



Designability Charity Limited

**Annual Report and Financial Statements
Year Ended
31 March 2023**

**Registered Charity Number: 256335
Company Number: 933932 (England & Wales)**

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Designability Charity Limited

Annual Report of the Trustees for the Year Ended 31 March 2023

The Trustees present the Annual Report and audited financial statements for the year ended 31 March 2023.

Reference and Administration Details

Charity Name:	Designability Charity Limited
Charity Registration Number:	256335
Company Registration Number:	933932
Registered Office:	Department D1, Wolfson Centre Royal United Hospital NHS Trust Bath, BA1 3NG
Tel:	01225 824103
Email:	info@designability.org.uk
Website:	www.designability.org.uk

Designability Trustees

Jerry Marwood	Appointed 2021 Chair
Martin Bloomfield	Appointed 2018
Lynda Bowen	Appointed 2020 (Resigned March 2023)
Paul Fairhurst	Appointed 2020
Oliver Foster	Appointed 2020 (Finance and Governance Committee Chair) (Resigned March 2023)
Martin Hunt	Appointed 2020
Emma Legg	Appointed 2020
Gavin Maggs	Appointed 2016 (Resigned September 2022)
Ben Metcalfe	Appointed 2020 (Products and Impact Committee Chair)
Paul Olomolaiye	Appointed 2017 (Resigned September 2022)
Sam Whatley	Appointed 2020 (Interim Finance and Governance Committee Chair)
Elizabeth White	Appointed 2012 (Products and Impact Committee Chair) (Resigned October 2022)
Catherine Bailey	Appointed 2022
Anna Chatzimichali	Re-appointed August 2023 (Appointed 2022, Resigned March 2023)
Andrew Monk	Appointed 2022
Elisabeth Skeet	Appointed 2022

Company Secretary

Company Secretary:	Paul Fairhurst
Assistant Secretary:	Kathleen Mackey

President:

Rt Hon. Lord Foster of Bath, Don Foster (Resigned
November 2022)

Chief Executive:	Catharine Brown
Auditors:	Moore, Chartered Accountants and Statutory Auditor, 30 Gay Street, Bath, BA1 2PA
Bankers:	Barclays Bank UK PLC, 1 Churchill Place, London, E14 5HP

In this report and financial statements Designability Charity Limited (formerly known as The Bath Institute of Medical Engineering) is referred to as 'Designability' or the 'Charity'.

Annual Report of the Trustees

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 March 2023. The Trustees have adopted the provisions of 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).

Nature of governing document and how the charity is constituted

Designability is a charitable company limited by guarantee, incorporated on 18 June 1968 and registered as a charity on 11 July 1968. The Charity was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

Strategic Framework

We created our first published strategy plan in 2019. The fundamentals of our vision, mission and values are the same now as they were four years ago, but we have taken this opportunity to reflect on how we express our purpose and these statements have been refreshed and updated. They now reflect the social model of disability which essentially states that people are disabled by barriers in society and not by their impairment or difference.

Our Vision

A future where disabled people live the life they choose.

Our Mission

To create equality of opportunity for disabled people by removing barriers to independence.

Our Purpose

Our purpose is to remove barriers and ensure disabled people have an equal opportunity to be independent and live the life they choose. We do this by convening and harnessing the perspectives of disabled people and their lived experience. By using the principles of human centred design, we listen to disabled people and codesign innovative products and services that enable disabled people to be independent.

Rates of disability in the UK are still rising, with over 7 million people having a disability that affects their mobility, so our work is more important than ever.

Our Objects

The objects of the Charity are:

‘The advancement of medical education and of engineering research for medical purposes, the dissemination of the knowledge thereby acquired and the relief of those in need (by reason of their disability, age or infirmity) by the provision of devices and equipment to assist in their medical treatment or improve their quality of life.’

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. The review looks at what we have achieved and the outcomes of our work in the previous 12 months, the success of each key activity and the benefits they have to those groups of people we aim to help. It helps us ensure our aims, objectives and activities remain focused on our stated purpose. We have referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. Designability publishes an annual Impact Report which sets out the key activities and achievements of the Charity each year.

Plans for the future

At the end of 2022-23, we finalised our next Strategic Plan, to set the ambitions and goals for the Charity for the period 2023 to 2026.

Our key plans for the future include:

- Enabling disabled people to live a life with more independence and fewer barriers;
- Expanding the reach of our products and services;
- Developing new products;
- Enabling better access to transport for disabled people; and
- Ensuring Designability is a rewarding place to work, for everyone, constantly evolving and improving.

Full details of our ambitions and goals under each of these priorities areas can be found on our website. (<https://designability.org.uk/about-us/our-strategy/>)

Organisation structure and how decisions are made

Designability is a registered charity and company limited by guarantee whose work is overseen by a Board of Trustees. The Board of Trustees meets quarterly as a minimum and is responsible for ensuring that the Charity meets the charitable objectives and is run according to our Articles of Association and Memorandum of Association. The Trustees do not receive any remuneration for their duties. A Governance Review was completed during 2021-22 against the Charity Commission’s Good Governance Code. The review found no concerns requiring immediate action and is informing our ongoing performance and developments in governance.

In January 2022 we registered Designability Limited as a separate entity. The company is dormant and share capital is owned by Designability Charity Limited only.

After four highly successful years at Designability, Chief Executive Catharine Brown announced her decision to step down from her role in September 2023. Catharine joined Designability as CEO in 2019 and has significantly expanded the charity's reach and impact during that time. The Board of Trustees would like to acknowledge her significant achievements as CEO. As well as successfully steering the charity through the challenges brought by the covid-19 pandemic, she has overseen significant growth in income which has enabled the charity to help more disabled people through its innovative design and product solutions. Leading the team to create a focused strategy and now a clear three-year plan to 2026, the charity is stronger than ever thanks for her inspirational and outstanding leadership.

The Board of Trustees and everyone at Designability wishes her every success in the future. Recruitment for her successor has now commenced.

Governance – Subcommittees

The Board operates two sub-committees, each with a clear purpose and remit. The sub-committees are:

Products and Impact Committee

This committee of Trustees, with Senior Leadership Team members in attendance, meets quarterly prior to Board meetings to provide advice and assurance on the activity of the Charity that creates impact for disabled people, through its provision of products and services.

Finance and Governance Committee

This committee of Trustees, with Senior Leadership Team members in attendance, meets quarterly prior to Board meetings to provide assurance to the Board on the management and utilisation of resources (finances, people, systems and premises) plus the governance of the Charity.

Responsibility for the day to day running of the organisation and delivery of activities is delegated to the Chief Executive. A detailed Delegated Authority Matrix is in operation which is reviewed annually.

Safeguarding

A designated member of the Board of Trustees has a key responsibility to oversee safeguarding within the Charity and is responsible for reviewing the Children's and Adults' Safeguarding policies every two years or when amendments to policies or procedures are made. Established processes are in place for flagging and reporting safeguarding concerns or issues. During the year, there were no instances of safeguarding incidents flagged or reported for children or adults.

Designability's President

Our President is elected at our AGM for a term of three years (and may then be re-elected for a maximum of nine years). The President provides the Charity with advice and support and promotes our work and impact to a wider audience. During the year our president, The Right Honourable Lord Don Foster of Bath, resigned. We would like to thank him for his support and service over the years. This vacancy does not affect the ability of the Charity to meet its goals.

Risk management

All significant activities undertaken are subject to a risk review as part of the activity assessment and implementation. Major risks are identified and ranked in terms of their potential impact, likelihood and the strength of mitigation activity.

Major risks, for this purpose, are those that may have a significant effect on:

- Achievement of our aims and objectives;
- Meeting the expectations of our beneficiaries or supporters;

- Financial stability, including stability and security of income; or
- Operational performance, including risks to our staff or volunteers.

The Trustees review these risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified. Where appropriate, risks are covered by insurance. The following framework is central to ensuring adequate risk assurance:

- Review of risk at an operational level and within all governance committees, and development of action plans to control risks identified;
- Risk identification and assessment is embedded into Standard Operating Procedures (SOPs) and the Quality Management framework;
- A clear structure of delegated authority and control;
- Regular internal audit to ensure compliance to agreed risk management processes;
- Maintaining reserves in line with set policies.

As an ISO 9001:2015 certified organisation, risk-based thinking is a key part of our management approach. We regularly review our organisational risk register and respond to the changing internal and external factors. During 2022-23, our risk management work continued to focus on responding to business continuity risks around systems, processes and data as well as recruitment and staff retention. We continue to monitor the risk around fundraising income for our new innovations. Mitigating action plans are in place.

As a medical device manufacturer we have continued to invest resources in maintaining our compliance to all applicable medical device regulations, including the UKMDR and EUMDR.

We also monitor non-financial risks including: health and safety, facilities and product liability. facilities and health and safety. These risks are managed by having robust policies and procedures in place. In addition, financial controls are in place to mitigate the risk of financial losses due to theft or fraud. The key risk areas are reviewed by the Finance and Governance Committee half yearly, and with an annual review by the Board of Trustees.

Financial review

The Board of Trustees are pleased with the financial performance of the Charity this year, achieving a surplus of £321,835 in year and increasing our reserves to £2,382,338. Our strong financial position will allow us to invest in order to achieve our future strategic goals and deliver greater impact for disabled people.

Income has increased from the previous year to £2,542,334 (£2,190,244 in 2021-22) due to the continued generosity of our donors and supporters, and following receipt of funding from partners and donors relating to the Wizzybug Loan Scheme, promotion of the Accessible EV Charging project and development of the pushchair for wheelchair users. Our expenditure has increased from £2,078,549 in 2021-22 to £2,193,394 in 2022-23 due to significant external spend on the accessible EV charge point project and higher staff costs due to an increasing number of employees.

Financial effect of significant events

The Finance and Governance Committee review financial performance on a quarterly basis. The Trustees continue to value the funding partnership to deliver the Wizzybug Loan Scheme over the years ahead, which brings welcome security, and understand the on-going need to diversify and grow other sources of income for the longer term.

Any factors likely to affect future financial performance

The Trustees are confident that any factors which might affect our future financial performance have been documented in our risk register, along with mitigating actions. As with all organisations, increasing commodity and energy prices, global supply chain issues and a challenging recruitment market are significant risks facing the Charity. Internally, work continues to improve systems and processes to mitigate any risks around business continuity. For fundraising, the market remains competitive across all income streams. Measures have been taken where possible to mitigate against all financial risks and Designability can continue to operate effectively and achieve our charitable aims. As such the Trustees are confident that Designability retains sufficient resources to continue for the minimum 12 month period to be considered as a going concern.

Principal funding sources and how they support key objectives

Principal funding sources were grants and donations from trusts and foundations, along with other forms of voluntary income from a range of partners and supporters, followed by income from product sales and royalties. These sources were a mix of restricted and unrestricted donations.

Our largest restricted fund is for the Wizzybug Loan Scheme, which directly delivers against our objective of facilitating access to Early Years Powered Mobility for disabled children younger than five years. This is funded by restricted and unrestricted donated funds. Further restricted funds have been received for other specific projects which support our key objectives, including our work on accessible electric vehicle charging and the pushchair for wheelchair users.

A summary of our sources of income and expenditure for these programmes is provided within the Report of the Management Team on page 11.

Arrangements for setting the pay of key management personnel

The Trustees consider that the key management personnel are the Chief Executive, the Director of Design and Engineering, the Director of Programmes, the Director of Fundraising and Communications and the Director of Finance and Operations. The pay of senior staff is reviewed annually by the Chair and Chairs of the Subcommittees. Any increase in pay is considered in accordance with average earnings within comparable organisations, cost of living increases and individual performance.

When recruiting, pay is set by benchmarking salaries against a comparable role within similar sized third-sector organisations.

For the year ended 31 March 2023, the total employment benefits of key management personnel (including NI and pension contributions) are detailed in note 11 to the financial statements.

Reserves policy

A comprehensive reserves policy is in place, to retain six months of average unrestricted operating costs in a designated fund. This is to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. This is based on budgeted expenditure and has therefore increased from prior year to reflect our increasing activities.

An Innovation Reserve is held to provide funding for worthwhile and impactful projects which may not be funded from other sources or in the initial stages of project scoping. Use of this Reserve is decided by the Board of Trustees. During the year, we used the reserve for match funding for our pushchair for wheelchair users project. For 2022-23, the Board has decided to increase the Innovation Fund to ensure Designability can deliver high quality innovation and design in the year.

The Trustees have decided to maintain the Systems and IT Development Fund in order to ensure funding is available to finish the planned investment for our infrastructure and database projects.

The General Reserve consists of the balance of any unrestricted funds that are not designated in the Operating Reserve, the Innovation Reserve or the Systems and IT Development Fund. The value of the restricted funds has increased as we have recognised grant income in 2022-23 in line with accounting regulations, but spend relating to these specific activities will be incurred in 2023-24 and beyond.

The Trustees reviewed the level of designated funds at 31 March 2023 and confirm that the Reserves Policy has been met. The balance on designated operating reserve as of 31 March 2023 was £1,107,547 (note 20).

	Value as of 31 March 2023	Purpose
Restricted funds	£675,830	Funds for restricted and other allocated projects, such as: <ul style="list-style-type: none"> - Wizzybug Loan Scheme and Access Fund - other committed project costs - Refurbishment Reserve
General Reserve - Unrestricted	£248,960	Unrestricted reserves
Operating Reserve - Designated	£1,107,547	Funds set aside adequate to cover six months' running costs and refurbishment of Wizzybugs between loans
Innovation Reserve - Designated	£300,000	To support innovation and new product development projects and launch
Systems and IT Development Reserve - Designated	£50,000	To fund investment in IT infrastructure and systems

At 31 March 2023, the Charity had free reserves (unrestricted reserves that are not functional fixed assets) of £989,346 which form part of the General Reserve and the designated Operating Reserve above (2022: £726,159).

Investment policy

The Trustees manage the investment portfolio in accordance with the Charity's governing document.

Monies not immediately required for the objects of the Charity may be invested in investments, securities or property as may be thought fit having regard to any consent and in accordance with any relevant laws. During the year, the Board included Trustees with sufficient specialist knowledge and experience of investments suitable to the present needs of the Charity.

The Charity holds a significant proportion of invested money in managed funds, the most significant of which is with a large, well established and charity specific fund. The fund offers a mix of diversified and low risk investment assets. This is in line with the Investment Policy of the Charity in that no undue risk is taken in seeking a higher investment return. No investments are held with an individual company.

The majority of the invested money is held in a charity specific investment fund, which aims to provide long term growth and distributions. The fund aims to beat inflation and is significantly diversified in order to mitigate risk. The fund has an ethical investment policy.

The Charity does not invest in individual companies and does not hold any 'social investments' where the purpose in making the investment is wholly or partly to further the Charity's aims.

Methods, policies and procedures for recruitment, appointment, induction and training of Trustees

The Board has appropriate procedures for the recruitment, appointment, induction and training of its Trustees.

Trustees have been recruited through an open and transparent process involving the placing of advertisements in appropriate media, or via appointment as outlined in the Articles of Association.

Appointed members in post during the year were:

Ben Metcalfe	Appointed by the University of Bath
Catherine Bailey	Appointed by the University of Bath
Paul Olomolaiye	Appointed by the University of the West of England
Anna Chatzimichali	Appointed by the University of the West of England
Elizabeth White	Appointed by the Bath and North East Somerset, Swindon and Wiltshire Clinical Commissioning Group

The Chair, Chairs of the Subcommittees and the Company Secretary of the Charity, supported by the Chief Executive, consider the skills, diversity, gender balance and lived experience of disability of the Board prior to appointments being made.

A comprehensive induction programme is undertaken by all new Trustees and training needs are identified through regular Board reviews.

Structure, Governance and Management

Governing document

The Charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of Designability Charity Limited for the purposes of company law) are responsible for preparing the Annual Report of the Trustees 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 those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;

- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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:

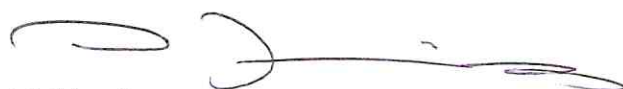
- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

The auditors, Moore, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the Board of Trustees on 18 September 2023 and signed on its behalf by:



P Fairhurst
Trustee and Company Secretary

Annual Report of the Management Team

A. Service Provision

Early Years' Powered Mobility and the Wizzybug Loan Scheme

The Wizzybug Loan Scheme provides powered wheelchairs, designed and made by the Charity, to young children throughout the UK, free of charge.

During the year we welcomed 157 children onto the loan scheme, giving us a total of over 300 children currently learning, developing and having fun with Wizzybug. However, the challenges we faced in previous years continue, with delays in access to NHS clinical support and diagnosis playing a key part in the number of children who could be referred to receive a Wizzybug.

To that end, in year we have simplified the application process for our families, including allowing families to apply directly to us rather than requiring a clinician's referral and using an electronic form, making it easier and quicker for families to apply. We also embarked on a pilot with Whizz Kidz to deliver handover appointments at a selection of their regional centres in order to reduce the distance families need to travel for their assessment and the collection of their Wizzybug.

Our ongoing work to grow the Loan Scheme and number of children we can reach continues to be supported by a wide range of donors and partnerships, including a key partnership with Motability Foundation.

We continued to attend events and exhibitions to raise awareness of the benefits of early years powered mobility and promote the loan scheme. In October, we were delighted to win a Scope Award for the Wizzybug Loan Scheme, in the 'Accessible Organisation' category.

Wizzybug was shortlisted for the 'Disability category' of the Charity Awards, one of three charities in this category. These are the most prestigious of all charity sector awards and we were honoured to be included in the shortlist.

B. Products

New product development

We aim to be a charity known nationally for our skills to engage with our beneficiaries and develop a deep understanding of their needs, matching this with our innovative and practical design skills, to advise on and create solutions that truly benefit them.

During 2022-23, we continued to focus on development of our pushchair for wheelchair users, which will enable disabled parents and carers who are manual wheelchair users to take their babies and young children out independently. Feedback from our first round of user trials concluded that the pushchair would have a transformational effect on their lives. The pushchair has passed the arduous testing process set out in BS EN 1888 (international standard for pushchairs) and we have filed for a patent. We will shortly be undertaking a series of testing days with disabled parents to validate the design, covering a range of disabilities represented in our earlier stages of research and engagement, and will attend the Harrogate International Nursery Fair in October to formally launch the design.

Product sales

Thousands of people with a wide range of disabilities are helped by our products every year. Some of these products are produced in our workshop, and some, designed by us but produced in partnership with other organisations. International sales of Wizzybugs through partnerships with a small number of carefully selected distributors continued in 2022-23. However, during the year, we made the difficult decision to curtail our international sales, to allow us to focus directly on Designability's UK beneficiaries.

C. Partnerships

Working in partnership with other organisations, Designability is able to ensure that accessibility is increased for products and services beyond those we provide directly. During the year, we were successful in developing and growing key partnerships below to expand our reach and impact more disabled people's lives.

Accessible EV Charging

During 2022-23, we completed our work at the forefront of supporting a new industry standard for accessible public electric vehicle (EV) charging. The PAS 1899 standard was developed by the British Standards Institute (BSI), and commissioned by the Motability Foundation and OZEV (The Office for Zero Emission Vehicles). The UK government plans to ban sales of new diesel and petrol vehicles in 2030. Research shows that around 1.35 million disabled drivers will be wholly reliant on the public charging infrastructure, but the physical environment and technology is largely inaccessible and unusable for disabled drivers.

The BSI PAS (1899) standard was published in Autumn 2022. In October we launched new online Design Guidance for the industry and other interested parties, to complement the standard by providing practical guidance on how to meet the standards described, as well as inputting into a new assessment scheme for charge point providers to demonstrate their compliance. We presented prototype charge points and our design guidance at the launch event at the Houses of Parliament, as well as participating in several speaking opportunities including the London EV Show and hosting webinars for interested parties. This is the culmination of over 2 years' work and we are proud of the impact and traction this research has already generated, ensuring that public charging of electric vehicles becomes accessible to disabled people in the future.

Due to our work in this area, we were a finalist in the Smart Business Awards Inclusive Product Design category alongside Microsoft, Procter & Gamble and Unhidden, run by the Business Disability Forum.

National Centre for Accessible Transport

During the year, Designability and a consortium of 5 other organisations led by Coventry University was successful in winning a competitive bid to establish an Evidence Centre to reduce the accessibility gap in transport. In February 2023, the National Centre for Accessible Transport (ncat) was launched. Its mission during the 7-year work programme is to make transport accessible for all by engaging with disabled people to better understand their experiences and co-design solutions, amplifying their voices in all decision making, and collaborating widely with transport stakeholders.

D. Projects and plans for the future

We have bold and ambitious plans for the future and in June 2023, we published our new strategic plan for 2023-26. Building on our previous plan, we have taken this opportunity to refresh how we express our purpose, vision, mission and values to reflect the social model of disability, that people are disabled by barriers in society and not by their impairment or difference. Rates of disability in the UK are still rising, and disabled people still do not have all that they need to live the life they choose.

We will continue to focus our work on enabling disabled adults and children with physical disabilities to be independent and use our expertise in user engagement and design to unlock further impact for thousands of disabled people and the challenges they face in their daily lives.

In 2023-24 we will continue to expand and improve our flagship product Wizzybug. Responding to the top request from families, we will introduce a new motor for Wizzybug, which will bring about a huge improvement to children and families living with a Wizzybug, and lays the foundations for our project to redesign Wizzybug. Recent research indicates there are significantly more disabled children than previously thought who can benefit from the independent mobility of a Wizzybug and the subsequent developmental improvements it brings. The ultimate aim of the redesign project is to facilitate a step change in the number of children who can access a Wizzybug.

We will start our search for a partnership to launch our pushchair for wheelchair users, to enable parents across the UK and potentially globally to be able to purchase the pushchair and enjoy independent mobility with their young children.

We will start work on our Innovation Strategy, to ensure a clear and impactful pipeline of new products, projects, and solutions. We will work closely with disabled people to ensure their needs are always at the heart of our innovation. We will also continue to work with carefully selected partners on user engagement and design projects to increase accessibility and remove barriers to independence for disabled people.

We will build on our work on accessible EV charging, continuing to promote and champion our new accessible designs. We will continue to support the Motability Foundation's plans to provide their endorsement to assessment schemes for accessible public EV charge points. We will build on our expertise in this area and play an impactful role in ncat, supporting our partners and leading projects to help achieve the aims of the centre.

We have expanded our team considerably in recent years to make progress with the goals outlined in this strategy. We will continue to build on the culture of our organisation and ensure everyone has what they need to maximise their potential. We will increase engagement with and involvement of disabled people across and within our organisation.

E. Education

University of Bath

We led the user-centred design module for third year Mechanical Engineering (EngD) students at the University of Bath in October 2022. This year we continued the theme of electric vehicle charging with an emphasis on designing inclusive solutions for varied disabilities. Each group had the opportunity to meet with all of our volunteer users, as well work with and present their ideas relating to electric vehicle charging, and the associated built environment.

Three Ways School

We have a long-standing relationship with local school Three Ways in Bath. This initiative is for disabled 13-15 year old students, many of whom have no experience of a workplace, to help them prepare for life after they leave school. During the summer, we again welcomed students from the school to spend time in our workshop and gain experience of some of the engineering processes involved in building Wizzybugs, using specialist equipment and working in a workshop environment.

F. Premises

At the start of the year, we opened our newly refurbished premises at the Royal United Hospital in Bath (RUH), following a major project to redesign and refurbish our space. We welcomed families back to the RUH for Wizzybug handovers, for the first time since March 2020, in our dedicated assessment rooms. We also invited those participating in our user engagement sessions for the EV project and user testing for the pushchair for wheelchair users, on to site.

The workshop, which opened in early 2020, has continued to be a key hub of Designability's activity this year. We use the space to build and refurbish Wizzybugs, to providing a collaborative and creative workspace for our research projects and to design and develop innovation projects and prototypes for new products.

G. Regulatory compliance

Medical Device Regulation (MDR)

Wizzybug is a medical device and continues to be compliant with all relevant regulations.

Quality Management System and ISO 9001:2015

Quality management is embedded into our organisation through extensive use of our Quality Management System. We continue to be audited by our chosen certification body, BSI and our ISO 9001:2015 Certification has been maintained.

H. Operations, IT and People

Work on improving our internal efficiencies is ongoing and the focus this year has been on our new Customer Relations Management (CRM) system. The new system is in use but we will continue to make improvements to ensure this meets all our operational needs. We started work on a project to review our overall IT provision and will start to implement some of the recommendations and findings in 2023-24.

Our continued success is thanks to our team of talented staff, which has expanded during the year with new roles created to help grow and deliver our products and services, averaging 31 employees per month over the year.

We operate a hybrid working model, where staff work both in our premises and remotely where their role allows. We continue to ensure close and collaborative working practices through regular team days in our offices and dedicating time for all staff events.

We are a Level 1 Disability Confident employer and continue to work towards Level 2.

Our Trusts and Foundations Fundraiser made the 2023 Bath's Most Inspiring Women list run by The Business Exchange as part of their International Women's Day activity.

I. Summary of our financial performance

The Charity's financial performance this year was strong with a year-end surplus of £321,835.

Income

Donations

Voluntary income from donations increased by 9% this year to £2,034,142 (2021-22: £1,860,636). As in previous years, the majority of donations received were from Charitable Trusts and Foundations. This included some large donations to fund the on-going work for the accessible EV charging project and innovation and design work on the pushchair for wheelchair users. Costs against some of this income will be incurred in the next financial year and are held in the relevant restricted funds. Community and events fundraising has started to increase following the success of events such as the Designability annual Dragonboat Race, and strong support from the local Philanthropic groups such as the Rotary and Freemasons. Individual giving had a strong year following campaigns such as The Big Give Christmas Challenge and some large donations from individuals.

Designability is registered with the Fundraising Regulator, committed to the Fundraising Promise and all fundraisers acting on behalf of Designability adhere to the Code of Fundraising Practice. We are also organisational members of the Chartered Institute of Fundraising, giving all members of staff further access to best practice advice, support and training.

Our customer feedback process forms part of our Quality Management System and information on how to make a complaint is available to the public on our website. We have not received any complaints in relation to fundraising activity this year.

Sales and royalties

Product sales and royalties increased to £427,183 (2021-22: £291,104) due to an increase in sales following supply chain delays in the previous financial year. This will decline for future years as we have taken the strategic decision to curtail our current commercial sales.

Expenditure

Total expenditure this year was £2,193,394 (2021-22: £2,078,549), an increase of 5%. This growth is due to increased activity throughout the year, attending more events and exhibitions to promote the benefits of Wizzybug and on the Accessible EV project, including our prototypes, website and attending external events. Our expenditure on staff costs did not increase as much as anticipated due to the challenging recruitment environment. Some of the costs which will be funded by income received this year will be recognised in the next financial year.

Cost of raising funds

The cost of raising funds increased to £110,388 (2021-22: £81,181) for the reporting period, reflecting growth in our Fundraising Team and activities.

Reserves

Ending the year with a surplus has added to our reserves and we finished the year at £2,382,338. Our restricted funds make up nearly a third of this balance (£675,830) and are to be spent on specific projects or activities. See note 20 for further details. The remaining amount is split between our Operating Reserve, Systems and IT Reserve, Innovation Reserve and our General Reserve, the latter being only 10% of our total reserves. Our reserves are higher than in previous years, due to carefully controlled expenditure as we prepare to invest in achieving our new 3 year strategy 2023-26 and receiving some income in year where costs will be recognised in later years, both adding to the additional reserves built up during the pandemic due to the pause in some of our activities.

Summary

2022-23 was financially a sound and strong year. We have finished the year with a surplus, reflecting both strong fundraising income and on-going cost control against a backdrop of changing operational activities. We have invested in order to continue to build on our successful fundraising, in a currently challenging environment and thus bringing about increased positive impact for disabled people.

Report of the Independent Auditors to the Members of Designability Charity Limited

Opinion

We have audited the financial statements of Designability Charity Limited (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 March 2023 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other

Report of the Independent Auditors to the Members of Designability Charity Limited cont.

information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 the audit:

- the information given in the Strategic Report and the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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, 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 charitable company'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.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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

Report of the Independent Auditors to the Members of Designability Charity Limited cont.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, the Charities Act 2011 and the Charities SORP (FRS102).

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charity company's ability to operate or avoid a material penalty.

We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

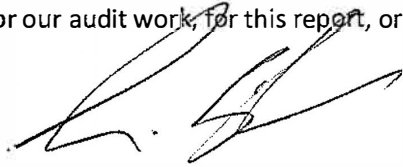
Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of Designability Charity Limited cont.

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. 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.



Simon Cunningham (Senior Statutory Auditor)
for and on behalf of Moore
Chartered Accountants and Statutory Auditor
30 Gay Street
Bath
BA1 2PA

Date:28/09/2023.....

Designability Charity Limited

Statement of Financial Activities
for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	604,633	1,429,509	2,034,142	1,860,636
Charitable activities					
Charitable Activities	5	450,018	31,492	481,510	312,899
Other trading activities	3	6,424	49	6,473	5,171
Investment income	4	<u>20,209</u>	<u>-</u>	<u>20,209</u>	<u>11,538</u>
Total		<u>1,081,284</u>	<u>1,461,050</u>	<u>2,542,334</u>	<u>2,190,244</u>
EXPENDITURE ON					
Raising funds					
Raising donations and legacies	6	<u>109,776</u>	<u>612</u>	<u>110,388</u>	<u>81,181</u>
		109,776	612	110,388	81,181
Charitable activities					
Charitable Activities	7	377,908	1,409,425	1,787,333	1,686,595
Other		<u>162,709</u>	<u>132,964</u>	<u>295,673</u>	<u>310,773</u>
Total		<u>650,393</u>	<u>1,543,001</u>	<u>2,193,394</u>	<u>2,078,549</u>
Net gains/(losses) on investments		<u>(27,105)</u>	<u>-</u>	<u>(27,105)</u>	<u>28,722</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	20	<u>403,786</u> <u>(119,154)</u>	<u>(81,951)</u> <u>119,154</u>	<u>321,835</u> <u>-</u>	<u>140,417</u> <u>-</u>
Net movement in funds		284,632	37,203	321,835	140,417
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,421,876</u>	<u>638,627</u>	<u>2,060,503</u>	<u>1,920,086</u>
TOTAL FUNDS CARRIED FORWARD		<u>1,706,508</u>	<u>675,830</u>	<u>2,382,338</u>	<u>2,060,503</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

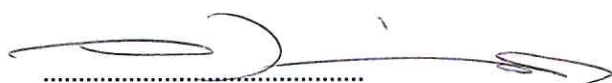
Designability Charity Limited

Statement of Financial Position
31 March 2023

	Notes	31.3.23 £	31.3.22 £
FIXED ASSETS			
Tangible assets	13	156,401	157,840
Investments	14	<u>588,319</u>	<u>615,427</u>
		744,720	773,267
CURRENT ASSETS			
Stocks	15	176,116	168,288
Debtors: amounts falling due within one year	16	212,011	185,354
Debtors: amounts falling due after more than one year	16	36,000	-
Cash at bank		<u>1,442,819</u>	<u>1,420,226</u>
		1,866,946	1,773,868
CREDITORS			
Amounts falling due within one year	17	(229,328)	(486,632)
		<u>1,637,618</u>	<u>1,287,236</u>
NET CURRENT ASSETS			
		2,382,338	2,060,503
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>2,382,338</u>	<u>2,060,503</u>
FUNDS	20		
Unrestricted funds		1,706,508	1,421,876
Restricted funds		<u>675,830</u>	<u>638,627</u>
TOTAL FUNDS		<u>2,382,338</u>	<u>2,060,503</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 18 September 2023 and were signed on its behalf by:


P Fairhurst - Trustee

Designability Charity Limited

Statement of Cash Flows
for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>86,266</u>	<u>570,580</u>
Net cash provided by operating activities		<u>86,266</u>	<u>570,580</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(85,271)	(121,329)
Sale of tangible fixed assets		1,389	-
Dividends received		<u>20,209</u>	<u>11,538</u>
Net cash used in investing activities		<u>(63,673)</u>	<u>(109,791)</u>
Change in cash and cash equivalents in the reporting period		22,593	460,789
Cash and cash equivalents at the beginning of the reporting period		<u>1,420,226</u>	<u>959,437</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,442,819</u></u>	<u><u>1,420,226</u></u>

Notes to the Statement of Cash Flows
for the Year Ended 31 March 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.23	31.3.22
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	321,835	140,417
Adjustments for:		
Depreciation charges	85,407	143,956
Losses/(gain) on investments	27,105	(28,722)
Profit on disposal of fixed assets	(83)	-
Dividends received	(20,209)	(11,538)
(Increase)/decrease in stocks	(7,828)	31,255
Increase in debtors	(62,657)	(33,784)
(Decrease)/increase in creditors	<u>(257,304)</u>	<u>328,996</u>
Net cash provided by operations	<u>86,266</u>	<u>570,580</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank	<u>1,420,226</u>	<u>22,593</u>	<u>1,442,819</u>
	<u>1,420,226</u>	<u>22,593</u>	<u>1,442,819</u>
Total	<u>1,420,226</u>	<u>22,593</u>	<u>1,442,819</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Going Concern

The trustees are confident the charity has sufficient resources to meet its obligations as they fall due for a period of at least twelve months from the date of approval of these financial statements. The financial statements are therefore prepared on a going concern basis.

Preparation of consolidated financial statements

During the year the Charity incorporated a subsidiary company. The Charity has taken advantage of the exemption not to produce consolidated financial statements on the ground that its subsidiary, Designability Limited, is dormant.

Critical accounting judgements and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

Income

All income is recognised in the Statement of Financial Activities once the Charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- Legacy income is recognised when receipt is probable and entitlement is established.
- Consultancy, sales and royalties are accounted for in the period in which the relevant goods or services have been provided.
- Income from donated goods is measured at fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

1. ACCOUNTING POLICIES - continued

Expenditure

- Expenditure on raising funds includes the costs of all fundraising activities, events and non-charitable trading activities.
- Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

Allocation and apportionment of costs

Direct costs attributable to a single activity are allocated directly to that activity. For restricted projects, expenditure is the total of all invoiced costs plus all recorded staff hours spent on the project or activity. A charge to cover support costs and overheads is included in project costs based a percentage uplift which is appropriate to the type of project undertaken, in line with the terms of the grant agreements. With regards to the charge to cover support costs and overheads this is set as 82% for the EV project and 62% for all other restricted funds. Income is the donated income specified for each project, received in the year.

The Motability Foundation grant, for the provision of the Wizzybug Loan Scheme, allows for an allocation of these funds to 'an appropriate proportion of organisational overheads and support costs, in line with Wizzybug Loan Scheme activity as a proportion of overall Designability activity.' The percentage split has been reviewed and is now set at 62% - 38% split between Wizzybug Loan Scheme restricted and core costs funding respectively.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- 5 years or over the life of the lease
Plant and machinery	- Straight line over 3 years
Fixtures and fittings	- Straight line over 10 years
Computer equipment	- Straight line over 3 years

Wizzybug refers to our fleet of Wizzybugs in use or available for the loan scheme. Wizzybugs are capitalised at cost of parts and direct labour. Each unit is depreciated over a three year period. Parts not yet used and Wizzybug built for sale but not yet despatched are included in Stocks.

Intangible fixed assets

Intangible assets will be capitalised at cost if it is probable they will generate expected future economic benefits and the cost can be reliably measured. Where assets are capitalised, they will be depreciated on the basis of the remaining useful economic life. Where these criteria are not met, we will expense costs in the year incurred.

Stocks

Stock is measured at the lower of cost and estimated selling price less costs to complete and sell, after making allowance for obsolete and slow moving items.

1. ACCOUNTING POLICIES - continued

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Designated funds are unrestricted funds earmarked by the Trustees to further any of the Charity's purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements, note 20.

Transfers

Transfers between unrestricted funds and restricted funds are made where the income for the project is exceeded by the costs incurred on the project, where a match funding requirement might need to be met from another reserve or where it has been agreed with the funder to use unspent balances at the end of a project on activities with a similar objective.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs

Designability participates in two defined benefit pension schemes and one defined contribution scheme. The costs of contributions are recognised in the year they are paid. See note 11 for further detail on these schemes.

Debtors and prepayments

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

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 to settle the obligation can be measured or estimated reliably.

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. ACCOUNTING POLICIES - continued

Limitation by guarantee

The Company is limited by Guarantee and as such has no share capital. Under the Constitution, each Trustee of Designability is liable to contribute £10 in the event of winding up.

Charitable Status

The Company is a registered charity (no 256335)

General Information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is the Wolfson Centre, Royal United Hospital, Bath, BA1 3NG. The charity constitutes a public benefit entity.

Reserves Policy

The purpose of Designability's Reserves Policy is to ensure the stability of the charity, programmes and ongoing operations of the organisation and to provide a source of internal funds for organisational priorities. The Reserves Policy will be implemented in concert with Designability's other governance and financial policies and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans. This policy includes details of all Funds in order to provide a complete picture of Designability's balance sheet.

The total net assets of Designability are represented by Funds, including Restricted funds and Unrestricted funds.

Restricted Funds

Restricted Funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

Unrestricted Funds

The Board of Trustees has designated certain Unrestricted Funds into Board-Designated Reserves.

Designated Operating Reserve

The Operating Reserve is intended to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses.

Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of Designability that Operating Reserves are to be used and replenished within a reasonably short period of time. The Operating Reserve Fund is defined as a designated fund set aside by action of the Board of Trustees.

The minimum amount to be designated as Operating Reserve will be established as an amount sufficient to maintain ongoing operations and programmes measured for a set period of time, measured in months. The Operating Reserve serves a dynamic role and will be reviewed and adjusted in response to both internal and external changes. The target minimum Operating Reserve Fund is equal to six months of average operating costs.

1. ACCOUNTING POLICIES - continued

The calculation of average monthly operating costs includes all recurring, predictable expenses such as salaries, benefits, office costs, travel and ongoing professional services. The calculation excludes one-off or unusual, capital purposes.

The amount of the Operating Reserve Fund target minimum will be calculated each year after approval of the annual budget, reported to the Finance Committee/Board of Trustees, and included in the regular financial reports.

Designated Innovation Reserve

An Innovation Reserve is held to provide funding for worthwhile and impactful projects which may not be funded from other sources or in the initial stages of project scoping.

Systems and IT Reserve

The Systems and IT Development Reserve is in place to allow for review of our systems and investment in our IT infrastructure, databases and software to enhance our processes and build a solid internal platform for growth.

General Reserve

The General Reserve consists of the balance of any unrestricted funds that are not designated in the Operating Reserve or the Innovation Reserve.

Refurbishment Reserve

The Refurbishment Reserve consists of funds donated specifically for Designability to spend on buildings, in particular the refurbishment of its offices with the premises at the Royal United Hospital Bath.

Funding of Reserves

The Operating Reserve will be funded with surplus unrestricted operating funds. The Board of Trustees may from time to time direct that a specific source of revenue be set aside for Operating Reserves. Examples could include one-off gifts or bequests, special grants or special appeals.

The Innovation Reserve and Systems and IT Reserve will be funded with occasional special designations made by the Board of Trustees.

The General Reserve comprises any remaining balance of reserves.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Donations	2,034,142	1,854,741
Grants	-	5,895
	<u>2,034,142</u>	<u>1,860,636</u>

During the year, gifts in kind of £17,750 (2022: £Nil) were received relating to recruitment of employees.

Grants received, included in the above, are as follows:

	31.3.23	31.3.22
	£	£
Sipa 2	-	5,895

3. OTHER TRADING ACTIVITIES

	31.3.23	31.3.22
	£	£
Consultancy and Other Income	<u>6,473</u>	<u>5,171</u>

4. INVESTMENT INCOME

	31.3.23	31.3.22
	£	£
Investment Income	<u>20,209</u>	<u>11,538</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.3.23	31.3.22
		£	£
Product Sales	Charitable Activities	427,183	291,104
Royalties	Charitable Activities	25,220	21,795
Grants	Charitable Activities	<u>29,107</u>	-
		<u>481,510</u>	<u>312,899</u>

Grants received, included in the above, are as follows:

	31.3.23	31.3.22
	£	£
NCAT	29,107	-

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

6. RAISING DONATIONS AND LEGACIES

	31.3.23	31.3.22
	£	£
Staff costs	98,555	78,756
Sundries	<u>11,833</u>	<u>2,425</u>
	<u>110,388</u>	<u>81,181</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Charitable Activities	<u>1,780,841</u>	<u>6,492</u>	<u>1,787,333</u>

8. SUPPORT COSTS

	Finance £	Other £	Governance costs £	Totals £
Other resources expended	897	263,730	31,046	295,673
Charitable Activities	<u>-</u>	<u>6,492</u>	<u>-</u>	<u>6,492</u>
	<u>897</u>	<u>270,222</u>	<u>31,046</u>	<u>302,165</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.23	31.3.22
	£	£
Auditors' remuneration	8,250	7,250
Depreciation - owned assets	85,408	143,956
Other operating leases	6,109	11,414
Surplus on disposal of fixed assets	<u>(87)</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

During the year, one trustee received £184 (2022: Nil) for travel expenses.

11. STAFF COSTS

	31.3.23	31.3.22
	£	£
Wages and salaries	1,056,592	931,361
Social security costs	105,463	92,738
Other pension costs	190,193	199,964
	<u>1,352,248</u>	<u>1,224,063</u>

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the Charity. The total compensation paid to key management personnel for 5 members of staff (2021: 5 members of staff) for services provided to the Charity was £329,756 (2021: £275,030).

Designability participates in two contributory pension plans providing defined benefits based on final pensionable pay. The schemes are as follows:

Local Government Pension Scheme. The assets of the scheme are held separately from those of the Charity. The Charity does not have separate employee registration and is registered as part of the University of Bath for the purpose of the scheme. Accordingly, it is not possible to separately identify the assets and liabilities relating to the Charity for the purpose of Financial Accounting Reporting Standard 102 (FRS 102) disclosure and accordingly any FRS 102 surplus or deficit attributable to the Charity is not shown on the Balance Sheet.

This scheme is now closed to new members. Staff already in this pension scheme continue to be members for contributions and benefits purposes.

Universities Superannuation Scheme. This is a mutual scheme and again, the assets and liabilities cannot be attributable to an employer and any surplus or deficit attributable to the Charity is not recognised on the Balance Sheet.

University of Bath Group Pension Plan

Any new staff members who joined on or after 1st June 2021 are eligible to join the University of Bath Group Pension Plan. This is a defined contribution scheme and is administered by Aviva. As with the other universities scheme, this is a mutual scheme and any surplus or deficit attributable to the Charity is not recognised on the balance sheet.

The schemes are therefore treated as defined contribution schemes in these financial statements are permitted by FRS 102.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

11. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	31.3.23	31.3.22
Management	5	5
Design and Engineering	14	10
Fundraising and Promotions	4	4
Wizzybug Loan Scheme	4	4
Finance, IT, HR and Administration	4	5
	<u>31</u>	<u>28</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31.3.23	31.3.22
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u>2</u>	<u>1</u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	519,096	1,341,540	1,860,636
Charitable activities			
Charitable Activities	312,899	-	312,899
Other trading activities	5,171	-	5,171
Investment income	<u>11,538</u>	<u>-</u>	<u>11,538</u>
Total	<u>848,704</u>	<u>1,341,540</u>	<u>2,190,244</u>
EXPENDITURE ON			
Raising funds			
Raising donations and legacies	<u>80,836</u>	<u>345</u>	<u>81,181</u>
	80,836	345	81,181
Charitable activities			
Charitable Activities	576,284	1,110,311	1,686,595

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Other	<u>188,840</u>	<u>121,933</u>	<u>310,773</u>
Total	<u>845,960</u>	<u>1,232,589</u>	<u>2,078,549</u>
Net gains on investments	<u>28,722</u>	<u>-</u>	<u>28,722</u>
NET INCOME	31,466	108,951	140,417
Transfers between funds	<u>(147,793)</u>	<u>147,793</u>	<u>-</u>
Net movement in funds	(116,327)	256,744	140,417
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,538,203</u>	<u>381,883</u>	<u>1,920,086</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>1,421,876</u></u>	<u><u>638,627</u></u>	<u><u>2,060,503</u></u>

13. TANGIBLE FIXED ASSETS

	Assets under construction £	Long leasehold £	Plant and machinery £
COST			
At 1 April 2022	59,121	52,780	910,000
Additions	-	82,140	-
Disposals	-	-	(62,000)
Reclassification	<u>(59,121)</u>	<u>59,121</u>	<u>-</u>
At 31 March 2023	<u>-</u>	<u>194,041</u>	<u>848,000</u>
DEPRECIATION			
At 1 April 2022	-	52,780	832,450
Charge for year	-	28,252	49,992
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>(62,000)</u>
At 31 March 2023	<u>-</u>	<u>81,032</u>	<u>820,442</u>
NET BOOK VALUE			
At 31 March 2023	<u><u>-</u></u>	<u><u>113,009</u></u>	<u><u>27,558</u></u>
At 31 March 2022	<u><u>59,121</u></u>	<u><u>-</u></u>	<u><u>77,550</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

13. TANGIBLE FIXED ASSETS - continued

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2022	24,322	60,845	1,107,068
Additions	-	3,131	85,271
Disposals	(2,219)	-	(64,219)
Reclassification	-	-	-
	<u>22,103</u>	<u>63,976</u>	<u>1,128,120</u>
At 31 March 2023			
DEPRECIATION			
At 1 April 2022	15,619	48,379	949,228
Charge for year	2,386	4,778	85,408
Eliminated on disposal	(917)	-	(62,917)
	<u>17,088</u>	<u>53,157</u>	<u>971,719</u>
At 31 March 2023			
NET BOOK VALUE			
At 31 March 2023	<u>5,015</u>	<u>10,819</u>	<u>156,401</u>
At 31 March 2022	<u>8,703</u>	<u>12,466</u>	<u>157,840</u>

14. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2022	615,427
Revaluations	<u>(27,108)</u>
At 31 March 2023	<u>588,319</u>
NET BOOK VALUE	
At 31 March 2023	<u>588,319</u>
At 31 March 2022	<u>615,427</u>

There were no investment assets outside the UK.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

14. FIXED ASSET INVESTMENTS - continued

The material holdings in each investment at year end are as follows:

Fund	% of investment
COIF Charities Investment fund	77%
Invesco Corp Bond	12%
M&G Strategic Corp Bond	11%
Total	100%

Cost or valuation at 31 March 2023 is represented by:

	Listed investments £
Valuation in 2023	<u>588,319</u>

15. STOCKS

	31.3.23 £	31.3.22 £
Completed Wizzybugs and parts	<u>176,116</u>	<u>168,288</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Trade debtors	75,990	40,332
Other debtors	2,753	83,739
VAT	14,988	18,059
Prepayments and accrued income	<u>118,280</u>	<u>43,224</u>
	<u>212,011</u>	<u>185,354</u>

DEBTORS: AMOUNTS FALLING DUE OVER ONE YEAR

	31.3.23 £	31.3.22 £
Accrued Income	36,000	-
	=====	=====

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22
	£	£
Trade creditors	144,952	162,665
Other creditors	3,237	90,383
Accruals and deferred income	<u>81,139</u>	<u>233,584</u>
	<u>229,328</u>	<u>486,632</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.23	31.3.22
	£	£
Within one year	55,863	52,863
Between one and five years	157,318	201,189
In more than five years	<u>280,980</u>	<u>287,376</u>
	<u>494,161</u>	<u>541,428</u>

A lease of the property at the Wolfson Centre was entered into on 26 May 1995 and renegotiated on 23 April 2013. By the terms of the lease, the annual rent was reviewed and agreed at £5,330 (excluding VAT). The lease expires on 28 September 2067. There were no capital costs to the Charity.

Two leases were entered into on 2 December 2019 for 2 units (Units 1&2, Wells Road, Bath, BA2 3AP), which operate as the workshop, design and innovation space and additional offices. The lease expiry on these agreements is December 2026.

Subsequent to the year end, a new vehicle lease agreement amounting to £499 per month over 4 years was signed. This has not been included in the amounts presented above as the commitment did not exist at the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
Fixed assets	128,843	27,558	156,401	157,840
Investments	588,319	-	588,319	615,427
Current assets	1,218,674	648,272	1,866,946	1,773,868
Current liabilities	(229,328)	-	(229,328)	(486,632)
	<u>1,706,508</u>	<u>675,830</u>	<u>2,382,338</u>	<u>2,060,503</u>

20. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General Reserve	129,374	403,786	(284,199)	248,961
Operating Reserve	1,043,502	-	64,045	1,107,547
Innovation Reserve	199,000	-	101,000	300,000
Systems and IT Reserve	50,000	-	-	50,000
	1,421,876	403,786	(119,154)	1,706,508
Restricted funds				
Wizzybug Loan Scheme	369,560	45,057	-	414,617
Wizzybug Access	9,657	1,112	-	10,769
Refurbishment Reserve	156,823	(37,420)	-	119,403
Accessible EV Charging	102,587	(58,310)	-	44,277
Pushchair for Wheelchair Users	-	(52,805)	100,000	47,195
New Motors for Wizzybug	-	39,569	-	39,569
Website redesign	-	(18,484)	18,484	-
NCAT	-	(670)	670	-
	<u>638,627</u>	<u>(81,951)</u>	<u>119,154</u>	<u>675,830</u>
TOTAL FUNDS	<u>2,060,503</u>	<u>321,835</u>	<u>-</u>	<u>2,382,338</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Reserve	1,081,284	(650,393)	(27,105)	403,786
Restricted funds				
Wizzybug Loan Scheme	968,856	(923,799)	-	45,057
Wizzybug Access	5,000	(3,888)	-	1,112
Refurbishment Reserve	-	(37,420)	-	(37,420)
Accessible EV Charging	287,086	(345,396)	-	(58,310)
Pushchair for Wheelchair Users	106,001	(158,806)	-	(52,805)
New Motors for Wizzybug	55,000	(15,431)	-	39,569
Website redesign	10,000	(28,484)	-	(18,484)
NCAT	29,107	(29,777)	-	(670)
	<u>1,461,050</u>	<u>(1,543,001)</u>	<u>-</u>	<u>(81,951)</u>
TOTAL FUNDS	<u>2,542,334</u>	<u>(2,193,394)</u>	<u>(27,105)</u>	<u>321,835</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General Reserve	490,909	89,760	(451,295)	129,374
Operating Reserve	862,294	-	181,208	1,043,502
Innovation Reserve	115,000	-	84,000	199,000
Systems and IT Reserve	70,000	(58,294)	38,294	50,000
	1,538,203	31,466	(147,793)	1,421,876
Restricted funds				
Wizzybug Loan Scheme	293,937	75,623	-	369,560
AT Newsletter	1,672	(2,400)	728	-
Junior Dynamic Seat	4,704	(5,000)	296	-
Lloyds Register York Health	-	(1,755)	1,755	-
Wizzybug Access	6,411	3,246	-	9,657
Wizzybug Redesign	8,118	(16,065)	7,947	-
Refurbishment Reserve	28,036	128,787	-	156,823
Accessible EV Charging	39,005	63,582	-	102,587
Pushchair for Wheelchair Users	-	(137,067)	137,067	-
	381,883	108,951	147,793	638,627
TOTAL FUNDS	<u>1,920,086</u>	<u>140,417</u>	<u>-</u>	<u>2,060,503</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General Reserve	848,704	(787,666)	28,722	89,760
Systems and IT Reserve	-	(58,294)	-	(58,294)
	848,704	(845,960)	28,722	31,466
Restricted funds				
Wizzybug Loan Scheme	779,770	(704,147)	-	75,623
AT Newsletter	-	(2,400)	-	(2,400)
Junior Dynamic Seat	-	(5,000)	-	(5,000)
Lloyds Register York Health	-	(1,755)	-	(1,755)
Wizzybug Access	5,000	(1,754)	-	3,246
Wizzybug Redesign	-	(16,065)	-	(16,065)
Refurbishment Reserve	162,906	(34,119)	-	128,787
Accessible EV Charging	383,864	(320,282)	-	63,582
Pushchair for Wheelchair Users	10,000	(147,067)	-	(137,067)
	1,341,540	(1,232,589)	-	108,951
TOTAL FUNDS	2,190,244	(2,078,549)	28,722	140,417

A brief description of each of the restricted funds is set out below:

- Wizzybug Loan Scheme - to provide powered wheelchairs, Wizzybugs, to young disabled children throughout the UK, at no cost. The fund covers the cost of production of Wizzybug units as well as all clinical activities and work to raise awareness of and administer the loan scheme.
- Wizzybug Access Fund - to provide financial support where needed with travel and accommodation costs incurred by families in order to attend their Wizzybug handover appointments.
- Refurbishment Reserve - the reserve was established to fund the refurbishment of part of our RUH property. The project is completed and all costs have been incurred but were capitalised over a 5 year period. The remaining amount in the fund is to cover depreciation costs for the remainder of the 5 year period.
- Accessible EV Charging - the remainder of this fund is dedicated to dissemination of our work on this project and outreach to increase uptake of the design guidance and some residual costs around the dedicated design guidance website.
- Pushchair for Wheelchair Users - to support our ongoing work to create a wheelchair-attachable pushchair to allow parents who are manual wheelchair users the opportunity to take their babies and young children out independently.
- New Motors for Wizzybug - funding received to support the replacement of motors in Wizzybug to increase speed and usability.
- Website redesign - funding received to support the redesign of the Designability website, including a dedicated area for families on the Wizzybug Loan Scheme.
- NCAT - relates to the funding received for Designability's role as a consortium member of National Centre for Accessible Transport (NCAT), established in 2023.

20. MOVEMENT IN FUNDS - continued

Details on each of the unrestricted funds can be found in Note 1 - accounting policies and the Trustees Report.

During the year, an amount was transferred from the Innovation Reserve to the Pushchair for Wheelchair Users as part of a match funding agreement with a key donor. Explanations on the transfers between and balances on other designated funds can be found in Trustees report, Reserves Policy.

21. RELATED PARTY DISCLOSURES

For administrative purposes Designability's staff payroll is processed through the University of Bath. Salary costs are invoiced by the University to Designability. There are 3 trustees (2022: 1) who work for the University but have no control or influence over the areas relating to these administrative functions. There is 1 (2022: Nil) trustee who is a non-executive director of the Royal United Hospital (RUH). Designability has a long term lease with the RUH with terms set until 2067. This agreement was made prior to appointment in the role.

Trustees and Officers' liability insurance

The Charity has effected Trustees' and Officers' Liability Insurance cover.