

Charity Registration No. 1067673 (England and Wales)

Charity Registration No. SC039866 (Scotland)

Company Registration No. 03469653 (England and Wales)

ABILITYNET

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Trustees	A Brooks – Chairman K Kanodia A Orsi G Pedlingham O Purcell N Rumsey D Silverstone S Woodhams IBM UK Ltd (represented by M Evason) The Information Technologists' Company (represented by P Jagger)
Patron	Martha Lane Fox, Baroness Lane-Fox of Soho CBE
President	David Livermore OBE
Vice President	Roger Jefcoate CBE DL
Chief Executive	Gary Moore
Secretary	John Muscroft
Charity number	
England and Wales	1067673
Scotland	SC039866
Company number	03469653
Principal address	Microsoft Campus Thames Valley Park Reading RG6 1WG
Registered office	Acre House 11-15 William Road London NW1 3ER United Kingdom

ABILITYNET
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LEGAL AND ADMINISTRATIVE INFORMATION

Auditor

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

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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TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and financial statements for the year ended 31 December 2022. The Trustees report includes the directors' report required under company law.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements 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: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Reference and administrative information

The charity is a company limited by guarantee registered in England and Wales under the number 03469653 at Companies House.

The charity is also registered with the Charity Commission in England and Wales under number 1067673 and with the Office of the Scottish Charity Regulator under number SC039866.

Trustees

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

A Brooks – Chairman

M Bernard (resigned 27 July 2022)

K Kanodia

A Orsi (appointed 26 September 2022)

G Pedlingham

O Purcell

N Rumsey

D Silverstone

S Woodhams

IBM UK Ltd (represented by M Evason)

Microsoft Ltd (represented by S Foxall) - resigned 18 February 2022

The Information Technologists' Company (represented by P Jagger)

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

Chief Executive who served during the year: G Moore

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Related parties

These are set out in note 19.

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 as well as in Scotland. The company was established under a Memorandum of Association, which created the objects and powers of the charitable company and is governed by its Articles of Association.

Trustee recruitment, appointment, training and induction

AbilityNet currently has ten Trustees, who are also directors under company law; there are two Corporate Trustees being IBM (UK) Ltd and The Information Technologists' Company which each appoint a representative to the Board. Microsoft Ltd were also a Corporate Trustee at the start of 2022 but resigned from the Board in February 2022.

Other Trustees are selected for a range of skills to support the existing or emerging needs of AbilityNet. When a vacancy occurs, potential candidates are interviewed by a panel 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 containing the Memorandum and Articles, a copy of relevant policies with a glossary of terms and copies of minutes of previous meetings.

Management

Key management personnel comprise the Trustees and the senior management team.

The Chief Executive Officer is responsible for the charity's overall day to day management 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.

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The Board of Trustees (Directors) 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 Business Update from the Chief Executive which includes management accounts, a report on progress to date and any notable events in the coming period.

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 the year were:

G Moore (Chief Executive Officer)
M Comerford (Human Resources)
P Dalton (Sales)
D Henke-Reed (Accessibility)
A Low (Service Delivery)
J Muscroft (Finance)
M Walker (Marketing & Portfolio)

Audit Committee

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

The Committee meets at least twice a year, one of which is with the External Auditors to review and recommend approval of the Annual report and financial statements.

In addition, current plans and actions are discussed and considered, including emerging and existing financial, economic and operational risks to the charity and the evaluation of their impact and likelihood. The committee decides if and how to include these on the charity's Risk Register. Actions are agreed where necessary and progress monitored on a regular basis.

During 2022 the AbilityNet Audit Committee was chaired by O Purcell. The Committee comprises four experienced Trustees as members and is attended by AbilityNet's Finance Director and Chief Executive. It reports to the Board of Trustees at the next available Board meeting.

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Remuneration Committee

The Remuneration Committee considers aspects of AbilityNet's remuneration policy and the reward package of the Chief Executive. The committee also agrees the general pay strategy for the charity to be followed by senior management. This committee is made up of four experienced Trustees and during 2022 was chaired by N Rumsey and met once. It reports to the Board of Trustees at the next available Board meeting.

Diversity & Equality

AbilityNet's desire and determination is to provide an inclusive environment to encourage equal opportunities for its employees. We aim to deal with internal and external stakeholders and members of the public free from bias in an open and accessible way.

To further this aim, AbilityNet provides training to its employees (mandatory) and Trustees on Diversity and Equality to add to the cultural awareness and understanding of this subject throughout the organisation.

The Board of Trustees agree the context and strategic direction in this area, approving policies which underpin this across the charity. These are designed to inform and educate employees in our obligations under relevant legislation (e.g. Equality Act 2010) and to encourage an open and inclusive culture throughout the charity.

Safeguarding

AbilityNet is committed to enabling a safe and rewarding environment for its employees and volunteers. Our Safeguarding policy is designed to ensure everyone is treated fairly and respectfully and we also have a Whistle-blowing policy so that people can raise any concerns they have confidentially.

A number of our employees and volunteers carry out roles that may mean they encounter people who are considered to be vulnerable. We carry out regular criminal record checks for those employees and volunteers engaged in such roles.

We formally review the information in our Safeguarding policy every two years to ensure it is current and in line with best practice. The aim is to provide our staff and volunteers with the most up-to date knowledge and understanding, using guidance from the Government and the Charity Commission adapting our approach accordingly.

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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. The Trustees have thought carefully about 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 enable a world of digital inclusion by supporting disabled and older people to achieve everything they can at work, in education or at home.

Our ambition is to improve lives by recommending and demonstrating suitable technology to act as an enabler for those who need help.

We are known for the extent of our services, deep expertise and insights, and for supporting a wide range of individual needs. Our staff and volunteers are experts who care and although our principal focus is the UK, our influence is global.

As more services have moved online, the potential for social and economic disadvantage increases for those struggling to use technology. We remain the only UK charity reaching out to help this pan-disability group across the UK with our strong desire to ensure 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, educational establishments or workplace;
- 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 disabled and older people derive the most benefit from the technology they use or to which they have access;
- we promote the availability and uptake of inclusive and accessible technology.

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Achievements and performance

Demand for our services in supporting clients on their Accessibility projects continued to grow in 2022 from both our established customers and a growing interest from new ones as well.

We saw continued turbulence in the Disabled Students' Allowance ("DSA") assessment sector with additional centres being opened as a result of service providers preparing for the release of the tender for the service by Student Loans Company. Consequently, in this sector we saw our revenues being significantly impacted in this area when compared to 2021.

However, we did see an upturn in our Workplace service revenues as referrals increased as more people were back working in offices.

Our training and workplace revenues also increased during 2022.

We successfully completed another year of our events programme covering a number of free webinars on digital accessibility and related topics and hosted another very successful year of our TechShare Pro conference, attracting more online interest than in previous years.

We showed growth in the public benefit value from our free services with demand for our volunteers supporting their communities as well as working with community partners to support the distribution of free tablets to those in need.

Our staff engagement has remained strong with positive feedback on the charity's culture.

The charity was able to deliver the following:

- Our volunteers provided an increase of over 6% in the hours spent with our clients and community partners, either face to face or remotely from a base of 378 volunteers at the end of the financial year.
- TechShare Pro enhanced its reputation as Europe's premier event for promoting and discussing Accessibility and accessible design with even more online attendees than in previous years.
- We also saw demand for our Accessibility services increase by over 7% against 2021 with ever more companies recognising the commercial importance of inclusive website and mobile application design whilst matching some of their social impact plans from their ESG agendas.

Our impact report for 2022 can be found using this link to our website:

<https://abilitynet.org.uk/about/abilitynet-impact-report-2022>

AbilityNet highlights where and how digital exclusion is experienced and provides support and knowledge to individuals to give them improved skills to access online digital services as well as helping organisations make their services more accessible and inclusive.

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AbilityNet achieves this through a range of 'paid for' services to companies and organisations delivered by our skilled and caring employees.
We also provide free one-to-one services to disabled or older individuals who have reached out to us for support. We deliver this help through a mixture of face-to-face or remote sessions by our skilled volunteers.

The main areas we aim to influence are:

1. Encouraging the adoption of best practice in the design of accessible websites, mobile apps, systems and content across industry sectors by following and promoting the standards of Web Content Accessibility Guidelines ("WCAG").
2. Engaging with major technology companies to encourage them consistently to advance inclusion strategies in all their technologies and systems.
3. Enabling disabled and older people to make effective use of digital technologies at home, in work and education.
4. Stimulating organisations to provide a learning and enlightened environment for their IT and web design professionals to promote digital inclusion in all of their system development.
5. Encouraging employers to adopt reasonable adjustments in their workplace environments in which their disabled employees can maximise their potential.

During 2022 we created impact through providing: free advice and information; accessibility advice; delivering assessments, training and webinars, home support visits, remote technical support and with our events and webinar programmes reaching many people using online platforms.

The work we undertake with companies to optimise the accessibility of their websites and apps continues indirectly to help improve the digital experience of substantial numbers of users. It is difficult to quantify the impact this has and so we do not estimate it here.

We had 1,923,260 online visitors compared to 1,424,244 in 2021 and 107,602 engagements with our free factsheets, which provide advice and information about how computers and other digital technologies can help people with a range of conditions and impairments to achieve their goals.

Our estimate of the public benefit value of our free services delivered in 2022 under our measure is £1,598k versus £1,505k in 2021 (6.2% up year on year).

Assessment Services

During 2022 we delivered 1,444 assessments to students under the DSA scheme, mainly remotely but with a gradual post-pandemic increase in face-to-face assessments. The landscape of this sector was impacted by ongoing uncertainty around the government's direction in this area. Eventually the government released a tender through the Student Loans Company for the future provision of services.

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Newer entrants into the sector, positioning themselves for the tender submission, had an impact on the number of referrals made by students to AbilityNet during this time as they were faced with an increased choice of assessment centres.

AbilityNet decided to collaborate with a reputable organisation supplying equipment and training in this space who were a prime bidder in the tender submission in late 2022 for the four zones available for tender award. The tender process was not concluded within the financial year however subsequently we learnt that we had not been successful.

Separately, we also provided an increasing number of remote workplace assessments for those with a disability or impairment to get into work or stay in work. This service helps employers and their disabled staff identify end-to-end solutions for any reasonable adjustments to their working environment as well as recommendations in the use of equipment and helpful training.

We helped 1,332 employees in various organisations with advice and recommendations to assist with their continued employment in 2022.

Accessibility Services

Organisations from across the public, private and third sectors sought our advice and recommendations to enable them to deliver their online content in accessible and inclusive ways to the widest possible audience.

We provided a range of advice and consultancy services covering strategy, audit, user test and accreditation, not only for traditional web services but also for tablet and mobile apps, responding to market demands from both clients and end users.

Free Services

Advice and Information

We provided telephone support via our help line and information through our website which gives access to free factsheets, articles and blogs.

Our support service resolved 4,457 calls during 2022 versus 1,447 in the prior year. We recorded over 1,769,613 page views of MyComputerMyWay - our comprehensive, easy-to-use guide to the accessibility options available for free on computers, tablets and mobiles.

AbilityNet ITCanHelp

The ITCanHelp programme helps disabled and older people by providing IT support in their homes or remotely. The service ranges from advice on installing equipment to diagnosing and fixing problems and providing training. In 2022 we provided support on 3,657 occasions to disabled and older people with their IT needs.

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TechShare Pro 2022

The 6th AbilityNet TechShare Pro conference was a hybrid online and in-person event held over 3 days from 15 to 17 November 2022.
2,148 delegates registered in 2022, an increase of over 61% compared with 2021.

More than 100 speakers joined us in 40 different sessions including business leaders, marketers, accessibility leaders, disability charities, influencers, UK and European Governments, and more.

In 2022, the event was supported by Google, Meta, Sony, HSBC, Barclays, Intuit,

Atos, Business Disability Forum, DATEurope, IAAP, Scope, RNIB, RNID, UKAAF, Valuable 500 and many more.

Delegates and supporters report that they find the content in this conference very valuable, offering a high-profile platform to engage current and potential stakeholders in the topic of digital accessibility and related topics in the disability field.

Plans for the future

Our funding continues to be driven by our chargeable services in Assessment services and Accessibility services and we believe this will continue in 2023.

Assessment services: our delivery of impact in this area are Workplace Assessments (WPA) and Workplace training on accessibility and inclusion for those in work or helping to get people into work. Our capability covers face to face, remote and telephone assessments to support employers and individuals.

In early 2023 we learned that our collaborative bid to win the DSA tender for delivery of services to those students in higher and further education had been unsuccessful and consequently will withdraw from this service in the first half of 2023. We continue to work through the impact this will have on the services we offer.

Accessibility services: we will continue to deliver to our existing and new clients a range of services for helping them achieve on-line compliance and improving the accessibility of their web, mobile, tablet and application services.

As technology evolves, so does best practice in the field of accessibility and we will continue to invest in the recruitment and development of skilled expertise and in systems and processes to help our consultants effectively support clients.

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TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Review of financial position

The Summary of the year ended 31 December 2022 is as follows:

- Incoming Resources amounted to £5,727,697 (2021 £5,881,624).
- Outgoing Resources amounted to £5,582,739 (2021 £4,981,299).
- A surplus recorded of £144,958 (2021 £900,325) after depreciation costs.

We saw demand for our Accessibility services continuing to grow, as experienced in 2021, with demand increasing by over 7% year on year.

As highlighted earlier, the release of the DSA service tender saw turbulence in this area for us with income falling by over 26% against 2021. Due to increasing costs which we faced in 2022 to maintain our presence in this programme, the net impact of us exiting this sector in the first half of 2023 is unlikely to be as significant to the charity in 2023 as it might have been.

However, our Workplace service revenues did increase during the year, with noticeably more demand for some of our training services.

We completed another year of our respected event's programme including our 6th TechShare Pro conference. The financial support of sponsors allows us to deliver this programme at scale and at high quality.

During 2022 we helped 132 corporate organisations, 258 charities and community partners, 223 educational establishments as well as 119 public sector organisations as well as countless individuals.

At the Balance Sheet date the Charity's total funds amounted to £2,304,088, Free Reserves amounted to £2,209,902.

Fundraising Compliance

AbilityNet does recognise that the generosity of our donors and partners is part of our funding which enables us to carry out our charitable activities. Whilst our aim is to maximise our income, we recognise that on very rare occasions we may consider refusing a donation or other involvement with a sponsor or a particular activity. In such an instance we will act with the utmost integrity; we will respect any matters of legitimate confidentiality and, in conducting all discussions and conveying the decision, will aim to respect the dignity of the prospective donor and/or partner. We had no occasions in 2022 to refuse any donations.

We seek to adhere to the highest standards of fundraising practice. Our fundraising activities are overseen by our Service Delivery Director, who is responsible for ensuring that all of our activities comply with the standards in the Code of Fundraising Practice.

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TRUSTEE'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

We have received no complaints about our fundraising this year. We also pay close attention to the changing regulatory environment to ensure that we remain compliant with best practice and that any fundraising is transparent, honest and nonintrusive.

We did not employ professional fundraising agencies with the majority of fundraising activities planned and delivered by our small in-house fundraising team.

Reserves policy

The charity's ambition in the medium to longer term is to provide six months' cover of the charity's day to day average running costs.

In 2022 we adjusted the method of how we measure our operating costs. Under our new calculation, our free reserves (being Unrestricted Reserves excluding Fixed Assets) as at 31 December 2022 stood at £2,209,902 versus £2,109,820 from the prior year, providing around 5.2 months' cover of an average of our last 3 month's operating costs, versus 5.5 months from the year before (4.4 months under the previous calculation).

The Board remains committed to strengthening 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 on a regular basis. 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.

The main risk which the Trustees plan to reduce is becoming over-reliant on income from a small number of sources. We focus on mitigation of this risk by programmes to diversify our customer base, such as targeting resource to develop new clients and through the business development of new services.

The loss of an income stream to deliver services to disabled students in 2023 will be managed carefully to mitigate costs assigned to this area. This may affect the resources available to support our free service delivery in 2023.

Going Concern

The Trustees have satisfied themselves that the restructuring and cost mitigation actions enacted since the Charity learned it was unsuccessful in its collaborative bid to win the DSA tender have significantly reduced costs. Furthermore the Trustees are satisfied that the Charity's efforts to expand activities in its chargeable services elsewhere will, in the medium term, place the Charity on a firm financial footing.

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Accordingly, at the time of approving the financial statements, the Trustees have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Disclosure of information to the auditor

Each of the Trustees (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.

Auditor

The auditor, HW Fisher LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the board of Trustees

Alan Brooks

Alan Brooks
Chairman

27 Apr 2023
Date:

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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

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

Company Law requires the Board to prepare financial statements 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 financial statements, the Board are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Board are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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 AND TRUSTEES OF ABILITYNET

Opinion

We have audited the financial statements of AbilityNet (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Board are responsible for the other information contained within the annual report. Our opinion on the financial statements 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements 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 financial statements 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.

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011, Companies Act 2006, the Charities and Trustees (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to intangible income.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Performing a physical verification of key assets items.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

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

**ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS AND TRUSTEES OF ABILITYNET**

Use of our 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 and to the regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's 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, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Carol Rudge

Carol Rudge (Senior Statutory Auditor)

for and on behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

27 Apr 2023.....

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<u>Income from:</u>					
Voluntary income	3	247,010	61,627	308,637	520,342
Charitable activities	4	5,407,792	-	5,407,792	5,360,758
Investments	5	11,268	-	11,268	524
Total income		5,666,070	61,627	5,727,697	5,881,624
<u>Expenditure on:</u>					
<u>Charitable activities</u>					
IT solutions for disabled people	6	5,525,498	57,241	5,582,739	4,981,299
Total charitable expenditure		5,525,498	57,241	5,582,739	4,981,299
Net income for the year/ Net movement in funds		140,572	4,386	144,958	900,325
Fund balances at 1 January 2022		2,155,264	3,866	2,159,130	1,258,805
Fund balances at 31 December 2022		2,295,836	8,252	2,304,088	2,159,130

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

All income and expenditure derive from continuing activities.

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)
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Income from:</u>				
Voluntary income	3	240,149	280,193	520,342
Charitable activities	4	5,360,758	-	5,360,758
Investments	5	524	-	524
Total income		5,601,431	280,193	5,881,624
<u>Expenditure on:</u>				
<u>Charitable activities</u>				
IT solutions for disabled people	6	4,697,174	284,125	4,981,299
Total charitable expenditure		4,697,174	284,125	4,981,299
Net income for the year/ Net movement in funds		904,257	(3,932)	900,325
Fund balances at 1 January 2021		1,251,007	7,798	1,258,805
Fund balances at 31 December 2021		2,155,264	3,866	2,159,130

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

All income and expenditure derive from continuing activities.

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		85,934		45,444
Current assets					
Debtors	12	687,666		635,807	
Cash at bank and in hand		2,893,041		2,740,499	
		3,580,707		3,376,306	
Creditors: amounts falling due within one year	13	(1,362,553)		(1,262,620)	
Net current assets			2,218,154		2,113,686
Total assets less current liabilities			2,304,088		2,159,130
Income funds					
Restricted funds	16		8,252		3,866
Unrestricted funds			2,295,836		2,155,264
			2,304,088		2,159,130

27 Apr 2023

The financial statements were approved by the Board on

Alan Brooks

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Alan Brooks
Trustee

Company Registration No. 03469653

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	20	264,971		931,147	
Investing activities					
Purchase of tangible fixed assets		(100,961)		(26,205)	
Proceeds on disposal of tangible fixed assets		-		288	
Investment income received		11,268		524	
Net cash used in investing activities			(89,693)		(25,393)
Financing activities					
Payment of obligations under finance leases		(22,736)		(22,838)	
Net cash used in financing activities			(22,736)		(22,838)
Net increase in cash and cash equivalents			152,542		882,916
Cash and cash equivalents at beginning of year		2,740,499		1,857,583	
Cash and cash equivalents at end of year		2,893,041		2,740,499	

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Going concern

The Trustees have satisfied themselves that the restructuring and cost mitigation actions enacted since the Charity learned it was unsuccessful in its collaborative bid to win the DSA tender have significantly reduced costs. Furthermore the Trustees are satisfied that the Charity's efforts to expand activities in its chargeable services elsewhere will, in the medium term, place the Charity on a firm financial footing. Accordingly, at the time of approving the financial statements, the Trustees have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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 financial statements.

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

Investment income is included when receivable.

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

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

1.5 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 on charitable activities includes the costs of the delivery of its activities and services for its beneficiaries.

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

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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 has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its 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.

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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 fair value of the assets 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.

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Board are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There were no critical accounting estimates.

3 Voluntary income

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations received	50,589	61,627	112,216	115,287	280,193	395,480
Intangible income	196,421	-	196,421	124,862	-	124,862
	<u>247,010</u>	<u>61,627</u>	<u>308,637</u>	<u>240,149</u>	<u>280,193</u>	<u>520,342</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

3 Voluntary income (Continued)

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations received						
The Patrick & Helena Frost Foundation	-	-	-	5,000	-	5,000
Access to Work workplace contributions	2,861	-	2,861	526	-	526
IBM UK Charitable Trust	-	-	-	50,000	-	50,000
Good Things Foundation	-	-	-	-	261,500	261,500
Ofenheim & Cinderford Charitable Trust	9,000	-	9,000	4,500	-	4,500
Atkin Foundation	10,000	-	10,000	10,000	-	10,000
Individual donations	6,911	-	6,911	5,761	-	5,761
Seeability	3,720	-	3,720	-	-	-
Hollick Family Foundation	-	-	-	5,000	-	5,000
Good-Loop Ltd	6,760	-	6,760	-	-	-
Other	11,337	61,627	72,964	48,369	18,693	67,062
	<u>50,589</u>	<u>61,627</u>	<u>112,216</u>	<u>115,287</u>	<u>280,193</u>	<u>395,480</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

3 Voluntary income (Continued)

Intangible income comprises primarily free office facilities, software and services as well as equipment.

The donors and the nominal values of their donations were:

	Unrestricted funds		Total Unrestricted funds		Total
	2022 £		2022 £	2021 £	2021 £
Intangible income					
Microsoft	26,300	-	26,300	-	-
Google	87,621	-	87,621	86,953	86,953
Free Software	-	-	-	30,960	30,960
Lenovo	82,500	-	82,500	-	-
Other	-	-	-	6,949	6,949
	<u>196,421</u>	<u>-</u>	<u>196,421</u>	<u>124,862</u>	<u>-</u>
					<u>124,862</u>

4 Charitable activities

	IT solutions for disabled people 2022 £	IT solutions for disabled people 2021 £
Fees from services provided	5,275,861	5,169,503
Event income	131,931	191,255
	<u>5,407,792</u>	<u>5,360,758</u>

Event income includes TechShare Pro £131,931 (2021: £159,723) and Tech4Good £nil (2021: £31,532).

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	11,268	524
	<u> </u>	<u> </u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

6 Charitable activities

	2022 £	2021 £
Staff and subcontractor costs	3,731,682	3,378,783
Depreciation and impairment	27,451	4,274
Equipment and direct project costs	177,805	223,866
Staff development and recruitment	35,204	21,883
Professional membership	4,341	4,021
Rent and rates	263,481	213,341
Telephone	5,582	5,552
Motor expenses	20,362	10,678
Travel and subsistence	19,433	2,288
Printing and postage	2,839	2,209
Office facilities and services	196,421	124,862
Connectivity costs	62,259	54,691
Miscellaneous expenses	11,176	12,820
Advertising and PR	73,466	61,619
Consultancy	108,289	134,227
Irrecoverable VAT	4,119	2,933
	<u>4,743,910</u>	<u>4,258,047</u>
Share of support costs (see note 7)	820,829	708,752
Share of governance costs (see note 7)	18,000	14,500
	<u>5,582,739</u>	<u>4,981,299</u>
Analysis by fund		
Unrestricted funds	5,525,498	4,697,174
Restricted funds	57,241	284,125
	<u>5,582,739</u>	<u>4,981,299</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

7 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Staff and subcontractor costs	548,493	-	548,493	492,768	-	492,768
Depreciation	33,020	-	33,020	35,095	-	35,095
Staff development and recruitment	13,914	-	13,914	20,499	-	20,499
Insurance	22,380	-	22,380	18,672	-	18,672
Bank charges	3,107	-	3,107	4,050	-	4,050
Netsuite charges	36,982	-	36,982	24,962	-	24,962
Irrecoverable VAT	1,038	-	1,038	2,477	-	2,477
Legal and professional fees	4,912	-	4,912	2,575	-	2,575
Connectivity costs	70,964	-	70,964	46,855	-	46,855
Other support costs	86,019	-	86,019	60,799	-	60,799
Audit fees	-	18,000	18,000	-	14,500	14,500
	<u>820,829</u>	<u>18,000</u>	<u>838,829</u>	<u>708,752</u>	<u>14,500</u>	<u>723,252</u>
Analysed between Charitable activities	<u>820,829</u>	<u>18,000</u>	<u>838,829</u>	<u>708,752</u>	<u>14,500</u>	<u>723,252</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.

Audit fees include £2,500 (2021: £2,000) in respect of assistance with the preparation of the statutory accounts. In addition, fees were paid for the provision of payroll services of £4,200 (2021 £4,246).

8 Board

None of the Board (or any persons connected with them) received any remuneration during the year, and no trustee claimed expenses during the current or prior year.

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

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 £160,516 (2021: £132,927).

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

10 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
IT solutions for disabled people	76	67
Support staff	8	8
	<hr/>	<hr/>
Total	84	75
	<hr/> <hr/>	<hr/> <hr/>

Employment and subcontractor costs

	2022	2021
	£	£
Wages and salaries	3,201,847	2,595,884
Social security costs	259,041	247,879
Other pension costs	160,516	132,927
	<hr/>	<hr/>
	3,541,364	2,976,690
Subcontractor costs	738,811	894,861
	<hr/>	<hr/>
	4,280,175	3,871,551
	<hr/> <hr/>	<hr/> <hr/>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

10 Employees

(Continued)

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

Subcontractor costs are now shown separately in note 10 and the comparative figure has been amended.

The total employee benefits including pension contributions and employers National Insurance costs of key management personnel was £678,866 (2021: £630,081). The highest paid member of the senior management team received benefits of £145,456 (2021: £123,610).

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

	2022	2021
	Number	Number
£60,000 to £69,999	2	1
£70,000 to £79,999	2	2
£80,000 to £89,999	1	1
£100,000 to £109,999	1	1
£120,000 to £129,999	1	-
	<hr/>	<hr/>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

11 Tangible fixed assets

	Assessment assets £	Office equipment £	Total £
Cost			
At 1 January 2022	153,121	186,765	339,886
Additions	83,819	17,142	100,961
Disposals	(45,387)	(1,960)	(47,347)
	<u>191,553</u>	<u>201,947</u>	<u>393,500</u>
Depreciation and impairment			
At 1 January 2022	147,579	146,863	294,442
Depreciation charged in the year	27,451	33,020	60,471
Eliminated in respect of disposals	(45,387)	(1,960)	(47,347)
	<u>129,643</u>	<u>177,923</u>	<u>307,566</u>
Carrying amount			
At 31 December 2022	<u>61,910</u>	<u>24,024</u>	<u>85,934</u>
At 31 December 2021	<u>5,542</u>	<u>39,902</u>	<u>45,444</u>

The net book value of fixed assets held under finance lease at the year end is £11,499 (2021: £26,717).

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	325,904	401,311
Other debtors	49,428	32,587
Prepayments and accrued income	312,334	201,909
	<u>687,666</u>	<u>635,807</u>

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

13 Creditors: amounts falling due within one year

		2022	2021
		£	£
Obligations under finance leases	14	5,153	27,889
Other taxation and social security		274,387	278,794
Trade creditors		73,926	94,831
Other creditors		49,192	46,155
Accruals and deferred income		959,895	814,951
		<u>1,362,553</u>	<u>1,262,620</u>

14 Finance lease commitments

Future minimum lease payments due under finance leases:

	2022	2021
	£	£
Within one year	<u>5,153</u>	<u>27,889</u>

Finance lease payments represent payments made by the Charity for the acquisition of tangible fixed assets. The term is for 36 months. Payments are made monthly with an effective interest rate of 2.77%

15 Deferred income

	2022	2021
	£	£
Balance as at 1 January 2021	696,934	840,574
Amount released to income	(1,167,763)	(1,328,437)
Amount deferred in the year	<u>1,329,558</u>	<u>1,184,797</u>
Balance as at 31 December 2021	<u>858,729</u>	<u>696,934</u>

Deferred income consists of service agreements invoiced in advance of the service being provided. Deferred income forms part of accruals and deferred income in note 14 above.

ABILITYNET
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

16 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£
Digital Lifeline Project	-	261,500	(261,500)	-	-	-	-
WCIT	2,824	-	(308)	2,516	-	-	2,516
IT can help	4,974	-	(4,974)	-	-	-	-
Other small projects	-	18,693	(17,343)	1,350	61,627	(57,241)	5,736
	<u>7,798</u>	<u>280,193</u>	<u>(284,125)</u>	<u>3,866</u>	<u>61,627</u>	<u>(57,241)</u>	<u>8,252</u>

Digital Lifeline Project was a collaboration between Good Things Foundation (GTF) and AbilityNet. The project was a Department of Culture Media and Sport (DCMS) funded programme to place 5,000 tablets in the hands of digitally disadvantaged individuals with a focus on those with learning disabilities and was managed by GTF. Ability's role was to deliver specialist assessments, training and delivery support for the devices.

Restricted Grants from WCIT were for use to help fund tech demo days.

Restricted income received in the year for AbilityNet's IT Can Help service enabled the provision of free IT support to older people and people with disabilities of any age.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	85,934	-	85,934	45,444	-	45,444
Current assets/ (liabilities)	2,209,902	8,252	2,218,154	2,109,820	3,866	2,113,686
	<u>2,295,836</u>	<u>8,252</u>	<u>2,304,088</u>	<u>2,155,264</u>	<u>3,866</u>	<u>2,159,130</u>

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FOR THE YEAR ENDED 31 DECEMBER 2022

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:

	2022 £	2021 £
Within one year	40,171	71,458
Between two and five years	183,605	23,330
	<u>223,776</u>	<u>94,788</u>

19 Related party transactions

The related parties during the year were as follows:

Trustees:

M Evason is the representative of IBM and an employee of IBM.

P Jagger is a representative and a Court Assistant of The Information Technologists' Company.

A Brooks is Liveryman of The Information Technologists' Company.

Senior Management Team:

G Moore was Panels Warden of the Information Technologists' Company and became Junior Warden on 5 October 2022. He was a trustee of the WCIT Charity until 21 June 2022 when he resigned.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

20 Cash generated from operations	2022	2021
	£	£
Surplus for the year	144,958	900,325
Adjustments for:		
Investment income recognised in statement of financial activities	(11,268)	(524)
Depreciation and impairment of tangible fixed assets	60,471	39,369
Movements in working capital:		
(Increase)/decrease in debtors	(51,859)	98,681
Increase/(decrease) in creditors	122,669	(106,704)
Cash generated from operations	264,971	931,147
21 Analysis of changes in net funds		
	At 1 January 2022	Cash flows At 31 December 2022
	£	£
Cash at bank and in hand	2,740,499	152,542 2,893,041
Obligations under finance leases	(27,889)	22,736 (5,153)
	2,712,610	175,278 2,887,888