

REGISTERED COMPANY NUMBER: 02671913 (England and Wales)
REGISTERED CHARITY NUMBER: 1008128

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011
FOR
DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**DTE Business Advisory Services Limited
Chartered Accountants and Registered Auditors
Park House
26 North End Road
London
NW11 7PT**

**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

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FOR THE YEAR ENDED 31 DECEMBER 2011**

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**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2011**

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 December 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02671913 (England and Wales)

Registered Charity number
1008128

Registered office
The Old Chapel
Mallard Road
Abbots Langley
Hertfordshire
WD5 0GQ

Trustees
Those who served in office during the year were as follows:

R Willcox - Chair
H Grimston
E Bragg
A Soothill
J Whiteley
C Renton
T Mercer - Appointed 01.06.11
R Mankin - Appointed 01.07.11

Company Secretary
F Evans

Auditors
DTE Business Advisory Services Limited
Chartered Accountants and Registered Auditors
Park House
26 North End Road
London
NW11 7PT

Bankers
Barclays Bank Plc
Acorn House
36/38 Park Royal Road
London
NW10 7JA

Solicitors
Maxwell Winward LLP
100 Ludgate Hill
London
EC4M 7RE

**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2011**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity's governing documents are its memorandum and articles of association. It is constituted as a company limited by guarantee and not having any share capital. In 2010 a trading subsidiary (Demand SRM Ltd) was established but remains dormant.

Recruitment and appointment of new trustees

As there is no specified maximum period for an individual to remain a trustee, replacements normally coincide with the wish of a current trustee to retire. The trustees will consider the skills and experience of the outgoing trustee, and the need for any new or additional skills and experience in defining a person specification for a new trustee. A search for a suitable candidate will use personal contacts, letters to prominent local companies HR directors to ascertain whether they have any senior managers for whom trusteeship would provide useful management development, and if necessary, advertisements. A short list of candidates are invited to visit and see the work we do at first hand, and to ask any questions they may have and then are interviewed by trustees and the charity's Chief Executive. The candidate who exceeds our minimum requirements and most closely matches the person specification is proposed to the board and, if accepted, is offered the position. As a matter of preference the timing of appointment is during the last quarter of a calendar year so that an incoming trustee can be party to discussions establishing a business plan for the following calendar (also financial) year.

Induction and training of new trustees

New trustees are provided with background papers relating to the charity. In addition to the annual report and accounts they are provided with a copy of the Memorandum and Articles of Association. To amplify these core documents, Charity Commission documents on "The Responsibilities of a Trustee" are provided, as are copies of the previous years minutes of quarterly trustees meetings and monthly management reports for the previous six months. Once these have been assimilated a visit is arranged, hosted by the Chief Executive, so that any questions that may have arisen can be addressed. If the timing is as preferred, the incoming trustee is involved in the generation of the next year's business plan so that they are immediately aware of, and can contribute to, consideration of the context within which the charity is operating, and its strategies and objectives. Where the opportunity arises, new trustees are invited to meet their fellow trustees in a non-formal environment ahead of their first official meeting. Early meetings are tailored to meet the needs of the new trustees, in that, background information is provided on any subjects raised.

Organisational structure

The trustees are led by a Chairman. The day-to-day running of the charity is the responsibility of the Chief Executive, who is assisted by a Finance Director, a Fundraising Director and an Operations Director (responsible for running the Yorkshire site and generating income from sale of equipment) all of whom are accountable to the Chief Executive. The trustees decide the overall direction for the charity, and the controls that are required to ensure that everything is proceeding as planned. This is published in the form of a business plan approved at a special meeting in December each year. The Chief Executive is delegated responsibility for the implementation of that plan, with defined objectives and targets to report against as the year progresses. Reports to the trustees are made monthly, with trustees meeting quarterly.

In the exceptionally difficult economic climate the Board continued its Finance Sub-Committee consisting of 3 trustees with delegated authority to act on financial matters on behalf of the Board. This committee was available to meet monthly to enable urgent action. It received monthly reports on the financial position.

The charity is also a member of a "Forum" along with BIME (Bath Institute of Medical Engineering, MERU (Medical Engineering Resource Unit) and Remap. The objective of the Forum is to help each other help more disabled people, and the organisations have signed a charter committing them to continuing this work.

Risk management

The major risks and opportunities facing the charitable company are discussed and reviewed as part of the business plan and budget process. The trustees confirm that all major risks have been reviewed and systems have been established to mitigate those risks.

**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2011**

OBJECTIVES AND ACTIVITIES

Objectives and aims

Objectives and activities undertaken by the charity to further its purposes for public benefit

The trustees considers that the charities aims and objectives meet the Charity Commission's guidance on public benefit.

Objects

The objects of the charity as set out in the governing document can be summarised as follows:
"to provide relief to disabled, handicapped or infirm persons".

Vision

Our vision is to help as many disabled people as possible.

Aim

Our aim is to conduct and encourage the design and manufacture of equipment where no "off the shelf" solution is available, that achieves equality of life and provides opportunity for current and future generations of disabled individuals, irrespective of their ability to pay.

Objectives, strategies and activities

Our objectives for the year were:

Operational objectives for the year under review

- Design and manufacture a portfolio of not less than 102 equipment projects to meet the needs of 600 beneficiaries, of which not less than 26 should provide opportunities (as opposed to meeting everyday needs).
- Attract 144 visitors to the charity.
- Aim to provide a level of satisfaction and interest that encourages staff retention, whilst matching terms and conditions in the voluntary sector.
- Invest time and effort into activities to help us prosper in the future.

Operational strategies and activities

- Maintain a broad portfolio of projects to attract a wide client and donor base.
- Seize opportunities to tackle high value projects and balance this against the need to use limited capacity effectively.
- Incorporate appearance, style and inclusivity as critical design parameters alongside functionality.
- Cooperate and collaborate with like-minded organisations.
- Continue to expand our workshop capabilities and capacity.

Fundraising objectives

- Consolidate at both our Abbots Langley and Yorkshire sites.
- Diversify our sources of income through trading so that we both reduce risk and increase our income in the long term.
- Attract sufficient funds to achieve our business plan and leave a small surplus.

**DEMAND DESIGN AND MANUFACTURE
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2011**

OBJECTIVES AND ACTIVITIES

Objectives and aims

Fundraising strategies and activities

- Liaise where practical with our funders on a one-to-one basis to maximise the probability of attracting and retaining their support.
- Widen our donor base.
- Widen our customer base for existing products and increase our product portfolio.
- Keep the costs attributable to administration as low as possible.

ACHIEVEMENT AND PERFORMANCE

Summary of overall performance

2011 was another very successful year for the charity. We exceeded our financial targets and were able to award a year-end bonus whilst achieving a small surplus. We also achieved a record number of projects/units and beneficiaries, whilst also attracting a substantial number of visitors.

Factors relevant to the achievement of the objectives

Our diversification into trading has helped improve income, whilst our concentration on continuing to develop existing sources of funding also paid dividends. Setting challenging but achievable targets, with regular monitoring of progress allowed us to compare achievements with previous periods and encourage even higher performance. The principal factors affecting financial performance were the recession (in a negative sense) and retaining and extending the support of a major donor (in a positive sense).

447 projects (versus a target of 364) were achieved representing 1,668 units, compared to 245 projects and 1,059 units in 2010.

134 visitors were received compared with a target of 115.

£752,400 income was achieved versus a target of £686,000. Expenditure was £750,000 versus a target of £695,600 (but this included in-year investments and bonus payments not in the original budget).

FINANCIAL REVIEW

Reserves policy

In early 2011 our reserves have remained in accordance with the reserves policy

The reserves policy is to maintain forward cover within a 3 month lower limit and 9 month upper limit. This policy was re-affirmed at the December 2011 Business Plan and Budget Approval Meeting.

Financial highlights

During 2011, total income was £752,400 compared to the previous year of £651,000. Total resource expended for the year increased by £106,100. Our principal source of funds continues to be grant-giving trusts. Our principal use of funds continues to be the design and manufacture of equipment.

INVESTMENT POWER AND POLICIES

Under the Memorandum and Articles the charity has the power to invest in any way the trustees wish.

PLANS FOR THE FUTURE

Our strategy in 2012 is to consolidate at Abbots Langley and target funding for permanent, larger premises in Yorkshire by 2014, whilst further diversifying our fundraising activities and improving our capacity to generate income through trading. In the future we aim for further expansion into Scotland.

**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2011**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Demand Design and Manufacture for Disability for the purposes of company law) are responsible for preparing the 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

ON BEHALF OF THE BOARD:


.....
F Evans - Secretary

Date: 11 June 2012

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

We have audited the financial statements of Demand Design and Manufacture for Disability for the year ended 31 December 2011 on pages eight to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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, 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 Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 December 2011 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.

Pankaj Patel (Senior Statutory Auditor)
for and on behalf of DTE Business Advisory Services Limited
Chartered Accountants and Registered Auditors
Park House
26 North End Road
London
NW11 7PT

Date:

**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	351,912	234,852	586,764	532,955
Investment income	3	1,511	3,676	5,187	945
Charitable trading income	4				
Sale of goods		<u>160,400</u>	<u>-</u>	<u>160,400</u>	<u>116,966</u>
Total incoming resources		513,823	238,528	752,351	650,866
RESOURCES EXPENDED					
Costs of generating funds					
Cost of sales	5	39,609	99,664	139,273	103,885
Fundraising and publicity	6				
Fundraising and publicity		79,556	2,325	81,881	83,539
Governance costs	7	42,758	26,519	69,277	64,354
Other direct charitable expenses		<u>251,334</u>	<u>208,054</u>	<u>459,388</u>	<u>391,946</u>
Total resources expended		413,257	336,562	749,819	643,724
NET INCOMING/(OUTGOING) RESOURCES					
		100,566	(98,034)	2,532	7,142
RECONCILIATION OF FUNDS					
Total funds brought forward		61,517	498,360	559,877	552,735
TOTAL FUNDS CARRIED FORWARD		<u>162,083</u>	<u>400,326</u>	<u>562,409</u>	<u>559,877</u>

The notes form part of these financial statements

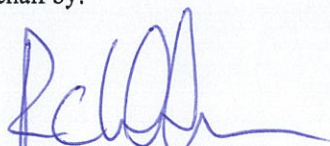
**DEMAND DESIGN AND MANUFACTURE
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**BALANCE SHEET
AT 31 DECEMBER 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
FIXED ASSETS					
Tangible assets	11	10,705	393,683	404,388	410,058
Investments	12	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		10,706	393,683	404,389	410,059
CURRENT ASSETS					
Stocks		24,422	-	24,422	39,144
Debtors	13	29,263	4,824	34,087	19,375
Cash at bank and in hand		<u>142,436</u>	<u>215,682</u>	<u>358,118</u>	<u>527,835</u>
		196,121	220,506	416,627	586,354
CREDITORS					
Amounts falling due within one year	14	(44,744)	(213,863)	(258,607)	(436,536)
		<u>151,377</u>	<u>6,643</u>	<u>158,020</u>	<u>149,818</u>
NET CURRENT ASSETS					
		<u>162,083</u>	<u>400,326</u>	<u>562,409</u>	<u>559,877</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>162,083</u>	<u>400,326</u>	<u>562,409</u>	<u>559,877</u>
NET ASSETS					
		<u>162,083</u>	<u>400,326</u>	<u>562,409</u>	<u>559,877</u>
FUNDS					
Unrestricted funds	16			162,083	61,517
Restricted funds				<u>400,326</u>	<u>498,360</u>
TOTAL FUNDS					
				<u>562,409</u>	<u>559,877</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 29th May 2012 and were signed on its behalf by:


.....
-Trustee

The notes form part of these financial statements

**DEMAND DESIGN AND MANUFACTURE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

Voluntary income represents donations received. Such income is only deferred when the donor specifies that the donation must only be used in future accounting periods.

Income from commercial trading activities is recognised as earned (as the related goods are provided).

Investment income is recognised on a receivable basis.

Resources expended

Charitable activities include expenditure associated with the main objectives of the charity and include both the direct and support costs relating to these activities.

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

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided to write off the cost, less estimated residual value, of all fixed assets over their expected useful lives at the following rates:

Freehold land and buildings	2% on cost
Tools and equipments	10% on cost
Motor vehicles	25% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value. Some stocks are held at the year end which represents left-overs from work done for donation. This stock has not been brought into the accounts.

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.

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**DEMAND DESIGN AND MANUFACTURE
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2011**

2.	VOLUNTARY INCOME		
		2011	2010
		£	£
	Donations	585,585	531,108
	Income tax recoverable	<u>1,179</u>	<u>1,847</u>
		<u>586,764</u>	<u>532,955</u>
3.	INVESTMENT INCOME		
		2011	2010
		£	£
	Bank deposit interest	<u>5,187</u>	<u>945</u>
4.	CHARITABLE TRADING INCOME		
		2011	2010
		£	£
	Turnover	<u>160,400</u>	<u>116,966</u>
	Activity Sale of goods		
5.	COST OF SALES		
		2011	2010
		£	£
	Opening stock	39,144	50,684
	Purchases	19,771	14,735
	Closing stock	(24,422)	(39,144)
	Staff costs	104,415	77,610
	Subcontract labour	<u>365</u>	<u>-</u>
		<u>139,273</u>	<u>103,885</u>
6.	CHARITABLE ACTIVITIES COSTS		
		2011	2010
		£	£
	Fundraising and publicity	<u>81,881</u>	<u>83,539</u>

**DEMAND DESIGN AND MANUFACTURE
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2011**

7. GOVERNANCE COSTS

	2011	2010
	£	£
Staff costs	58,398	54,478
Insurance	2,311	2,162
Recruitment	425	111
Legal fees	1,400	1,734
Postage and stationery	389	549
Auditors' remuneration	4,750	4,750
Staff refreshments	-	271
Office equipment repairs and maintenance	1,395	-
Hospitality	-	83
Sundry expenses	<u>209</u>	<u>216</u>
	<u>69,277</u>	<u>64,354</u>

ANALYSIS OF GOVERNANCE COST

	2011	2010
	£	£
Unrestricted Funds		
Staff Costs	33,056	46,579
Audit fees	4,750	4,750
Others	<u>4,952</u>	<u>2,662</u>
	<u>42,758</u>	<u>53,991</u>
Restricted funds		
Staff Cost	25,342	7,899
Others	<u>1,177</u>	<u>2,464</u>
	<u>26,519</u>	<u>10,363</u>
Total	<u>69,277</u>	<u>64,354</u>

8. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2011	2010
	£	£
Auditors' remuneration	4,750	4,750
Depreciation - owned assets	<u>15,160</u>	<u>14,962</u>

**DEMAND DESIGN AND MANUFACTURE
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2011**

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2011 nor for the year ended 31 December 2010.

The cost to the charity of indemnity insurance relating to the trustees for the year amounted to £945 (2010: £945).

Trustees' Expenses

Trustees' expenses paid for the year ended 31 December 2011 were £142.47 and £nil for the year ended 31 December 2010.

10. STAFF COSTS

	2011	2010
	£	£
Wages and salaries	481,152	444,443
Social security costs	61,883	44,765
Other pension costs	<u>15,949</u>	<u>17,714</u>
	<u>558,984</u>	<u>506,922</u>

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

	2011	2010
Workshop department	8	10
Design department	4	4
Fundraising	3	3
Management and administration	3	3
Marketing	<u>1</u>	<u>-</u>
	<u>19</u>	<u>20</u>

One employee had emoluments between £70,000 - £80,000 (2010: 1 between £70,000 - £80,000).

**DEMAND DESIGN AND MANUFACTURE
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2011**

11. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Tools and equipment £	Motor vehicles £	Totals £
COST				
At 1 January 2011	499,633	172,516	23,824	695,973
Additions	<u>-</u>	<u>-</u>	<u>9,490</u>	<u>9,490</u>
At 31 December 2011	<u>499,633</u>	<u>172,516</u>	<u>33,314</u>	<u>705,463</u>
DEPRECIATION				
At 1 January 2011	109,923	154,429	21,563	285,915
Charge for year	<u>9,993</u>	<u>3,839</u>	<u>1,328</u>	<u>15,160</u>
At 31 December 2011	<u>119,916</u>	<u>158,268</u>	<u>22,891</u>	<u>301,075</u>
NET BOOK VALUE				
At 31 December 2011	<u>379,717</u>	<u>14,248</u>	<u>10,423</u>	<u>404,388</u>
At 31 December 2010	<u>389,710</u>	<u>18,087</u>	<u>2,261</u>	<u>410,058</u>

The closing net book value represents fixed assets used for:

	Freehold land and buildings £	Tools and equipment £	Motor vehicles £	Totals £
Direct charitable purposes	341,745	14,248	10,423	366,416
Management and administrative purposes	<u>37,972</u>	<u>-</u>	<u>-</u>	<u>37,972</u>
	<u>379,717</u>	<u>14,248</u>	<u>10,423</u>	<u>404,388</u>

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 January 2011 and 31 December 2011	<u>1</u>
NET BOOK VALUE	
At 31 December 2011	<u>1</u>
At 31 December 2010	<u>1</u>

**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2011**

12. FIXED ASSET INVESTMENTS - continued

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Demand SRM Limited

:

Nature of business: Dormant

Class of share:	%
Ordinary	holding 100

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade debtors	21,939	8,780
Other debtors	<u>12,148</u>	<u>10,595</u>
	<u>34,087</u>	<u>19,375</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade creditors	6,722	8,310
Taxation and social security	30,112	40,769
Other creditors	<u>221,773</u>	<u>387,457</u>
	<u>258,607</u>	<u>436,536</u>

Deferred income of £198,317 (2010: £377,317) included in other creditors, represents donations received in advance.

15. PENSION COMMITMENTS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund.

	2011	2010
	£	£
Contributions payable by the company for the year	<u>17,589</u>	<u>17,714</u>

**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2011**

16. MOVEMENT IN FUNDS

	At 1.1.11 £	Net movement in funds £	At 31.12.11 £
Unrestricted funds			
General Fund	61,517	100,566	162,083
Restricted funds			
Yorkshire Fund	69,515	(72,846)	(3,331)
Building Fund	389,710	(7,800)	381,910
Paddy Renton Fund	6,460	(6,460)	-
Plant & machinery Fund	9,000	(1,500)	7,500
Abbots Langley Fund - Premises Maintenance	13,675	(4,428)	9,247
Abbots Langley Fund - Student Apprentice Workshop	10,000	(10,000)	-
	-	5,000	5,000
	498,360	(98,034)	400,326
TOTAL FUNDS	<u>559,877</u>	<u>2,532</u>	<u>562,409</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund	513,823	(413,257)	100,566
Restricted funds			
Yorkshire Fund	231,335	(304,181)	(72,846)
Abbots Langley Fund - Premises Maintenance Workshop	-	(4,428)	(4,428)
	5,000	-	5,000
Building Fund	2,193	(9,993)	(7,800)
Paddy Renton Fund	-	(6,460)	(6,460)
Plant & machinery Fund	-	(1,500)	(1,500)
Abbots Langley Fund - Student Apprentice Workshop	-	(10,000)	(10,000)
	238,528	(336,562)	(98,034)
TOTAL FUNDS	<u>752,351</u>	<u>(749,819)</u>	<u>2,532</u>

**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2011**

16. MOVEMENT IN FUNDS - continued

The Building Fund was established to provide for the purchase of the freehold building to house the charity due to the closure of Napsbury Hospital, from which it formerly rented premises. It is also used to hold funds for the premises in Yorkshire.

The Paddy Renton Fund was established to provide for the design and manufacture of specific projects, a purpose which continues to be a core activity of the charity. The balance on the fund represents a current asset but is not held separately.

The Plant & machinery Fund was established for the purchase of a vacuum moulding machine to enable the charity to mould large pieces of equipment for those with disabilities.

The Yorkshire Fund was established in 2006 to enable Demand to open a satellite operation in the North of England where no similar service existed.

The Abbots Langley Fund was established in part for running the charity's apprenticeship scheme, and in part for Abbots Langley premises maintenance.

17. LIMITED LIABILITY STATUS

The charitable company is limited by guarantee and has no share capital. Every member guarantees that, if the charity is dissolved while he or she remains a member or within 12 months afterwards, to pay up to £1 towards the costs of dissolution and the liabilities incurred by the charity while the contributor was a member.

**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 £	2010 £
INCOMING RESOURCES		
Voluntary income		
Donations	585,585	531,108
Income tax recoverable	<u>1,179</u>	<u>1,847</u>
	586,764	532,955
Investment income		
Bank deposit interest	5,187	945
Charitable trading income		
Turnover	<u>160,400</u>	<u>116,966</u>
Total incoming resources	752,351	650,866
RESOURCES EXPENDED		
Cost of sales		
Opening stock	39,144	50,684
Purchases	19,771	14,735
Wages	83,169	68,283
Social security	21,222	6,996
Pensions	24	2,331
Subcontract labour	365	-
Closing stock	<u>(24,422)</u>	<u>(39,144)</u>
	139,273	103,885
Fundraising and publicity		
Wages	59,527	64,958
Social security	5,583	6,414
Pensions	2,933	3,248
Postage and stationery	5,299	4,939
Sundries	-	107
Appeals and publications	4,266	3,403
Hospitality	198	334
Staff refreshments	-	136
Recruitment	3,600	-
Legal fees	<u>475</u>	<u>-</u>
	81,881	83,539

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**DEMAND DESIGN AND MANUFACTURE
FOR DISABILITY**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2011**

	2011 £	2010 £
Governance costs		
Wages	47,522	47,241
Social security	8,712	5,084
Pensions	2,164	2,153
Insurance	2,311	2,162
Recruitment	425	111
Legal fees	1,400	1,734
Postage and stationery	389	549
Auditors' remuneration	4,750	4,750
Staff refreshments	-	271
Office equipment repairs and maintenance	1,395	-
Hospitality	-	83
Sundry expenses	209	216
	<u>69,277</u>	<u>64,354</u>
Other direct charitable expenses		
Wages	290,934	263,961
Social security	26,366	26,271
Pensions	10,828	9,982
Staff recruitment and training	-	1,141
Student support	11,819	13,424
Workshop and design expenses	8,943	5,179
Premises repairs and maintenance	5,428	4,762
Equipment repairs and maintenance	12,738	4,870
Motor vehicle expenses	9,285	6,947
Travelling expenses	1,155	548
Telecommunications	1,965	1,855
Light, heat and power	11,484	9,709
Rent and rates	23,198	16,761
Insurance - buildings	5,459	4,898
Insurance - other	2,652	2,710
Cleaning and waste disposal	1,146	998
Staff refreshments	1,519	949
Sundry expenses	2,452	755
Irrecoverable VAT	2,216	1,264
Postage	6,356	-
Training and recruitment	8,285	-
Freehold property	9,993	9,993
Plant and machinery	3,839	3,839
Motor vehicles	1,328	1,130
	<u>459,388</u>	<u>391,946</u>
Total resources expended	749,819	643,724
	<u>2,532</u>	<u>7,142</u>
Net income		

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