



# Annual Accounts

2005/06





# Legal and Administrative Information

Motability is a charity, incorporated by Royal Charter, registered under the Charities Act 1993. Registered Charity No: 299745.

## Chief Patron

Her Majesty The Queen

## Patrons

The Rt Hon Tony Blair MP  
The Rt Hon David Cameron MP  
The Rt Hon Sir Menzies Campbell CBE QC MP  
The Rt Hon Alistair Darling MP  
Baroness Hollis  
The Rt Hon John Hutton MP  
The Rt Hon Lord Jenkin  
Gillian Merron MP  
The Rt Hon Lord Morris of Manchester AO QSO  
The Rt Hon Lord Newton OBE  
The Rt Hon Baroness Thatcher LG OM FRS

## Life Vice-Presidents

Allan Beard CB CBE  
Roly Stafford OBE  
George Wilson CBE

## Governors and Charity Trustees

The Governors, who are the Trustees of the Charity, serving during the year were as follows:

*Chairman:* The Lord Sterling of Plaistow GCVO CBE

*Vice-Chairman:* Gerald Acher CBE LVO

*Hon Treasurer:* Richard Bennison

Brian Carte TD  
Sir Trevor Chinn CVO  
Robin Corner  
Joseph Hennessy OBE (*resigned 15.12.05*)  
Christopher Lendrum CBE (*appointed 15.12.05*)  
Joanna Lewis  
Bert Massie CBE  
Kate Nash (*appointed 27.6.06*)  
Sir John Quinton  
Paul Spencer  
Professor Adrian V Stokes OBE

## Other Members

Brendan Barber	Lord Hamilton DL
Sir Peter Cazalet	Joseph Hennessy OBE
Jerome Church MBE	Raymond King
Morigue Cornwell MBE	Edward Lester
Christopher E Fay CBE	Baroness Masham DL
Sam Gallop CBE	Hon Sara Morrison
Tim Gooch	Noel Muddiman CBE
The Rt Hon William Hague MP	Michael Templeman

## Key Executive Staff

*Director:* Don Brereton CB

*Deputy Director and Oversight and Strategy*

*Director:* Declan O'Mahony

*Finance and Support Services Director:* Gary Spilman

*Fundraising and Marketing Director:* Hazel Gotfraind

*Grants and Technical Director:* Paul Gambrell

*General Manager Human Resources:* Barbara Hannant

## Motability

Goodman House  
Station Approach  
Harlow  
Essex CM20 2ET

Tel: 01279 635999 Customer Helpline: 0845 456 4566

Website: [www.motability.co.uk](http://www.motability.co.uk)

Registered Charity in England and Wales

## Auditors

Deloitte & Touche LLP  
3 Victoria Square  
Victoria Street  
St Albans  
Hertfordshire AL1 3TF

## Solicitors

Lawrence Graham LLP  
190 Strand  
London WC2R 1JN

## Bankers

Barclays Bank plc  
Harlow Business Centre  
Harlow  
Essex CM20 1ET



























# Independent Auditors' Report

## to the Governors of Motability

We have audited the financial statements of Motability for the year ended 31 March 2006 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement, the Statement of Accounting Policies and the related notes numbered 1 to 25. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Charity's trustees, as a body, in accordance with Regulation 7 of the Charities (Accounts and Reports) Regulations 2005. Our audit work has been undertaken so that we might state to the Charity's Governors 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 Charity and the Charity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of Governors and Auditors

As described in the statement of Governors' responsibilities, you are responsible as Governors for the preparation of the financial statements, which are required to be prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland). We report to you our opinions as to whether the financial statements give a true and fair view in accordance with the relevant financial reporting framework and are properly prepared in accordance with the Charities Act 1993, Regulation 3 of the Charities (Accounts and Reports) Regulations 2005 and the Royal Charter.

We read the Governors' report and the other information contained in the Annual Report for the above year as described in the contents section and considered the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Group and the charitable company's affairs as at 31 March 2006 and of the Group's incoming resources and application of resources, including the Group's income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 1993, Regulation 3 of the Charities (Accounts and Reports) Regulations 2005 and the Royal Charter.

**Deloitte & Touche LLP**  
**Chartered Accountants and Registered Auditors,**  
**St Albans 11 July 2006**

# Consolidated Statement of Financial Activities

for the year ended 31 March 2006

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total 2006 £'000	Restated Total 2005 £'000
<b>Incoming Resources</b>					
Voluntary Income		2,363	244	2,607	2,184
Activities for Generating Funds		1,305	81	1,386	1,583
Investment Income		61	336	397	318
<b>Incoming Resources from Generated Funds</b>	<b>3</b>	<b>3,729</b>	<b>661</b>	<b>4,390</b>	<b>4,085</b>
DWP Grants Receivable	4	–	11,052	11,052	11,059
Lease Levy Income	5	–	4,470	4,470	3,276
<b>Incoming Resources from Charitable Activities</b>			<b>15,522</b>	<b>15,522</b>	<b>14,335</b>
<b>Total Incoming Resources</b>	<b>6</b>	<b>3,729</b>	<b>16,183</b>	<b>19,912</b>	<b>18,420</b>
<b>Resources Expended</b>					
Cost of Generating Voluntary Income		217	55	272	356
Fundraising Trading:					
Cost of Goods Sold and Other Costs		673	46	719	772
<b>Cost of Generating Funds</b>	<b>7</b>	<b>890</b>	<b>101</b>	<b>991</b>	<b>1,128</b>
Motability Funded Grant Making	8,9	3,146	1,565	4,711	3,893
DWP Funded Grant Making	4,8	–	11,769	11,769	11,743
Scheme Operations/Communications	8	–	1,512	1,512	1,416
<b>Cost of Charitable Activities</b>		<b>3,146</b>	<b>14,846</b>	<b>17,992</b>	<b>17,052</b>
<b>Governance Costs</b>	<b>8</b>		<b>521</b>	<b>521</b>	<b>518</b>
<b>Total Resources Expended</b>	<b>7,8</b>	<b>4,036</b>	<b>15,468</b>	<b>19,504</b>	<b>18,698</b>
<b>Net Movement in Funds for the year</b>		<b>(307)</b>	<b>715</b>	<b>408</b>	<b>(278)</b>
Fund Balances brought forward 1 April restated	22	707	(1,551)	(844)	(141)
FRS17 Actuarial losses	22	–	(606)	(606)	(425)
<b>Fund Balances carried forward 31 March</b>		<b>400</b>	<b>(1,442)</b>	<b>(1,042)</b>	<b>(844)</b>

The Group has no recognised gains or losses other than those shown in the Consolidated Statement of Financial Activities, and accordingly no statement of total recognised gains and losses is presented. The cumulative effect of the adoption of FRS17 was to recognise additional losses of £2,077,000 since the last Annual Report.

The notes on pages 22 to 41 form an integral part of the financial statements. All the Group's activities in this and the prior period were continuing.

# Balance Sheets

at 31 March 2006

	Note	Group		Charity	
		2006 £'000	Restated 2005 £'000	2006 £'000	Restated 2005 £'000
<b>Fixed Assets</b>	13	<b>114</b>	<b>171</b>	<b>114</b>	<b>171</b>
<b>Current Assets</b>					
Stock		8	8	7	8
Debtors	14	3,323	4,083	3,860	4,865
Longer Term Deposits	15	7,500	7,169	7,500	6,519
Cash and Short Term Deposits	15	1,800	1,644	918	1,336
		<b>12,631</b>	<b>12,904</b>	<b>12,285</b>	<b>12,728</b>
<b>Creditors: amounts falling due within one year</b>	16	<b>(8,323)</b>	<b>(8,680)</b>	<b>(7,992)</b>	<b>(8,514)</b>
<b>Net Current Assets</b>		<b>4,308</b>	<b>4,224</b>	<b>4,293</b>	<b>4,214</b>
<b>Total Assets less Current Liabilities</b>		<b>4,422</b>	<b>4,395</b>	<b>4,407</b>	<b>4,385</b>
<b>Creditors: amounts falling due after one year</b>	17	<b>(2,614)</b>	<b>(3,073)</b>	<b>(2,614)</b>	<b>(3,073)</b>
<b>Net Assets excluding Pension Liability</b>	19	<b>1,808</b>	<b>1,322</b>	<b>1,793</b>	<b>1,312</b>
Pension Liability	22	<b>(2,850)</b>	<b>(2,166)</b>	<b>(2,850)</b>	<b>(2,166)</b>
<b>Net Liabilities including Pension Liability</b>		<b>(1,042)</b>	<b>(844)</b>	<b>(1,057)</b>	<b>(854)</b>
<b>Represented by:</b>					
Restricted Funds					
Balance before Pension Reserve	20	1,241	526	1,241	526
Pension Reserve	20,22	(2,683)	(2,077)	(2,683)	(2,077)
		(1,442)	(1,551)	(1,442)	(1,551)
Unrestricted Funds	21	400	707	385	697
<b>Total Funds</b>		<b>(1,042)</b>	<b>(844)</b>	<b>(1,057)</b>	<b>(854)</b>

The notes on pages 22 to 41 form an integral part of the financial statements.

The financial statements on pages 19 to 41 were approved by the Board of Governors on 7 July 2006 and were signed on its behalf by:

**The Lord Sterling of Plaistow GCVO CBE**  
*Chairman*

**Richard Bennison**  
*Hon. Treasurer*















































