

Company number: 07314865

Charity Number: 1138585

Disability Rights UK

Report and financial statements

For the year ended 31 March 2016

Contents

For the year ended 31 March 2016

Reference and administrative information	1
Trustees' annual report	2
Independent auditors' report	14
Statement of financial activities (incorporating an income and expenditure account)	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19

Disability Rights UK

Reference and administrative information

For the year ended 31 March 2016

Company number 07314865

Charity number 1138585

Registered office and operational address CAN Mezzanine
49-51 East Road
LONDON, N1 6AH

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Anne Beales	Chair
Martin Stevens	Vice Chair
Michael Bromwich	Treasurer
Roger Berry	
Roland Chesters	(resigned 4 March 2016)
Francis Hasler	(appointed 18 February 2016)
Daniel Holt	
Asif Hussain	(resigned 5 November 2015)
Kush Kanodia	(appointed 5 November 2015)
Ian Loynes	
Sophie Maziere	(appointed 5 November 2015)
Carolyn McLaughlin	(resigned 29 October 2015)
Martin Smith	
Mike Smith	(resigned 5 November 2015)
Philip Thompson	(appointed 5 November 2015)
Rob Trent	

Key management personnel	Liz Sayce	Chief Executive
	Sue Bott	Deputy Chief Executive
	Nick Spencer	Financial Controller and Company Secretary
	Michael Paul	Head of Advice & Operations
	Jason Jaspal	Head of Business Development

Bankers Unity Trust Bank
Nine Brindley Place
BIRMINGHAM, B1 2HB

Auditors Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House, 108-114 Golden Lane
LONDON, EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2016.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

We are disabled people leading change – working for equal participation for all.

Our Vision: Equal participation for all

Our Mission: We are disabled people leading change

Our three Priorities:

- Independent Living: getting a life
- Career opportunities: getting work, education and skills
- Influencing public attitudes and behaviours: seeking a sea change in perceptions of disability and tackling hostility, bullying and hate crime (this is a new priority from 2016).

Achievements and performance

In 2015–16, we increased our reach and impact through projects and services designed to secure greater participation of disabled people in society. We track impact through surveys of how useful disabled people find our services and resources to their particular aims for participation; and through measuring the specific impacts of our projects. For instance, we have worked with the Office for Public Management to design robust measures of impact of our project to enable more disabled people to take part in physical activity and are collecting data on outcomes and stories of the difference our project is making. In 2015–16:

- We served over 1.5 million people with free, independent information on rights – up by over 200,000 since 2014–15. Between 84% and 96% found the different factsheets useful, whether to claim the benefits essential to family and social life, or to stop drop-out from college
- We ran demonstration projects to showcase participation in practice, often with partners – from rights to participate in physical activity to a Leadership Academy that is developing a critical mass of disabled leaders who can change organisations and cultures. In 2015–16 80% of delegates met their leadership aspirations, gaining career progression, new roles or leadership of new projects
- We influenced policy: for instance, in 2015 Government responded to campaigns by DR UK and our members and announced plans for 25,000 more disabled people to receive Access to Work support to help them keep or gain employment. In 2016 Government withdrew their plans to further restrict PIP (personal independence payment) on the basis of evidence from

us and the voice of DR UK and disabled people, which showed that this would jeopardise independence. For our achievements see

<http://www.disabilityrightsuk.org/membership/achievements-and-successes>

- We can only reach our goal of equal participation by working together. We have worked in partnership with sister organisations in Scotland, Northern Ireland and Wales; and with local Disabled People's Organisations (DPOs). We host the Disability Action Alliance, which brings together DPOs and organisations from all sectors so that the whole is more than the sum of the parts. We celebrate the achievements and contributions of all our members, partners and funders.

In 2015–16 our priorities were:

- Independent living: getting a life
- Career opportunities: getting work, education and skills

These were underpinned by two organisational priorities:

- Building voice and reach: active, engaged members
- Creating a recognised and respected organisation

We made progress on these priorities by:

Providing information and advice to individuals and organisations:

- Our free factsheets were downloaded over 1.8 million times, up from 1.4 million in the previous year. Amongst new factsheets created was one entitled 'stopping hate crime'. This was requested by our stakeholders. Between 84% and 96% found the different factsheets useful to their particular purposes for participating in life (see above). We have also introduced a clearer set of subject areas on the website so our users can find the information they need more quickly and easily.
- Our information continues to be a popular, up to date and well used resource on the website, accounting for over 46% of pages viewed.
- We ran an information line, a personal budgets helpline, a students' helpline and a helpline for our organisational members answering complex queries. Through these services we reached 9,661 people. Surveys of users show that people find the advice useful: see the later section on beneficiaries for examples.
- We published and sold over 13,000 copies of our Disability Rights Handbook. Now in its 41st year the Handbook provides clearly written, in-depth information on the entire benefits and independent living system.
- We opened doors to independent living by selling over 11,000 Radar keys to accessible toilets.
- In partnership with the Pensions Regulator, we delivered nine events across England on the subject of pension auto-enrolment for people employing personal assistants. These events were so successful that nine more will be delivered in 2016–17.

Delivering projects, working with local Disabled Peoples Organisations (DPOs) and others, to demonstrate new approaches to disabled people's participation

- Our second cohort of disabled people completed their Leadership Academy programme, for disabled people aspiring to middle management or beyond. Evaluation shows that 80% achieved their career goals, including securing promotions, new jobs or opportunities to lead new projects. Participants talked of how the programme inspired them and unlocked their talents and confidence; and employers talked of how the programme helped them improve their practices. Alumni heard from speakers including Lord Colin Low. See <http://www.disabilityrightsuk.org/news/2016/may/leadership-academy-programme-year-2-graduation>
- We created new resources to support disabled people's skills – including videos of good practice in colleges. See <http://www.disabilityrightsuk.org/news/2016/april/good-practice-supporting-disabled-learners>
- We took forward our 'I Can Make It' campaign, run by and for young disabled people to smash barriers to employment and create better job opportunities. We worked to influence existing spending in local government and large businesses by engaging with their procurement teams and supply chain managers to raise awareness of the benefits of employing young disabled people. For instance, in Hull, a young disabled person has been taken on as an apprentice in the procurement team as a direct result of our campaign, to help improve opportunities through procurement. We launched videos to inspire engagement. See <http://www.disabilityrightsuk.org/news/2015/june/i-can-make-it-videos-launched>
- We launched our Get Yourself Active project in partnership with three DPOs, Cheshire Centre for Independent Living, Equal Lives and Leicester Centre for Integrated Living. We started working with the health, social care and sports sectors to develop better opportunities for disabled people to get active. We are tracking impact using validated measures of both participation and softer outcomes such as sense of control and confidence. See <http://www.getyourselfactive.org/>
- We secured a role as a National Delivery Partner on the forthcoming 'Get Out Get Active' Project funded by the Spirit of 2012 independent trust. We will sit on the project steering committee to help ensure co-production with disabled people and reflect our priorities and values.
- Along with Inclusion Scotland, Disability Wales and Disability Action Northern Ireland we launched the world's first major research programme on independent living led by disabled people, Disability Research on Independent Living & Learning (DRILL). Following consultation with disabled people across the UK about what their priorities are for research and pilot projects the first grants will be awarded in the second half of 2016, advised by committees made up of academics from different disciplines together with disabled people. See: <http://www.disabilityrightsuk.org/policy-campaigns/drill-programme>
- We took on the secretariat of the Disability Action Alliance (DAA), which creates partnerships between DPOs and organisations from the public, private and civil society sectors. We will be working with the steering group to create a long term strategy for the DAA with the aim of better enabling collaborative working that makes a positive difference to disabled peoples full participation

Trustees' annual report

For the year ended 31 March 2016

- We launched our In the Making project, jointly with the universities of Salford and Dundee, enabling disabled people to learn and use digital fabrication, including 3-D printing
- We are part of the Win Win Alliance with Change and Shaping our Lives. The alliance is one of the 21 Department of Health strategic partners working with NHS England and Public Health England. This year we have worked on the NHSE information standard to make information accessible to disabled people, worked on disability equality issues and worked on promoting commissioning services that is shaped by users of services themselves.

Influencing policy and practice

- We draw on the experience of our members and learning from our advice services to bring disabled people's voices directly to policy makers
- We ran a successful campaign that led to Government withdrawing their plans to further restrict Personal Independence Payment, which would have impacted severely on disabled people's independence. In March 2016 we explained the evidence in the media including the Telegraph, Times, Independent, Guardian, Mirror and most major broadcasters. Government decided not to implement the change. See <http://www.disabilityrightsuk.org/news/2016/march/pip-needs-change-pip-does-not-need-change>
- With others we influenced Government to announce a significant increase in Access to Work places (up by 25,000 by 2020)
- We ran a campaign designed to overturn the government proposal to cut Employment and Support Allowance by £30 for those in the Work Related Activity Group – because our evidence showed this could lead to greater poverty and re-create the problem of large numbers of disabled people 'parked' on benefits. Our joint petition with 38 degrees was signed by 103,929 people and mentioned by our Ambassador Lord Colin Low in the House of Lords debate on the issue. See <http://www.disabilityrightsuk.org/news/2016/january/disabled-people's-voices-support-lords-defeating-government-over-esa-benefit-cut>. The Lords twice voted against this change. Although the Lords' vote was overturned in the Commons, we have helped build further interest in this issue, for instance from the Work and Pensions Select Committee and the debate continues
- We provided the secretariat to the increasingly influential All-party Parliamentary Disability Group, which brings disabled people's voices in to Parliament.
- We promoted our campaigns in the media, receiving coverage across all the major media outlets. Our press releases can be read here: <http://www.disabilityrightsuk.org/about-us/press-office>
- We began a weekly e-newsletter digest of the most relevant news for disabled people, which has a subscription of over 13,000.
- We have continued to increase our social media presence. Our twitter followers increased from 24,837 to 36,897 (a 12,060 increase) and our Facebook likes have also increased.

Trustees' annual report

For the year ended 31 March 2016

On our underpinning work to build voice and reach: active, engaged members we:

- Increased our membership from 1,455 to 1,842
- Introduced a new 3 year membership option for individuals
- Improved member retention by improving processes
- Agreed system upgrades for 2016–17 to include a dedicated member only area of our website and member only forums.

On our underpinning work to create a recognised and respected organisation we:

- Launched a range of projects and products that received positive endorsements: for instance, a guide on gaining skills if you become disabled secured the comment from Dame Carol Black that 'this guide should be on every manager's desk'
<http://www.disabilityrightsuk.org/news/2016/april/our-new-guide-education-training-and-employment-options-disabled-people>
- Secured media profile across all online and offline platforms, both locally and nationally, with universally positive coverage of our messages
- Surveyed a sample of different stakeholders, who told us that we were recognised as being a major voice of disabled people, able to put forward robust and constructive proposals. They urged us to enable members to be even more actively engaged; and in response we have set up policy forums and an annual policy-focused event linked to our AGM: the 2015 AGM enabled members to talk directly with the Minister for Disabled People, the Shadow Minister for Disabled People and the Chair of the All-Party Parliamentary Group on Disability
- Gained recognition in the House of Lords for our petition to stop the proposed government cut to Employment and Support Allowance, with our petition gaining over 100,000 signatures.
- Hosted significant events to bring stakeholders together such as the launch of our Get Yourself Active project and our digital fabrication courses as part of our In the Making project.

We have worked to increase our unrestricted income and relationships through disability equality consultancy work with external organisations. Projects have included training staff within the Labour Party, Cranfield University and many other companies. We have also run bespoke programmes of work for First Group and Irwin Mitchell, amongst others, as well as working in an advisory capacity with businesses such as Channel 4.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Beneficiaries of our services

As detailed in the achievements and performance section we have reached over 9,500 people through our advice services (information line, personal budgets helpline, students helpline and organisational members service). Feedback has included:

'I was not hopeful of getting anything for my mental health condition and dyspraxia, but I was amazed to find I have been granted daily living rate (of PIP) today. I know the advice about the descriptors and completing a diary made all the difference. Thanks to your support, the next year or so is looking so much better for me now I have this help. It is such a relief to realise I can afford someone to help me out now and then and still pay my bills!'

'A newly blind hospital patient contacted us on the eve of her return home. She explained she had an 18-month-old son and a physical disability as well as her sight loss. Her husband was working full-time but finances were a concern. She was fearful that her need for support would cause Social Services to take her child away. We advised that a person's disability and need to be 'cared for' was not sufficient reason for Social Services to remove a child from their parents. We explained how to get a needs assessment to assist the transition from hospital to home and how to get social care funding as a direct payment. We also explained how to cope with the complexities of becoming an employer. This allowed her to recruit her choice of Personal Assistant to support her parenting role'.

"At the moment I have been accepted on a MA course, am applying for Disabled Students' Allowance and will be applying for the new Post-graduate loan after gaining advice from DR UK. I am surprised as to what I am actually capable of as illness and disability made me feel worthless and now I don't feel that way...it's all heading towards a positive outcome. First time in years!"

Plans for the future

Our plans and priorities for 2016–2019

In 2015–16, we consulted our members on our priorities and in early 2016, our Board agreed a new 2016–19 Strategic Plan entitled Equal Participation for All, which is can be seen here: <http://www.disabilityrightsuk.org/about-us/our-strategic-plan>. The executive summary is below:

Vision

Equal participation for all

We want a society where everyone can participate equally.

Mission

We are disabled people leading change

In 3 years, we will enable at least 50,000 diverse disabled people to have voice and influence, connecting with each other and with us. We support change agents and enable disabled people to exert power and influence.

- We will work in partnership with other Disabled People's Organisations (DPOs) to showcase approaches to social, economic and public participation and share learning, including through joint projects.
- We will work with many organisations in a position to act, in all sectors, to support them to put disabled people's priorities at the heart of their policies and practices
- We will campaign to strengthen and protect disabled people's rights.

DR UK is itself led by people with diverse experiences of disability and health conditions, from different communities. We work with allies committed to equal participation for all. **Together we can be stronger.**

Subject to resources, we will do the following work:

- 1 Independent living: getting a life – we will:
 - create research led by disabled people
 - enable thousands of individuals to share experiences backed by specialist information and advice
 - showcase new independent living models, with other DPOs
 - run campaigns to reverse institutionalisation and coercion, to secure finance needed for independent living and to achieve improved accessibility.
- 2 Career opportunities – getting work, education and skills – we will:
 - enable thousands of people to share experiences backed by specialist information/advice
 - showcase approaches to youth employment, peer support for skills and career development, working with other DPOs and partners
 - run campaigns on youth employment, peer support for employment, and government enablers of education, skills and employment opportunities
- 3 Influencing public attitudes and behaviours: seeking a sea change in perceptions of disability and tackling hostility, bullying and hate crime – we will:
 - do research led by disabled people into what will influence attitudes and behaviours
 - develop a new narrative to replace 'scrounger' or 'superhero'
 - show how cultures can be changed in education and workplaces
 - support a network of safe hate crime reporting centres

Financial review

The charity had a positive movement in funds for the year of £95,056 (2015 £63,366, excluding one offs of FRS17, office move and CVA).

The charity had a closing cash position of £213,209 compared with £66,877 the previous year. This is a very pleasing figure as the end of March is traditionally a low point in the cash flow cycle. The balance has been maintained into the current year.

The net liabilities were £256,234 compared with £351,290 last year. The reason for the deficit continues to be the CVA liability of £453,333, which is being paid at £80,000 per year, representing payments for a further 5.6 years.

As mentioned in note 1(d), on 15 September 2016 the charity received an extremely generous and anonymous donation of £250,000 from a registered charitable trust. The amount almost eradicates the liability position at year end and puts the charity on a much firmer footing financially. Going forward, the charity would fully expect to report a positive net asset position as at 31 March 2017 after paying another year of the CVA.

The charity has a subsidiary, Disability Rights Enterprises, which is dormant and held at a cost of £2. As the subsidiary is dormant and has no assets, consolidated accounts have not been prepared.

The Trustees have a stated reserves policy of building up 3 months running costs which amounts to approximately £300,000. The year end cash position is a great improvement on previous years but while the CVA is still in operation, it remains a challenge to build up cash reserves.

The main trend this financial year has been new projects that have started, Sport England (Get Yourself Active), Comic Relief (I Can Make It), Disability Action Alliance, the DRILL project and a research collaboration project with Bristol University. These are all described elsewhere in the report. All projects are carefully managed and monitored by finance and make a contribution to core running costs and ultimately the charity's reserves. This trend is continuing and another new project "Get Out and Get Active" funded by Spirit of 2012 is starting in September.

The charity does not hold material financial investments.

The pension liability of the charity is now restricted to the CVA liability shown in the accounts. The active pension arrangements for staff are all now defined contribution. The charity complied with the new auto enrolment requirements from 1 April 2016.

Principal risks and uncertainties

The principal risks the charity faces would be in the non-renewal of government grants. The trustees are fully aware of this, there is a conscious move to diversify income streams and generate further unrestricted income to protect the charity, and indeed the strengthening of the cash position reflects this.

Reserves policy and going concern

Reserves have been mentioned above but the policy is given here and is the same as last year. The policy is firstly a short run policy of building up reserves at the beginning of the financial year to finance deficit expenditure at the end of the year and secondly a long run policy to build up reserves to the equivalent of three month's expenditure. The figure for 3 months running costs is

approximately £300,000. The reserves policy should be viewed in conjunction with the fact that the Charity continues to make payments to the Pension Protection Fund of £80,000 a year which affects the ability of the Charity to build up such reserves.

The charity manages its cash position very carefully and a budget and cash flow for 2017/18 have been prepared and reviewed by the Trustees and they are satisfied the organisation is a going concern.

With thanks to our Funders

We would like thank our funders and supporters for their funding and kind donations through the year and for their continuing support in 2016 including:

The Ajahma Charitable Trust
The Albert Hunt Trust
Arts and Humanities Research Council (AHRC) in partnership with the University of Salford
Big Lottery
The City Bridge Trust
Comic Relief
Department for Business, Innovation and Skills
Department of Health
Economic and Social Research Council (ESRC) in partnership with the University of Bristol
Elizabeth and Prince Zaiger Trust
Enterprise Holdings Foundation
Esmée Fairbairn Foundation
GD Herbert Charitable Trust
Harris and Sheldon Group Ltd
The Ian Askew Charitable Trust
Irwin Mitchell
Joseph Rowntree Foundation
The Goldsmiths' Company Charity
The Leathersellers' Company Charitable Fund
Office for Disability Issues
Public Health England
PF Charitable Trust
Rogers, Stirk and Harbour
Seven Families
Sport England

A special thanks also to our members. All our funders, supporters and members enable us to deliver our priorities and strengthen our voice.

Structure, governance and management

The charitable company was established under a memorandum of association and is governed under its articles of association which are available on the website.

As per the Articles of Association, the board must consist of a minimum of six trustees and a maximum of 16 of whom 75% must be disabled people. Currently the board comprises 12 Trustees of whom more than 75% are disabled people.

No fewer than three quarters of the board shall be elected by the membership and no more than one quarter appointed by the board. Of the current 12 trustees, 10 were elected and two appointed. The board manages the business of the charity and exercises all the powers of Disability Rights UK. It seeks to ensure the charity is compliant with charity and company law and works with its charitable objectives.

There are three sub committees accountable to the main board, each with agreed terms of reference. They are Financial Performance Committee, People Committee and Income Generation Committee. A key member of staff is responsible for each committee. These committees can have co-opted members who are not trustees at the discretion of the main board, these individuals are subject to the same declaration of interest policy as trustees.

The trustees delegate the day-to-day running of the organisation to the Management Team which is made up of the Chief Executive, the Deputy Chief Executive, the Financial Controller, the Head of Business Development, and the Head of Advice and Operations – supported by managers of projects and functions.

The organisation is a private company limited by guarantee, incorporated on 14 July 2010 and registered as a charity on 26 October 2010.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

Appointment of trustees

New trustees are appointed through a fair and open process ensuring, as far as possible, diverse representation from a cross section of society, including different experiences of disability and skills. Elected Trustees are on a three-year cycle.

Trustee induction and training

New trustees spend a day meeting key management personnel and other members of staff to learn about the projects and programmes delivered by the charity.

Remuneration policy for key management personnel

Remuneration for all staff, including key staff, is considered in the December/January period before year-end when the budget for the next year is set. There is union consultation via a member of staff under a voluntary trade union agreement between DR UK and Unite.

Final decisions on remuneration are made by the People Committee and Finance Committee and then ratified by the main board. This policy applies to all staff, including key management personnel.

Statement of responsibilities of the trustees

The trustees (who are also directors of Disability Rights UK for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Sayer Vincent LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 22 September 2016 and signed on their behalf by

Michael Bromwich
Treasurer

Independent auditors' report

To the members of

Disability Rights UK

We have audited the financial statements of Disability Rights UK for the year ended 31 March 2016 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements 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 financial statements. In addition, we read all the financial and non-financial information in the trustees' annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditors' report

To the members of

Disability Rights UK

Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

Emphasis of matter

Going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1d in the financial statements concerning the charitable company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the charitable company was unable to continue as a going concern. Our opinion is not qualified in respect of this matter.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

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
- The financial statements are not in agreement with the accounting records and returns
- Certain disclosures of trustees' remuneration specified by law are not made
- We have not received all the information and explanations we require for our audit
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the trustees' annual report and take advantage of the small companies' exemption from the requirement to prepare a strategic report

Judith Miller (Senior statutory auditor)

30 September 2016

for and on behalf of Sayer Vincent LLP, Statutory Auditors
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Disability Rights UK

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2016

	Note	Unrestricted £	Restricted £	2016 Total £	Unrestricted £	Restricted £	2015 Total £
Income from:							
Donations and legacies	2	101,123	-	101,123	129,101	-	129,101
Charitable activities							
Member services	3	59,893	-	59,893	59,045	-	59,045
Promoting social inclusion	3	176,372	659,154	835,526	101,489	633,075	734,564
Advice and publications	3	444,578	40,000	484,578	428,631	80,000	508,631
Other trading activities	4	165,018	-	165,018	191,954	-	191,954
Other	5	-	-	-	1,531,260	-	1,531,260
Total income		946,984	699,154	1,646,138	2,441,480	713,075	3,154,555
Expenditure on:							
Raising funds	6	44,500	-	44,500	73,198	-	73,198
Charitable activities							
Member services	6	105,331	-	105,331	127,311	-	127,311
Promoting social inclusion	6	173,007	683,155	856,162	98,681	604,285	702,966
Advice and publications	6	310,222	40,000	350,222	389,055	80,000	469,055
Other trading activities		194,867	-	194,867	142,320	-	142,320
Other		-	-	-	744,105	45,339	789,444
Total expenditure		827,927	723,155	1,551,082	1,574,670	729,624	2,304,294
Net movement in funds		119,057	(24,001)	95,056	866,810	(16,549)	850,261
Reconciliation of funds:							
Total funds brought forward		(414,830)	63,540	(351,290)	(1,281,640)	80,089	(1,201,551)
Total funds carried forward		(295,773)	39,539	(256,234)	(414,830)	63,540	(351,290)

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

Disability Rights UK

Balance sheet

Company no. 07314865

As at 31 March 2016

	Note	£	2016 £	£	2015 £
Fixed assets:					
Tangible assets	12		11,666		17,081
Investments	13		6,057		6,057
			<u>17,723</u>		<u>23,138</u>
Current assets:					
Stock	14	11,361		30,485	
Debtors	15	229,460		232,434	
Cash at bank and in hand		213,209		66,877	
		<u>454,030</u>		<u>329,796</u>	
Liabilities:					
Creditors: amounts falling due within one year	16	(354,654)		(250,891)	
			<u>99,376</u>		<u>78,905</u>
Net current assets					
			<u>117,099</u>		<u>102,043</u>
Total assets less current liabilities					
Creditors: amounts falling due after one year	18	(373,333)		(453,333)	
			<u>(256,234)</u>		<u>(351,290)</u>
Net liabilities					
The funds of the charity:					
Restricted funds			39,539		63,540
Unrestricted funds – general funds			(295,773)		(414,830)
Total charity funds	20, 21		<u>(256,234)</u>		<u>(351,290)</u>

Approved by the trustees on 22 September 2016 and signed on their behalf by

Michael Bromwich
Treasurer

Disability Rights UK

Statement of cash flows

For the year ended 31 March 2016

	Note	2016 £	£	2015 £	£
Cash flows from operating activities					
Net cash provided by operating activities	22	146,332		16,409	
Cash flows from investing activities:					
Purchase of fixed assets		-	(16,245)		
Net cash used in investing activities			-	(16,245)	
Change in cash and cash equivalents in the year		146,332		164	
Cash and cash equivalents at the beginning of the year		66,877		66,713	
Cash and cash equivalents at the end of the year		<u>213,209</u>		<u>66,877</u>	

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (August 2014) and the Companies Act 2006.

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

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 April 2014.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was for £15,000. No other restatements were required.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

In the current economic climate there are always risks that some grants and contracts may not be renewed and Management have tried to increase unrestricted income to offset this. The charity continues to meet its obligations under the terms of the CVA.

In addition, the charity received an anonymous donation on 15 September 2016. It was from a registered charitable trust for the sum of £250,000 which almost eradicates the year end net liability position.

The charity has not had to make any key judgements which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Interest receivable

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.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

h) Expenditure and irrecoverable VAT

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

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities] undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

	Support costs	Governance costs
● Donations and legacies (raising funds)	2.6%	2.0%
● Member Services	8.8%	6.8%
● Promoting Social Inclusion	65.7%	64.1%
● Advice and publications	12.7%	10.1%
● Other trading activities	10.2%	17.0%

Governance costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

k) Tangible fixed assets

Appropriate items are capitalised where the purchase price exceeds £500.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The expected useful lives are as follows:

- Equipment and furniture 3 years
- Website and software 3 years

If fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset would be shown as a revaluation reserve in the balance sheet.

Investments in subsidiaries

Investments in subsidiaries and other unlisted investments are held at cost.

1 Accounting policies (continued)

l) Stocks

Stocks are stated at the lower of cost and net realisable value.

m) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) Cash at bank and in hand

Cash at bank represents bank accounts, petty cash and the balance on the debit card.

o) 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.

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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The charity operates a defined contribution pension scheme to satisfy stakeholder pension requirements. The employer's contributions are charged to the Statement of Financial Activities as incurred.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Donations	77,748	–	77,748	77,809
Legacies	23,375	–	23,375	51,292
	<u>101,123</u>	<u>–</u>	<u>101,123</u>	<u>129,101</u>

3 Income from charitable activities

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Organisational members	48,787	–	48,787	53,016
Individual members	11,106	–	11,106	6,029
Sub-total for member services	59,893	–	59,893	59,045
Government grants	–	385,500	385,500	341,000
Trust and foundation grants	9,467	273,654	283,121	314,996
Contracts	95,264	–	95,264	9,698
Key sales	71,641	–	71,641	68,870
Sub-total for promoting social inclusion	176,372	659,154	835,526	734,564
Publications	287,362	–	287,362	279,046
Advice services	35,728	40,000	75,728	56,150
Contracts	121,488	–	121,488	123,435
Website funding	–	–	–	50,000
Sub-total for advice and publications	444,578	40,000	484,578	508,631
Total income from charitable activities	680,843	699,154	1,379,997	1,302,240

There are 3 Government Grants, from the Department of Health, DWP (BIS) and DWP Disability Action Alliance. These are described in more detail in note 21.

4 Income from other trading activities

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Training (Disability Confidence, Benefits, other)	159,515	–	159,515	138,044
Related advertising, grants & sponsorship	4,603	–	4,603	50,985
Speakers fees	900	–	900	2,925
Total	165,018	–	165,018	191,954

5 Other incoming resources

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Lease termination compensation	–	–	–	210,000
Release of reserve on pension scheme	–	–	–	1,321,000
Other income	–	–	–	260
Total	–	–	–	1,531,260

6 Analysis of expenditure

	Charitable activities						Other £	Governance costs	Support costs £	2016 Total £	2015 Total £
	Cost of raising funds £	Member services £	Promoting social inclusion £	Advice and publications £	Other trading activities £						
Staff costs (Note 8)	23,090	54,659	171,539	88,174	98,446	-	42,302	297,751	775,961	718,122	
Direct project costs	8,087	5,120	327,201	196,172	38,119	-	11,509	-	586,208	591,660	
CVA costs	-	-	-	-	-	-	-	-	-	-	735,000
Office move costs	-	-	-	-	-	-	-	-	-	-	9,105
Office running costs	-	-	5,660	-	-	-	5,105	91,055	101,820	168,077	
Premises, rent & rates	-	-	4,355	-	-	-	4,392	78,346	87,093	82,330	
	31,177	59,779	508,755	284,346	136,565	-	63,308	467,152	1,551,082	2,304,294	
Support costs	12,051	41,278	306,808	59,465	47,550	-	-	(467,152)	-	-	
Governance costs	1,272	4,274	40,599	6,411	10,752	-	(63,308)	-	-	-	
Total expenditure 2016	44,500	105,331	856,162	350,222	194,867	-	-	-	1,551,082		
Total expenditure 2015	73,198	127,311	702,966	469,055	142,320	789,444				2,304,294	

7 Net income for the year

This is stated after charging:

	2016 £	2015 £
Depreciation	5,415	47,708
Operating lease rentals:		
Property – licence fee	82,500	77,000
Other – photocopying	962	1,154
Auditors' remuneration (excluding VAT):		
Audit	15,000	18,000
Other services	550	500
	<u>775,961</u>	<u>718,122</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2016 £	2015 £
Salaries and wages	693,990	637,636
Social security costs	68,426	63,315
Employer's contribution to defined contribution pension schemes	13,545	17,171
	<u>775,961</u>	<u>718,122</u>

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2016 No.	2015 No.
£60,000 – £69,999	1	1
	<u>1</u>	<u>1</u>

The total employee benefits including pension contributions of the key management personnel were £255,461 (2015: £250,603).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2015: £nil). No charity trustee received payment for professional or other services supplied to the charity (2015: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £6,946.44 (2015: £2,085) incurred by 12 (2015: 12) members relating to attendance at meetings of the trustees. Some trustees do not claim any expenses for travel and subsistence.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2016 No.	2015 No.
Raising funds	0.7	0.7
Member Services	2.1	2.8
Promoting Social Inclusion	12.5	10.1
Advice and publications	4.5	5.1
Governance	1.2	0.7
Other trading activities	2.4	1.7
	<u>23.4</u>	<u>21.1</u>

The average number of FTE employees during the year was 19.8 (2015 17.9)

10 Related party transactions

There are no related party transactions to disclose for 2016 (2015: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Equipment & furniture £	Website & software £	Total £
Cost or valuation			
At the start of the year	34,245	101,106	135,351
Disposals in year	(15,000)	(101,106)	(116,106)
At the end of the year	<u>19,245</u>	<u>-</u>	<u>19,245</u>
Depreciation			
At the start of the year	17,164	101,106	118,270
Charge for the year	5,415	-	5,415
Eliminated on disposal	(15,000)	(101,106)	(116,106)
At the end of the year	<u>7,579</u>	<u>-</u>	<u>7,579</u>
Net book value			
At the end of the year	<u>11,666</u>	<u>-</u>	<u>11,666</u>
At the start of the year	<u>17,081</u>	<u>-</u>	<u>17,081</u>

All of the above assets are used for charitable purposes.

13 Investments

	2016 £	2015 £
UK Common investment funds	913	913
Investment in Helpcards Holdings Ltd	5,142	5,142
Investment in dormant subsidiary	2	2
	<u>6,057</u>	<u>6,057</u>

14 Stock

	2016 £	2015 £
Stock of Taking Charge publication	<u>11,361</u>	<u>30,485</u>

15 Debtors

	2016 £	2015 £
Trade debtors	153,067	110,912
Other debtors	29,370	23,049
Prepayments	47,023	46,517
Accrued income	-	51,956
	<u>229,460</u>	<u>232,434</u>

16 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	69,518	36,071
Taxation and social security	50,329	27,810
Other creditors	9,934	500
Accruals	81,403	68,750
Deferred income	63,470	37,760
CVA payments (note 19)	80,000	80,000
	<u>354,654</u>	<u>250,891</u>

17 Deferred income

Deferred income comprises invoices raised and cash received prior to 31 March as pre-orders for the Disability Rights Handbook, which is published during April/May following year end.

	2016 £	2015 £
Balance at the beginning of the year	37,760	69,575
Amount released to income in the year	(37,760)	(69,575)
Amount deferred in the year	63,470	37,760
	<u>63,470</u>	<u>37,760</u>

18 Creditors: amounts falling due after one year

	2016 £	2015 £
CVA payments – due within one to two years	80,000	80,000
CVA payments – due within two to five years	293,333	320,000
CVA payments – due after more than five years	-	53,333
	<u>373,333</u>	<u>453,333</u>

There are no bank loans.

19 Pension scheme

As detailed in last year's accounts, the Charity entered a CVA on 11 November 2014, which was agreed with the PPF who took over the Charity's liabilities in respect of its two defined benefit pension schemes. The CVA payments are now listed under creditors and represent the Charity's only liability under defined benefit pension schemes. The Charity operates a defined contribution scheme with Friends Life which is a qualifying scheme for auto-enrolment.

20 Analysis of net assets between funds

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	11,666	-	11,666
Investments	6,057	-	6,057
Net current assets	59,837	39,539	99,376
Long term liabilities – CVA payments	(373,333)	-	(373,333)
Net (liabilities) / assets at the end of the year	(295,773)	39,539	(256,234)

21 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	At the end of the year £
Restricted funds:				
DoH Strategic Partnership	-	181,000	(181,000)	-
City Bridge Trust	-	40,000	(40,000)	-
BIS – Education	-	160,000	(160,000)	-
Henry Smith	9,250	-	(9,250)	-
Esmee Fairbairn Leadership	10,489	25,000	(35,489)	-
Sport England Get Yourself Active	44,729	132,575	(191,243)	(13,939)
Comic Relief I Can Make It	(928)	44,000	(43,072)	-
DWP – Disability Action Alliance	-	44,500	-	44,500
Disability Action NI – drill project	-	72,079	(63,101)	8,978
Total restricted funds	63,540	699,154	(723,155)	39,539
Total unrestricted funds – general funds	(414,830)	946,984	(827,927)	(295,773)
Total charity funds	(351,290)	1,646,138	(1,551,082)	(256,234)

Purposes of restricted funds

Department of Health Strategic Partnership – this grant funds a joint project with Shaping Our Lives and Change. It aims to share knowledge of health and social care policy amongst disability groups and to feedback intelligence to the Department of Health, NHS England and Public Health England.

City Bridge Trust – to provide a disability benefits advice and information service.

Department for Business Information and Skills – to support disabled people's skills for employment and to advise on policy development.

Henry Smith – to maximise the opportunities offered by personal budgets across health, social care, access to employment and education for disabled people to have choice and control over the support they receive. Through this project a resource directory of services offered by local organisations has been added to the DR UK website.

Esmee Fairbairn – to develop a Leadership Academy for junior managers with lived experience of disability and/or a long term health condition, wanting to progress their careers and pursue more senior roles.

21 Movements in funds (continued)

Sport England – a grant to work with local partners to create opportunities for people with lived experience of disability, mental health issues and health conditions to use personal budgets and personal health budgets to take part in physical activity and sport. The year end balance is negative reflecting costs incurred during February and March. The first year ended 31 January and with the reporting of all the partners, the next grant payment (3rd) was not received until after the year end, and therefore no income relating to that third payment was recognised in the year.

Comic Relief – I Can Make It, a three year campaign focussed on reducing the gap in employment between young disabled people and their non-disabled counterparts.

Department for Work and Pensions – a one year grant to fund the next stage of the development of the DAA and its long-term strategy. Disability Rights UK will undertake the secretariat function for the period of the grant.

Disability Action NI – a grant as a partner in the Disability Research on Independent Living and Learning (DRILL) project, a five year initiative funded by Big Lottery to deliver the world's first major research programme led by disabled people.

22 Reconciliation of net income to net cash flow from operating activities

	2016 £	2015 £
Net income for the reporting period (as per the statement of financial activities)	95,056	835,312
Depreciation charges	5,415	47,708
Decrease / (increase) in stocks	19,124	(30,485)
Decrease / (increase) in debtors	2,974	(26,343)
Increase/(decrease) in creditors	23,763	(809,783)
	<hr/>	<hr/>
Net cash provided by operating activities	146,332	16,409
	<hr/> <hr/>	<hr/> <hr/>

23 Operating lease commitments

The charity occupies serviced accommodation and pays a quarterly licence fee (rent) to CAN Mezzanine. The contract is cancellable within 3 months and a deposit to the value of 3 months rent has been paid to CAN Mezzanine. The quarterly rental from 1 April 2016 is £21,230 plus VAT.

The only other rental is for the photocopier on a contract that expires 30 October 2016. The quarterly rental for the photocopier is £240.45 plus VAT.

24 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

25 Impact of transition to FRS 102 and SORP 2015

Reserves position	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	31 March 2015			1 April 2014		
	£	£	£	£	£	£
Funds previously reported	(399,830)	63,540	(336,290)	(1,266,640)	80,089	(1,186,551)
Adjustments on transition						
Holiday pay provision	(15,000)	-	(15,000)	(15,000)	-	(15,000)
Funds restated on transition	(414,830)	63,540	(351,290)	(1,281,640)	80,089	(1,201,551)

Impact on income and expenditure	Unrestricted	Restricted	Total
	31 March 2015		
	£	£	£
Net income / (expenditure) as previously reported	866,810	(16,549)	850,261
Adjustments on transition			
Holiday pay provision	-	-	-
Net income / (expenditure) as restated	866,810	(16,549)	850,261