities and social interaction. The work ended in December 2012
- ATIS4all - Assistive Technology and Inclusive Solutions for All. ATIS4all is a European Thematic Network which seeks to facilitate access for everyone to the most suitable assistive technology (AT) or accessibility device and service, according to their needs and preferences. ATIS4all is establishing and maintaining an open collaborative portal, offering reliable information on AT and inclusive products and services as well as cutting-edge technological trends. The portal will use Web 2.0 participation tools in order to encourage online discussion as well as the exchange of knowledge and expertise. The portal will also have a repository and network for open source AT software that supports the best AT development. AbilityNet is a partner to the project leader, Technosite.
- APSIS - Accessible Personalised Services In Public Digital Terminals (PDT) for all.
  APSIS4all will enable disabled people overcome accessibility barriers and improve the experience of accessing and using PDT services, such as ATM and ticket vending machines. People with disabilities, the elderly and people who are not familiar with technology, are often excluded from accessing these services. APSIS4all is focused on improving PDT services so they can be customised according to a person's needs and preferences, whilst at the same time, preserving privacy and security. Work is also underway to develop screen readers for mobile phones so services can be accessed on the move. Again AbilityNet is a partner to the project leader, Technosite.

- Sense-Park. This project is aimed at supporting and empowering patients with Parkinson's disease in their home environment through the use of a sensory information system to better manage their condition. These tools will help a patient and their doctor track and monitor patterns in the condition, both at home and during leisure activities, providing invaluable information to help improve their quality of life. Sense-Park is supported by the European Commission under the 7th Framework Programme for RTD – Grant Agreement INFSO-ICT-288557.

iT4Communities (iT4C)

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

The work of iT4C has been supported by a grant from the City Bridge Trust (£150,000) over 3 years which is now entering the final year. The grant has enabled iT4C to encourage more London based charities to engage in the programme thereby benefitting from the wealth of experience which our volunteers can provide; and secondly, giving volunteers the chance to share AbilityNet's knowledge and experience of accessibility and further develop their skills in this area to benefit more charities.

The public benefit value of the voluntary services provided in 2012 by iT4C volunteers is estimated to be approximately £ 610,000.

IT Can Help

The IT Can Help programme helps disabled people by providing IT support in their homes. The support is delivered by a network of around 350 volunteers across the UK. The support provided ranges from installing equipment, fixing problems and training. During 2012 IT Can Help carried out 2,230 visits to support people with a disability.

The work of IT Can Help is being funded by BCS, The Chartered Institute for IT for the first three years within AbilityNet commencing in 2011 allowing us to establish long term funding through our fundraising efforts to sustain and grow this service for disabled and elderly people.

Technology4Good Awards (T4G)

In 2012 we built on the success of the inaugural awards programme launched in 2011: Technology4Good. These unique awards bring together a range of charities and businesses whose work enables people to improve their lives through the use of IT. The awards were once again hosted by Mariella Frostrup at BT's Centre in St Paul's and saw over 250 entrants competing for 10 different awards. This prestigious event highlighted the incredible impact these organisations have had in helping disabled people use technology more advantageously within their communities.

Planning for the 2013 T4G awards is well underway along with the organisation of a new event in 2013: the Technology4Good Youth Awards which has now been held in Windsor Castle in April 2013. The Technology4Good Youth Awards are given to the winners of an exciting new competition to encourage young people to use accessible technology to help make the world a better place.

Plans for the future

Looking to the future, our focus and mission continues to be the same, reaching out to the 16 million people across the UK who need help to ensure that the technology they use, or wish to use, is accessible and just as importantly, usable. We will do this by continued direct and indirect intervention.

For 2013 and beyond we intend to focus our efforts around four broad areas:

1. Our assessment offering, aimed at helping these individuals, will be centred around our "MiDRAS reasonable adjustment offering", regardless of the setting, such as in someone's home, at work or in education. We will focus delivering assessments and advice in the workplace with MiDRAS and in education through our DSA centres and reaching into schools.

2. Our web based accessibility services have been brought together in one proposition called iCOMPLY to provide clients an end to end service for governance and accessibility of their on-line presence and services

3. We will continue to develop our free to user services through our three volunteer led programmes of iT4Communities, IT Can Help and Advice and Information. These programmes will combine to offer our 8,000 plus volunteers a choice in how they help the disabled or other charities, by either delivering IT projects, in home support, assessments, training, or general advice and information.

4. Work on the six priorities as defined in the Mind The Digital Gap initiative to promote and drive the demand for and uptake of inclusive and accessible technology. Some of the key points within this area are:

    a. Continue with marketing and event activity to raise awareness of the power and importance of inclusive technology through activities such as our Look No Hands campaign, the Technology4Good awards, which also includes a youth award, and actively participating in strategic conferences and events
    b. The development of Help On Line to provide a trusted support environment for the disabled and elderly to help get them and keep them using digital technology. This underpins all our volunteering and free services, but looks to combine with other charities to share resource and knowledge for the benefit of the user

c. Work with the main technology companies to encourage them to standardise on what assistive technology is available within their technologies to make it easier for the user to move between platforms and technologies
d. Bring together and coordinate the interested and active parties working on digital inclusion in order to achieve a bigger voice and deliver more impact.

Review of financial position

AbilityNet reported a surplus of £299,031 for the year ended 31st December 2012 compared with a surplus of £294,946 recorded for the previous year.

The sustained year on year performance recorded in 2012 has been underpinned by a strong contribution from assessment services, the impact of which was first seen in 2011, as well an improved performance from accessibility services.
This has been achieved whilst coping with some downward pricing pressure driven by the tough economic climate of the UK. During the year the organisation sought and implemented improvements to its internal processes to respond to the higher volumes in the assessment business area. The charity has also invested in developing and professionalising the skills sets of its staff throughout the organisation to position itself to grow the amount and range of its charitable services for 2013 and beyond.

This platform of continuous sustained performance has enabled the organisation to improve its reserves position and consequently strengthen its year-end Balance Sheet.

The liquidity of the organisation continues to be well controlled with trade debtors and creditors being collected and paid to terms.

Reserves policy

The reserves policy is to aim to cover six months' of the Charity's day to day running costs. At 31st December 2012 reserves (excluding Fixed Assets) stood at £736,439 versus £419,352 from last year, providing just over three months' cover.

The Reserves Policy is reviewed on a regular basis by the Audit Committee.

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. Internal procedures for control of expenditure, measurement of services and delivery and quality standards are in place. It forms an integral part of the management process.

Disclosure of information to auditors

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

Auditors

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

On behalf of the board of Directors

Dr Michael R Taylor
Chairman

Date: 18th June 2013

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

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

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

In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;

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

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

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

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

TO THE MEMBERS OF ABILITYNET

We have audited the accounts of AbilityNet for the year ended 31 December 2012 set out on pages 12 to 25. These accounts have been prepared in accordance with the accounting policies set out on pages 14 to 15.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As described on page 9, the Trustees, who are also the directors of AbilityNet for the purposes of company law, are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the accounts give a true and fair view.

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

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

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

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

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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

TO THE MEMBERS OF ABILITYNET

Opinion on accounts

In our opinion:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2012, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the accounts have been properly prepared in accordance with the Companies Act 2006 and comply with the requirements of regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and;

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

HW Fisher Company

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

Dated: 20/6/13

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

FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Incoming resources from generated funds					
Voluntary income	2	**248,760**	-	**248,760**	416,449
Investment income	3	**3,615**	-	**3,615**	508
		252,375	-	**252,375**	416,957
Incoming resources from charitable activities	4	**3,026,603**	**203,005**	**3,229,608**	2,975,240
Other incoming resources	5	**10,078**	-	**10,078**	4,850
Total incoming resources		**3,289,056**	**203,005**	**3,492,061**	3,397,047
Resources expended	6 to 11				
Costs of generating funds					
Fundraising and publicity		**82,710**	-	**82,710**	67,487
Charitable activities					
IT solutions for disabled people		**2,894,090**	**203,005**	**3,097,095**	3,021,591
Governance costs		**13,225**	-	**13,225**	13,023
Total resources expended		**2,990,025**	**203,005**	**3,193,030**	3,102,101
Net income for the year/ Net movement in funds		**299,031**	-	**299,031**	294,946
Fund balances at 1 January 2012		**471,004**	-	**471,004**	176,058
Fund balances at 31 December 2012		**770,035**	-	**770,035**	471,004

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

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2012

	Notes	2012 £	2012 £	2011 £	2011 £
Fixed assets					
Tangible assets	12		**33,596**		51,652
Current assets					
Debtors	13	**590,406**		546,681	
Cash at bank and in hand		**983,834**		650,774	
		1,574,240		1,197,455	
Creditors: amounts falling due within one year	14	**(829,362)**		(761,757)	
Net current assets			**744,878**		435,698
Total assets less current liabilities			**778,474**		487,350
Creditors: amounts falling due after more than one year	15		**(8,439)**		(16,346)
Net assets			**770,035**		471,004
Income funds					
Unrestricted funds			**770,035**		471,004
			770,035		471,004

The accounts were approved by the Board on 18th June 2013

Dr Michael Taylor (Chairman)
Director

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention.

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

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

1.2 Incoming resources

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

1.3 Resources expended

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

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

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

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

1.4 Tangible fixed assets and depreciation

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

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

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

1.5 Leasing and hire purchase commitments

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

1.6 Pensions

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

1 Accounting Policies **(Continued)**

1.7 Accumulated funds

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

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

Unrestricted funds are general funds that are available for the use at the trustees' discretion in furtherance of the objectives of the charity.

2 Voluntary income

	2012 £	2011 £
Donations and gifts	**248,760**	416,449

Donations and gifts

Unrestricted funds:		
Donations received	**35,055**	19,378
Intangible income	**191,365**	369,300
Fundraising income	**22,340**	24,437
	248,760	413,115
Restricted funds:		
Donations and gifts	**-**	3,334
	-	3,334

Donations were received and fully expended in 2012 from:

Access to Work workplace contributions	**14,530**
Donations received at National Digital Conference 2012	**4,392**
Ofenheim and Cinderford Charitable Trust	**3,300**
Hawthorne Charitable Trust	**2,500**
Pratish Kotecha (PickIT Ltd)	**2,133**
St Judes Trust	**2,000**
Mark Loveday	**2,000**
Antony Hornby Charitable Trust	**1,000**
Bazley Charitable Trust	**550**
St Judes Trust	**1,000**
Individual donations	**2,650**
	35,055

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

IBM	**95,000**	95,000
Microsoft	**50,000**	229,300
BCS, The Chartered Institute of IT	**3,365**	2,000
The Information Technologists Company	**18,000**	18,000
BT	**25,000**	25,000
	191,365	369,300

3 Investment income

	2012	2011
	£	£
Interest receivable	**3,615**	508

4 Incoming resources from charitable activities

	Unrestricted funds	Restricted funds	Total 2012	Total 2011
	£	£	£	£
Income relating to IT solutions for disabled people	**3,026,603**	**203,005**	**3,229,608**	2,975,240

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

Equipment supply and educational products	-	-	-	62,811
Fees from services provided - Unrestricted	**3,026,603**		**3,026,603**	2,713,334
Fees from contracts	-	**203,005**	**203,005**	191,279
Fees from services provided - Restricted		-	-	7,816
	3,026,603	**203,005**	**3,229,608**	2,975,240

5 Other incoming resources

	2012	2011
	£	£
Other income	**10,078**	4,850

6 Total resources expended

	Staff costs	Depreciation	Other costs	Total 2012	Total 2011
	£	£	£	£	£
Costs of generating funds					
Fundraising and publicity	**72,441**	**-**	**10,269**	**82,710**	67,487
Charitable activities					
IT solutions for disabled people					
Activities undertaken directly	**2,371,620**	**30,970**	**694,505**	**3,097,095**	3,021,591
Governance costs	**-**	**-**	**13,225**	**13,225**	13,023
	2,444,061	**30,970**	**717,999**	**3,193,030**	3,102,101

Professional fees in other costs includes payments to the auditors of £13,225 (2011: £13,023) for audit fees.

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

7 Fundraising and publicity

Other costs comprise:		
Fundraising and publicity	**10,269**	7,703

8 Activities undertaken directly

	2012	2011
	£	£
Other costs relating to income relating to IT solutions for disabled people comprise:		
Equipment and direct project costs	**121,123**	148,152
Staff development and recruitment	**25,725**	11,455
Rent and rates	**31,928**	30,977
Telephone	**13,640**	10,448
Motor expenses	**104,074**	74,359
Travel and subsistence	**98,269**	69,168
Printing and postage	**3,607**	2,460
Insurance	**8,579**	9,781
Bank charges	**1,556**	1,430
Office facilities, software and services (Note 2)	**191,365**	369,300
Netsuite charges and connectivity costs	**30,997**	27,745
Miscellaneous expenses	**45,704**	32,951
VAT Irrecoverable	**4,601**	3,274
Legal and professional fees	**7,801**	11,525
Website design and development	**-**	40,000
Advertising & PR	**14,876**	33,756
Process review consultancy	**-**	10,500
Consultancy	**929**	-
Fundraising and publicity - other costs	**(10,269)**	(7,703)
	694,505	879,578

9 Governance costs

	2012	2011
	£	£
Other governance costs comprise:		
Audit fees	**13,225**	13,023
	13,225	13,023

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but 2 of them were reimbursed a total of £629 travelling expenses (2011: £537).

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2012 Number	2011 Number
Charitable activities	**46**	38
Fundraising	**3**	4
	49	42

Employment costs	2012 £	2011 £
Wages, salaries and subcontractors	**2,169,386**	1,953,281
Social security costs	**154,330**	139,380
Other pension costs	**89,988**	61,581
Other staff costs	**30,357**	5,961
	2,444,061	2,160,203

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

	2012 Number	2011 Number
£80,000 to £90,000	**-**	1
£90,000 to £100,000	**1**	1

12 Tangible fixed assets

	Assessment assets	Office equipment	Total
	£	£	£
Cost			
At 1 January 2012	199,999	114,307	314,306
Additions	3,904	9,261	13,165
Disposals	(12,079)	(28,770)	(40,849)
At 31 December 2012	**191,824**	**94,798**	**286,622**
Depreciation			
At 1 January 2012	179,608	83,046	262,654
On disposals	(11,922)	(28,676)	(40,598)
Charge for the year	15,656	15,314	30,970
At 31 December 2012	**183,342**	**69,684**	**253,026**
Net book value			
At 31 December 2012	**8,482**	**25,114**	**33,596**
At 31 December 2011	20,391	31,261	51,652

The net book value of fixed assets held under finance lease at the year end is £20,301 (2011: £24,813).

13 Debtors

	2012	2011
	£	£
Trade debtors	**570,033**	528,625
Prepayments and accrued income	**20,373**	18,056
	590,406	546,681

14 Creditors: amounts falling due within one year	2012	2011
	£	£
Net obligations under finance lease and hire purchase contracts	**12,381**	9,401
Trade creditors	**69,635**	93,902
Taxes and social security costs	**177,050**	146,379
Other creditors	**9,347**	6,707
Accruals and deferred income	**560,949**	505,368
	829,362	761,757

Total deferred income carried forward at 31 December 2012 is £488,383 (£140,116 relates to restricted funds). Deferred income brought forward at 1 January 2012 was £401,751 (£166,414 relates to restricted funds).

15 Creditors: amounts falling due after more than one year	2012	2011
	£	£
Net obligations under finance leases and hire purchase contracts	**8,439**	16,346

Net obligations under finance leases and hire purchase contracts		
Repayable within one year	**12,381**	9,401
Repayable between one and five years	**8,439**	16,346
	20,820	25,747
Included in liabilities falling due within one year	**(12,381)**	(9,401)
	8,439	16,346

16 Pension and other post-retirement benefit commitments

Defined contribution

	2012	2011
	£	£
Contributions payable by the company for the year	**89,988**	61,581

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:

	Deferred/ (accrued) income at 1 January 2012	Movement in funds: Funds received in the year	Movement in funds: Resources expended	Deferred/ (accrued) income at 31 December 2012*
	£	£	£	£
Supported One Stop	10,218	-	(10,218)	-
Roald Dahl Foundation (Play AT IT N. Ireland)	(2,436)	6,185	(3,749)	-
Adobe A2 Conference	2,127	-	-	**2,127**
BrainAble	15,166	5,839	(38,850)	**(17,845)**
iT4Communities	(12,498)	85,000	(85,001)	**(12,499)**
IT Can Help	23,487	38,944	(35,454)	**26,977**
ATIS4ALL	(3482)	6,174	(6829)	**(4137)**
APSIS4ALL	25,928	27,567	(3,900)	**49,595**
Sense-Park	107,902	-	(17,837)	**90,065**
Bailey Thomas	-	7,000	(1,167)	**5,833**
	166,412	176,709	(203,005)	**140,116**

* Included in creditors as deferred income.

17 Restricted funds **(Continued)**

Supported One Stop's concept was a 'one stop shop' for disabled people in need of accessible and assistive IT, with no financial support to obtain the technology. In this project, the individual would receive an assessment of need, recommendations to the most appropriate solutions for their individual need and the supply of that accessible and assistive technology and training on the received items.

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

Adobe A2 Conference was funding supplied by Adobe to support AbilityNet running an online Accessibility webinar/conference. This is still to take place.

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

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

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.

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

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

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

The Baily Thomas Charitable Fund provide funding towards "Advice, Information and Volunteer services' core costs of supporting people with Learning Disabilities and Autism". AbilityNet's Advice, Information and Volunteer Services assist people with disabilities overcome limitations and experience a better quality of life, through the use of appropriate accessible IT. A significant number of our beneficiaries have learning disabilities and autism and we provide support to these individuals in a number of ways: appropriate online fact and skill sheets giving information specific to these conditions and IT; MyComputerMyWay, an online serf-assessment tool; telephone and email advice; information and guidance and face-to-face home visits providing help and assistance to overcome barriers they experience with their IT.

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2012 are represented by:			
Tangible fixed assets	33,596	-	**33,596**
Current assets	1,574,240	-	**1,574,240**
Creditors: amounts falling due within one year	(829,362)	-	**(829,362)**
Creditors: amounts falling due after more than one year	(8,439)	-	**(8,439)**
	770,035	-	**770,035**

19 Commitments under operating leases

At 31 December 2012 the company had commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2012	2011
	£	£
Expiry date:		
Within one year	**16,621**	16,621

20 Related parties

The related parties during the year were as follows:

Dr M R Taylor is a Fellow of BCS, The Chartered Institute for IT, also a member of the BCS Product and Services Board* and Freeman of The Information Technologists' Company.
M Bernard is an employee of IBM (UK) Ltd.
S Foxall is an employee of Microsoft Ltd.
C Gant is a former employee of Logica, who are now part of CGI.
C Knight is a Past Master of The Information Technologists' Company, Chief Information Officer of Tribune Business Systems and Managing Director -Infinet Financial Systems Ltd - Europe.
D Morriss is a Past President and former Trustee of BCS, The Chartered Institute for IT and Liveryman of The Information Technologists' Company.
A Pollard is a Past President and former Trustee of BCS, The Chartered Institute for IT and Liveryman of The Information Technologists' Company.
E Sparrow is a Past President and former Trustee of BCS, The Chartered Institute for IT, also a member of the BCS Product and Services Board* and Freeman of The Information Technologists' Company.

*Note: the BCS Product and Services Board was disbanded in December 2012.