HEADWAY - THE BRAIN INJURY ASSOCIATION

England & Wales · Charity number 1025852

Details

Other names	HEADWAY NATIONAL HEAD INJURIES ASSOCIATION LIMITED
Status	Registered
Legal form	Charitable company
Company number	02346893
Registered	1993-09-16
Register	View on the Charity Commission register

Contact

Address	Bradbury House 190 Bagnall Road Old Basford Nottingham NG6 8SF
Phone	01159240800
Email	enquiries@headway.org.uk
Website	www.headway.org.uk

Activities

Objects: TO PROVIDE SERVICES AND FACILITIES CALCULATED TO REHABILITATE AND RELIEVE FROM THEIR DISABILITIES PERSONS WHO HAVE SUFFERED BRAIN INJURIES

Activities: Headway - the brain injury association promotes understanding of brain injury and provides information, support and services to people with a brain injury , their families and carers.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** People With Disabilities, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** GREAT BRITAIN AND NORTHERN IRELAND
- Guernsey
- Jersey
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£6,107,565	£6,233,537	£6,085,248	162
2023-12-31	£6,041,207	£5,643,674	£6,211,220	146
2022-12-31	£5,497,388	£4,540,634	£5,824,792	145
2021-12-31	£4,930,544	£3,894,826	£5,023,376	163
2020-12-31	£4,553,020	£4,298,444	£3,969,862	145

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Trustees

Name	Role	Appointed
Belinda Moore	Chair	2025-06-17
Adrian John Hawley		2024-10-11
Alexa Louise Charnley		2023-10-06
BRENDAN MCKEEVER		
EVELYN VINCENT		
Jane Muriel Allberry CBE		2016-12-15
Mario Ganau		2025-06-17
Rev ABRAHAM LAWRENCE		
Rob Callan		2024-06-24

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HEADWAY - THE BRAIN INJURY ASSOCIATION

England & Wales - Charity number 1025852

Accounts

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the brain injury association

HEADWAY – THE BRAIN INJURY ASSOCIATION

Charity number: 1025852

Office of Scottish Charity Regulator number: SC039992

Company number: 2346893

INCORPORATED AS A COMPANY LMITED BY GUARANTEE

REPORT AND FINANCIAL STATEMENTS

YEAR END 31 DECEMBER 2024

Docusign Envelope ID: 65BA7C42-2A16-49B9-9553-0B3E06FDF473

Headway – the brain injury association

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Report of the trustees for the year ended 31 December 2024

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

The charity's mission is to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

Headway's objectives are:

- to increase awareness and understanding of brain injury and its consequences;
- to initiate activities and campaigns that will reduce the incidence of brain injury;
- to provide information and support for people with brain injuries, their relatives, carers and concerned professional people;
- to promote improved approaches to brain injury screening, acute care, assessment, rehabilitation and community reintegration;
- to assist people with brain injuries to return to community living, including access to appropriate accommodation, social outlets and productive activity; and
- to support and help to establish Headway groups throughout the UK in furtherance of the charity's mission statement and encourage them to address the needs of all sections of the community.

The Trustees believe that by realising these objectives the charity will achieve the legal purposes for which it was established namely: to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

In 2024 the charity continued to prioritise support for the network of affiliated local Headway charities and volunteer-led branches, while delivering key services such as the Emergency Fund, the nurse-led helpline, the Justice Programme and its information services. In addition, the charity continued to invest in its programme of awareness

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raising and political engagement to increase understanding of brain injury at all levels of society while pushing for improved and equitable access to specialist rehabilitation services.

Frontline services provided by Headway – the brain injury association include but are not limited to:

- support and guidance to a network of affiliate Headway charities and volunteer-led branches providing local services across the UK;
- a peer support, social engagement and information sharing services for brain injury survivors across 12 communities in Northern Ireland;
- a freephone nurse-led helpline providing confidential support and information to anyone affected by brain injury as well as professionals working to support them;
- a free-to-access award-winning range of publications designed to help people understand and cope with the effects of brain injury;
- a comprehensive and award-winning website providing information and support on all aspects of acquired brain injury;
- an Emergency Fund, which provides financial support to families in the aftermath of a brain injury;
- the Justice Programme, which provides assistance to survivors of a brain injury who come into contact with the criminal justice system while providing survivors with Headway Brain Injury Identity Cards; and
- campaigning and lobbying to improve the quality of and access to specialist rehabilitation and support services across the UK.

Measuring success

The charity measures success by accurately monitoring the number of people accessing services. This includes analysing the number of people visiting the website, downloading publications, contacting the helpline, or applying for Emergency Fund grants and Brain Injury Identity Cards.

Qualitative feedback is also taken into account, with the board reviewing positive and negative feedback and complaints on a quarterly basis.

These success measures are detailed throughout this document in the relevant sections.

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Public benefit

The trustees confirm that they have referred to the advice contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and operations. They are of the opinion that the provision of the range of services offered enables Headway to meet its obligation to provide public benefit.

Achievements and performance

2024 was a significant year for Headway. In August, the charity launched a new five-year strategy having conducted a comprehensive consultation exercise involving brain injury survivors, carers and family members, the network of local Headway charities and branches, professionals working in the field of brain injury, and other key stakeholders.

This strategy sets a clear roadmap for ensuring that Headway remains responsive to the needs of those affected by brain injury. More detail on the strategy is provided on page 15 of this report.

Network support

A key focus of the strategy is strengthening the support provided to autonomous local Headway charities and volunteer-led branches.

To facilitate knowledge sharing and peer support, the charity continued to invest in the Network Learning Exchange, a series of free online discussion groups, webinars, workshops, and training sessions designed specifically for the Headway network.

The programme saw substantial growth this year, with 390 participants taking part in 48 sessions – this is a 157% increase in attendance with the number of sessions also increasing from 32 last year.

Discussion groups to facilitate the sharing of best practice were introduced for topics such as hospital liaison services to assist families as soon as brain injury occurs, alongside training sessions including *Responding to Distressed Callers* and *A Practical Guide to Budgeting.*

Evaluation of feedback from the sessions demonstrates the positive impact of the Network Learning Exchange in 2024:

- 98% strongly agreed that the facilitator was knowledgeable in the subject.
- 98% said that they would recommend the Network Learning Exchange to others.
- 96% agreed that session will benefit them in their role going forwards.
- 94% agreed that the session increased their knowledge of the subject.
- 91% rated the sessions as very high or high quality.

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Direct comments include:

"Headway UK is really dynamic. It's impressive. Thank you!"

"I'm finding these sessions very helpful and am recommending them to the rest of the team as much as possible."

"I applaud these learning opportunities. Appreciate that every Headway is different, but we have many similar tasks."

Complementing the Network Learning Exchange, Headway held its second annual Network Day in London in October.

Attended by 72 delegates from 40 local Headway charities and three volunteer-led branches, an increase of 9% on the previous year, the day included expert-led sessions including *Getting started with gifts in wills* and *Practical marketing tips and strategies*, as well as workshops on *Proportional risk management*, *Digital marketing* and *Working with celebrities.*

The charity also progressed with the development of a brain injury specific Outcomes Star, a well-recognised person-centred, strengths-based tool for impact measurement.

The tool not only supports individuals through a journey of change, but provides Headway charities with a way to measure and report on the impact of the support they provide, which is beneficial for demonstrating to funders, commissioners and other stakeholders

This has been a collaborative programme of work and the charity is grateful to the Headway staff and volunteers who took part in piloting the new Star, which is being released in early 2025.

The Outcomes Star will be available for use by all Headway charities and volunteer-led branches, free of charge, for the first three years and Headway have also invested in an internal trainer to deliver training and support for all the network at no cost.

Also in October, the charity successfully launched the Community of Headway Trustees, with 104 trustees from across the network involved. The community provides an opportunity for greater unity, peer support, collaboration and sharing of expertise, experience and knowledge from Headway charity trustees across the UK.

Network health

Financial pressures on local Headway charities increased significantly in 2024 as a result of high levels of inflation and the cost-of-living crisis.

Headway UK dedicated a significant amount of resources to supporting affiliated Headway charities in crisis during 2024, providing direct assistance with restructuring,

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lobbying, crisis appeals, trustee recruitment, and mergers or the subsummation of services by neighbouring network partners.

The Network Support team remains a crucial component of the charity's contribution to improving life after brain injury. In addition to supporting the autonomous Headway charities, the team supports 49 volunteer-led branches operating throughout the UK.

These branches are lifelines to brain injury survivors, carers and families in their respective communities, offering social engagement opportunities and support programmes.

Expanding its reach, Headway was delighted to support the establishment of a new volunteer-led branch in North East Fife. Additionally, it launched its first Neuro Connect Cymru group in Carmarthenshire, providing a vital new support network for individuals affected by brain injury in the south west of Wales.

Northern Ireland

This was our eleventh year of providing support services across Northern Ireland, commissioned by the Strategic Planning and Performance Group (SPPG), which is part of the Department of Health.

We continued to grow and develop our 11 structured support groups, held either weekly or fortnightly, across four of the Northern Ireland health trust areas.

Recreational activities are planned through consultation with service users and these have included yoga, gardening and conservation activities, mindful walks, and even an adapted 'Olympics'.

Additionally, we ran Northern Ireland-wide activities, such as our education programme, which had a different focus each quarter. Themes have included a focus on how memory can be affected by an acquired brain injury and ways to manage memory loss.

Support for carers and family members continued to grow and we launched our new quarterly carers e-zine, which was sent to all members and partner organisations across the five health trusts.

All groups took part in art activities culminating in an exhibition in Lisburn Library for Action for Brain Injury (ABI) Week in May to raise awareness and understanding of brain injury.

Patients in the Regional Acquired Brain Injury Unit (RABIU) also participated as part of their rehabilitation. Guests from the Southeast Health Trust and other local partners attended the exhibition launch alongside Headway members, their families and members of the public.

We are grateful for the continued support of the SPPG.

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Nurse-led helpline

> *"Thank you for listening to me. I don't know where I'd be without you all. You should be so proud of what you all do. You're all amazing and I'm so grateful to have the pleasure of calling you"*

In 2024, Headway's nurse-led helpline team answered a record number of enquiries ranging from isolated brain injury survivors in need of reassurance and support, to family members or professionals seeking information about the effects of brain injury.

Our compassionate team comprises knowledge and experience in a range of specialisms, including acute care, rehabilitation, social work and occupational therapy.

By investing further in this crucial frontline service in 2024, the team was able to respond to 11,983 calls or emails during the year – an increase of 9% on the previous year. Of those enquiries, 7,935 (66%) were from people directly affected by brain injury.

The importance of this service cannot be understated and we remain proud of the impact it has on the lives of those we support.

> *"You've been exceptionally helpful ... it's like a little bit of sun coming through a dark cloud ... I did not know who turn to, thank you very much."*

Publications and resources

The support provided by the helpline is supplemented by Headway's library of award-winning free-to-access publications, which remains a crucial source of information and support to brain injury survivors and families, as well as those working to support them.

A total of 64,804 factsheets and e-booklets were downloaded from the charity's website in 2024, including new publications such as *Safeguarding after brain injury; Assessment and funding of care after brain injury; Menopause after brain injury; Prolonged disorders of consciousness* and *Mental health after brain injury (for carers)*.

In addition, our process of reviewing publications to ensure they remain relevant and continue to provide best practice content saw numerous factsheets updated following consultation with external experts. These included *Caring after brain injury; Fatigue after brain injury; Taste and smell problems after brain injury; Coma after brain injury* and *Mental health and brain injury*.

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"Your publications have helped phenomenally, and I have passed on lots of your information to friends in need."

Emergency Fund

Headway's Emergency Fund provides modest grants to help families to cope with the financial challenges that can occur.

With almost one thousand UK hospital admissions for acquired brain injury every day, the Emergency Fund has continued to be in huge demand, enhanced by the cost-of-living crisis and high inflation in recent years.

To ensure a sustainable future for the Emergency Fund, the difficult decision was made in March 2024 to limit grants to cover travel and accommodation costs for those visiting loved ones in acute care.

As a result, the Emergency Fund awarded £63,860 to individuals and families in 2024, a 33% decrease compared to the previous year.

By the end of 2024, the fund had distributed grants totalling over £680,351 since its launch in 2011. This achievement was made possible by the continued generous support of the Stewarts Foundation, which has been a loyal and generous partner of this programme since its inception.

"My sincere gratitude for your generous support further funding of my travel going to hospital seeing my wife daily. It's a big, big help for me thank you so much."

Justice Programme

Headway's Justice Programme continues to enhance understanding of brain injury within the criminal justice system. In 2024, the programme delivered specialist training to 50 staff at HMP Rochester, equipping them with essential skills to recognise and support individuals with brain injuries in the prison environment.

Additionally, the charity updated its Prison and Probation Guidance document, ensuring best practices are upheld and safeguards are strengthened for survivors.

A key project in 2024, was the North Wales Police Pilot Project, which integrates the Headway Brain Injury Identity Card with a Police Unique Reference Number (URN). This initiative will enable access to safeguarding information in critical situations. With the Information Sharing Agreement nearing completion, implementation is expected in early 2025.

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Throughout the year, the Justice Programme provided ongoing advice and guidance to local Headway charities interested in starting or building their own justice programmes. The programme also offered continual advice on cases referred through the helpline or directly from criminal justice professionals, ensuring robust support for both survivors and professionals navigating complex issues.

To further support prisoners, an information leaflet was produced. The leaflet provides practical advice on navigating the prison system, including guidance on submitting applications, seeking support, and accessing relevant resources.

The Brain Injury Identity Card remains central to the programme, with 1,988 cards issued in 2024. Notably, applications from prisoners have risen this year, reflecting the programme's growing impact and reach within the justice system.

> *"Thank you very much. I'm still very aware that my conduct isn't always appropriate since my injury a little over four years ago. Your card will be very useful to help mitigate any offense I may cause people."*

Webinars

In 2024, the charity continued its series of monthly webinars following a successful introduction the previous year. The webinars continue to be free and open to all, including brain injury survivors, carers, family members, health and social care professionals, and anyone with an interest in the webinar topic.

Hosted on Zoom, the webinars feature an expert speaker and include a presentation followed by the opportunity for the audience to ask questions. A total of ten webinars took place in 2024, with topics including *Sleep and fatigue after brain injury*, *Taste and smell problems after brain injury*, *Nature's benefit after brain injury* and *Managing memory problems after brain injury.*

Almost 1,000 people attended the 2024 webinars at an average of 98 people per webinar, complemented by 6,498 views on YouTube – an 86% increase compared to the 2023 webinar video views.

> *"I work in trauma and brain injury rehab in a hospital. I discussed this webinar with other members of MDT and will now be asking our patients about their taste and smell as a matter of routine. Thank you."*

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Digital

There were 900,503 visits to Headway's websites in 2024, a 5.3% decrease on the previous year (950,528). This reduction in traffic is predominantly a result of increased use of AI in online searches for information.

Search engine results pages are presenting information relevant to the search within the search result page itself. This information is 'scraped' from websites with AI generating content for the search result page, often negating the need for visitors to click through to informational websites.

In addition, this website visitor figure is likely impacted by cookie consent updates on the Headway website, meaning the charity is unable to track as many visitors in its data.

On social media, the charity's overall reach (the opportunity to see Headway content) across platforms saw an average increase of 48%. It also achieved a 29% increase in new followers compared to the previous year, reflecting a growing public interest in brain injury and support for Headway.

Campaigns and awareness

Throughout 2024, Headway gained significant media coverage, raising awareness of brain injury and advocating for improved support services.

Media demand for human interest stories remained consistently high and Headway secured articles in numerous titles highlighting carers and survivors' experiences of life after brain injury. These stories emphasised how brain injury can happen to anyone at any time and they increased awareness and understanding of the hidden effects of brain injury.

Media highlights included supporting a feature in the Independent on the prevalence of brain injuries in domestic abuse victims. The charity provided expert commentary and a case study to facilitate greater awareness of this often-overlooked cause of brain injury.

BBC News covered a study on antidepressants post-brain injury, with the charity facilitating an interview with a brain injury survivor on the important topic of mental health challenges after a brain injury.

We continued to be a voice of authority on sport-related brain health, with numerous commentaries from the charity on issues such as concussion and the long-term cumulative effects of repeated blows to the head.

Interviews and comments appeared on national television, radio, newspapers and online channels throughout the year, helping to further raise the charity's profile and increase awareness of the associated risks.

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In line with the charity's values, we continued to be bold in our stance on preventable brain injury in sport by speaking out against the excessive dangers of boxing and the new internet craze of 'slap fighting', with strong coverage in The Guardian, Telegraph and Mail Online.

Local and regional press have also featured Headway extensively as support was given to local Headway charities most notably Headway Nottingham, who secured coverage on BBC and ITV local news in relation to its appeal for funding.

In the Autumn, Headway joined forces with Admiral Insurance for a campaign to encourage young male drivers to drive safely. The charity sourced case studies and helped co-ordinate press coverage as well as a compelling radio advert for the campaign.

The charity was also able to secure press coverage in relation to the Headway Annual Awards, including broadcast outlets BBC Northern Ireland, ITV Tyne Tees and BBC Lincolnshire.

In May, Headway launched its ABI Week awareness campaign. The campaign, *A Life Re-written*, illustrated how brain injury can affect anyone at any time, focussing particularly on how it throws plans into disarray, changes life goals, and even the sense of who we are.

It resulted in record numbers of people visiting a Headway campaign landing page on our website, the highest social media reach of all the campaigns we have run, with 571,000 opportunities to see the content, and the highest number of views of a campaign video at 114,000.

Policy and public affairs

In May, ahead of the General Election, the charity launched its first ever manifesto, *From Awareness to Action: Demanding Better Care for People Affected by Brain Injury.*

The manifesto outlined five key asks for the government: greater awareness and understanding of brain injury; an end to the neurorehabilitation postcode lottery; investment in local reablement services; enhanced support for survivors' loved ones; and a fairer, more sustainable social care system.

Throughout the year, Headway engaged with parliamentarians through quarterly updates and direct communications to parliamentary champions, ensuring that pressing issues, such as financial pressures on local Headway charities, remained firmly on the political agenda.

The charity also sought to influence government policy by writing to the Chancellor, highlighting the potential impact on already stretched local Headway charities of proposed National Insurance Contribution changes for employers.

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Headway reinforced its commitment to supporting local charities by raising financial sustainability concerns with MPs at multiple events. Additionally, the *Budget for Brain Injury* campaign was once again delivered ahead of government fiscal events to highlight the urgent need for greater investment in brain injury services.

The charity also contributed to key consultations to influence policy affecting brain injury survivors, ranging from a cross-government Carers Strategy that recognises the unique challenges faced by families supporting brain injury survivors to the Health and Social Care Select Committee's inquiry into Adult Social Care Reform.

Fundraising

Throughout 2024, the fundraising team remained focused on building Headway's income and growing its community of supporters. By continuing to develop key events, fostering community engagement, and securing valuable partnerships, the team made meaningful progress in supporting the Headway mission.

The London Marathon continued to be a flagship event, exceeding expectations with an 18% increase in income compared to last year. This achievement was made possible by the efforts of dedicated fundraisers, including one remarkable individual who raised over £17,000 for Headway.

Other highlights included the first Headway UK golf day in more than a decade, held in Cheshire, and the Headway Annual Awards, which brought together more than 370 guests to celebrate the achievements of brain injury survivors, carers and volunteers within the Headway community.

Community fundraisers took on inspiring challenges throughout the year, raising vital funds and increasing awareness of the charity's work. One standout was Andrew Jenkins, a brain injury survivor and star of BBC's *The Traitors*, who walked 1,200 km across all four nations of the UK.

Andrew raised over £33,000 and brought national attention to the charity's cause through widespread media coverage including live appearances on Sky News and BBC 5Live. Along his journey, he met with brain injury survivors from across the network, leaving a lasting impact on the communities he visited.

Legacy giving remained a vital source of income, with a 3% increase in gifts compared to 2023. Headway is incredibly grateful to those who have chosen to leave a legacy, helping to secure Headway's future for years to come.

Headway does not hire external agencies, professional fundraisers, or other parties to raise funds on its behalf. Headway is registered with the Fundraising Regulator and is fully compliant with its codes of practice.

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Trusts

The charity also received generous support from charitable trusts. The Thompson Family Charitable Trust has been a longstanding partner, contributing approximately £700,000 over the past 16 years, including a £50,000 donation in 2024. The trust's continued generosity is deeply appreciated and has made a significant difference to Headway's work.

Similarly, the Stewarts Foundation once again supported the Emergency Fund with a £45,000 grant in 2024. This fund provides crucial support to families facing the immediate challenges of brain injury and without the support of the Foundation, we simply would not be able to continue to deliver this crucial programme.

We are also grateful to The David Family Foundation Trust for its generous donation in 2024.

Retail

Despite a challenging economic climate, the Headway retail team worked hard to deliver strong results, achieving total income of over £3.5 million – a 2.8% increase on 2023.

In addition, the charity expanded its retail network by opening three new stores in Sheffield, Barnsley, and Glossop. The new shops will not only generate vital income to support the charity's activities but also help to increase awareness of brain injury and the support available.

Training

In 2024, Headway enhanced its training capacity by welcoming two new trainers and expanding its programme.

Over 460 participants attended training sessions, alongside eight private group sessions delivered to organisations.

A key milestone was the successful pilot of *Navigating Life After Brain Injury*, a free training initiative for families, designed to improve understanding of the hidden effects of brain injury. This initiative aligns with Headway's commitment to supporting families and will be expanded in future years.

> *"The session gave me the sense of belonging. Often folk are embarrassed by announcing you have had a severe stroke. I went to my brother's funeral and people walked past me in case I didn't show emotion."*

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Approved Provider scheme

Headway's Approved Provider Scheme continued to grow in 2024, aided by the introduction of a part-time Associate AP Manager role to streamline assessments. The team was further expanded with the recruitment of four new Lead Assessors and two Service User Perspective Assessors, both of whom have lived experience of brain injury.

Interest in the scheme remained strong in 2024, with 40 new enquiries received, and efforts in 2025 will focus on converting these into accredited units.

Volunteers

Headway is immensely grateful to the individuals who have given their time, skills, and compassion to support the charity throughout 2024.

From volunteering at local branches and activity groups in Northern Ireland to serving as trustees, committee members, or charity shop volunteers, these individuals have played a crucial role in improving life after brain injury and they have made a direct impact on brain injury survivors and their families.

Headway's achievements this year would not have been possible without the combined efforts of its volunteers, and we are indebted to each and every person who gives their time to improve life after brain injury.

Future plans

Headway's five-year strategy was published in August 2024. It sets out a clear roadmap for improving life after brain injury, ensuring the charity remains responsive to the needs of survivors, families, and carers.

There are four key strategic priorities within the strategy:

- Strengthen the network of local Headway charities and volunteer-led branches
- Increase awareness and understanding of brain injury
- Develop new support services to help people to live well after brain injury
- Support research to evidence the need for better access to specialised services for people affected by brain injury

A core focus will be reinforcing the UK-wide network of local Headway charities and volunteer-led branches. Headway will continue to encourage greater collaboration between these organisations, facilitating the sharing of best practices and developing innovative forms of support such as the Brain Injury Outcomes Star.

Raising awareness and understanding of brain injury will remain a key priority. Headway will implement targeted campaigns to educate the public, while also engaging with health

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and social care professionals to enhance their knowledge of brain injury's hidden and fluctuating effects.

Additionally, we will aim to expand and diversify support services, developing new programmes tailored to the varied needs of brain injury survivors.

Finally, Headway will support and promote research to highlight the long-term impact of brain injury and the effectiveness of specialist rehabilitation. Strengthening the case for sustainable funding, the charity will advocate for improved policies and resources to secure long-term support for survivors.

By implementing the new strategy, in line with the charity's values, Headway will drive meaningful change, ensuring that those affected by brain injury receive the right help at the right time, and demonstrating that there is life after brain injury.

Financial review

The charity's financial performance remained strong in 2024 with income continuing its upward trend. Income from our charity shops continued to grow despite fewer shops. This is a testament to the continuing dedication of our whole retail team.

Overall, the charity made a small loss in 2024, due to spending down some of the older restricted funds held.

The statement of financial affairs provides a detailed picture of the financial performance of the charity in 2024. The details of our financial performance can be found on pages 29 and 30. Copies of the consolidated statement of financial activities and balance sheet are available in larger print on request.

Our 2024 financial reports and accounts have been prepared under the conditions set out by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reserves policy

In June 2024, the board reviewed Headway's reserves policy and agreed to update the designated funds to reflect current requirements and to set a new policy for a free reserve, with a requirement to hold between 6 and 9 months of budgeted unrestricted charitable expenditure.

As a result, five old, designated funds were closed, and two new designations were created. The details of the old designation closed can be found on page 38.

The first new designation was for group fixed assets, removing them from the general fund to create a free reserve. The second was to create a strategic investment fund, which set aside £1,382,961 to invest in the delivery of the 2025-2029 strategy.

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Looking at financial performance in 2024, the balance sheet reduced from £6,211,220 at the end of 2023 to £6,085,248, caused by spending down restricted reserves by £163,478 to £90,606. Branch reserves showed a modest increase of £32,025 and unrestricted funds increased by £5,481.

Unrestricted funds are now comprised of a free reserve and the designated funds. At the end of 2024, the value of designated funds was £3,436,483 and the value of the free reserve was £2,034,771. The free reserve represents 7.79 months of unrestricted budgeted charitable expenditure, which is in line with the policy set by the board.

Investment policy

Traditionally, the charity held a high proportion of its reserves in liquid form. However, the acquisition of the charity's premises in Nottingham in 2009 and legacies received, which included property, have changed the balance of its portfolio. The Trustees previously made the decision to appoint financial advisors to maximise returns on the charity's investments whilst maintaining the security of its funds. The funds are not considered excessive in the context of total expenditure, yet they are available and adequate to fulfil the charity's obligations. The Reserves and Investment policies continue to be reviewed regularly and require the charity to maintain sufficient assets to cover operating costs and maximise the return on the charity's investments.

Structure, governance and management

i. Governing document

Headway – the brain injury association is a company limited by guarantee governed by its Memorandum and Articles of Association (dated 13 February 1989 as amended by Special Resolutions dated 2 October 1999, 6 October 2001, 11 October 2003 and 6 July 2008). It is registered as a charity with the Charity Commission and the Office of the Scottish Regulator (OSCR). In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

In response to the pandemic Headway was forced to postpone its AGM using the emergency legislation provisions under the Corporate Insolvency and Governance Act 2020. This prompted a review of the Governing document to enable the charity to conduct virtual general meetings in the future.

ii. Tax status

The company is a registered charity, number 1025852, and is exempt from corporation tax and income tax.

iii. Capacity of Trustees

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All members of the Board of Trustees exercise their authority in their capacity as directors under relevant company legislation and as Trustees of the charity. Given the company's charitable status, the term 'Trustee' rather than 'director' has been used throughout this document.

iv. Appointment of Trustees

In accordance with the Article of Association, one third of the Trustees retire by rotation each year. This provides the members of the charity the opportunity to refresh the Board should it wish to do so using the democratic process. Any member entitled to vote at the general meeting may propose one person for appointment or re-appointment as a Trustee. The number of elected Trustees shall not be less than three and subject to a maximum of 12. The elected Trustees may co-opt a maximum of up to one half of their number as Trustees. Headway does not impose limits on the time that Trustees may serve as such time limits would weaken the Board through the loss of Trustees with appropriate skills and experience. This matter has been the subject of extensive debate within the organisation and members reached the conclusion that this was not in the interests of the charity.

v. Trustee induction and training

New Trustees undergo a comprehensive induction to brief them on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the structure and governance of the charity as well as all policies and procedures, their obligations under the Trustees Code of Conduct, the business plan and budget together with recent financial performance. Trustees are also provided with relevant information from the Charity Commission on a regular basis. The Trustees have agreed to undertake periodic training on diversity.

vi. Organisation

The Board of Trustees, which meets quarterly, governs the charity. The Board is supported by committees where matters regarding development, membership and audit are considered in detail. A Chief Executive is appointed by the Trustees to manage the day-to-day activities of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and provision of services.

vii. Related parties/Register of interests

The charity has a well-established network of branches and affiliated groups around the country. Collaborative work is undertaken with other brain injury related organisations as well as a wide range of healthcare charities and

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voluntary sector organisations to raise awareness and share good practice. The charity has in place a system by which senior staff and Trustees are required to make annual declarations of interest which record related party transactions. In the interests of transparency these are published on the Headway website. There are no material disclosures for 2024.

viii. Risk management

The Trustees have a risk management strategy, which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the annual review of risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should the identified risks materialise.

Through the risk management processes established for the charity, the Trustees are satisfied that any major risks identified have been adequately mitigated where necessary. It is recognised that the systems in place can only provide reasonable but not absolute assurance that all major risks have been adequately managed. For example, the risks created by the global pandemic could not have been predicted.

The following risks have been identified:

- The Trustees have recognised that the reputation of the whole Headway movement could be damaged by adverse media coverage. This risk is mitigated by regularly reviewing the charity's Rules of Affiliation and closer scrutiny of the governance and finances of the local network.
- As a charity supporting vulnerable adults, there is a risk that service users could be harmed. This risk has been mitigated by the introduction of Service Standards and closer scrutiny of the Headway network.
- The Trustees have recognised that trustees within the Headway network may not be sufficiently aware of their responsibilities. This risk is mitigated by comprehensive induction sessions for new trustees.
- The Trustees recognise that changes in local government funding could have an impact on the financial viability of Headway groups. This risk is mitigated by closely monitoring the finances of the local groups and encouraging the development of relationships with key decision makers and funders.

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- Headway continues to review its insurance requirements to ensure that appropriate cover is available to all participating groups and branches at a cost-effective price. It will continue to work closely with its branches to ensure adequate financial controls are in place and that operational needs are regularly reviewed.
- In addition, the Trustees identified a number of new risks directly related to the pandemic. These included financial and HR risks.

ix. Pay policy for senior staff

The Trustees consider that along with the Board of Trustees, the senior management team (comprising the Chief Executive, Director of Services, Director of Communications, Director of Fundraising, and Director of Finance and Administration) comprises the key personnel of the charity in charge of directing, controlling, running, and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustees received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 7 and note 17 to the accounts. The pay of senior management staff is reviewed on an annual basis in line with all staff. remuneration arrangements for senior staff are in place.

x. Group and branch structure

As of 31 December 2024, the charity is organised into local branches and affiliated or associated groups. Branches operate under the registered charity number (1025852) and OSCR number (SC039992) of Headway – the brain injury association. The relationship between the charity and the branches is explained in the accounting policies note 1(j) on page 33. Groups are autonomous, independently registered charities which have agreed to work within the Rules of Affiliation. The activities of these groups, operating under their own charity registration, are not included in the financial statements.

Reference and administrative details

Headway – the brain injury association is registered with the Charity Commission for England and Wales (Charity No. 1025852) and the Office of the Scottish Charity Regulator (Charity No. SC 039992). Headway – the brain injury association is a company limited by guarantee registered in England (No. 2346893). The Directors of the Company are its Trustees for the purpose of charity law.

Trustees who have served during the relevant period:

Elected Trustees Denzil Lush (Chair)

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	Evelyn Vincent (Deputy Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary) Jane Allberry CBE Dr June Gilchrist (until February 2025) Rev Abraham Lawrence Brendan McKeever Dr Colin Shieff Andrew Harding Dr Andy Tyerman Alexa Charnley Adrian Hawley (appointed 11 October 2024)
Co-opted Trustee	Andrew Green MBE (until 17 February 2025)
Key management personnel	Chief Executive: Luke Griggs Director of Finance and Administration: Ruth Ormston Director of Fundraising: Jen Murgatroyd Director of Communications: Colin Morris Director of Services: Ruth Owens
Principal and registered office	Bradbury House 190 Bagnall Road Old Basford Nottingham NG6 8SF
Auditors	Saffery LLP Westpoint Peterborough Business Park Lynch Wood, Peterborough PE2 6FZ
Bankers	Lloyds Bank Plc 12-16 Lower Parliament Street Nottingham NG1 3DA

Registered in England company number: 2346893

Charity Commission number: 1025852

Office of the Scottish Charity Regulator number: SC039992

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Committees

Trustees who have served on other committees during the year are as follows:

Executive Committee	Denzil Lush Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary) Evelyn Vincent (Deputy Chair) Andrew Green MBE
Audit Committee	Allistair Renton (Chair) Dr Colin Reeves CBE (Treasurer) Jane Allberry CBE Rev Abraham Lawrence Brendan McKeever
Membership Committee	Evelyn Vincent (Chair) Andrew Harding Denzil Lush Brendan McKeever Allistair Renton
Remuneration Committee	Denzil Lush (Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary)

Statement of Trustees' responsibilities

The Trustees (who are also directors of Headway – the brain injury association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and also with the requirements of the Statement of Recommended Practice (SORP) issued by the Charity Commission for England and Wales. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees, individually, are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' liability insurance

Headway has maintained insurance during the year for Trustees against liabilities in relation to their duties as Trustees.

Signed on behalf of the Board



Denzil Lush **DATE:** 06 June 2025

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Opinion

We have audited the financial statements of Headway – the brain injury association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, Group and Charity Balance Sheets, Consolidated Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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

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on the parent 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 auditor's report 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 22-23, the trustees (who are also the directors of the parent 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 the 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 parent 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not

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detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the parent charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Saffery LLP
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Gareth Norris FCA
(Senior Statutory Auditor)
for and on behalf of Saffery LLP

Westpoint
Peterborough Business Park
Lynch Wood
PE2 6FZ

Statutory Auditors

Date: 06 June 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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Headway – the brain injury association

Consolidated statement of financial activities (incorporating the income and expenditure account) for the year ended 31 December 2024

	Notes	Unrestricted funds £	Restricted funds £	Restricted branch funds £	Total 2024 £	Total 2023 £
Income from:						
Voluntary income	3	1,085,907	233,618	169,302	1,488,827	1,536,289
Charitable activities:						
• Training		34,777	-	-	34,777	54,878
• Services to/ by groups & branches		232,904	-	17,136	250,040	163,263
• Publications & awareness		337,298	-	-	337,298	349,260
Other trading activities:	4					
• Retail activities		3,496,412	-	-	3,496,412	3,432,079
• Sale of other merchandise		15,517	-	-	15,517	14,485
• Events & conferences		325,380	34,359	42,756	402,495	397,102
Investment & rental income	5	65,607	-	3,092	68,699	76,484
Other incoming resources:						
• Profit on disposal of property		13,500	-	-	13,500	17,367
Total income		**5,607,302**	**267,977**	**232,286**	**6,107,565**	**6,041,207**
Expenditure on:						
Raising funds	6					
• Fundraising		345,378	-	27,690	373,068	330,609
• Retail activities		2,918,600	-	-	2,918,600	2,662,069
• Events & conferences		204,641	-	-	204,641	190,096
Charitable activities:	6					
• Services provided		1,453,402	386,455	152,770	1,992,627	1,775,873
• Grants distributed		48,405	45,000	19,801	113,206	120,610
• Publications & awareness		631,395	-	-	631,395	564,417
Total expenditure		**5,601,821**	**431,455**	**200,261**	**6,233,537**	**5,643,674**
Net gains/ (losses) on investments	9	-	-	-	-	(11,105)
Net income/ (expenditure) before transfers between funds		**5,481**	**(163,478)**	**32,025**	**(125,972)**	**386,428**
Transfers between funds		-	-	-	-	-
Net income/ (expenditure) after other losses		**5,481**	**(163,478)**	**32,025**	**(125,972)**	**386,428**
Fund balances brought forward at 1 January 2024		5,465,773	254,084	491,363	6,211,220	5,824,792
Fund balances at 31 December 2024		**5,471,254**	**90,606**	**523,388**	**6,085,248**	**6,211,220**

General purpose funds and designated funds are both unrestricted funds. The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The Company has also taken advantage of the exemption in s408 Companies Act 2006 from presenting its individual profit and loss account and related notes.

The notes on pages 32 to 43 from part of these financial statements.

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Headway – the brain injury association

Balance sheet as at 31 December 2024

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets					
Tangible assets	8	1,387,522	1,234,274	600,591	612,106
Investments	9	14,399	15,343	614,886	621,510
		1,401,921	1,249,617	1,215,477	1,233,616
Current assets					
Stock	10	17,522	10,208	11,143	9,748
Debtors	11	1,112,621	1,279,253	1,233,681	2,521,289
Cash at bank & in hand		4,177,276	4,429,350	3,979,317	2,990,370
		5,307,419	5,718,811	5,224,141	5,521,407
Creditors: amounts falling due within one year	12	(624,092)	(757,208)	(541,051)	(585,568)
Net current assets		4,683,327	4,961,603	4,683,090	4,935,839
Net assets		**6,085,248**	**6,211,220**	**5,898,567**	**6,169,455**
Funds					
Unrestricted funds					
General funds	13	2,034,771	3,628,148	2,034,536	3,586,383
Other designated funds	13	3,436,483	1,837,625	3,250,037	1,837,625
Restricted funds					
Branches	14	523,388	491,363	523,388	491,363
Other restricted funds	14	90,606	254,084	90,606	254,084
Total funds		**6,085,248**	**6,211,220**	**5,898,567**	**6,169,455**

The notes on pages 32 to 43 form part of these financial statements.

Approved by the board of trustees on 27 March 2025 and signed on its behalf by:



Denzil Lush
Chair

Company registration number: 2346893 (England and Wales)

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Headway – the brain injury association

Consolidated cashflow statement for the year ended 31 December 2024

	Note	£	Group 2024 £	£	Group 2023 £
Net cash provided by operating activities	(i)		(62,805)		87,961
Cashflows from investing activities					
Investing activities					
Dividends and interest		47,789		47,637	
Movements in cash held on deposit		944		(251)	
Sale of investments		-		219,967	
Sale of tangible fixed assets		13,500		-	
Purchase of tangible fixed assets		(251,502)		(60,763)	
			(189,269)		206,590
Movement in cash and cash equivalents	(ii)		(252,074)		294,551

Notes to the cashflow statement

(i) Reconciliation of net income/ (expenditure) to net cash inflow from operating activities

	Group 2024 £	Group 2023 £
Net income (expenditure) for the reporting period (as per the statement of financial activities)	(125,972)	386,428
Adjustments for:		
Dividends and interest earned on investments	(47,789)	(47,637)
Gain/ (loss) on investment value	-	11,105
Gain/ (loss on revaluation of investment properties	-	-
Depreciation of tangible fixed assets	98,254	60,833
Surplus on disposal of fixed assets	(13,500)	(17,367)
(Increase)/ decrease in stock	(7,314)	1,403
Decrease/ (increase) in debtors	166,633	(566,832)
Increase/ (decrease) in creditors	(133,116)	260,028
	(62,805)	87,961

(ii) Analysis of cash and cash equivalents

	Group 2024 £	Movement	Group 2023 £
Cash at bank	3,045,448	(333,566)	3,379,014
Short term deposits	1,131,828	81,492	1,050,336
Net cash funds at 31 December 2024	4,177,276	(252,074)	4,429,350

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1. Accounting policies.

a. Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Headway the brain injury association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

b. Preparation of the accounts on a going concern basis.
The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the authorising of these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

c. Basis of consolidation
i) The consolidated accounts of the group incorporate the financial statements of the charity and its trading subsidiary company, both of which were made up to 31 December 2024
ii) Income and expenditure for Headway Retail Ltd is included in full in the consolidated statement of financial activities (SOFA). Any profits donated from the trading subsidiary during the year are removed on consolidation.
iii) The income and expenditure of the subsidiary are disclosed separately in note 17.
iv) A separate SOFA for the charity is not provided. See the disclosure note included with the SoFA.

d. Taxation
The Charitable Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charitable Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

e. Incoming resources
i) All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is when it is probable that it will be received, and this is usually when probate has been granted.

ii) Where the charity has been notified of material legacies that have not been included in the SOFA (because the conditions for recognition have not been met), this fact and an estimate, where possible, of the amounts receivable are disclosed in the notes to the accounts.
iii) Grants, whether attributable to unrestricted or restricted are accounted for on the basis of the amount receivable for the year.
iv) Investment income is accounted for on a receivable basis, including recoverable tax.
v) Corporate membership income is recognised in the year(s) for which that membership applies.

f. Government Grant Accounting policy
Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions have been met. Where the grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

g. Expenditure
All revenue expenditure has been dealt with through the SOFA on an accruals basis. Direct costs have been allocated to their appropriate functional headings. Indirect overheads have been apportioned to these headings on the basis of a fair estimate of time spent or resources used.

h. Governance and support costs
Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. Governance

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and support costs are allocated between the expenditure categories on the statement of financial activities on a basis designed to reflect the use of the resource.

i. Shops' operating costs
Costs incurred in acquiring shop leases and improvements thereon are written off over three years to reflect the break clause in the operating leases.

j. Branches and groups
Branches in Headway are non- autonomous and operate under the Registered Charity number 1025852 in England and SC039992 in Scotland and are included in full in these accounts. Groups, which operate under their own registered charity number, are not included in these accounts. The financial statements include the income and expenditure of 46 branches in existence for the year ended 31 December 2024.

k. Investments
Investments in listed securities are held at fair value, deemed to be market value. Gains and losses are charged or credited to the SOFA as appropriate.

l. Depreciation
Tangible assets with a cost exceeding £500 are capitalised and depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over their expected useful life. Depreciation has been applied at the following rates:

Freehold property	2%
Building improvements	Between 5% and 15%
Office equipment and furniture	20%
Computer equipment and software	33%
Motor vehicles	20%
Shop operating costs	33%

m. Stocks
Merchandise and publications are valued at the lower of cost or net realisable value. Due to a review of the valuation of donated stocks and the recognition of the impracticability of estimating fair value where it is not possible to hold detailed stock records, the charity is no longer including a valuation in the accounts of donated stock held. Instead, the value of the goods donated to the charity for resale is recognised as income when sold and the proceeds of sale are categorised as 'income from other trading activities' in the SoFA.

n. Financial instruments
The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest rate method.

o. Operating leases
Rentals payable under operating leases are charged on a straight-line basis over the term of the lease. Any rent premiums are written off immediately.

p. Designated funds
Headway may at its discretion set aside funds for specific purposes which would otherwise form part of the general reserves of the organisation. Specifically, funds are set aside which represent the investment made or to be made in buildings and equipment for use by the charity. As such, they are not available for other purposes.

q. Restricted funds
Distributions from restricted resources must be used for purposes consistent with donor intentions and should be the first source of funding to support programmes and activities meeting the restriction.

r. Unrestricted funds
General funds are funds which are available for the general purposes of that charity. These funds will be spent in a way that the Trustees see fit in accordance with the stated objectives of the charity.

s. Investment properties
Headway holds two investment properties in Manchester that were gifted as part of a legacy and are held for investment purposes to generate a rental income stream for Headway. There are no legal restrictions to prevent the sale of these properties. These properties were initially valued at cost and subsequently at fair value, which is market value, by an independent examiner.

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t. Legal status of Headway

Headway is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. Members are liable for a period up to one year after they cease membership.

2. Critical accounting judgements and key sources of estimation uncertainty.

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

These judgements are reviewed regularly to reflect the changing environment.

3. Voluntary income.

	Unrestricted funds	Restricted funds	Branch funds	Total 2024	Total 2023
Donations	649,696	39,154	129,572	818,422	787,289
Legacies	325,174	-	-	325,174	329,996
Grants	111,037	194,464	39,730	345,231	419,004
	1,085,907	**233,618**	**169,302**	**1,488,827**	**1,536,289**

Breakdown of restricted grants.

	Total 2024	Total 2023
Scottish Government	-	50,000
Health & Social Care Board, Belfast	145,464	145,463
Justice Project grant	-	10,000
Charitable trusts and other grant making bodies (*)	88,730	90,000
	234,194	**295,463**
(*) includes generous grants from the following		
Stewarts' Law	45,000	40,000
	45,000	**40,000**

4. Other trading activities.

	Unrestricted funds	Restricted funds	Branch funds	Total 2024	Total 2023
Retail activities	3,496,412	-	-	3,496,412	3,432,079
Sale of merchandise	15,517	-	-	15,517	14,485
Events and conferences	325,380	34,359	42,756	402,495	397,102
	3,837,309	**34,359**	**42,756**	**3,914,424**	**3,843,666**

5. Investment and rental income

	Unrestricted funds	Restricted funds	Branch funds	Total 2024	Total 2023
Income from listed investments	934	-	-	934	11,212
Bank interest receivable	43,763	-	3,092	46,855	36,425
Rental income from properties	20,910	-	-	20,910	28,847
	65,607	**-**	**3,092**	**68,699**	**76,484**

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6. Analysis of total resources expended.

	Staff costs	Other costs	Management, support & governance costs	Total 2024	Total 2023
Costs of generating funds					
Fundraising costs	218,335	73,668	81,065	373,068	330,609
Retail activities	1,694,060	1,143,474	81,066	2,918,600	2,662,069
Events and conferences	37,313	150,784	16,544	204,641	190,096
	1,949,708	**1,367,926**	**178,675**	**3,496,309**	**3,182,774**
Charitable expenditure					
Services provided	925,101	564,582	502,944	1,992,627	1,775,873
Grants distributed	25,459	87,747	-	113,206	120,610
Publications and awareness	359,121	126,685	145,589	631,395	564,417
	1,309,681	**779,014**	**648,533**	**2,737,228**	**2,460,900**
	3,259,389	**2,146,940**	**827,208**	**6,233,537**	**5,643,674**

	Total 2024	Total 2023
Support costs		
Staff costs	417,520	349,590
Volunteer costs	-	12
Office costs	129,800	246,434
Computer support	111,252	85,828
Depreciation	52,725	34,805
Communication costs	26,458	22,273
Legal and professional costs	37,722	28,677
Subtotal support costs	775,477	767,619
Governance costs		
Audit fees	29,306	28,299
Fees for preparation of corporate tax returns	1,415	1,532
Prior year audit fees	13,242	3,806
Trustees' expenses	2,768	1,860
Trustee development	5,000	-
Subtotal governance costs	51,731	35,497
Total management support	**827,208**	**803,116**

Net income for the year
This is stated after charging the following to support and governance costs:

Depreciation	52,609	34,805
Auditor remuneration		
- Audit fee	29,306	28,299
- Prior year audit costs	13,242	3,806
- Other audit costs	1,415	-
- Trustees' indemnity insurance cover	4,480	4,480
Operating leases – Land and buildings	561,334	632,916

7. Staff costs

Staff remuneration	Total 2024	Total 2023
Salaries and wages	3,306,010	2,852,284
Social security costs	271,283	226,044
Pension costs	98,914	82,258
	3,676,207	**3,160,586**

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Headway benefitted from the involvement of unpaid part-time volunteers. It is not practical to place a value on these services, but the number of these volunteers in 2024 remained reduced.

The average number of employees analysed by function was:

	2024	2023
Administration	9	11
Communications	9	8
Fundraising and retail	113	99
Services	31	28
	162	**146**

Key management personnel
The key management personnel of the group, parent charity and the wholly owned subsidiaries is comprised of the trustees, the Chief Executive Officer, the Director of Finance & Administration, the Director of Fundraising, the Director of Communications, and the Director of Services. The total employee benefits of the key management personnel were £424,579 (2023: £412,103).

Employee emoluments	2024	2023
£60,000-£70,000	3	4
£70,000-£80,000	1	-
£110,000-£120,000	1	1
	5	**5**

No remuneration was paid the any member of the board of trustees during the year, or the previous year. £2,768 expenditure was reimbursed to trustees in 2024 (2023: £1,860).

8. Tangible fixed assets

Group	**Office & shop equipment £**	**Computer equipment & software £**	**Motor vehicles £**	**Land & building £**	**Investment properties £**	**Group total £**
Cost - group						
Balance at 1 January 2024	512,180	361,754	49,957	827,891	480,000	2,231,782
Additions	158,269	30,053	63,180	-	-	251,502
Disposals/ write-offs	-	-	(49,958)	-	-	(49,958)
Balance at 31 December 2024	**670,449**	**391,807**	**63,179**	**827,891**	**480,000**	**2,433,326**
Accumulated depreciation						
Balance at 1 January 2024	512,003	238,903	49,957	196,645	-	997,508
Charge for the year	25,161	57,602	6,318	9,173	-	98,254
Disposals/ write-offs	-	-	(49,958)	-	-	(49,958)
Balance at 31 December 2024	**537,164**	**296,505**	**6,317**	**205,818**	**-**	**1,045,804**
NBV at 31 December 2024	**133,285**	**95,302**	**56,862**	**622,073**	**480,000**	**1,387,522**
NBV at 31 December 2023	**177**	**122,851**	**-**	**631,246**	**480,000**	**1,234,274**

The cost of the land not depreciated included in land and buildings is £400,000 (2023: 400,000). Amounts attributed to land and buildings relate to the property owned by the charity's subsidiary undertaking, 190 Bagnall Road Properties Limited.

Charity	**Office equipment £**	**Computer equipment & software £**	**Motor vehicles £**	**Building £**	**Investment properties £**	**Charity total £**
Cost - charity						
Balance at 1 January 2024	83,331	301,327	-	143,891	480,000	1,008,549
Additions	7,018	28,421	-	-	-	35,439
Disposals/ write-offs	-	-	-	-	-	-

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Balance at 31 December 2024	**90,349**	**329,748**	**-**	**143,891**	**480,000**	**1,043,988**
Accumulated depreciation						
Balance at 1 January 2024	82,951	194,682	-	118,810	-	396,443
Charge for the year	522	42,939	-	3,493	-	46,954
Disposals/ write-offs	-	-	-	-	-	-
Balance at 31 December 2024	**83,473**	**237,621**	**-**	**122,303**	**-**	**443,397**
NBV at 31 December 2024	**6,876**	**92,127**	**-**	**21,588**	**480,000**	**600,591**
NBV at 31 December 2023	**380**	**106,645**	**-**	**25,081**	**480,000**	**612,106**

9. Fixed asset investments

Group	UK equities
	£
Balance at 1 January 2024	15,343
Disposals during the year	-
Gains/ (losses) during the year	-
Movement in cash held on deposit	(944)
Market value at 31 December 2024	**14,399**

All investments relate to holdings in the EdenTree Amity Investment Funds for Charities or Santander UK Plc preference shares.

Charity	UK equities	Subsidiary undertakings	Total
	£	£	£
Balance at 1 January 2024	15,343	606,167	621,510
Disposals during the year	-	-	-
Gains/ (losses) during the year	-	(5,680)	(5,680)
Movement in cash held on deposit	(944)	-	(944)
Market value at 31 December 2024	**14,399**	**600,487**	**614,886**

The investment in the subsidiary undertaking represents 100% of the ordinary share capital of 190 Bagnall Road Properties Limited, a company which owns the charity's property and is incorporated in England and Wales. Its results have been included in the consolidated financial statements along with Headway Retail Limited, a company limited by guarantee. Headway Retail Limited commenced trading during 2015.

10. Stock

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Goods held for resale	17,522	10,208	11,143	9,748
	17,522	**10,208**	**11,143**	**9,748**

11. Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	147,001	159,761	131,043	143,119
Other debtors	65,538	10,407	63,803	10,280
Prepayments	483,396	460,508	344,218	347,645
Amounts owed by subsidiary undertaking	-	-	391,277	1,650,813
Taxation recoverable	67,811	168,696	35,379	-
Legacies receivable	266,626	369,139	266,626	369,139
Accrued income	82,249	110,742	1,335	293
	1,112,621	**1,279,253**	**1,233,681**	**2,521,289**

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12. Creditors, amounts falling due within one year.

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	413,228	542,613	346,366	354,223
Taxation and social security	89,109	65,614	89,109	65,614
Other creditors	4,679	39,475	4,679	39,475
Deferred income	64,750	73,404	64,750	73,404
Accruals	52,326	36,102	36,147	32,807
Taxation payable	-	-	-	20,045
	624,092	**757,208**	**541,051**	**585,568**

Deferred income includes £33,275 income received for events that have not yet taken place or where the donor has not been able to participate in 2024. In 2024, £84,422 was released form income deferred in prior years and £75,768 was deferred to future periods.

13. Unrestricted funds

	Balance at 31 December 2023	Incoming resources	Expenditure, gains/(losses) & transfers	Balance at 31 December 2024
	£	£	£	£
General funds	3,628,148	5,607,302	(7,200,679)	2,034,771
	3,628,148	**5,607,302**	**(7,200,679)**	**2,034,771**

Designated funds

	Balance at 31 December 2023	Incoming resources	Expenditure, gains/(losses) & transfers	Balance at 31 December 2024	
	£	£	£	£	
Expendable endowment fund	1,146,000	-	-	1,146,000	a
Network crisis support	391,622	-	(391,622)	-	b
Family emergency	100,900	-	(100,900)	-	b
Justice for survivors	119,923	-	(119,923)	-	b
Digital projects fund	50,000	-	(50,000)	-	b
Other designated funds	29,180	-	(29,180)	-	b
Fixed asset reserve	-	-	907,522	907,522	c
Strategic Investment fund	-	-	1,382,961	1,382,961	d
	1,837,625	**-**	**1,598,858**	**3,436,483**	

a The expendable endowment fund consists of property donated to the charity. The trustees have discretion as to how the fund is used and there is no actual requirement to spend or apply the capital. The trustees have the power to convert the endowment funds into income.

b Old designations (excluding the expendable endowment) were reviewed in June 2024 and recalculated to reflect current operations and the need to spend down reserves

c The fixed asset reserve has been removed from general funds and a designation created for the group fixed assets.

d In 2024, the trustees agreed a new five-year strategy for Headway and the need to invest in our activities. The board therefore set aside a sum for this purpose with expenditure commencing in 2025.

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14. Restricted funds

	Balance at 31 December 2023 £	Incoming resources £	Expenditure, gains/(losses) & transfers £	Balance at 31 December 2024 £	
Family emergency fund	-	45,000	(45,000)	-	a
Reginal development & group support	50,416	-	(50,416)	-	b
Helpline	75,041	-	(75,041)	-	c
Information support programme	2,279	-	(2,279)	-	d
Scottish Government	20,922	-	(20,922)	-	e
Health & Social Care Board, Northern Ireland	35,612	147,271	(180,497)	2,386	f
BRAW	6,140	16,895	(13,948)	9,087	g
Look Ahead North	25,344	20,464	(39,394)	6,414	h
Funds held on trust	38,330	38,347	(3,958)	72,719	i
	254,084	**267,977**	**(431,455)**	**90,606**	
Branches	491,363	232,286	(200,261)	523,388	
	745,447	**500,263**	**(631,716)**	**613,994**	

a Family emergency fund for people with brain injuries, supported by the Stewarts Law foundation and other community funding.
b Grants from other charitable bodies and restricted legacies to support Network support staff, training and other services to groups and branches
c Grants received to assist the development and support of the Headway nurse led helpline
d Funding received from CAF America to support our Information Support Programme.
e Funding from the Scottish Government to support the development of services within Scotland
f To provide people in Northern Ireland with acquired brain injury and their carers with the opportunity to access a range of services to support their needs post injury
g Balances held from fundraising and group & branches contributions for the annual BRAW event
h Balances held from fundraising and group & branches contributions for the annual Look Ahead North event
i Funds held on trust for groups and branches pending re-establishment of activities in that geographical area

15. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Branch funds £	Total 2024 £	Total 2023 £
Tangible fixed assets	1,387,522	-	-	1,387,522	1,234,274
Investment fixed assets	14,399	-	-	14,399	15,343
Current assets	4,693,425	90,606	523,388	5,307,419	5,718,811
Current liabilities	(624,092)	-	-	(624,092)	(757,208)
Total net assets	**5,471,254**	**90,606**	**523,388**	**6,085,248**	**6,211,220**

16. Operating leases

Short leasehold premises	2024 £	2023 £
Operating leases which expire		
Within one year	337,418	321,986
Within one to two years	162,104	218,951
Within two to five years	61,812	91,979
Over five years	-	-
	561,334	**632,916**

17. Related parties

Net income from Headway Retail Limited, company number 02925092

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The charity has a wholly owned trading subsidiary, Headway Retail Limited, which is incorporated in England and Wales and undertakes two main activities:

i) the company acts as an agent in selling donated goods on behalf of the charity.
ii) the company conducts, as principal, the trading activity of selling greeting cards and other merchandise. The profits arising are donated to the charity by an annual payment under gift aid.

At 31 December 2024, the company had 29 trading shops (2023: 26 shops).

Move from agency agreement.
On 1 January 2023, the trade and assets in relation to the shops operated by Headway - the Brain Injury Association were transferred to Headway Retail Limited at their carrying value and were now operated by the subsidiary. On this same date, the previous agency agreement was terminated. The subsidiary's activity is shown in the profit and loss account below:

Profit and loss account 2024	**Headway Retail Ltd £**
Turnover (trading income)	3,496,411
Less cost of sales	(6,771)
Gross profit	3,489,640
Administration expenses (shop operating costs)	(2,813,705)
Other operating income	1,042
Operating surplus	676,977
Interest receivable and other income	108
Surplus before taxation	677,085
Tax on surplus	(3,558)
Surplus for the financial year	673,527
Gift aid payment	(673,527)
Retained profit for the year	-

The comparative profit and loss account for 2022 is as follows:

Profit and loss account 2023	**Headway Retail Ltd £**
Turnover (trading income)	3,432,078
Less cost of sales	(1,558)
Gross profit	3,430,520
Administration expenses (shop operating costs)	(2,592,177)
Net profit for the year	838,343
Gift aid payment	(838,343)
Retained profit for the year	-

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Net income from 190 Bagnall Road Properties Limited, company number 02451998
The charity has a second wholly owned subsidiary, which is incorporated in England and Wales and undertakes one main activity:

i) to hold property used by the group companies

Profit and loss account 2024	190 Bagnall Road Properties Ltd £
Turnover (trading income)	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	-
Retained profit for the year	(5,680)

The comparative profit and loss account for 2023 is as follows:

Profit and loss account 2023	190 Bagnall Road Properties Ltd £
Turnover (trading income)	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	
Retained profit for the year	(5,680)

18. Analysis of net (debt/ funds)

	01 January 2024	Cashflow	Other non-cash charges	31 December 2024
Net cash:				
Cash at bank and in hand	4,429,350	(252,074)	-	4,177,276
Add: liquid resources	-	-	-	-
Current asset investments	-	-	-	-
Less: debt				
Debts falling due within one year	-	-	-	-
Debts falling due after one year	-	-	-	-
	-	-	-	-
Net funds	**4,429,350**	**(252,074)**	**-**	**4,177,276**

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19. Comparative Statement of Financial Activities

	Unrestricted funds	Restricted funds	Restricted branch funds	Total 2023
	£	£	£	£
Income from:				
Voluntary income	1,098,668	313,965	123,656	1,536,289
Covid-19 funding	-	-	-	-
Charitable activities:				
• Training	54,878	-	-	54,878
• Services to/ by groups & branches	151,647	-	11,616	163,263
• Publications & awareness	349,260	-	-	349,260
Other trading activities:				
• Retail activities	3,432,079	-	-	3,432,079
• Sale of other merchandise	14,485			14,485
• Events & conferences	309,566	56,136	31,400	397,102
Investment & rental income	74,306	-	2,178	76,484
Other incoming resources:				
• Disposal of property	17,367	-	-	17,367
Total income	**5,502,256**	**370,101**	**168,850**	**6,041,207**
Expenditure on:				
Raising funds				
• Fundraising	319,850	-	10,759	330,609
• Retail activities	2,662,069	-	-	2,662,069
• Events & conferences	144,215	45,881	-	190,096
Charitable activities:				
• Services provided	1,346,868	269,279	159,726	1,775,873
• Grants distributed	47,763	68,882	3,965	120,610
• Publications & awareness	564,417	-	-	564,417
Total expenditure	**5,085,182**	**384,042**	**174,450**	**5,643,674**
Net gains/ (losses) on investments	(11,105)	-	-	(11,105)
Net income/ (expenditure) before transfers between funds	**405,969**	**(13,941)**	**(5,600)**	**386,428**
Transfers between funds	-	-	-	-
Net income/ (expenditure) after other losses	405,969	(13,941)	(5,600)	386,428
Fund balances brought forward at 1 January 2023	5,059,804	268,025	496,963	5,824,792
Fund balances at 31 December 2023	**5,465,773**	**254,084**	**491,363**	**6,211,220**

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20. Comparative analysis of resources expended (note 6).

	Staff costs	Other costs	Management, support & governance costs	Total 2023
Costs of generating funds				
Fundraising costs	190,105	55,289	85,215	330,609
Retail activities	1,413,072	1,180,664	68,333	2,662,069
Events and conferences	33,986	139,228	16,882	190,096
	1,637,163	**1,375,181**	**170,430**	**3,182,774**
Charitable expenditure				
Services provided	826,772	469,964	479,137	1,775,873
Grants distributed	21,251	99,359	-	120,610
Publications and awareness	326,873	83,995	153,549	564,417
	1,174,896	**653,318**	**632,686**	**2,460,900**
	2,812,059	**2,028,499**	**803,116**	**5,643,674**

21. Analysis of group net assets between funds (note 15).

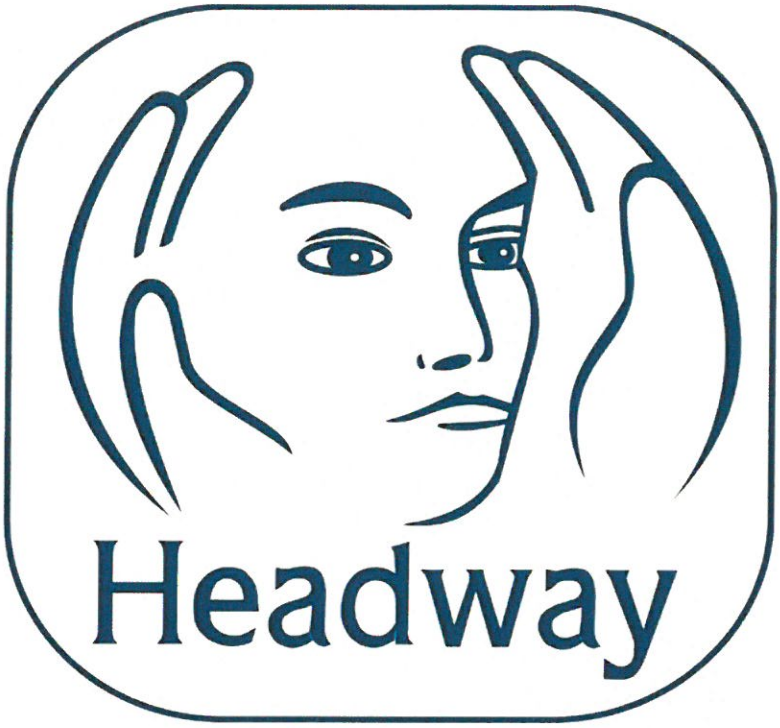
	Unrestricted funds	Restricted funds	Branch funds	Total 2023
	£	£	£	£
Tangible fixed assets	1,234,274	-	-	1,234,274
Investment fixed assets	15,343	-	-	15,343
Current assets	4,973,364	254,085	491,362	5,718,811
Current liabilities	(757,208)	-	-	(757,208)
Total net assets	**5,465,773**	**254,085**	**491,362**	**6,211,220**

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HEADWAY - THE BRAIN INJURY ASSOCIATION

England & Wales - Charity number 1025852

Accounts



the brain injury association

HEADWAY – THE BRAIN INJURY ASSOCIATION

Charity number: 1025852

Office of Scottish Charity Regulator number: SC039992

Company number: 2346893

INCORPORATED AS A COMPANY LMITED BY GUARANTEE

REPORT AND FINANCIAL STATEMENTS

YEAR END 31 DECEMBER 2023

Headway – the brain injury association

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Report of the trustees for the year ended 31 December 2023

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 December 2023.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and effective for periods commencing on 1 January 2019, and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

The charity's mission is to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

The objectives of Headway – the brain injury association (Headway UK) are:

- to increase awareness and understanding of brain injury and its consequences;
- to initiate activities and campaigns that will reduce the incidence of brain injury;
- to provide information and support for people with brain injuries, their relatives, carers and concerned professional people;
- to promote improved approaches to brain injury screening, acute care, assessment, rehabilitation and community reintegration;
- to assist people with brain injuries to return to community living, including access to appropriate accommodation, social outlets and productive activity; and
- to support and help to establish Headway groups throughout the UK in furtherance of the charity's mission statement and encourage them to address the needs of all sections of the community.

The Trustees believe that by realising these objectives the charity will achieve the legal purposes for which it was established namely: to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

In 2023, the charity continued to prioritise support for the network of Headway groups and branches, the Emergency Fund, the helpline, the Justice Programme and its information services.

The charity will continue to provide Brain Injury Identity Cards to help identify vulnerable survivors when they come into contact with the criminal justice system or need assistance with everyday tasks; the Emergency Fund will continue to provide grants to

families struggling to cope with the financial implications of brain injury; and high-quality, award-winning information will still be made available free-of-charge to survivors, carers and professionals via the website.

The helpline will continue to ensure brain injury survivors and carers are offered a listening ear should they need support or assistance, while the Approved Provider project will continue to assist families and commissioners to identify high-quality residential care units specialising in the support and rehabilitation of patients with acquired brain injury through its robust accreditation process.

The charity will also campaign and lobby for improved access to specialist rehabilitation services and the prevention of brain injury and raise awareness in the UK-wide press to champion the needs of survivors, families and carers.

Frontline services provided by Headway UK include but are not limited to:

- support and guidance to a network of groups and branches providing local services across the UK, in addition to providing weekly peer support, social and information sharing services for brain injury survivors across 12 communities in Northern Ireland;
- a freephone nurse-led helpline providing confidential support and information to anyone affected by brain injury as well as professionals working to support them;
- a comprehensive and award-winning website providing information and support on all aspects of acquired brain injury;
- a free-to-access award-winning range of publications designed to help people understand and cope with the effects of brain injury;
- the Emergency Fund, which provides financial support to families in the aftermath of a brain injury;
- the Justice Programme, which provides assistance to survivors of a brain injury who come into contact with the criminal justice system while providing survivors with Headway Brain Injury Identity Cards; and
- campaigning and lobbying to improve the quality of and access to specialist rehabilitation and support services across the UK.

How do we measure success?

We measure success by accurately monitoring the number of people accessing our services. This includes analysing the number of people visiting our website, downloading our publications, contacting the helpline, or applying for Emergency Fund grants and Brain Injury Identity Cards.

Qualitative feedback is also taken into account, with the board reviewing positive and negative feedback and complaints on a quarterly basis. In addition, throughout 2023 a number of consultation exercises took place with a wide range of stakeholders.

This included The Big Conversation, which involved senior staff at Headway UK having one-to-one interviews with representatives from each of the autonomous local Headway charities (groups) and focus groups for branch volunteers to better understand the challenges they face since the Covid-19 pandemic and how we can best support them.

Furthermore, as part of the development process for a new long-term strategy, a series of surveys and focus groups were completed to hear the views of brain injury survivors, carers, family members, the Headway network, Headway UK staff and supporting organisations.

These success measures are detailed throughout this document in the relevant sections.

Public benefit

The trustees confirm that they have referred to the advice contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and operations. They are of the opinion that the provision of the range of services offered enables Headway to meet its obligation to provide public benefit.

Achievements and performance

2023 was a year of transition and growth as the charity continued its post-pandemic rebuilding and restructuring process under the leadership of a new Chief Executive and senior leadership team.

Thanks to the prudent and stable stewardship of a highly-experienced and dedicated board of trustees, the process was based on evolution rather than revolution. The focus has been on reviewing and modernising processes in order to be more efficient and meet the changing needs of those we support – including the network of local Headway charities and branches.

A number of new colleagues joined the charity in 2023 as we continued to gradually rebuild having operated with a skeleton staff for much of the pandemic. Introducing so many new faces to a team can be challenging, but the way in which new colleagues have embedded themselves into the culture and cause was among the highlights of the year.

The establishment of a new set of values, driven by staff input, and the introduction of initiatives to support the welfare and wellbeing of staff, such as an Employee Assistance Programme, have helped our programme of modernisation.

Support to the network of local Headway charities and volunteer-led branches was once again a key priority in 2023.

Significant progress was made in strengthening collaboration among the network, with programmes of activity such as the Network Learning Exchange and the inaugural Network Day facilitating the sharing of best practice and peer support.

This partnership working has never been more important as the pressures on local charities providing adult social care reach unprecedented levels.

The retail team once again exceeded expectations, producing another excellent set of financial results that have significantly contributed to another strong financial performance for the charity as a whole.

The new-look fundraising team also reaped the rewards of investing in new ways of working in 2023, with improved donor stewardship leading to an increase in community fundraising income.

Our media exposure and campaigns continued to raise the profile of the charity and awareness of brain injury, and our public affairs work has strengthened our political voice.

We helped hundreds more families through our Emergency Fund, issued almost 2,000 ID cards, and provided new free-to-access training courses to brain injury survivors.

Support to groups and branches

In 2023, the charity recruited to two new roles – Head of Network, to oversee the Network Support Team, and a Network Development Manager for Scotland. Both roles increase the level of support offered to groups and branches.

Early in 2023, the charity launched the Network Learning Exchange, a calendar of free online discussion sessions, and workshops, specifically for Headway groups and branches. In total, 2023 saw 20 sessions with 127 attendees, from 43 groups and branches. Topics included HR, finance, good governance, and safeguarding.

In October, Headway held the first face-to-face event with groups and branches, since before the pandemic. The Network Day event, which was held in Birmingham, was attended by 67 delegates from 33 groups and four branches. The day included expert-led sessions on commissioning, opportunities for the network to share innovation, as well as break-out groups and informal networking.

In 2023, Headway invested in the development of an impact measurement tool. The Outcomes Star is a well-recognised person-centred, strengths-based tool. This is a collaborative programme of work and we are grateful to the 15 Headway groups that are part of the steering committee to develop this important tool.

Once launched, the Brain Injury Outcomes Star will be available to use by Headway groups free of charge for the first three years.

In 2023, the charity continued to provide financial support to the network, by waiving the 2023 affiliation fee for every Headway group and contributing half the costs for general insurance at a combined cost of £80,140.

Services in Northern Ireland

We remain proud to be commissioned by the Strategic Planning and Performance Group (SPPG) to provide support services across Northern Ireland.

The 11 weekly support groups across Northern Ireland continued to grow and develop over the course of 2023. In consultation with service users, a range of recreational activities was provided, including yoga, boccia, art, archery, creative writing, music, and trips out locally including sailing, bowling, to museums and to libraries.

During Action for Brain Injury week in May, artwork created by service users and information about Headway was displayed across libraries in Northern Ireland, with a larger event held at the Braid Arts Centre in Ballymena in order to raise awareness and understanding of brain injury.

Partnership working with other brain injury charities and charity sector organisations was prioritised, leading to increased awareness and collaboration. Through working with Volunteer Now, we were also able to increase the number of volunteers supporting our work. Our sincere thanks go to all our volunteers in Northern Ireland.

Helpline

Headway's nurse-led helpline remained a vital form of support for brain injury survivors, carers and families during 2023, while also providing guidance to professionals working in the field of brain injury.

People contact the Headway helpline with a variety of support needs and questions. The helpline team are well placed to assist due to their combined experience and knowledge which covers rehabilitation, general nursing, acute stage care, social work, counselling, support work, family liaison, occupational therapy and welfare benefits.

Staffing levels for the helpline increased during 2023, with the team now comprising two full time and nine part-time staff.

This increase in staffing levels has enabled the helpline to answer 11,019 enquiries during 2023 – a 23% increase on 2022 (8,987) and the second highest recorded by the team.

Of the 11,019 enquiries answered, 7,513 (69%) were from people directly affected by brain injury, that is survivors and their families, friends, and carers. This is slightly lower than previous years (73%).

In 2023, 1,057 (10%) of enquiries were received from professionals, which is consistent with previous years.

The compassionate, caring and professional support provided by the helpline team was recognised throughout the year by messages of gratitude from those using the service.

"Many thanks for the reply and the information.

"I will ask his wife if he had access to a neuropsychologist. He has had a lot of input from all sorts of health agencies over the nine years since the injury.

"Thank you again for the suggestions. We almost never get brain injury patients come into the rehab unit, so it is out of my experience sphere."

Emergency Fund

The Emergency Fund has continued to provide a consistent and invaluable service for individuals and families facing practical challenges in the immediate aftermath of a brain injury.

The majority of the grants given are to help families to be by the bedside of loved ones in critical care by paying for transport or accommodation costs.

In 2023, £92,259 was awarded to individuals and families. This increase of 31% on the previous year represents the impact of the cost-of-living crisis on families, as well as the inflationary pressures on transport and accommodation costs.

At the end of the year, the fund has distributed grants totalling over £613,824 since its launch in 2011.

This achievement was made possible by the continued generous support of the Stewarts Foundation, which has been a loyal and generous partner of this programme since its inception.

However, it is clear that the current level of expenditure to support this vital scheme is unsustainable without additional funding, so a new fundraising appeal has been launched.

"The help provided by Headway has allowed me to book a B&B for the next three Saturday nights, and to have a bit left for petrol.

"I would have found a way to make the journey, but I would have slept in my car, and I would have not been able to go and visit every Saturday if it hadn't been for Headway. This grant is a real relief and an extra worry out of my head in a time of multiple other worries!"

Justice Programme

Headway's Justice Programme continues to improve understanding and awareness of brain injury within the criminal justice system.

Throughout the year, Headway's Justice Programme provided 32 training/briefing sessions to a wide range of professionals. This included Probation Officers, Prison Officers, Neurodiversity Support Managers, other charities working within the Justice sector and organisations working within the field of intimate partner violence.

In April, Headway announced a collaboration with His Majesty's Prison and Probation Service (HMPPS) to explore and develop innovative support systems for individuals with brain injuries within the justice system.

The focus of this initiative is the 'Brain Injury Support Programme' (BISP), a specialist pilot project aimed at offering tailored assistance to brain injury survivors.

This initiative underwent a successful trial in the South-Central Probation region and marks a significant step towards providing much-needed support for those navigating the complexities of the justice system post-brain injury.

The Brain Injury Identity Card scheme, which remains integral to the Justice Programme, continued to expand with 1,933 personalised cards issued during the course of 2023. This is up 38% on the previous year and takes us to a little under 13,000 cards issued in total. The card remains a highly respected and valuable tool for survivors of brain injury.

> *"My card has been brilliant as I went to see my daughter graduate and suddenly became overwhelmed. I had to exit quickly and, in my panic, lost my balance.*
>
> *"Thanks to my card I was not dismissed as a mother who had been over-indulging and was helped quickly jumping the queue to the toilets to allow me to sort myself out and calm down.*
>
> *"Thank you in advance and thank you again for these cards which are a superb idea."*

Publications and resources

Headway's library of award-winning free-to-access publications is a crucial source of information and support to brain injury survivors and families, as well as those working to support them.

A total of 72,153 factsheets and e-booklets were downloaded from the charity's website in 2023, an increase of 4.6% on the previous year.

Numerous factsheets were reviewed over the course of the year in consultation with external experts. These included *Balance problems and dizziness – causes and treatment; Anxiety after brain injury; Returning to work; Relationships after brain injury; Sex and sexuality; Concussion in sport; Concussion in the workplace* and a new publication on *Identity after brain injury*.

In addition, publications were converted into a single downloadable format that has a consistent layout and is print ready.

In recognition of the charity's position as a leading authority on brain injury, Headway was invited to speak at various conferences in 2023 including events organised by the British Psychological Society, Imperial College and Brake, the road safety charity.

> *"I live in France and there has been no help or support for my ex-partner. A desperate call to the Headway helpline saved me – the listener sent me the whole collection of booklets and suddenly the puzzle pieces fell into place, and I could understand the changed and often time unpleasant behaviours."*

Webinars

In 2023, the charity introduced a series of monthly webinars. These are free and open to all, including brain injury survivors, carers, family members, health and social care professionals, and anyone with an interest in the webinar topic.

Hosted on Zoom, the webinars feature an expert speaker and include a presentation followed by the opportunity for the audience to ask questions. A total of eight webinars took place in 2023, on topics including *Covid and the brain*; *Addiction and brain injury*; *Challenging behaviour*; *Mental capacity* and *Disability discrimination*.

In total, 516 people attended the webinars, with more than 3,500 YouTube views of the webinar content on catch up.

Digital

There were 950,528 visits to Headway's websites in 2023, a 5.5% increase on the previous year.

This strong performance is due in part to a focus on search engine optimisation. By increasing the frequency with which the charity publishes content and remedies technical

issues, Headway has increased its digital prominence meaning more people affected by brain injury are finding relevant content.

On social media, the charity's total following across Facebook, Twitter, Instagram and LinkedIn grew to 79,136 – up 9.8% on 2022. Facebook and LinkedIn performed particularly strongly, with page followers increasing by 16.9% and 31% respectively over the course of the year.

Campaigns and awareness

Headway continued to raise its profile in the UK media, increasing awareness of brain injury, calling for more support to be provided to those affected, and campaigning to reduce its prevalence.

The charity's reputation for providing relevant and well-reasoned responses led to spokespeople regularly interviewed on television and radio channels including Sky News, BBC Radio 4's *Today* programme, Sky Sports, TalkSport and on BBC Radio 5 Live.

Our statements have appeared in national press, covering both print and online publications. Key titles include The Guardian, The Sun, Mail Online, The Telegraph and the Independent.

Much of the coverage related to concussion in sport, specifically the failure of football governing bodies to allow temporary concussion substitutes. Brain health in rugby also provided opportunity for Headway comment as did the publication of refreshed government guidance on concussion in grassroots sport.

The charity also gained prominent features in lifestyle magazines such as *Chat* and TV coverage for fundraisers such as Giles Johnson who rowed the Atlantic raising vital funds for the charity.

Action for Brain Injury Week took place in May, with the *Every 90 Seconds* campaign receiving an overwhelmingly positive response.

By using the statistic: *Every 90 seconds someone is admitted to a UK hospital with a brain injury*, the charity drew attention to the prevalence of brain injury. The campaign also heavily referenced the causes of brain injury to create an audience connection ensuring materials would be viewed and shared.

The investment in high-quality multi-media content led to our *Every 90 Seconds* videos being seen more than 100,000 times during the campaign week alone.

Public affairs

In 2023, Headway increased the size of its policy and public affairs team to enable it to have a greater voice in UK-wide political discussions and increase the number of local

policy briefings it provides to the Headway network. However, the team remains relatively small, making its achievements all the more impressive.

In 2023, the charity progressed many areas of work. This included production of its *Cost-of-Living* report, which documented the considerable financial strain facing both Headway groups and brain injury survivors as a whole.

The report was used to highlight the precarious funding situations facing many Headway groups and to raise Headway's profile among politicians and civil servants.

To coincide with publication of the report, the *Budget for Brain Injury* campaign was launched ahead of the spring budget. This encouraged the Chancellor to make adequate financial provision for brain injury survivors, including through funding for community rehabilitation services.

The campaign continued throughout 2023, targeting both spring and autumn fiscal events. For the latter, the charity collaborated with other brain injury charities including Brainkind, The Child Brain Injury Trust and The United Kingdom Acquired Brain injury Forum (UKABIF). In total, 2,498 people signed a campaign pledge card in support of the activity.

This successful campaign collaboration is representative of a wider effort to build cross-sector relationships to ensure the charity remains visible and connected. This increases influence, which is important when responding to government consultations.

In 2023, submissions were made in relation to: the proposed closure of train ticket offices; proposed changes to Work Capability Assessment (WCA); proposed changes to stake limits for online gambling and a range of other gambling related issues including identifying people at financial risk from remote gambling.

A further public affairs focus was recruitment of parliamentary champions who can represent the views of brain injury survivors in Westminster. Fourteen parliamentary champions have now been recruited, with the first regular communications bulletin sent to parliamentary champions in November and a schedule established to ensure contact is made on at least a quarterly basis.

Throughout 2023, the charity maintained its involvement in the development of the government's ABI strategy. This included attendance at all patient and public voice (PPVRG) meetings, written feedback following each meeting and feedback provided on drafts of the strategy.

The Policy and Public Affairs team also issued monthly policy bulletins to brief the Headway network on relevant policy and public affairs matters.

Fundraising

In 2023, the fundraising team experienced substantial growth in personnel with the addition of three new members to bolster income generation efforts. The positive impact of this recruitment was felt throughout the charity's fundraising activities.

Notably, running events, particularly the London Marathon, outperformed expectations by surpassing the original income budget by 28%. The Great North Run made its return to the Headway portfolio and exceeded budget projections by an impressive 40%.

Community fundraisers continued to undertake heroic challenges that not only generated income but also heightened Headway's profile.

A notable example was supporter Giles Johnson, who, alongside his rowing partner Matthew Ponsonby, rowed across the Atlantic raising funds for several charities including Headway.

Giles received extensive media coverage including an interview on ITV, he was shortlisted for a Pride of Britain Award and was special guest at the Headway Annual Awards, sharing his story on stage alongside fellow Atlantic rower James Cracknell.

The Annual Awards remained a highlight, attracting over 370 guests to celebrate the outstanding achievements of brain injury survivors, carers, volunteers, and others in the Headway community. Fundraising income for the event increased by 23% compared to the previous year.

The charity continued to receive significant support through legacies, experiencing a 50% increase over the budget in 2023. We are extremely grateful for every legacy we receive and would like to pass on our thanks and condolences to the families and friends of all those who so generously left us a gift in their will.

In the retail chain, April 2023 brought change with the appointment of a new Head of Retail following the retirement of the previous post holder. The retail team surpassed the previous year's total income and targets, achieving an 11% increase against set goals, with total income exceeding £3.4 million. The team's passion for Headway was evident in a retail team pulse survey, where the question "Would you recommend working for Headway" received a highly positive score of 9.4 out of 10.

In 2023, a focus on improving the retail estate involved assessing and enhancing working environments and reducing operational costs. Initiatives such as the full LED light rollout were implemented, projected to reduce power usage by 20%-22% over its lifetime.

We have also continued to receive incredible support from a number of charitable trusts, most notably the Thompson Family Charitable Trust, which has provided around

£650,000 to the charity over the course of the past 15 years, including a donation of £50,000 in 2023.

This incredible support is never taken for granted and we remain incredibly grateful to have such a generous and long-standing partner. In addition, we are equally grateful to the Stewarts Foundation, which again supported the charity's Emergency Fund with a grant of £40,000 in 2023. Without this support, the Fund would simply not exist.

We have also continued to receive incredible support from a number of charitable trusts, including The David Family Foundation, and many others without whom we would not be able to continue to improve life after brain injury.

Training

Headway substantially expanded its training courses in 2023. The introduction of sessions such as *Introduction to Brain Injury*, *Understanding Behaviours that Challenge*, and a free session for brain injury survivors, co-hosted by someone with lived experience and entitled *Understanding MY Brain Injury*, ensures a comprehensive programme that reflects the needs of a variety of stakeholders.

The delivery of 91 training sessions, including 19 private group sessions, marks a significant increase from the previous year, suggesting effective outreach and engagement strategies.

With 863 participants and a waiting list for the *Understanding MY Brain Injury* session, there is clear evidence of high demand and successful audience connection.

Recruiting clinical psychologists and a brain injury survivor enriches the training program with varied perspectives and expertise.

Approved Provider scheme

Headway continued to develop its Approved Provider scheme, an accreditation programme open to residential care settings.

The scheme uses standards that reflect the specific needs of people with brain injury. These are used to evaluate a range of facilities including hospitals and neuro-rehabilitation units, residential and nursing homes and respite facilities.

The accreditation of 54 units and 17 new enquiries in 2023 indicates a growing interest in the scheme bolstered by the development of marketing materials and the use of various platforms for promotion.

"We have just had our care inspection, and we have been graded with maximum grades in all areas. The benefits of being a registered Headway Approved Provider and achieving your standards help us to provide a higher quality of care..."

Volunteers

The charity is extremely grateful to those who have given their time, expertise and compassion to help Headway in 2023.

Whether acting as a branch volunteer or supporting our activity groups in Northern Ireland, being a trustee or committee member of a local Headway, or working in one of our charity shops, these volunteers have continued to support brain injury survivors in a challenging landscape and they make a direct and tangible difference to improving life after brain injury.

The outstanding retail performance owes much to the charity's amazing volunteers, their contributions are vital and should be recognised and celebrated. Within the charity's shops, shelves are stocked, donations sorted, and volunteers are on hand to serve customers with a smile and make connections in the local community.

Without the combined efforts of all of our volunteers, we simply would not have been able to achieve all that we did in 2023. We remain indebted to each and every volunteer that helps us to improve life after brain injury.

Future plans

In 2023, the charity's senior leadership team and board of trustees began the process of developing a new long-term strategy for the charity.

The strategy will need to evolve and enhance the support it provides to the Headway network, while identifying sustainable projects that will improve the lives of survivors and families in a challenging socio-economic environment.

The strategy will be published in 2024. Meanwhile, existing support programmes, such as the nurse-led helpline, the Emergency Fund, the Brain Injury Identity Cards and the Justice Programme will continue to be supported.

We will also continue to enhance our library of award-winning publications, which remain free to access, our website and digital communications, and our lobbying of government for appropriate funding and services for those affected by brain injury.

We will be innovative and bold in increasing our fundraising activities, including the expansion of our retail chain into Yorkshire.

And we will develop our training programme with the aim of reaching more professionals to increase their understanding and awareness of the often hidden, fluctuating and complex nature of brain injury, while helping survivors and families with free courses.

Financial review

The charity's financial performance remained strong in 2023 with income maintaining its post-pandemic growth. Income from our charity shops continued to grow despite fewer shops. This is a testament to the continuing dedication of our whole retail team.

The charity continuing investing in expanding staff and renewing activities following the pandemic. This can be seen in the increased income generated from training and events and conferences as well as substantial growth in expenditure on charitable activities.

Overall, the charity achieved a solid surplus in 2023, although this was significantly down compared to the very large surpluses in 2021 and 2022.

The charity's strong financial position will enable it to continue post-pandemic rebuilding and the implementation of a new five-year strategy in 2024. It all continues to provide resilience to protect our work from future crises.

The statement of financial affairs provides a detailed picture of the financial performance of the charity in 2023. The details of our financial performance can be found on pages 29 and 30. Copies of the consolidated statement of financial activities and balance sheet are available in larger print on request.

Our 2023 financial reports and accounts have been prepared under the conditions set out by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reserves policy

The impact of the 2023 results on our balance sheet is to increase reserves from £5,824,792 on the 2022 balance sheet to £6,211,220.

A detailed analysis of our reserves shows that £491,363 (7.91% of funds held) is held as restricted funds on behalf of Headway branches and £254,084 (4.09% of funds held) is held in other restricted funds and cannot be used for purposes other than that for which the funds were donated.

This leaves unrestricted funds of £5,465,773 (88.0% of funds held), of which £4,231,499 (68.13% of funds held) are not required to support tangible fixed assets and can be used for general charitable purposes.

After considering all requirements for holding reserves, the trustees recognise that £4,231,499 represents 10 months of unrestricted expenditure. The trustees therefore plan to review the reserves policy in 2024 to reflect both the change in the agreement between the retail company and parent charity and the investment in ongoing and new activities that may be identified as part of the development of the new five-year strategy.

Investment policy

Traditionally, the charity held a high proportion of its reserves in liquid form. However, the acquisition of the charity's premises in Nottingham in 2009 and legacies received, which included property, have changed the balance of its portfolio. The Trustees previously made the decision to appoint financial advisors to maximise returns on the charity's investments whilst maintaining the security of its funds. The funds are not considered excessive in the context of total expenditure, yet they are available and adequate to fulfil the charity's obligations. The Reserves and Investment policies continue to be reviewed regularly and require the charity to maintain sufficient assets to cover operating costs and maximise the return on the charity's investments.

Structure, governance and management

i. **Governing document**
Headway – the brain injury association is a company limited by guarantee governed by its Memorandum and Articles of Association (dated 13 February 1989 as amended by Special Resolutions dated 2 October 1999, 6 October 2001, 11 October 2003 and 6 July 2008). It is registered as a charity with the Charity Commission and the Office of the Scottish Regulator (OSCR). In the event of the company being wound up, members are required to contribute an amount not exceeding £10.
In response to the pandemic Headway was forced to postpone its AGM using the emergency legislation provisions under the Corporate Insolvency and Governance Act 2020. This prompted a review of the Governing document to enable the charity to conduct virtual general meetings in the future.

ii. **Tax status**
The company is a registered charity, number 1025852, and is exempt from corporation tax and income tax.

iii. **Capacity of Trustees**
All members of the Board of Trustees exercise their authority in their capacity as directors under relevant company legislation and as Trustees of the charity. Given the company's charitable status, the term 'Trustee' rather than 'director' has been used throughout this document.

iv. **Appointment of Trustees**
In accordance with the Article of Association, one third of the Trustees retire by rotation each year. This provides the members of the charity the opportunity to refresh the Board should it wish to do so using the democratic process. Any

member entitled to vote at the general meeting may propose one person for appointment or re-appointment as a Trustee. The number of elected Trustees shall not be less than three and subject to a maximum of 12. The elected Trustees may co-opt a maximum of up to one half of their number as Trustees. Headway does not impose limits on the time that Trustees may serve as such time limits would weaken the Board through the loss of Trustees with appropriate skills and experience. This matter has been the subject of extensive debate within the organisation and members reached the conclusion that this was not in the interests of the charity.

v. Trustee induction and training

New Trustees undergo a comprehensive induction to brief them on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the structure and governance of the charity as well as all policies and procedures, their obligations under the Trustees Code of Conduct, the business plan and budget together with recent financial performance. Trustees are also provided with relevant information from the Charity Commission on a regular basis. The Trustees have agreed to undertake periodic training on diversity.

vi. Organisation

The Board of Trustees, which meets quarterly, governs the charity. The Board is supported by committees where matters regarding development, membership and audit are considered in detail. A Chief Executive is appointed by the Trustees to manage the day-to-day activities of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and provision of services.

vii. Related parties/Register of interests

The charity has a well-established network of branches and affiliated groups around the country. Collaborative work is undertaken with other brain injury related organisations as well as a wide range of healthcare charities and voluntary sector organisations to raise awareness and share good practice. The charity has in place a system by which senior staff and Trustees are required to make annual declarations of interest which record related party transactions. In the interests of transparency these are published on the Headway website. There are no material disclosures for 2023.

viii. Risk management

The Trustees have a risk management strategy, which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the annual review of risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should the identified risks materialise.

Through the risk management processes established for the charity, the Trustees are satisfied that any major risks identified have been adequately mitigated where necessary. It is recognised that the systems in place can only provide reasonable but not absolute assurance that all major risks have been adequately managed. For example, the risks created by the global pandemic could not have been predicted.

The following risks have been identified:

- The Trustees have recognised that the reputation of the whole Headway movement could be damaged by adverse media coverage. This risk is mitigated by regularly reviewing the charity's Rules of Affiliation and closer scrutiny of the governance and finances of the local network.
- As a charity supporting vulnerable adults, there is a risk that service users could be harmed. This risk has been mitigated by the introduction of Service Standards and closer scrutiny of the Headway network.
- The Trustees have recognised that trustees within the Headway network may not be sufficiently aware of their responsibilities. This risk is mitigated by comprehensive induction sessions for new trustees.
- The Trustees recognise that changes in local government funding could have an impact on the financial viability of Headway groups. This risk is mitigated by closely monitoring the finances of the local groups and encouraging the development of relationships with key decision makers and funders.
- Headway continues to review its insurance requirements to ensure that appropriate cover is available to all participating groups and branches at a cost-effective price. It will continue to work closely with its branches to ensure adequate financial controls are in place and that operational needs are regularly reviewed.
- In addition, the Trustees identified a number of new risks directly related to the pandemic. These included financial and HR risks.

ix. Pay policy for senior staff

The Trustees consider that along with the Board of Trustees, the senior management team (comprising the Chief Executive, Director of Services, Director of Communications, Director of Fundraising, and Director of Finance and Administration) comprises the key personnel of the charity in charge of directing, controlling, running, and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustees received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 8 and note 18 to the accounts. The pay of senior management staff is reviewed annually and reflects performance. The Trustees have established a

Remuneration Committee to ensure that appropriate remuneration arrangements for senior staff are in place.

x. **Group and branch structure**

As of 31 December 2023, the charity is organised into local branches and affiliated or associated groups. Branches operate under the registered charity number (1025852) and OSCR number (SC039992) of Headway – the brain injury association. The relationship between the charity and the branches is explained in the accounting policies note 1(j) on page 33. Groups are autonomous, independently registered charities which have agreed to work within the Rules of Affiliation. The activities of these groups, operating under their own charity registration, are not included in the financial statements.

Reference and administrative details

Headway – the brain injury association is registered with the Charity Commission for England and Wales (Charity No. 1025852) and the Office of the Scottish Charity Regulator (Charity No. SC 039992). Headway – the brain injury association is a company limited by guarantee registered in England (No. 2346893). The Directors of the Company are its Trustees for the purpose of charity law.

Trustees who have served during the relevant period:

Elected Trustees	Denzil Lush (Chair from July 2022) Evelyn Vincent (Deputy Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary) Jane Allberry CBE Dr June Gilchrist Jane Hales (until July 2023) Andrew Harding Rev Abraham Lawrence Brendan McKeever Dr Colin Shieff Dr Andy Tyerman
Co-opted Trustee	Andrew Green MBE Alexa Charnley (from October 2023)
Key management personnel	Chief Executive: Luke Griggs Director of Finance and Administration: Ruth Ormston Director of Fundraising: Jen Murgatroyd Director of Communications: Colin Morris Director of Services: Ruth Owens
Principal and registered office	Bradbury House

190 Bagnall Road
Old Basford
Nottingham
NG6 8SF

Auditors	Saffery LLP Westpoint Peterborough Business Park Lynch Wood, Peterborough PE2 6FZ
Bankers	Lloyds Bank Plc 12-16 Lower Parliament Street Nottingham NG1 3DA

Registered in England company number: 2346893

Charity Commission number: 1025852

Office of the Scottish Charity Regulator number: SC039992

Committees

Trustees who have served on other committees during the year are as follows:

Executive Committee	Denzil Lush Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary) Evelyn Vincent (Deputy Chair) Andrew Green MBE
Audit Committee	Allistair Renton (Chair) Jane Allberry CBE Jane Hales (until June 2023) Rev Abraham Lawrence Brendan McKeever Dr Colin Reeves CBE
Membership Committee	Evelyn Vincent (Chair) Andrew Harding Denzil Lush Brendan McKeever

	Allistair Renton
Remuneration Committee	Denzil Lush (Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary)

Statement of Trustees' responsibilities

The Trustees (who are also directors of Headway – the brain injury association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and also with the requirements of the Statement of Recommended Practice (SORP) issued by the Charity Commission for England and Wales. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees, individually, are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and

- the Trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' liability insurance

Headway has maintained insurance during the year for Trustees against liabilities in relation to their duties as Trustees.

Signed on behalf of the Board



Denzil Lush **DATE:** 27 June 2024

Opinion

We have audited the financial statements of Headway – the brain injury association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, Group and Charity Balance Sheets, Consolidated Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 parent 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 auditor's report 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 22-23, the trustees (who are also the directors of the parent 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 the 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 parent 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not

detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the parent charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

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Gareth Norris FCA
for and on behalf of Saffery LLP

Westpoint
Peterborough Business Park
Lynch Wood
PE2 6FZ

Chartered Accountants

Statutory Auditors

Date: 6 August 2024

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Headway – the brain injury association

Consolidated statement of financial activities (incorporating the income and expenditure account) for the year ended 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Restricted branch funds £	Total 2023 £	Total 2022 £
Income from:						
Voluntary income	3	1,098,668	313,965	123,656	1,536,289	1,582,364
Covid-19 funding	4	-	-	-	-	58,227
Charitable activities:						
• Training		54,878	-	-	54,878	14,390
• Services to/ by groups & branches		151,647	-	11,616	163,263	9,678
• Publications & awareness		349,260	-	-	349,260	297,611
Other trading activities:	5					
• Retail activities		3,432,079	-	-	3,432,079	3,106,272
• Sale of other merchandise		14,485	-	-	14,485	27,370
• Events & conferences		309,566	56,136	31,400	397,102	359,337
Investment & rental income	6	74,306	-	2,178	76,484	42,139
Other incoming resources:						
• Profit on disposal of property		17,367	-	-	17,367	-
Total income		**5,502,256**	**370,101**	**168,850**	**6,041,207**	**5,497,388**
Expenditure on:						
Raising funds	7					
• Fundraising		319,850	-	10,759	330,609	354,443
• Retail activities		2,662,069	-	-	2,662,069	2,184,035
• Events & conferences		144,215	45,881	-	190,096	18,312
Charitable activities:	7					
• Services provided		1,346,868	269,279	159,726	1,775,873	1,587,111
• Grants distributed		47,763	68,882	3,965	120,610	104,469
• Publications & awareness		564,417	-	-	564,417	292,264
Total expenditure		**5,085,182**	**384,042**	**174,450**	**5,643,674**	**4,540,634**
Net gains/ (losses) on investments	10	(11,105)	-	-	(11,105)	(39,652)
Net income/ (expenditure) before transfers between funds		**405,969**	**(13,941)**	**(5,600)**	**386,428**	**917,102**
Transfers between funds		-	-	-	-	-
Net income/ (expenditure) after other losses		**405,969**	**(13,941)**	**(5,600)**	**386,428**	**917,102**
Fund balances brought forward at 1 January 2023		5,059,804	268,025	496,963	5,824,792	4,907,690
Fund balances at 31 December 2023		**5,465,773**	**254,084**	**491,363**	**6,211,220**	**5,824,792**

General purpose funds and designated funds are both unrestricted funds. The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The Company has also taken advantage of the exemption in s408 Companies Act 2006 from presenting its individual profit and loss account and related notes.

The notes on pages 32 to 43 from part of these financial statements.

Balance sheet as at 31 December 2023

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Tangible assets	9	1,234,274	1,216,977	612,106	622,988
Investments	10	15,343	246,164	621,510	840,153
		1,249,617	1,463,141	1,233,616	1,463,141
Current assets					
Stock	11	10,208	11,611	9,748	11,611
Debtors	12	1,279,253	712,421	2,521,289	712,421
Cash at bank & in hand		4,429,350	4,134,799	2,990,370	4,134,799
		5,718,811	4,858,831	5,521,407	4,858,831
Creditors: amounts falling due within one year	13	(757,208)	(497,180)	(585,568)	(497,180)
Net current assets		4,961,603	4,361,651	4,935,839	4,361,651
Net assets		**6,211,220**	**5,824,792**	**6,169,455**	**5,824,792**
Funds					
Unrestricted funds					
General funds	14	3,628,148	3,222,179	3,586,383	3,222,179
Other designated funds	14	1,837,625	1,837,625	1,837,625	1,837,625
Restricted funds					
Branches	15	491,363	496,963	491,363	496,963
Other restricted funds	15	254,084	268,025	254,084	268,025
Total funds		**6,211,220**	**5,824,792**	**6,169,455**	**5,824,792**

The notes on pages 32 to 43 form part of these financial statements.

Approved by the board of trustees on 27 June 2024 and signed on its behalf by:



Denzil Lush
Chair

Company registration number: 2346893 (England and Wales)

Headway – the brain injury association

Consolidated cashflow statement for the year ended 31 December 2023

	Note	£	Group 2023 £	£	Group 2022 £
Net cash provided by operating activities	(i)		87,961		861,472
Cashflows from investing activities					
Investing activities					
Dividends and interest		47,637		15,839	
Movements in cash held on deposit		(251)		(2,629)	
Sale of investments		219,967		-	
Purchase of tangible fixed assets		(60,763)		(57,249)	
			206,590		(44,039)
Financing activities					
Receipt of CBILS loan					
Payment of CBILS loan				(250,000)	
					(250,000)
Movement in cash and cash equivalents	(ii)		294,551		567,433

Notes to the cashflow statement

(i) Reconciliation of net income/ (expenditure) to net cash inflow from operating activities

	Group 2023 £	Group 2022 £
Net income (expenditure) for the reporting period (as per the statement of financial activities)	386,428	917,102
Adjustments for:		
Dividends and interest earned on investments	(47,637)	(15,839)
Gain/ (loss) on investment value	11,105	39,652
Gain/ (loss on revaluation of investment properties	-	-
Depreciation of tangible fixed assets	60,833	79,988
Surplus on disposal of fixed assets	(17,367)	-
(Increase)/ decrease in stock	1,403	2,376
Decrease/ (increase) in debtors	(566,832)	171,862
Increase/ (decrease) in creditors	260,028	(285,918)
Increase/ (decrease) in pension provision	-	(47,751)
	87,961	861,472

(ii) Analysis of cash and cash equivalents

	Group 2023 £	Movement	Group 2022 £
Cash at bank	3,379,014	126,037	3,252,977
Short term deposits	1,050,336	168,514	881,822
Net cash funds at 31 December 2023	4,429,350	294,551	4,134,799

1. Accounting policies.

a. Presentational changes to the SoFA
The income categories on the face the SoFA have been reworked to provide greater clarity to users of these financial statements. This has necessarily resulted in a slight difference in the presentation of the comparative information for 2022.

b. Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Headway the brain injury association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

c. Preparation of the accounts on a going concern basis.
The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the authorising of these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

d. Basis of consolidation
i) The consolidated accounts of the group incorporate the financial statements of the charity and its trading subsidiary company, both of which were made up to 31 December 2023
ii) Income and expenditure for Headway Retail Ltd is included in full in the consolidated statement of financial activities (SOFA). Any profits donated from the trading subsidiary during the year are removed on consolidation.
iii) The income and expenditure of the subsidiary are disclosed separately in note 18.
iv) A separate SOFA for the charity is not provided. See the disclosure note included with the SoFA.

e. Taxation
The Charitable Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charitable Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

f. Incoming resources
i) All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is when it is probable that it will be received, and this is usually when probate has been granted.

ii) Where the charity has been notified of material legacies that have not been included in the SOFA (because the conditions for recognition have not been met), this fact and an estimate, where possible, of the amounts receivable are disclosed in the notes to the accounts.
iii) Grants, whether attributable to unrestricted or restricted are accounted for on the basis of the amount receivable for the year.
iv) Investment income is accounted for on a receivable basis, including recoverable tax.
v) Corporate membership income is recognised in the year(s) for which that membership applies.

g. Government Grant Accounting policy
Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions have been met. Where the grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

h. Expenditure
All revenue expenditure has been dealt with through the SOFA on an accruals basis. Direct costs have been allocated to their appropriate functional headings. Indirect overheads have been apportioned to these headings on the basis of a fair estimate of time spent or resources used.

i. Governance and support costs
Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity. Governance and support costs are allocated between the expenditure categories on the statement of financial activities on a basis designed to reflect the use of the resource.

j. Shops' operating costs
Costs incurred in acquiring shop leases and improvements thereon are written off over three years to reflect the break clause in the operating leases.

k. Branches and groups
Branches in Headway are non- autonomous and operate under the Registered Charity number 1025852 in England and SC039992 in Scotland and are included in full in these accounts. Groups, which operate under their own registered charity number, are not included in these accounts. The financial statements include the income and expenditure of 48 branches in existence for the year ended 31 December 2023.

l. Investments
Investments in listed securities are held at fair value, deemed to be market value. Gains and losses are charged or credited to the SOFA as appropriate.

m. Depreciation
Tangible assets with a cost exceeding £500 are capitalised and depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over their expected useful life. Depreciation has been applied at the following rates:

Freehold property	2%
Building improvements	Between 5% and 15%
Office equipment and furniture	20%
Computer equipment and software	33%
Motor vehicles	20%
Shop operating costs	33%

n. Stocks
Merchandise and publications are valued at the lower of cost or net realisable value. Due to a review of the valuation of donated stocks and the recognition of the impracticability of estimating fair value where it is not possible to hold detailed stock records, the charity is no longer including a valuation in the accounts of donated stock held. Instead, the value of the goods donated to the charity for resale is recognised as income when sold and the proceeds of sale are categorised as 'income from other trading activities' in the SoFA.

o. Financial instruments
The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest rate method.

p. Operating leases
Rentals payable under operating leases are charged on a straight-line basis over the term of the lease. Any rent premiums are written off immediately.

q. Designated funds
Headway may at its discretion set aside funds for specific purposes which would otherwise form part of the general reserves of the organisation. Specifically, funds are set aside which represent the investment made or to be made in buildings and equipment for use by the charity. As such, they are not available for other purposes.

r. Restricted funds
Distributions from restricted resources must be used for purposes consistent with donor intentions and should be the first source of funding to support programmes and activities meeting the restriction.

s. Unrestricted funds
General funds are funds which are available for the general purposes of that charity. These funds will be spent in a way that the Trustees see fit in accordance with the stated objectives of the charity.

t. Investment properties
Headway holds two investment properties in Manchester that were gifted as part of a legacy and are held for investment purposes to generate a rental income stream for Headway. There are no legal restrictions to prevent the sale of these properties. These properties were initially valued at cost and subsequently at fair value, which is market value, by an independent examiner.

u. Legal status of Headway
Headway is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. Members are liable for a period up to one year after they cease membership.

2. Critical accounting judgements and key sources of estimation uncertainty.

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

These judgements are reviewed regularly to reflect the changing environment.

3. Voluntary income.

	Unrestricted funds	Restricted funds	Branch funds	Total 2023	Total 2022
Donations	675,161	18,502	93,626	787,289	614,224
Legacies	329,996	-	-	329,996	434,368
Grants	93,511	295,463	30,030	419,004	533,772
	1,098,668	**313,965**	**123,656**	**1,536,289**	**1,582,364**

Breakdown of restricted grants.

	Total 2023	Total 2022
Scottish Government	50,000	87,500
Health & Social Care Board, Belfast	145,463	145,463
Justice Project grant	10,000	9,999
Charitable trusts and other grant making bodies (*)	90,000	193,968
	295,463	**436,930**
(*) includes generous grants from the following		
Stewarts' Law	40,000	50,000
	40,000	**50,000**

4. Covid-19 funding.

	Unrestricted funds	Restricted funds	Branch funds	Total 2023	Total 2022
Retail grant scheme	-	-	-	-	-
CJRS	-	-	-	-	-
Kickstart scheme	-	-	-	-	58,227
	-	**-**	**-**	**-**	**58,227**

Notes to the consolidated financial statements for the year ended 31 December 2023

5. Other trading activities.

	Unrestricted funds	Restricted funds	Branch funds	Total 2023	Total 2022
Retail activities	3,432,079	-	-	3,432,079	3,106,272
Sale of merchandise	14,485	-	-	14,485	27,370
Events and conferences	309,566	56,136	31,400	397,102	359,337
	3,756,130	**56,136**	**31,400**	**3,843,666**	**3,492,979**

6. Investment and rental income

	Unrestricted funds	Restricted funds	Branch funds	Total 2023	Total 2022
Income from listed investments	11,212	-	-	11,212	10,916
Bank interest receivable	34,247	-	2,178	36,425	4,923
Rental income from properties	28,847	-	-	28,847	26,300
	74,306	**-**	**2,178**	**76,484**	**42,139**

7. Analysis of total resources expended.

	Staff costs	Other costs	Management, support & governance costs	Total 2023	Total 2022
Costs of generating funds					
Fundraising costs	190,105	55,289	85,215	330,609	354,443
Retail activities	1,413,072	1,180,664	68,333	2,662,069	2,184,035
Events and conferences	33,986	139,228	16,882	190,096	18,312
	1,637,163	**1,375,181**	**170,430**	**3,182,774**	**2,556,790**
Charitable expenditure					
Services provided	826,772	469,964	479,137	1,775,873	1,587,111
Grants distributed	21,251	99,359	-	120,610	104,469
Publications and awareness	326,873	83,995	153,549	564,417	292,264
	1,174,896	**653,318**	**632,686**	**2,460,900**	**1,983,844**
	2,812,059	**2,028,499**	**803,116**	**5,643,674**	**4,540,634**

	Total 2023	Total 2022
Support costs		
Staff costs	349,590	432,242
Volunteer costs	12	-
Office costs	246,434	211,170
Computer support	85,828	64,071
Depreciation	34,805	41,168
Communication costs	22,273	12,781
Legal and professional costs	28,677	8,753
Subtotal support costs	767,619	770,185
Governance costs		
Audit fees	28,299	26,953
Fees for preparation of corporate tax returns	1,532	1,458
Prior year audit fees	3,806	57
Trustees' expenses	1,860	465
Subtotal governance costs	35,497	28,933
Total management support	**803,116**	**799,118**

Net income for the year
This is stated after charging the following to support and governance costs:

Depreciation	34,805	41,168
Auditor remuneration		
- Audit fee	28,299	26,953
- Prior year audit costs	3,806	57
- Trustees' indemnity insurance cover	4,480	4,480
Operating leases – Land and buildings	632,916	500,449

8. Staff costs

Staff remuneration	Total 2023	Total 2022
Salaries and wages	2,852,284	2,318,211
Social security costs	226,044	181,611
Pension costs	82,258	63,687
	3,160,586	**2,563,509**

Headway benefitted from the involvement of unpaid part-time volunteers. It is not practical to place a value on these services, but the number of these volunteers in 2023 remains reduced.

The average number of employees analysed by function was:

	2023	2022
Administration	11	7
Communications	8	4
Fundraising and retail	99	142
Services	28	21
	146	**174**

Key management personnel
The key management personnel of the group, parent charity and the wholly owned subsidiaries is comprised of the trustees, the Chief Executive Officer, the Director of Finance & Administration, the Director of Fundraising, the Director of Communications, and the Director of Services. The total employee benefits of the key management personnel were £412,103 (2022: £454,554).

Employee emoluments	2023	2022
£60,000-£70,000	4	2
£70,000-£80,000	-	1
£110,000-£120,000	1	-
£130,000-£140,000	-	1
	5	**4**

No remuneration was paid the any member of the board of trustees during the year, or the previous year. £1,860 expenditure was reimbursed to trustees in 2023 (2022: £0).

Notes to the consolidated financial statements for the year ended 31 December 2023

9. Tangible fixed assets

Group	Office & shop equipment £	Computer equipment & software £	Motor vehicles £	Land & building £	Investment properties £	Group total £
Cost - group						
Balance at 1 January 2023	512,180	283,624	73,527	827,891	480,000	2,177,222
Additions	-	78,130	-	-	-	78,130
Disposals/ write-offs	-	-	(23,570)	-	-	(23,570)
Balance at 31 December 2023	**512,180**	**361,754**	**49,957**	**827,891**	**480,000**	**2,231,782**
Accumulated depreciation						
Balance at 1 January 2023	512,003	197,164	63,607	187,471	-	960,245
Charge for the year	-	41,739	9,920	9,174	-	60,833
Disposals/ write-offs	-	-	(23,570)	-	-	(23,570)
Balance at 31 December 2023	**512,003**	**238,903**	**49,957**	**196,645**	**-**	**997,508**
NBV at 31 December 2023	**177**	**122,851**	**-**	**631,246**	**480,000**	**1,234,274**
NBV at 31 December 2022	**177**	**86,460**	**9,920**	**640,420**	**480,000**	**1,216,977**

The cost of the land not depreciated included in land and buildings is £400,000 (2022: 400,000). Amounts attributed to land and buildings relate to the property owned by the charity's subsidiary undertaking, 190 Bagnall Road Properties Limited.

Charity	Office equipment £	Computer equipment & software £	Motor vehicles £	Building £	Investment properties £	Charity total £
Cost - charity						
Balance at 1 January 2023	448,964	281,734	73,527	143,891	480,000	1,428,116
Additions	-	78,130	-	-	-	78,130
Disposals/ write-offs	-	-	(23,570)	-	-	(23,570)
Disposal to Headway Retail Ltd	(365,633)	(58,537)	(49,957)	-	-	(474,127)
Balance at 31 December 2023	**83,331**	**301,327**	**-**	**143,891**	**480,000**	**1,008,549**
Accumulated depreciation						
Balance at 1 January 2023	448,964	181,478	53,687	120,999	-	805,128
Charge for the year	264	25,632	-	3,493	-	29,389
Disposals/ write-offs	-	-	(23,570)	-	-	(23,570)
Disposal to Headway Retail Ltd	(366,277)	(12,428)	(30,117)	(5,682)	-	(414,504)
Balance at 31 December 2023	**82,951**	**194,682**	**-**	**118,810**	**-**	**396,443**
NBV at 31 December 2023	**380**	**106,645**	**-**	**25,081**	**480,000**	**612,106**
NBV at 31 December 2022	**-**	**100,256**	**19,840**	**22,892**	**480,000**	**622,988**

On 1 January 2023, the assets relating to the shops and warehouse operated by Headway – the brain injury association were transferred to Headway Retail limited at carrying value. These are therefore no longer considered to be assets of the charity, although they are still included in the group assets.

10. Fixed asset investments

Group	UK equities £
Balance at 1 January 2023	246,164
Disposals during the year	(219,967)
Gains/ (losses) during the year	(11,105)
Movement in cash held on deposit	251
Market value at 31 December 2023	**15,343**

All investments relate to holdings in the EdenTree Amity Investment Funds for Charities or Santander UK Plc preference shares.

Charity	UK equities	Subsidiary undertakings	Total
	£	£	£
Balance at 1 January 2023	246,164	593,989	840,153
Disposals during the year	(219,967)	-	(219,967)
Gains/ (losses) during the year	(11,105)	12,178	1,073
Movement in cash held on deposit	251		251
Market value at 31 December 2023	**15,343**	**606,167**	**621,510**

The investment in the subsidiary undertaking represents 100% of the ordinary share capital of 190 Bagnall Road Properties Limited, a company which owns the charity's property and is incorporated in England and Wales. Its results have been included in the consolidated financial statements along with Headway Retail Limited, a company limited by guarantee. Headway Retail Limited commenced trading during 2015.

11. Stock

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Goods held for resale	10,208	11,611	9,748	11,611
	10,208	**11,611**	**9,748**	**11,611**

12. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	159,761	80,581	143,119	80,581
Other debtors	10,407	6,910	10,280	6,910
Prepayments	460,508	137,466	347,645	137,466
Amounts owed by subsidiary undertaking	-	-	1,650,813	-
Taxation recoverable	168,696	69,718	-	69,718
Legacies receivable	369,139	374,998	369,139	374,998
Accrued income	110,742	42,748	293	42,748
	1,279,253	**712,421**	**2,521,289**	**712,421**

13. Creditors, amounts falling due within one year.

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	542,613	288,912	354,223	288,912
Taxation and social security	65,614	52,613	65,614	52,613
Other creditors	39,475	25,479	39,475	25,479
Deferred income	73,404	51,758	73,404	51,758
Accruals	36,102	78,418	32,807	78,418
Taxation payable	-	-	20,045	-
	757,208	**497,180**	**585,568**	**497,180**

Deferred income includes £40,656 income received for events that have not yet taken place or where the donor has not been able to participate in 2023. Income of £4,125 deferred in 2020 was released in the SoFA in 2023. Income for the Solicitors Directory 2024 has not been deferred in these accounts as the invoices were not raised in 2023.

14. Unrestricted funds

	Balance at 31 December 2022	Incoming resources	Expenditure, gains/(losses) & transfers	Balance at 31 December 2023
	£	£	£	£
General funds	3,222,179	5,502,256	(5,096,287)	3,628,148
	3,222,179	**5,502,256**	**(5,096,287)**	**3,628,148**

Designated funds

	Balance at 31 December 2022 £	Incoming resources £	Expenditure, gains/(losses) & transfers £	Balance at 31 December 2023 £	
Expendable endowment fund	1,146,000	-	-	1,146,000	a
Network crisis support	391,622	-	-	391,622	b
Family emergency	100,900	-	-	100,900	c
Justice for survivors	119,923	-	-	119,923	d
Digital projects fund	50,000	-	-	50,000	e
Other designated funds	29,180	-	-	29,180	f
	1,837,625	**-**	**-**	**1,837,625**	

a The expendable endowment fund consists of property donated to the charity. The trustees have discretion as to how the fund is used and there is no actual requirement to spend or apply the capital. The trustees have the power to convert the endowment funds into income.
b The network crisis support fund represents an amount set aside to ensure that we can continue to support local Headway charities and volunteer-led branches.
c The family emergency fund provides financial support to families and individuals struggling to cope with the practical difficulties brought about by catastrophic brain injury.
d The justice for survivors fund has been established to underpin Headway's work on the Justice programme, including but not limited to the brain injury ID card.
e The digital project fund represents funds set aside to increase Headway's digital presence.
f Other unrestricted designated funds represent working capital available at the discretion of the trustees

15. Restricted funds

	Balance at 31 December 2022 £	Incoming resources £	Expenditure, gains/(losses) & transfers £	Balance at 31 December 2023 £	
Family emergency fund	28,882	40,000	(68,882)	-	a
Reginal development & group support	50,416	-	-	50,416	b
Helpline	25,041	50,000	-	75,041	c
Information support programme	2,279	-	-	2,279	d
Scottish Government	17,778	50,000	(46,856)	20,922	e
Health & Social Care Board, Northern Ireland	86,874	155,362	(206,624)	35,612	f
Justice project	-	10,000	(10,000)	-	g
BRAW	6,190	6,888	(6,938)	6,140	h
Look Ahead North	15,017	49,271	(38,944)	25,344	i
Funds held on trust	35,548	8,580	(5,798)	38,330	j
	268,025	**370,101**	**(384,042)**	**254,084**	
Branches	496,963	168,850	(174,450)	491,363	
	764,988	**538,951**	**(558,492)**	**745,447**	

a Family emergency fund for people with brain injuries, supported by the Stewarts Law foundation and other community funding.
b Grants from other charitable bodies and restricted legacies to support Network support staff, training and other services to groups and branches
c Grants received to assist the development and support of the Headway nurse led helpline
d Funding received from CAF America to support our Information Support Programme.
e Funding from the Scottish Government to support the development of services within Scotland
f To provide people in Northern Ireland with acquired brain injury and their carers with the opportunity to access a range of services to support their needs post injury
g Funding received to support Headway's Justice Programme.
h Balances held from fundraising and group & branches contributions for the annual BRAW event
i Balances held from fundraising and group & branches contributions for the annual Look Ahead North event
j Funds held on trust for groups and branches pending re-establishment of activities in that geographical area

16. Analysis of group net assets between funds

	Unrestricted funds	Restricted funds	Branch funds	Total 2023	Total 2022
	£	£	£	£	£
Tangible fixed assets	1,234,274	-	-	1,234,274	1,216,977
Investment fixed assets	15,343	-	-	15,343	246,164
Current assets	4,973,364	254,085	491,362	5,718,811	4,858,831
Current liabilities	(757,208)	-	-	(757,208)	(497,180)
Total net assets	**5,465,773**	**254,085**	**491,362**	**6,211,220**	**5,824,792**

17. Operating leases

Short leasehold premises	2023	2022
	£	£
Operating leases which expire		
Within one year	321,986	172,816
Within one to two years	218,951	127,549
Within two to five years	91,979	200,083
Over five years	-	-
	632,916	**500,448**

18. Related parties

Net income from Headway Retail Limited
The charity has a wholly owned trading subsidiary, Headway Retail Limited, which is incorporated in England and Wales and undertakes two main activities:

i) the company acts as an agent in selling donated goods on behalf of the charity.
ii) the company conducts, as principal, the trading activity of selling greeting cards and other merchandise. The profits arising are donated to the charity by an annual payment under gift aid.

At 31 December 2023, the company had 26 trading shops (2022: 27 shops).

Move from agency agreement.
On 1 January 2023, the trade and assets in relation to the shops operated by Headway - the Brain Injury Association were transferred to Headway Retail Limited at their carrying value and were now operated by the subsidiary. On this same date, the previous agency agreement was terminated. The subsidiary's activity is shown in the profit and loss account below:

Profit and loss account 2023	Headway Retail Ltd
	£
Turnover (trading income)	3,432,079
Less cost of sales	1,558
Gross profit	3,430,521
Administration expenses (shop operating costs)	(2,592,177)
Net profit for the year	838,344
Gift aid payment	(838,344)
Retained profit for the year	-

The comparative profit and loss account for 2022 is as follows:

Profit and loss account 2022	Headway Retail Ltd
	£
Turnover (trading income)	58,882
Less cost of sales	-
Gross profit	58,882
Administration expenses (shop operating costs)	(21,121)
Net profit for the year	37,761
Gift aid payment	(37,761)
Retained profit for the year	-

Net income from 190 Bagnall Road Properties Limited
The charity has a second wholly owned subsidiary, which is incorporated in England and Wales and undertakes one main activity:

i) to hold property used by the group companies

Profit and loss account 2023	190 Bagnall Road Properties Ltd £
Turnover (trading income)	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	-
Retained profit for the year	(5,680)

The comparative profit and loss account for 2022 is as follows:

Profit and loss account 2022	190 Bagnall Road Properties Ltd £
Turnover (trading income)	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	
Retained profit for the year	(5,680)

19. Analysis of net (debt/ funds)

	01 January 2023	Cashflow	Other non-cash charges	31 December 2023
Net cash:				
Cash at bank and in hand	4,134,799	294,551	-	4,429,350
Add: liquid resources	-	-	-	-
Current asset investments	-	-	-	-
Less: debt				
Debts falling due within one year	-	-	-	-
Debts falling due after one year	-	-	-	-
	-	-	-	-
Net funds	**4,134,799**	**294,551**	**-**	**4,429,350**

20. Comparative Statement of Financial Activities

	Unrestricted funds	Restricted funds	Restricted branch funds	Total 2022
	£	£	£	£
Income from:				
Voluntary income	1,144,916	300,473	136,975	1,582,364
Covid-19 funding	58,227	-	-	58,227
Charitable activities:				
• Training	14,390	-	-	14,390
• Services to/ by groups & branches	7,006	-	2,672	9,678
• Publications & awareness	297,611	-	-	297,611
Other trading activities:				
• Retail activities	3,106,272	-	-	3,106,272
• Sale of other merchandise	27,370			27,370
• Events & conferences	312,479	14,329	32,529	359,337
Investment & rental income	47,713	-	426	42,139
Other incoming resources:				
• Disposal of property	-	-	-	-
Total income	**5,009,984**	**314,802**	**172,602**	**5,497,388**
Expenditure on:				
Raising funds				
• Fundraising	335,730	-	18,713	354,443
• Retail activities	2,184,035	-	-	2,184,035
• Events & conferences	-	18,312	-	18,312
Charitable activities:				
• Services provided	1,188,285	259,439	139,387	1,587,111
• Grants distributed	8,579	71,656	24,234	104,469
• Publications & awareness	292,264	-	-	292,264
Total expenditure	**4,008,893**	**349,407**	**182,334**	**4,540,634**
Net gains/ (losses) on investments	(39,652)	-	-	(39,652)
Net income/ (expenditure) before transfers between funds	**961,439**	**(34,604)**	**(9,731)**	**917,102**
Transfers between funds	(16,017)	16,017	-	-
Net income/ (expenditure) after other losses	645,422	(18,587)	(9,731)	917,102
Fund balances brought forward at 1 January 2022	4,114,382	286,613	506,695	4,907,690
Fund balances at 31 December 2022	**5,059,804**	**268,026**	**496,964**	**5,824,792**

21. Comparative analysis of resources expended (note 7).

	Staff costs	Other costs	Management, support & governance costs	Total 2022
Costs of generating funds				
Fundraising costs	142,751	115,798	95,894	354,443
Retail activities	1,217,370	894,744	71,921	2,184,035
Events and conferences	-	18,312	-	18,312
	1,360,121	**1,028,854**	**167,815**	**2,556,790**
Charitable expenditure				
Services provided	610,961	440,741	535,409	1,587,111
Grants distributed	9,623	94,846	-	104,469
Publications and awareness	150,562	45,808	95,894	292,264
	2,131,267	**1,610,249**	**799,118**	**4,540,634**

22. Analysis of group net assets between funds (note 16).

	Unrestricted funds	Restricted funds	Branch funds	Total 2022
	£	£	£	£
Tangible fixed assets	1,216,977	-	-	1,216,977
Investment fixed assets	246,164	-	-	246,164
Current assets	4,093,843	268,025	496,963	4,858,831
Current liabilities	(497,180)	-	-	(497,180)
Total net assets	**5,059,804**	**268,025**	**496,963**	**5,824,792**

HEADWAY - THE BRAIN INJURY ASSOCIATION

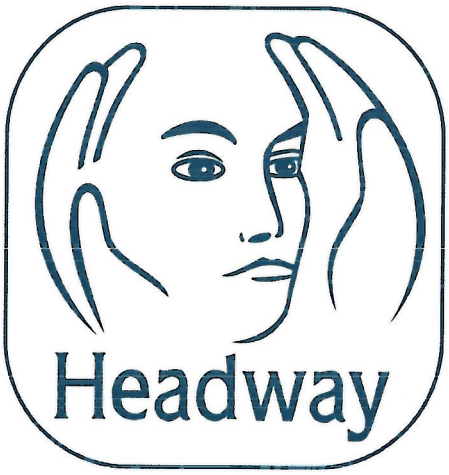
England & Wales - Charity number 1025852

Accounts

Charity Number: 1025852

Company Number: 2346893

Office of Scottish Charity Regulator Number: SC039992



the brain injury association

(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

Headway – the brain injury association

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Report of the Trustees for the year ended 31 December 2022

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and effective 1 January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

Strategic report

Objectives and activities

The charity's mission is to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

Headway's objectives are:

- to increase awareness and understanding of brain injury and its consequences;
- to initiate activities and campaigns that will reduce the incidence of brain injury;
- to provide information and support for people with brain injuries, their relatives, carers and concerned professional people;
- to promote improved approaches to brain injury screening, acute care, assessment, rehabilitation and community reintegration;
- to assist people with brain injuries to return to community living, including access to appropriate accommodation, social outlets and productive activity; and
- to support and help to establish Headway groups throughout the UK in furtherance of the charity's mission statement and encourage them to address the needs of all sections of the community.

The Trustees believe that by realising these objectives the charity will achieve the legal purposes for which it was established namely: to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

In 2022 the charity continued to prioritise support for the network of Headway groups and branches, the Emergency Fund, the helpline, the Justice Project and its information services.

This was a continuation of the focus on core activities which deliver most benefit for brain injury survivors, their family members and carers.

As income from retail shops recovered in 2022, and the risk of further pandemic related disruption receded, the charity bolstered capacity across the organisation through recruitment to roles in services, communications and fundraising departments.

In doing so, the charity learned lessons from the pandemic to ensure it can provide its support services effectively and efficiently. New ways of working, using digital technologies, have been introduced whilst roles required within various departments have been reviewed.

The charity will continue to provide Brain Injury Identity Cards to help identify vulnerable survivors when they come into contact with the criminal justice system or need assistance with everyday tasks; the Emergency Fund will continue to provide grants to families struggling to cope with the financial implications of brain injury; and high-quality, award-winning information will be provided free-of-charge to survivors, carers and professionals via the website.

The helpline will remain a crucial point of contact for any brain injury survivor or carer in need of a listening ear, emotional support or practical information, while the Approved Provider project will continue to assist families and commissioners to identify high-quality residential care units specialising in the support and rehabilitation of patients with acquired brain injury through its robust accreditation process.

The charity will also campaign and lobby for improved access to specialist rehabilitation services and the prevention of brain injury and raise awareness in the UK-wide press to champion the needs of survivors, families and carers. This includes continued input and collaboration with the Department for Health and Social Care to assist the government in developing a pan-departmental ABI Strategy.

Frontline services provided by Headway – the brain injury association include but are not limited to:

- support and guidance to a network of groups and branches providing local services across the UK;
- a freephone nurse-led helpline providing confidential support and information to anyone affected by brain injury as well as professionals working to support them;
- a comprehensive and award-winning website providing information and support on all aspects of acquired brain injury;
- a free-to-access award-winning range of publications designed to help people understand and cope with the effects of brain injury;
- the Emergency Fund, which provides financial support to families in the aftermath of a brain injury;
- the Justice Project, which provides assistance to survivors of a brain injury who come into contact with the criminal justice system while providing survivors with Headway Brain Injury Identity Cards; and
- campaigning and lobbying to improve the quality of and access to specialist rehabilitation and support services across the UK.

How do we measure success?

We measure success by accurately monitoring the number of people accessing our services. This includes analysing the number of people visiting our website, downloading our publications, contacting the helpline or applying for Emergency Fund grants and Brain Injury Identity Cards.

Qualitative feedback is also taken into account, with the board reviewing positive and negative feedback and complaints on a quarterly basis.

Public benefit

The trustees confirm that they have referred to the advice contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and operations. They are of the opinion that the provision of the range of services offered enables Headway to meet its obligation to provide public benefit.

Achievements and performance

Throughout 2022, our incredible community comprising members, fundraisers, donors, supporters, staff and volunteers, has driven the charity forward and inspired us to achieve even more on behalf of brain injury survivors.

After the disruption caused by the Covid-19 pandemic, the charity's income rebounded strongly with its retail operation generating record levels of income. Other income streams were also strong with the resumption of mass participation and community fundraising events. Legacy income was also notable as was income from grants and foundations.

This strong financial performance has enabled the charity to strengthen through the recruitment of staff into key roles that will further charitable aims or secure future income streams.

Of particular note is the appointment of a new Chief Executive, Luke Griggs, who will continue the provision of strong and effective leadership for the charity. Luke succeeds Peter McCabe, who retired in September having led the charity for two decades.

The board would like to place on record its heartfelt thanks to Peter for the hard work and dedication he gave to Headway. He was responsible for considerable growth in the scope of the charity's work and provided outstanding leadership, particularly when guiding the charity through the pandemic, and laid a solid foundation upon which the charity can evolve into a new era.

The charity is in a strong position to move forward with confidence, with a priority placed on supporting the network of Headway groups and branches which continue to face financial hardship as a result of the financial downturn and cost of living crisis.

Support to groups and branches

During the pandemic, the support provided by local authorities, grant-making bodies, and the government to autonomous Headway charities (groups) was crucial to their survival.

However, the financial downturn disproportionately impacted these local charities in 2022. Many of the challenges faced were driven by cost of living and energy pressures, with additional pressure resulting from local authorities and Integrated Health Boards being unable to provide proportionate uplifts in commissioning fees.

Headway UK provided significant practical and financial assistance to the network in 2022. This included waiving general insurance and HR guidance and insurance costs to those groups and branches that had opted to join the group schemes, at a cost to Headway UK of £184,000. This can be seen as a reduction in income for 'Services to/by groups and branches' in the SoFA.

Intense practical support was provided to groups in crisis, with assistance given to recruiting and supporting trustees, managing challenging HR issues, governance and safeguarding.

Helpline

The Headway helpline remained a vital form of support for brain injury survivors, carers and families during 2022, while also providing guidance to professionals working in the field of ABI.

People contact the Headway helpline with a variety of support needs and questions, or to discuss issues they need help with, such as any social and practical issues they are facing. Issues such as coping with social isolation, access to rehabilitation, and relationships were among the most common topics discussed with callers in 2022.

The helpline answered 8,987 calls during 2022. This represents a 15% decrease on 2021, which can be largely attributed to several long-standing members of the team leaving the organisation following the pandemic and the time taken to recruit, train and induct a new team of consultants.

The majority (73%) of enquiries answered were from people directly affected by brain injury, that is survivors and their families, friends, and carers. Around 10% were from those with a professional interest in brain injury.

The compassionate, caring and professional support provided by the helpline team was recognised throughout the year by messages of gratitude from those using the service.

> *"Just wanted to thank you for your help and support on the phone today and all the follow up information, which included quite a lot I hadn't come across.*
>
> *The most important thing was to speak to someone who understood, thank you for listening and being there."*

Emergency Fund

The Emergency Fund has continued to provide a constant and critical service for individuals and families facing practical challenges in the immediate aftermath of a brain injury. In 2022, £70,395 was awarded to 242 families.

This means the fund has surpassed a key milestone having distributed grants totalling over £500,000 since its launch in 2011.

This achievement was made possible by the continued generous support of the Stewarts Foundation.

> "Thank you so, so much for your email. I have shown my sister and she's absolutely thrilled."

Justice Project

Headway's Justice Project continues to improve understanding and awareness of brain injury within the criminal justice system.

Throughout the year, Headway's Justice Project provided training to a wide range of professionals to improve understanding and awareness of brain injury across the criminal justice system.

This included working with NHS England to provide training to prison and probation staff. Awareness training was also provided to police services.

The Brain Injury Identity Card scheme, which remains integral to the Justice Project, continued to expand with 1,400 personalised cards issued during the course of 2022, bringing the total number of cardholders to 10,795 by the end of the year.

The card remains a highly respected and valuable tool for survivors of brain injury, with 97% of cardholders rating the ID card as 'Excellent' or 'Good'.

> "I have a Brain Injury ID Card and have used it to express my cognitive symptoms to employers when required, without scaring them away with my periodic behavioural symptoms."

Publications and resources

Headway's library of award-winning free-to-access publications is a crucial source of information and support to brain injury survivors and families, as well as those working to support them.

A total of 68,960 factsheets and e-booklets were downloaded from the charity's website in 2022, an increase of 3.5% on the previous year.

Numerous factsheets were reviewed over the course of the year in consultation with external experts. These included *Memory problems after brain injury*, *Depression after brain injury*, *Executive dysfunction after brain injury* and *Holidays and travel after brain injury*.

> "I would just like to thank you for the speedy and informative reply.
>
> "The e-mail was forwarded to my wife, who advises this is the information we have been missing for almost two years, and your site with associated Info sheets and PDFs are right up there with the BHF – except for brains."

In recognition of the charity's position as a leading authority on brain injury, Headway was also invited to review several external publications, including the Centre for Health and Disability Assessment's (CHDA) *Cognitive Impairment training handbook* and the National Institute for Health and Care Excellence's (NICE) *Head injury guidelines*.

The charity also published its hospital admission statistics. The statistics remain the most comprehensive data set available on brain injury and require significant time and resource to purchase and analyse raw data provided by relevant bodies across the UK.

The updated statistics continue to show that every 90 seconds someone in the UK is admitted to hospital with an acquired brain injury. Localised data was also published for each area of the UK based on CCG, health board or local commissioning group boundaries to help local Headways demonstrate the need for funded rehabilitation and support services.

Digital

There were 900,752 visits to Headway's websites in 2022, with the main website accounting for 96% of this traffic. This is a slight decline in volume compared to the previous year purely due to a change in the way visits are recorded, with the 3.5% increase in the number of digital downloads of publications suggesting like-for-like visits actually increased.

On social media, the total following across Facebook, Twitter, Instagram and LinkedIn grew by 9% to 72,067. Instagram and LinkedIn performed particularly strongly, with page followers increasing by 23% and 33% respectively over the course of the year.

Campaigns and awareness

Headway continued to raise its profile in UK-wide mainstream media while increasing awareness of brain injury, calling for more support to be provided to those affected, and campaigning to reduce its prevalence.

The charity's reputation for providing relevant and well-reasoned responses led to Headway spokespeople regularly interviewed on television and radio channels including BBC News, Sky Sports News and talkSPORT radio in 2022, with extensive coverage and quotes appearing in leading UK-wide newspapers and their respective websites.

Significant coverage was gained during the FIFA World Cup due to the charity's quick reaction during the England vs Iran game. By releasing an immediate statement relating to a head injury sustained by Iranian goalkeeper Alireza Beiranvand, the charity secured 391 pieces of coverage, which included a mention during the live coverage on the BBC. In a 90-day period from the start of the World Cup, Headway secured in excess of 900 pieces of coverage including Sky Sports News, The Times, The Guardian, The Metro, The Daily Mail, The Independent, and The Sun.

Action for Brain Injury Week 2022, which took place in May, focused on the often-hidden nature of brain injury. Our *See the hidden me* campaign raised awareness and understanding of the misunderstood effects of brain injury and the resultant challenges and frustrations survivors, and their families can face.

Not only did the campaign give survivors a voice, the campaign video and other materials provided a compelling insight into the invisible battles brain injury survivors face every day and asked society to show more understanding, respect and compassion.

Public affairs

In March 2022, the Government launched a call for consultation to develop a cross-departmental ABI Strategy. The charity submitted a comprehensive, evidence-based response to this consultation, while assisting Headway groups and branches to draft and submit their own responses.

The views of brain injury survivors, their families and carers have always been at the heart of Headway's campaigning work. The views of those directly affected by brain injury were continually sought throughout the year as the charity engaged with the Department of Health and Social Care (DHSC), which continues to lead the development of the ABI Strategy.

Headway also assisted the DHSC in forming a Patient and Public Voice Reference Group (PPVRG) as part of the strategy's development. The group comprises brain injury survivors, carers, and representatives of charities that work to help people with brain injuries, with Headway involved throughout.

Our sincere thanks go to the carers and survivors that gave their time in 2022 to support this important work, which will continue into 2023.

The charity also contributed to several workshops focusing on thematic aspects of the ABI Strategy and contributed to Parliamentary round table events. In October, the Interim Chief Executive, accompanied by former professional rugby league player Stevie Ward, took part in a Westminster roundtable on concussion in sport, chaired by Sir Chris Bryant MP.

The charity continued to engage in meaningful dialogue with civil servants leading the ABI Strategy throughout the year in order to provide constructive feedback on the developing ABI Strategy.

On a local level, Headway dedicated resources to supporting its group and branch network by providing policy updates, information on government funding schemes, such as the Energy Bill Relief Scheme, and guidance on changes to welfare benefits.

Fundraising

Of note was the recruitment of the charity's new Director of Fundraising into post early in 2022. This ensured fresh leadership for the fundraising function.

2022 saw a strong fundraising performance helped by the return of in-person events, most notably the London Marathon, which raised almost £120,000 – up 98% on budget.

For many of the charity's fundraisers, the goal is to not only raise money but also awareness, as epitomised by Dave Thomas and his inspirational daughter Willow.

Four-year-old Willow accompanied her father for much of his fundraising walk from Land's End to John O' Groats. Together, they garnered a significant social media following thanks to stunning landscape photography and short videos during which Dave shared his own experience of brain injury.

The pair's efforts were justly rewarded as they were greeted on their arrival at John O' Groats by a camera crew from *Good Morning Britain*. Not only that, but they raised an impressive £16,000 for the charity.

The charity also received significant support from legacies in 2022. Income was 433% up on budget, illustrating the difficulty in forecasting this source.

The retail team once again excelled, returning a 19% increase on sales against budget with income in excess of £3m. The staff team is supported by an incredibly passionate group of volunteers, without whom this performance would not have been possible.

Income from trusts was 57% above budget. The charity's resources in this area were bolstered by the recruitment of a Trusts and Foundations Manager who joined the charity in September 2022.

Our sincere thanks go to each individual fundraiser, shop volunteer, corporate donor and grant-making body for supporting our work in 2022.

We also like to express our great appreciation and gratitude to Stewarts Law and the Thompson Family Charitable Trust for their continued generosity in supporting our frontline services.

The trustees fully support the voluntary scheme put in place to regulate fundraising activities and monitor compliance with the regulations outlined by the Institute of Fundraising. Headway also upholds a code of practice within the fundraising team to protect the public and vulnerable members of our society from unreasonable intrusion, unreasonable persistent approaches and undue pressure to give in accordance with the Protection and Social Investment Act 2016.

All fundraising activities were monitored throughout the year by way of regular meetings between the fundraising team and the Chief Executive. Sixteen complaints were received in the year in respect of any fundraising activities, mainly relating to issues in our shops, and were reported to the board of trustees in accordance with procedure. Each complaint was investigated and action taken where appropriate.

Volunteers

The outstanding retail performance owes much to the charity's amazing volunteers. Their contributions are vital and should be recognised and celebrated. They are integral members of the team, whether stocking shelves, sorting donations, or serving customers with a smile.

Without their enduring efforts in 2022 these income levels would not have been achieved

We are extremely grateful to everyone who has given their time to help Headway on a voluntary basis, including group and branch volunteers, trustees and committee members who continued to support brain injury survivors in a challenging landscape.

Future plans

After a strong financial performance in 2022, the charity enters the next phase of its development with confidence.

The charity will continue to work towards achieving the aims set out in its business plan, including:

- Utilising digital technologies to facilitate peer support and the sharing of best practice among the Headway network to enhance the assistance provided to groups and branches in the deliverance of local support and rehabilitation services.
- Supporting brain injury survivors, families, carers and professionals through the freephone nurse-led helpline.
- Supporting families in need of urgent financial assistance in the immediate aftermath of acquired brain injury via the Emergency Fund.
- Developing the Justice Project by working closely with partners within the criminal justice system and continue to provide Brain Injury Identity Cards to support survivors in their everyday lives and particularly when they come into contact with the criminal justice system.
- Expanding its award-winning information library through the production and revision of high-quality publications with expert input.
- Initiating campaigns to increase awareness and understanding of acquired brain injury, improve service provision for those affected, and reduce the incidence of brain injury.
- Identifying appropriate opportunities to grow its chain of retail units that not only generate vital income to support the charity's activities, but also act as information hubs for the general public.
- Fundraising in accordance with strong fundraising principles, at the heart of which is respect for donors, in order to achieve of the charity's objectives.
- Developing online communication channels and social media platforms to increase awareness of brain injury and provide greater support to those affected by brain injury.
- Maintaining and developing links with international organisations with the intention of contributing to and learning from organisations with similar objectives to Headway.

Engagement with stakeholders, including brain injury survivors, carers, family members and Headway groups and branches, and experience gained from running projects will continue to shape

the delivery of services. This will ensure that the charity's resources are used in the most effective way.

Financial review

The charity's financial performance remained strong in 2022 with income maintaining its post-pandemic growth. Income from our charity shops was particularly impressive and considerably exceeded 2019 income, the previous full year in which shops were not subject to closure.

We continued to receive some taxpayer assistance through the Kickstart scheme, which enabled Headway to provide 24 people aged between 16 and 24 with employment opportunities, training and experience.

The charity continued its prudent approach to expenditure for the first half of 2022 but started to invest in rebuilding from the summer.

This resulted in the charity achieving a significant surplus in 2022, although this was significantly increased by the receipt of a legacy notification of £232,500 very late in the year.

The charity's strong financial position will enable it to continue post-pandemic rebuilding. It will also strengthen its ability to protect itself from future crises.

The statement of financial activities provides a detailed picture of the financial performance of the charity in 2022. The details of our financial performance can be found on pages 24 and 25. Copies of the consolidated statement of financial activities and balance sheet are available in larger print on request.

Our 2022 financial reports and accounts have been prepared under the conditions set out by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Reserves policy

The impact of the 2022 results on our balance sheet is to increase reserves from £4,907,690 on the 2021 restated balance sheet to £5,824,793.

The Covid-19 pandemic demonstrated the importance of charities having appropriate levels of reserves to withstand extreme and unexpected financial pressures. The prudent way in which Headway has implemented its reserves policy ensured it was sufficiently resilient to maintain its support to brain injury survivors and families throughout the crisis. The strengthening of the charity's unrestricted reserves will enhance Headway's resilience to future crises while allowing for investment to make the charity more efficient and effective.

A detailed analysis of our reserves shows that £496,963 (8.53% of funds held) is held as restricted funds on behalf of Headway branches and £268,025 (4.60% of funds held) is held in other restricted funds and cannot be used for purposes other than that for which the funds were donated.

This leaves unrestricted funds of £5,059,804 (86.87% of funds held), of which £3,842,828 (65.97% of funds held) are not required to support tangible fixed assets and can be used for general charitable purposes. After taking into account all requirements for holding reserves, including the leasehold obligations associated with shops and the cyclical nature of cash flow placing higher demands on reserves during the first three quarters of the year, and the impact of the Covid-19 pandemic on regular income streams, the amount of unrestricted reserves is considered to be both reasonable and prudent by the Trustees.

Investment policy

Traditionally, the charity held a high proportion of its reserves in liquid form. However, the acquisition of the charity's premises in Nottingham in 2009 and legacies received, which included property, have changed the balance of its portfolio. The Trustees previously made the decision to appoint financial advisors to maximise returns on the charity's investments whilst maintaining the security of its funds. The funds are not considered excessive in the context of total expenditure, yet they are available and adequate to fulfil the charity's obligations. The Reserves and Investment policies continue to be reviewed regularly and require the charity to maintain sufficient assets to cover operating costs and maximise the return on the charity's investments.

Structure, governance and management

i. Governing document

Headway – the brain injury association is a company limited by guarantee governed by its Memorandum and Articles of Association (dated 13 February 1989 as amended by Special Resolutions dated 2 October 1999, 6 October 2001, 11 October 2003 and 6 July 2008). It is registered as a charity with the Charity Commission and the Office of the Scottish Regulator (OSCR). In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

In response to the pandemic Headway was forced to postpone its AGM using the emergency legislation provisions under the Corporate Insolvency and Governance Act 2020. This prompted a review of the Governing document to enable the charity to conduct virtual general meetings in the future.

ii. Tax status

The Charitable Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charitable Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

iii. Capacity of Trustees

All members of the Board of Trustees exercise their authority in their capacity as directors under relevant company legislation and as Trustees of the charity. Given the company's charitable status, the term 'Trustee' rather than 'director' has been used throughout this document.

iv. Appointment of Trustees

In accordance with the Article of Association, one third of the Trustees retire by rotation each year. This provides the members of the charity the opportunity to refresh the Board should it wish to do so using the democratic process. Any member entitled to vote at the general meeting may propose one person for appointment or re-appointment as a Trustee. The number of elected Trustees shall not be less than three and is subject to a maximum of 12. The elected Trustees may co-opt a maximum of up to one half of their number as Trustees. Headway does not impose limits on the time that Trustees may serve as such time limits would weaken the Board through the loss of Trustees with appropriate skills and experience. This matter has been the subject of extensive debate within the organisation and members reached the conclusion that this was not in the interests of the charity.

v. Trustee induction and training

New Trustees undergo a comprehensive induction to brief them on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the structure and governance of the charity as well as all policies and procedures, their obligations under the Trustees Code of Conduct, the business plan and budget together with recent financial performance. Trustees are also provided with relevant information from the Charity Commission on a regular basis. The Trustees have agreed to undertake periodic training on diversity.

vi. Organisation

The Board of Trustees, which meets quarterly, governs the charity. The Board is supported by committees where matters regarding development, membership and audit are considered in detail. A Chief Executive is appointed by the Trustees to manage the day-to-day activities of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and provision of services.

vii. Related parties/Register of interests

The charity has a well-established network of branches and affiliated groups around the country. Collaborative work is undertaken with other brain injury related organisations as well as a wide range of healthcare charities and voluntary sector organisations to raise awareness and share good practice. The charity has in place a system by which senior staff and Trustees are required to make annual declarations of interest which record related party

transactions. In the interests of transparency these are published on the Headway website. There are no material disclosures for 2022.

viii. Risk management

The Trustees have a risk management strategy, which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the annual review of risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should the identified risks materialise.

Through the risk management processes established for the charity, the Trustees are satisfied that any major risks identified have been adequately mitigated where necessary. It is recognised that the systems in place can only provide reasonable but not absolute assurance that all major risks have been adequately managed. For example, the risks created by the global pandemic could not have been predicted.

The following risks have been identified:

- The Trustees have recognised that the reputation of the whole Headway movement could be damaged by adverse media coverage. This risk is mitigated by regularly reviewing the charity's Rules of Affiliation and closer scrutiny of the governance and finances of the local network.
- As a charity supporting vulnerable adults, there is a risk that service users could be harmed. This risk has been mitigated by the introduction of Service Standards and closer scrutiny of the Headway network.
- The Trustees have recognised that trustees within the Headway network may not be sufficiently aware of their responsibilities. This risk is mitigated by comprehensive induction sessions for new trustees.
- The Trustees recognise that changes in local government funding could have an impact on the financial viability of Headway groups. This risk is mitigated by closely monitoring the finances of our local groups and encouraging the development of relationships with key decision makers and funders.
- Headway continues to review its insurance requirements to ensure that appropriate cover is available to all participating groups and branches at a cost-effective price. It will continue to work closely with its branches to ensure adequate financial controls are in place and that operational needs are regularly reviewed.

ix. Pay policy for senior staff

The Trustees consider that along with the Board of Trustees, the senior management team (comprising the Chief Executive, Deputy Chief Executive, Director of Services, Director of Communications, Director of Fundraising, and Director of Finance and Administration) comprises the key personnel of the charity in charge of directing, controlling, running, and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustees received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 9 and note 21 to the accounts. The pay of senior management staff is reviewed annually and reflects performance. The Trustees have established a Remuneration Committee to ensure that appropriate remuneration arrangements for senior staff are in place.

x. Group and branch structure

As of 31 December 2022, the charity is organised into local branches and affiliated or associated groups. Branches operate under the registered charity number (1025852) and OSCR number (SC039992) of Headway – the brain injury association. The relationship between the charity and the branches is explained in the accounting policies note 1(j) on page 29. Groups are autonomous, independently registered charities which have agreed to work within the Rules of Affiliation. The activities of these groups, operating under their own charity registration, are not included in the financial statements.

Reference and administrative details

Headway – the brain injury association is registered with the Charity Commission for England and Wales (Charity No. 1025852) and the Office of the Scottish Charity Regulator (Charity No. SC 039992). Headway – the brain injury association is a company limited by guarantee registered in England (No. 2346893). The Directors of the Company are its Trustees for the purpose of charity law.

Trustees who have served during the relevant period:

Elected Trustees	Andrew Green MBE (Chair until July 2022) Denzil Lush (Chair from July 2022) Evelyn Vincent (Deputy Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary) Jane Allberry CBE Dr June Gilchrist Jane Hales Andrew Harding Rev Abraham Lawrence Brendan McKeever Dr Colin Shieff Dr Andy Tyerman
Co-opted Trustee	Denzil Lush (until July 2022) Andrew Green MBE (from July 2022)

Key management personnel	Chief Executive: Peter McCabe (until September 2022) Interim Chief Executive: Luke Griggs (from September 2022 to November 2022) Chief Executive: Luke Griggs (from December 2022) Deputy Chief Executive: Luke Griggs (until September 2022) Director of Finance and Administration: Ruth Ormston Director of Fundraising: Jen Murgatroyd (from January 2022) Director of Communications: Colin Morris (from August 2022) Director of Services: Anna James (until March 2022) Director of Services: Ruth Owens (from September 2022)
Principal and registered office	Bradbury House 190 Bagnall Road Old Basford Nottingham NG6 8SF
Auditors	Saffery Champness LLP Westpoint Peterborough Business Park Lynch Wood, Peterborough PE2 6FZ
Bankers	Lloyds Bank Plc 12-16 Lower Parliament Street Nottingham NG1 3DA

Registered in England company number: 2346893

Charity Commission number: 1025852

Office of the Scottish Charity Regulator number: SC039992

Committees

Trustees who have served on other committees during the year are as follows:

Executive Committee	Denzil Lush (Chair from July 2022) Andrew Green MBE (Chair until July 2022) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary) Evelyn Vincent (Deputy Chair)
Audit Committee	Allistair Renton (Chair) Jane Allberry CBE Jane Hales Rev Abraham Lawrence Brendan McKeever

	Dr Colin Reeves CBE
Membership Committee	Evelyn Vincent (Chair) Andrew Harding Denzil Lush Brendan McKeever Allistair Renton
Remuneration Committee	Denzil Lush (Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary)

Statement of Trustees' responsibilities

The Trustees (who are also directors of Headway – the brain injury association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and also with the requirements of the Statement of Recommended Practice (SORP) issued by the Charity Commission for England and Wales. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

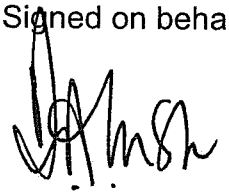
In so far as the Trustees, individually, are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' liability insurance

Headway has maintained insurance during the year for Trustees against liabilities in relation to their duties as Trustees.

Signed on behalf of the Board



Denzil Lush **DATE:** 27 July 2023

Opinion

We have audited the financial statements of Headway – the brain injury association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, Group and Charity Balance Sheets, Consolidated Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 parent 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 auditor's report 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 18-19, the trustees (who are also the directors of the parent 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 the 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 parent 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the

Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the parent charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Gareth Norris FCA
for and on behalf of Saffery Champness
LLP

Westpoint
Peterborough Business Park
Lynch Wood
PE2 6FZ

Chartered
Accountants

Statutory Auditors

Date: 30 AUGUST 2023

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Headway – the brain injury association

Consolidated Statement of Financial Activities (incorporating consolidated income and expenditure account) for the year ended 31 December 2022

	Note	Unrestricted funds £	Restricted funds £	Restricted Branch funds £	Total 2022 £	Restated Total 2021 £
Income from:						
Donations and Legacies						
- Donations		507,969	7,511	98,744	614,224	621,852
- Grants	8	103,693	292,962	37,713	434,368	408,835
- Legacies		533,254	-	518	533,772	190,303
Covid-19 grants						
- Retail Grant Scheme		-	-	-	-	364,515
- Coronavirus Job Retentions Scheme		-	-	-	-	244,515
- Kickstart scheme		58,227	-	-	58,227	179,055
Charitable activities:						
- Training		14,390	-	-	14,390	28,928
- Services to/by groups & branches		7,006	-	2,672	9,678	200,243
- Publications and awareness		297,611	-	-	297,611	325,348
Other trading activities:						
- Sale of donated goods		3,106,272	-	-	3,106,272	2,059,024
- Sale of other merchandise & publications		27,370	-	-	27,370	14,809
- Events and conferences		312,479	14,329	32,529	359,337	140,092
Investment income	4	15,413	-	426	15,839	18,624
Rental income		26,300	-	-	26,300	18,715
Other incoming resources:						
- Disposal of property						
Total income		**5,009,984**	**314,802**	**172,602**	**5,497,388**	**4,814,858**
Expenditure on:						
Raising funds:						
Fundraising	7	335,730	-	18,713	354,443	204,399
Retail activities	7	2,184,035	-	-	2,184,035	1,972,327
Events and conferences	7	-	18,312	-	18,312	-
Charitable activities:						
- Services provided		1,188,285	259,439	139,387	1,587,111	1,420,312
- Grants distributed		8,579	71,656	24,234	104,469	68,314
- Publications & awareness		292,264	-	-	292,264	229,473
Total expenditure	7	**4,008,893**	**349,407**	**182,334**	**4,540,634**	**3,894,825**
Net gains/(losses) on investments	11	(39,652)	-	-	(39,652)	17,797
Net income/(expenditure) before transfers between funds		**961,439**	**(34,605)**	**(9,732)**	**917,102**	**937,828**
Transfers between funds		(16,017)	16,017	-	-	-
Net income/(expenditure) after other gains/(losses)		**945,422**	**(18,588)**	**(9,732)**	**917,102**	**937,828**
Restated fund balances brought forward at 1 January 2022 (restated)	24	4,114,382	286,613	506,695	4,907,690	3,969,862
Fund balances at 31 December 2022		**5,059,804**	**268,025**	**496,963**	**5,824,792**	**4,907,690**

General purpose funds and designated funds are both unrestricted funds. The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 28-42 form part of these financial statements.

Headway – the brain injury association

Balance Sheets as at 31 December 2022

	Note	Group 2022 £	Group RESTATED 2021 £	Charity 2022 £	Charity RESTATED 2021 £
Fixed assets					
Tangible assets	10	1,216,977	1,239,716	622,988	608,831
Investments	11	246,164	283,187	840,153	914,072
		1,463,141	1,522,903	1,463,141	1,522,903
Current assets					
Stock	12	11,611	13,987	11,611	13,987
Debtors	13	712,421	884,283	712,421	884,283
Cash at bank and in hand		4,134,799	3,567,367	4,134,799	3,567,367
		4,858,831	4,465,637	4,858,831	4,465,637
Creditors: amounts falling due within one year	14	(497,180)	(868,350)	(497,180)	(868,350)
Net current assets		4,361,651	3,597,287	4,361,651	3,597,287
CBILS loan falling due after one year	15	-	(212,500)	-	(212,500)
Net assets		5,824,792	4,907,690	5,824,792	4,907,690
Funds					
Unrestricted funds					
Other designated funds	17	1,837,625	1,837,625	1,837,625	1,837,625
General funds	17	3,222,179	2,276,757	3,222,179	2,276,757
Restricted funds					
Branches	16	496,963	506,695	496,963	506,695
Other	16	268,025	286,613	268,025	286,613
Total funds		5,824,792	4,907,690	5,824,792	4,907,690

The notes on pages 28-42 form part of these financial statements.

Approved by the Board of Trustees on 27 July 2023 and signed on its behalf by:

Denzil Lush
Chair

Company Registration No: 2346893 (England and Wales)

Headway – the brain injury association

Consolidated Cashflow Statement for the year ended 31 December 2022

	Note	£	Group 2022 £	£	Group 2021 £
Net cash provided by operating activities	(i)		861,472		1,500,836
Cashflows from investing activities					
Investing activities					
Dividends and interest		15,839		18,624	
Movement in cash held on deposit		(2,629)		208	
Purchase of tangible fixed assets		(57,249)		(48,244)	
			(44,039)		(29,412)
Financing activities					
Receipt of CBILS loan				250,000	
Payment of CBILS loan		(250,000)			
			(250,000)		250,000
Movement in cash and cash equivalents	(ii)		567,433		1,721,424

Notes to the cashflow statement

(i) Reconciliation of net income/expenditure to net cash inflow from operating activities

	Group 2022 £	Restated Group 2021 £
Net income /(expenditure) for the reporting period (as per the statement of financial activities)	917,102	1,053,514
Adjustments for:		
Dividends and interest earned on investments	(15,839)	(18,624)
Gain on investment value	39,652	(17,797)
Loss on revaluation of investment properties	-	24,000
Depreciation of tangible fixed assets	79,988	53,266
Surplus on disposal of fixed assets	-	-
(Increase)/decrease in stock	2,376	(44,267)
Decrease/(increase) in debtors	171,862	319,196
Increase/(decrease) in creditors	(285,918)	131,549
Increase/(decrease) in pension provision	(47,751)	-
	861,472	1,500,837

(ii) Analysis of cash and cash equivalents

	Group 2022 £	Movement	Group 2021 £
Cash at bank	3,252,978	567,433	2,685,545
Short-term deposits	881,822		881,822
Net cash funds at 31 December 2022	4,134,800	567,433	3,567,367

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Headway – the brain injury association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

b. Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the authorising of these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

c. Basis of consolidation

i) The consolidated accounts of the group incorporate the financial statements of the charity and its trading subsidiary company, both of which were made up to 31 December 2022.

ii) The agency fee charged by the subsidiary to the charity is treated as part of shops' costs in the consolidated statement of financial activities (SOFA).

iii) The income and expenditure of each subsidiary are disclosed separately in notes 5 and 6.

iv) A separate SOFA for the charity is not provided. See note 3.

d. Taxation

The Charitable Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charitable Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

e. Incoming resources

i) All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is when it is probable that it will be received, and this is usually when probate has been granted.

ii) Where the charity has been notified of material legacies that have not been included in the SOFA (because the conditions for recognition have not been met), this fact and an estimate, where possible, of the amounts receivable are disclosed in the notes to the accounts.

iii) Grants, whether attributable to unrestricted or restricted are accounted for on the basis of the amount receivable for the year.

iv) Investment income is accounted for on a receivable basis, including recoverable tax.

v) Corporate membership income is recognised in full in the year in which it is invoiced.

f. Government Grant Accounting policy

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions have been met. Where the grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

g. Expenditure

All revenue expenditure has been dealt with through the SOFA on an accruals basis. Direct costs have been allocated to their appropriate functional headings. Indirect overheads have been apportioned to these headings on the basis of a fair estimate of time spent or resources used.

h. Governance and support costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Governance and support costs are allocated between the expenditure categories on the statement of financial activities on a basis designed to reflect the use of the resource.

i. Shops' operating costs
Costs incurred in acquiring shop leases and improvements thereon are written off over three years to reflect the break clause in the operating leases.

j. Branches and groups
Branches in Headway are non-autonomous and operate under the Registered Charity number 1025852 in England and SC039992 in Scotland are included in full in these accounts. Groups, which operate under their own registered charity number, are not included in these accounts. The financial statements include the income and expenditure of 46 branches in existence for the year ended 31 December 2022.

k. Investments
Investments in listed securities are held at fair value, deemed to be market value. Gains and losses are charged or credited to the SOFA as appropriate.

l. Depreciation
Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over their expected useful life. Depreciation has been applied at the following rates:

- Freehold property	2%
- Building improvements	between 5% and 15%
- Office equipment and furniture	20%
- Computer equipment and software	33%
- Motor vehicles	20%
- Shop operating costs	33%

m. Stocks
Merchandise and publications are valued at the lower of cost or net realisable value. Due to a review of the valuation of donated stacks and the recognition of the impracticability of estimating fair value where it is not possible to hold detailed stock records, the charity is no longer including a valuation in the accounts for donated stock held. Instead the value of goods donated to the charity for resale is recognised as income when sold and the proceeds of sale are categorised as 'income from other trading activities' in the SoFA.

n. Financial instruments
The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest rate method.

o. Operating leases
Rentals payable under operating leases are charged on a straight-line basis over the term of the lease. Any rent premiums are written off immediately.

p. Designated funds
Headway may at its discretion set aside funds for specific purposes which would otherwise form part of the general reserves of the organisation. Specifically, funds are set aside which represent the investment made or to be made in buildings and equipment for use by the charity. As such, they are not available for other purposes.

q. Restricted funds
Distributions from restricted resources must be used for purposes consistent with donor intentions and should be the first source of funding to support programmes and activities meeting the restriction.

r. Unrestricted funds
General funds are funds which are available for the general purposes of that charity. These funds will be spent in a way that the Trustees see fit in accordance with the stated objectives of the charity.

s. Investment Properties
Headway holds two investment properties in Manchester that were gifted as part of a legacy and are held for investment purposes to generate a rental income stream for Headway. There are no legal restrictions to prevent the sale of these properties. These properties were initially valued at cost and subsequently at fair value, which is market value, by an independent valuer.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated

assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These judgements are reviewed regularly to reflect the changing environment.

3. Net income for the financial year

As permitted by section 408 of the Companies Act 2006, the parent's charity Statement of Financial Activities has not been included in these financial statements. The parent charities total incoming resources for the year were £5,496,418 (2021: £4,794,599). The net surplus for the year for the Charity was £935,099 (2021: £936,645)

4. Investment & rental income

	2022 £	2021 £
Income from listed investments	10,916	12,847
Other interest receivable, rental and similar income	31,223	24,492
	42,139	37,339

5. Net income from Headway Retail Limited

The charity has a wholly owned trading subsidiary, Headway Retail Limited, which is incorporated in England and Wales and undertakes two main activities:

i) The company acts as agent in selling donated goods on behalf of the charity.

ii) The company conducts, as principal, the trading activity of selling greeting cards and other merchandise. The profits arising are donated to the charity by an annual payment under gift aid.

At 31 December 2022 the company had 27 trading shops (2021: 28 shops).

Agency agreement

Under the terms of the agency agreement, all income from the sale of donated goods totalling £58,882 for the year (2021 - £20,257) is passed directly to the charity. This income is therefore not included in the profit and loss account of the trading subsidiary, as shown below. The charity is charged an agency fee by the subsidiary which is shown as income in the subsidiary company's profit and loss account. The agency fee equals the expenses incurred in selling of goods, as shown below.

Profit and loss account 2022	**Headway Retail Ltd £**
Turnover (agency fee/trading income)	58,882
Less cost of sales	-
Gross profit	58,882
Administration expenses (shop operating costs)	(21,121)
Net profit for the year	37,761
Gift aid payment	-
Retained profit for the year	37,761

The comparative Profit and loss account for 2021 is as follows

Profit and loss account 2021	**Headway Retail Ltd £**
Turnover (agency fee/trading income)	20,257
Less cost of sales	-
Gross profit	20,257
Administration expenses (shop operating costs)	(19,074)
Net profit for the year	1,183
Gift aid payment	-
Retained profit for the year	1,183

6. Net income from 190 Bagnall Road Properties Limited

The charity has a wholly owned trading subsidiary, 190 Bagnall Road Properties Limited, which is incorporated in England and Wales and undertakes one main activity:

i) To hold property used by group companies

Profit and loss account 2022	190 Bagnall Road Properties Ltd £
Turnover	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	-
Retained loss for the year	(5,680)

The comparative profit and loss account for 2021 is as follows

Profit and loss account 2021	190 Bagnall Road Properties Ltd £
Turnover	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	-
Retained loss for the year	(5,680)

7. Analysis of total resources expended

	Staff costs	Other costs	Management support and governance	Total 2022	Total 2021
	£	£	£	£	£
Costs of generating funds					
Fundraising costs	142,751	115,798	95,894	354,443	204,399
Retail activities	1,217,370	894,744	71,921	2,184,035	1,972,327
Events and conferences	-	18,312	-	18,312	-
	1,360,121	1,028,854	167,815	2,556,790	2,176,726
Charitable expenditure					
Services provided	610,961	440,741	535,409	1,587,111	1,420,313
Grants distributed	9,623	94,846	-	104,469	68,315
Publications and awareness	150,562	45,808	95,894	292,264	229,473
	2,131,267	1,610,249	799,118	4,540,634	3,894,827

7. Analysis of total resources expended (Continued)

	Total 2022 £	Restated Total 2021 £
Support costs		
Staff costs	432,242	457,752
Office costs	211,170	89,674
Computer support	64,071	56,043
Depreciation	41,168	55,433
Communication costs	12,781	12,597
Legal & professional fees	8,753	1,590
Subtotal support costs	770,185	673,089
Governance costs		
Audit fees 2022	26,953	21,750
Fee for preparation of Corporation tax returns	1,458	1,250
Prior year additional audit costs	57	5,978
Other audit costs	-	150
Trustees' expenses	465	-
Subtotal governance costs	28,933	29,128
Total management support	799,118	702,217

Net income for the year
This is stated after charging the following to support and governance costs:

Depreciation	41,168	53,266
Auditor remuneration		
- Audit fee	26,953	23,000
- Prior year audit costs	57	5,978
- Other audit costs	-	150
- Trustees indemnity insurance cover	4,480	4,480
Operating leases - Land and buildings	500,449	549,840

8. Grants & donations for restricted purposes

	Total 2022 £	Total 2021 £
Scottish Government	87,500	70,000
Health and Social Care Board, Belfast	145,463	144,086
Justice project grant	9,999	24,500
(a) Charitable trusts, donors and other grant making bodies	193,968	79,278
	436,930	317,864

(a) Includes generous grants from the following:

Stewarts Law	50,000
	50,000

9. Staff costs

	Total 2022 £	Total 2021 £
Staff remuneration:		
Salaries and wages	2,318,211	2,154,613
Social security costs	181,611	185,145
Pension costs	63,687	100,388
	2,563,509	**2,440,146**

In 2022, Headway started rebuilding its staff team, with new posts in Fundraising, Communications and Services created to support the development of our work in these key operational areas.

The average number of employees, analysed by function was:

	2022	2021
Administration	7.0	8.0
Communications	4.0	3.0
Fundraising	142.0	128.0
Services	21.0	24.0
	174.0	**163.0**

Four employees (2021 - 2) had total emoluments in excess of £60,000. The emoluments for one of these employees fell within the range of £130,000 and £140,000 (2021 – 1). The emoluments for one employee fell within the range of £70,000 to £80,000 (2021 – 0). The emoluments for two employees fell within the range of £60,000 to £70,000 (2021 – 1)

Headway benefited from the involvement of unpaid part time volunteers. It is not practical to place a value on these services. The number of volunteers in 2022 remained reduced. In addition, Headway contracted 25 employees (2021 – 34) for 6 months per placement through the Kickstart Scheme. This was split between 24 posts in the shops, which have been included in Fundraising above and 1 in Services, assisting with the Justice project and the Emergency Fund

No remuneration was paid to any member of the Board of Trustees during the year, or the previous year; No expenditure in 2022 (2020 - £82) was reimbursed.

The key management personnel of the group, parent charity and the wholly owned subsidiary comprise of the trustees, the Chief Executive Officer, The Deputy Chief Executive Officer, the Director of Finance and Administration, the Director of Fundraising, the Director of Services and the Director of Communications. This represented a significant increase in the key management personnel and accounts for the corresponding increase in employee benefits. The total employee benefits of the key management personnel was £454,554 (2021 - £271,671).

10. Tangible fixed assets

	Office & shop equipment £	Computer equipment & software £	Motor vehicles £	Land & building £	Investment Properties £	Group total £
Cost - Group						
Balance at 1 January 2022	512,180	226,376	73,527	827,891	480,000	2,119,974
Additions	-	57,248	-	-	-	57,248
Balance at 31 December 2022	**512,180**	**283,624**	**73,527**	**827,891**	**480,000**	**2,177,222**
Accumulated depreciation						
Balance at 1 January 2022	498,822	149,450	53,687	178,299	-	880,258
Charge for the year	13,181	47,714	9,920	9,172	-	79,987
Balance at 31 December 2022	**512,003**	**197,164**	**63,607**	**187,471**	**-**	**960,245**
NBV at 31 December 2022	**177**	**86,460**	**9,920**	**640,420**	**480,000**	**1,216,977**
NBV at 31 December 2021	**13,358**	**76,926**	**19,840**	**649,592**	**480,000**	**1,239,716**

The cost of land not depreciated included in land and buildings is £400,000 (2021: £400,000). Amounts attributed to land and buildings relate to the property owned by the charity's subsidiary undertaking, 190 Bagnall Road Properties Limited.

10. Tangible fixed assets (continued)

	Office & shop equipment £	Computer equipment & software £	Motor vehicles £	Land & building £	Investment Properties £	Charity total £
Cost - Charity						
Balance at 1 January 2022	448,964	226,376	73,527	143,891	480,000	1,372,758
Additions	-	55,358	-	-	-	55,358
Balance at 31 December 2022	**448,964**	**281,734**	**73,527**	**143,891**	**480,000**	**1,428,116**
Accumulated depreciation						
Balance at 1 January 2022	448,964	149,450	53,687	111,826	-	763,927
Charge for the year	-	32,028	-	9,173	-	41,201
Balance at 31 December 2022	**448,964**	**181,478**	**53,687**	**120,999**	**-**	**805,128**
NBV at 31 December 2022	**-**	**100,256**	**19,840**	**22,892**	**480,000**	**622,988**
NBV at 31 December 2021	**-**	**76,926**	**19,840**	**32,065**	**480,000**	**608,831**

11. Fixed asset investments

Group

	UK Equities £
Balance at 1 January 2022	283,187
Gain/(losses) during year	(39,652)
Movement in cash held on deposit	2,629
Market value at 31 December 2022	**246,164**

All investments relate to holdings in the EdenTree Amity Investment Funds for Charities and Santander UK PLC preference shares

Charity	UK Equities £	Subsidiary undertaking £	Total £
Balance at 1 January 2022	283,187	630,885	914,072
Gain/(losses) during year	(39,652)		(39,652)
Impairment during the year	-	(36,896)	(36,896)
Movement in cash held on deposit	2,629		2,629
Market value at 31 December 2022	**246,164**	**593,989**	**840,153**

The investment in the subsidiary undertaking represents 100% of the ordinary share capital of 190 Bagnall Road Properties Limited, a company which owns the charity's property and is incorporated in England and Wales. Its results have been included in the consolidated financial statements along with Headway Retail Limited, a company limited by guarantee. Headway Retail Limited commenced trading during 2015.

12. Stock

	Group		Charity	
	2022	Restated 2021	2022	Restated 2021
	£	£	£	£
Goods held for resale	11,611	13,987	11,611	13,987
	11,611	13,987	11,611	13,987

13. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	80,581	496,435	80,581	496,435
Other debtors	6,910	124,240	6,910	124,240
Prepayments	137,466	98,350	137,466	98,350
Taxation recoverable	69,718	55,644	69,718	55,644
Legacies receivable	374,998	75,083	374,998	75,083
Accrued income	42,748	34,531	42,748	34,531
	712,421	884,283	712,421	884,283

14. Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	288,912	229,694	288,912	229,694
Taxation and social security	52,613	72,212	52,613	72,212
Other creditors	25,479	19,280	25,479	19,280
Deferred income	51,758	418,156	51,758	418,156
Accruals	78,418	43,757	78,418	43,757
Taxation payable	-	-	-	-
Pension Trust provision within one year	-	37,500	-	37,500
CBILS loan within one year	-	47,751	-	47,751
	497,180	868,350	497,180	868,350

Deferred income includes £4,125 income received for events that have not yet taken place or where the donor has been unable to participate in 2022. Income of £76,708 deferred in 2020 and £27,146 deferred in 2021 was released to the SOFA in 2022. Income for the Solicitors' List 2023 has not been deferred in these accounts as the invoices were not raised in 2022 (2021 - £285,645).

15. Creditors: amounts falling due after one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
CBILS Loan after one year	-	212,500	-	212,500
	-	212,500	-	212,500

On 11th March 2022, Headway- the brain injury association repaid the CBILS loan of £250,000 in full.

15a Multi employer pension scheme liability

Headway – the brain injury association participates in a multi-employer pension scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is classed as a defined benefit scheme in the UK.

In January 2019, the last participating employee left the scheme and Headway entered a 'period of grace' for twelve months providing time for any new employee to join the scheme. Since no employee did so, the period of grace ended in January 2020. The Section 75 debt on withdrawal has been fully satisfied and Headway holds no further liability under this pension scheme.

16. Restricted income funds

	Balance 31 December 2021	Movement in funds			Balance 31 December 2022	
		Income	Expenditure	Transfers		
	£	£	£	£	£	
Family emergency fund	50.585	50,000	(71,703)		28,882	a
Regional development & group support	50,416	-	-		50,416	b
Helpline	25,041	-	-		25,041	c
Information Support Programme	2,279	-	-		2,279	e
Scottish government - development within Scotland	3,478	87,500	(73,200)		17,778	f
Health and Social Care Board - Northern Ireland	104,028	146,427	(163,581)		86,874	g
Justice Project	30,924	9,999	(40,923)		-	i
BRAW	-	-		6,190	6,190	j
Look Ahead North	-	14,329		688	15,017	k
Funds held on trust	19,862	6,547		9,139	35,548	l
	286,613	314,802	(349,407)	16,017	268,025	
Branches	506,695	172,602	(182,334)	-	496,963	
	793,308	487,404	(531,741)	16,017	764,988	

a Family Emergency Fund for people with brain injuries, supported by the Stewarts Law Foundation and other community funding.
b Grants from other charitable bodies and restricted legacies to support Network Support staff, training and other services to groups and branches.
c Grants received to assist the development and support of the Headway nurse-led helpline.
e Funding received from Charities Aid Foundation America to support our Information Support Programme.
f Funding from the Scottish Government to support the development of services within Scotland
g To provide people in Northern Ireland with acquired brain injury and their carers with the opportunity to access a range of services to support their needs
i Funding received to support the Justice Project, providing Headway ID cards to brain injury survivors and training to probation staff in England.
j Grants and donations received for BRAW, an event in Scotland for brain injury survivors
k. Grants and donations received for Look Ahead North, a residential weekend in Kielder Forest for brain injury survivors
l Funds held on trust for groups and branches pending re-establishment of closure

17. Designated and unrestricted funds

	Restated Balance at 31 December 2021	Designations from /(to) other funds	Utilised/ (released)	Balance at 31 December 2022
	£	£	£	£
Designated fund other				
Expendable endowment fund	1,146,000	-	-	1,146,000
Network crisis support	391,622	-	-	391,622
Family Emergency Fund	100,900	-	-	100,900
Justice for Survivors	119,923	-	-	119,923
Digital projects fund	50,000	-	-	50,000
Other designated	29,180	-	-	29,180
Total designated funds	1,837,625	-	-	1,837,625

17. Designated and unrestricted funds (continued)

	Restated Balance 31 December 2021	Movement in funds: Incoming resources	Movement in funds: Expenditure gains/(losses) & transfers	Balance 31 December 2022
	£	£	£	£
General funds	2,276,757	5,009,984	(4,064,562)	3,222,179
	2,276,757	5,009,984	(4,064,562)	3,222,179

a The expendable endowment fund consists of property donated to the charity under a legacy with no specific requirements, but which was designated as an endowment fund to respect the wishes of the family.

b The network crisis support fund represents the amounts set aside to provide financial support to local Headway groups that run into substantial financial difficulty

c The Family Emergency Fund provides financial support to families and individuals struggling to cope with the practical difficulties brought about by catastrophic brain injury

d The Justice for Survivors fund has been established to ensure to provide ID cards for survivors of a brain injury and make arrangements for legal representation to be provided where appropriate

e The digital project fund represents funds set aside to increase Headway's digital presence

f Other unrestricted designated funds represent funds transferred from and received on behalf of Group and Branches. Such funds are designated for use in the region where they were originally generated. Also includes fund to cover shop dilapidations.

18. Analysis of Group Net Assets between Funds (see note 25 for prior year comparison)

Fund balances at 31 December 2022 are represented by:

	Unrestricted Funds	Restricted Funds	Branch Funds	2022 Total	2021 Total
	£	£	£	£	£
Tangible fixed assets	1,216,977			1,216,977	1,239,716
Investment fixed assets	246,164			246,164	283,187
Current assets	4,093,843	268,025	496,963	4,858,831	4,581,323
Current liabilities	(497,180)			(497,180)	(1,080,850)
Total net assets	5,059,804	268,025	496,963	5,824,792	5,023,376

19. Legal status of headway

Headway is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. Members are liable for a period up to one year after they cease membership.

20. Operating leases

At 31 December 2022, the group and charity had the following total commitments under non-cancellable operating leases with respect to the charity shops.

	Group 2022	Group 2021
	£	£
Short leasehold premises		
Operating leases which expire:		
Within one year	172,816	215,586
Within one year to two years	127,549	138,978
Within two to five years	200,083	195,275
Over five years		
	500,448	549,839

21. Related parties

The Charity is the sole member of Headway Retail Limited a company limited by guarantee and registered in England. Headway Retail Limited commenced trading during 2015. At 31 December 2022 the company had no reserves and its income amounted to £58,882 (2021: £20,257) with expenditure of £21,121 (2021: £19,074).

Transactions in the year with Headway – the brain injury association (the parent company) were:
Sales to parent: £49,069 (2021: £16,881)
Donation to parent under gift aid: £37,761 (2021: £1,183)
Recharges from parent: £21,121 (2021: £19,074)
Balance due to parent at 31 December 2022: £9,814 (2021: £3,376)
At 31 December 2022 Headway Retail Limited had a bank balance of £9,814 (2021: £3,376)

The financial statements of 190 Bagnall Road Properties Limited (Company number 02451998) and Headway Retail Limited (Company number 2925092) can be obtained from Companies House.

22. Analysis of net (debt/funds)

	01 January 2022	Cash flow	Other non-cash changes	31 December 2022
Net cash:				
Cash at bank and in hand	3,567,367	567,433	-	4,134,800
Add: Liquid resources				
Current asset investments	-		-	
	-		-	
Less: Debt				
Debts falling due within one year	(37,500)	37,500	-	-
Debts falling due after one year	(212,500)	212,500	-	-
	(250,000)	250,000	-	-
Net funds	**3,317,367**	**817,433**	**-**	**4,134,800**

23. Contingent liabilities

Headway – the brain injury association was notified in late 2021 that remedial works are required to the external wall cladding of the Hacienda, one of the two rental properties owned by Headway. A full structural survey has estimated the cost for this to be around £30,000, however the recent decision by the Government on the potential cap on the costs payable by leaseholders and on historical 'waking watch' costs mean that it is not possible to calculate the true liability and this cost has therefore not been accrued to these accounts.

24. Restatement of 2021 accounts

The valuation of stock was previously estimated to equate to the average of two weeks of retail trading across the year, as this was believed to be a reasonable estimate of the level of stocks held at any one time. Upon review of this accounting policy against the requirements of the Charities SORP (with specific reference to paragraph 6.29), it was deemed that this policy was not aligned with the guidance given within the Charities SORP and that stock was unable to be valued with a sufficient degree of accuracy using alternative methods to be included within the financial statements. As such, the previously valued donated stock has been removed with a retrospective adjustment required due to this being a change in accounting policy.

2021 donated stock was estimated to be £115,686. Below, the individual lines of the Statement of Financial Activities and Balance Sheet affected and the corresponding adjustments have been outlined. The opening Balance Sheet position has not been adjusted for this change on the grounds of materiality.

Consolidated Statement of Financial Activities for the year ended 2021.

	2021 as previously stated £	Stock valuation adjustment £	Total £
Income			
Donations and Legacies			
- Donations	621,852	-	621,852
- Grants	408,835	-	408,835
- Legacies	190,303	-	190,303
Covid-19 grants			
- Retail Grant Scheme	364,515	-	364,515
- Coronavirus Job Retention Scheme	244,515	-	244,515
- Kickstart scheme	179,055	-	179,055
Charitable activities:			
-Training	28,928	-	28,928
- Services to groups and branches	200,243	-	200,243
- Publications and awareness	325,348	-	325,348
Other trading activities:			
- Sale of donated goods	2,174,710	(115,686)	2,059,024
- Sale of other merchandise	14,809	-	14,809
- Events and conferences	140,092	-	140,092
Investment income	18,624	-	18,624
Rental income	18,715	-	18,715
Other incoming resources:			
- Disposal of property	-	-	
Total income	**4,930,544**	**(115,686)**	**4,814,858**
Expenditure			
Raising funds:			
Fundraising	204,399	-	204,399
Retail activities	1,972,327	-	1,972,327
Events and conferences	-	-	-
Charitable activities:			
- Services provided	1,420,314	-	1,420,314
- Grants distributed	68,314	-	68,314
- Publications and awareness	229,473	-	229,473
Total expenditure	**3,894,827**	**-**	**3,894,827**
Net gains/(losses) on investments	17,797	-	17,797
Net income / (expenditure) before transfers between funds	**1,053,514**	**(115,686)**	**937,828**
Transfers between funds	-		-
Net income/(expenditure) after other gains /(losses)	**1,053,514**	**(115,686)**	**937,828**
Fund balances brought forward at 1 January 2021	3,969,862	-	3,969,862
Fund balances at 31 December 2021	**5,023,376**	**(115,686)**	**4,907,690**

Balance Sheets as at 31 December 2021

	Group			Charity		
	2021 as previously stated	Stock valuation adjustment	2021 restated	2021 as previously stated	Stock valuation adjustment	2021 restated
	£		£	£		£
Fixed assets						
Tangible assets	1,239,716		1,239,716	608,831		608,831
Investments	283,187		283,187	914,072		914,072
	1,522,903		1,522,903	1,522,903		1,522,903
Current assets						
Stock	129,673	(115,686)	13,987	129,673	(115,686)	13,987
Debtors	884,283		884,283	884,283		884,283
Cash at bank and in hand	3,567,367		3,567,367	3,567,367		3,567,367
	4,581,323	(115,686)	4,465,637	4,581,323	(115,686)	4,465,637
Creditors: amounts falling due within one year	(868,350)		(868,350)	(868,350)		(868,350)
Net current assets	3,712,973		3,597,287	3,712,973		3,597,287
CBILS loan falling due after one year	(212,500)		(212,500)	(212,500)		(212,500)
Net assets	5,023,376	(115,686)	4,907,690	5,023,376	(115,686)	4,907,690
Funds						
Unrestricted funds						
Other designated funds	1,837,625		1,837,625	1,837,625		1,837,625
General funds	2,392,443	(115,686)	2,276,757	2,392,443	(115,686)	2,276,757
Restricted funds						
Branches	506,695		506,695	506,695		506,695
Other	286,613		286,613	286,613		286,613
Total funds	5,023,376	(115,686)	4,907,690	5,023,376	(115,686)	4,907,690

25. Comparative Statements of Financial Activities (Restated)

	Unrestricted funds £	Restricted funds £	Branch funds £	Total 2021 £
Income				
Donations and Legacies				
- Donations	540,716	6,258	74,878	621,852
- Grants	84,040	311,606	13,189	408,835
- Legacies	190,303	-	-	190,303
Covid-19 grants				
- Retail Grant Scheme	364,515	-	-	364,515
- Coronavirus Job Retention Scheme	244,515	-	-	244,515
- Kickstart scheme	179,055	-	-	179,055
Charitable activities:				
-Training	28,928	-	-	28,928
- Services to groups and branches	200,243	-	-	200,243
- Publications and awareness	325,348	-	-	325,348
Other trading activities:				
- Sale of donated goods	2,059,024	-	-	2,059,024
- Sale of other merchandise	14,809	-	-	14,809
- Events and conferences	134,491	-	5,601	140,092
Investment income	17,307	-	1,317	18,624
Rental income	18,715	-	-	18,715
Other incoming resources:				
- Disposal of property	-	-	-	
Total income	**4,402,009**	**317,864**	**94,985**	**4,814,858**
Expenditure				
Raising funds:				
Fundraising	204,399	-	-	204,399
Retail activities	1,972,327	-	-	1,972,327
Events and conferences	-	-	-	-
Charitable activities:				
- Services provided	1,095,063	241,028	84,223	1,420,314
- Grants distributed	34,823	27,389	6,102	68,314
- Publications and awareness	229,473	-	-	229,473
Total expenditure	**3,536,085**	**268,417**	**90,325**	**3,894,827**
Net gains/(losses) on investments	17,797	-	-	17,797
Net income / (expenditure) before transfers between funds	**883,721**	**49,447**	**4,660**	**937,828**
Transfers between funds	-	5,915	(5,915)	-
Net income/(expenditure) after other gains /(losses)	**883,721**	**55,362**	**(1,255)**	**937,828**
Fund balances brought forward at 1 January 2021	3,230,661	231,251	507,950	3,969,862
Fund balances at 31 December 2021	**4,114,382**	**286,613**	**506,695**	**4,907,690**

25: Comparative Analysis of total resources expended (note 7)

	Staff costs	Other costs	Management support and governance	Total 2021
	£	£	£	£
Costs of generating funds				
Fundraising costs	90,762	29,371	84,266	204,399
Retail activities	1,169,057	740,071	63,199	1,972,327
Events and conferences	-	-	-	-
	1,259,819	769,442	147,465	2,176,726
Charitable expenditure				
Services provided	603,684	346,144	470,485	1,420,313
Grants distributed	36,714	31,601	-	68,315
Publications and awareness	106,925	38,282	84,266	229,473
	2,007,142	1,185,469	702,216	3,894,827

	Total 2021
	£
Support costs	
Staff costs	457,752
Volunteer costs	-
Office costs	89,674
Computer support	56,043
Depreciation	55,433
Communication costs	12,597
Legal & professional fees	1,590
Subtotal support costs	673,089
Governance costs	
Audit fees	28,014
Fee for preparation of Corporation tax returns	1,250
Prior year audit fees	5,978
Other audit costs	150
Trustees' expenses	-
Subtotal governance costs	29,128
Total management support	702,217

Analysis of groups assets between funds (note 18)

Fund balances at 31 December 2021 are represented by:

	Unrestricted Funds	Restricted Funds	Branch Funds	2021 Total
	£	£	£	£
Tangible fixed assets	1,239,716			1,239,716
Investment fixed assets	283,187			283,187
Current assets	3,672,329	286,613	506,695	4,465,637
Current liabilities	(1,080,850)			(1,080,850)
Total net assets	4,114,382	286,613	506,695	4,907,690

HEADWAY - THE BRAIN INJURY ASSOCIATION

England & Wales - Charity number 1025852

Accounts

Charity Number: 1025852

Company Number: 2346893

Office of Scottish Charity Regulator Number: SC039992



the brain injury association

(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

Headway – the brain injury association

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Report of the Trustees for the year ending 31 December 2021

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 December 2021.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

Strategic report

Objectives and activities

The charity's mission is to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

Headway's objectives are:

- to increase awareness and understanding of brain injury and its consequences;
- to initiate activities and campaigns that will reduce the incidence of brain injury;
- to provide information and support for people with brain injuries, their relatives, carers and concerned professional people;
- to promote improved approaches to brain injury screening, acute care, assessment, rehabilitation and community reintegration;
- to assist people with brain injuries to return to community living, including access to appropriate accommodation, social outlets and productive activity; and
- to support and help to establish Headway groups throughout the UK in furtherance of the charity's mission statement and encourage them to address the needs of all sections of the community.

The Trustees believe that by realising these objectives the charity will achieve the legal purposes for which it was established namely: to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

The ongoing impact of the Covid-19 pandemic throughout 2021 required the charity to focus its resources on maintaining key frontline services to ensure brain injury survivors and carers, as well as those working to support them, continued to be supported.

The charity therefore prioritised the support it provides to the network of Headway groups and branches, the Emergency Fund, the helpline, the Justice Project and its information services.

The long-term objective of the charity remains unchanged: to improve the lives of people affected by brain injury through the provision of services and support. We will utilise the lessons learned from

delivery of services throughout the pandemic to ensure that the aims of the charity are met in an effective and efficient manner to enable the charity to help more people in a wider variety of ways. This includes greater use of digital technologies to directly support people through the provision of high-quality information or online training, and more targeted support to our network of groups and branches.

The charity will continue to provide Brain Injury Identity Cards to help identify vulnerable survivors when they come into contact with the criminal justice system or need assistance with everyday tasks; the Emergency Fund will continue to provide grants to families struggling to cope with the financial implications of brain injury; and high-quality, award-winning information will still be made available free-of-charge to survivors, carers and professionals via the website.

The helpline will continue to ensure brain injury survivors and carers are offered a listening ear should they need support or assistance, while our Approved Provider project will continue to assist families and commissioners to identify high-quality residential care units specialising in the support and rehabilitation of patients with acquired brain injury through its robust accreditation process.

We will also campaign and lobby for improved access to specialist rehabilitation services and the prevention of brain injury and raise awareness in the UK-wide press to champion the needs of survivors, families and carers.

Frontline services provided by Headway – the brain injury association include but are not limited to:

- a comprehensive and award-winning website providing information and support on all aspects of acquired brain injury;
- a freephone nurse-led helpline providing confidential support and information to anyone affected by brain injury as well as professionals working to support them;
- a free-to-access award-winning range of publications designed to help people understand and cope with the effects of brain injury;
- the Emergency Fund, which provides financial support to families in the aftermath of a brain injury;
- the Justice Project, which provides assistance to survivors of a brain injury who come into contact with the criminal justice system; and
- support and guidance to a network of groups and branches providing local services across the UK.

How do we measure success?

We measure success by accurately monitoring the number of people accessing our services. This includes analysing the number of people visiting our website, downloading our publications, contacting the helpline or applying for Emergency Fund grants or Brain Injury Identity Cards.

Qualitative feedback is also taken into account, with the board reviewing positive and negative feedback and complaints on a quarterly basis.

Public benefit

The trustees confirm that they have referred to the advice contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and operations. They are of the opinion that the provision of the range of services offered enables Headway to meet its obligation to provide public benefit.

Achievements and performance

The disruption caused by the Covid-19 pandemic continued in 2021, with the charity's income significantly impacted by the enforced closure of its retail operation for the first quarter of the year and the continued difficulties in generating funds through face-to-face and corporate fundraising.

Due to the continued uncertainty caused by the pandemic and the determination of the Trustees not to put the long-term financial security of the charity at risk, the freeze on salaries and recruitment remained in place until December 2021. This meant that the disruption to services, as reported in the previous year's report of the Trustees, continued in 2021.

We were grateful to receive significant support from the tax payer in the form of the Coronavirus Job Retention Scheme (CJRS) and Retail, Hospitality and Leisure Grants, the sum total of which was less than income lost by the enforced closure of our retail operation.

The board of Headway UK recognises the sacrifices made by staff during the course of the pandemic, whether as a result of being furloughed, taking on additional responsibilities, or the freeze on salaries.

It is testament to the commitment and dedication of the charity's staff and volunteers that the charity was able to continue to provide its crucial support and information services to so many people in such challenging circumstances in 2021.

Support to groups and branches

Headway groups and branches continued to face disruption to their provision of services to brain injury survivors and carers. The impact on survivors and carers of centre closures has also been significant due to the value of social interaction via Headway attendance.

Headway groups and branches across the UK have gone to extraordinary lengths to ensure service users and members have been supported during 2021. In recognition of the challenges faced, the support provided by Headway UK to groups and branches was prioritised throughout the pandemic. This included network support staff helping groups navigate the ever-changing public health guidance and shifting rules implemented provided by national governments and local authorities.

A key strength of the Headway network is the sharing of best practice and the mutual support provided by and to groups and branches across the UK. The increased use of video conferencing during the pandemic allowed the Headway UK network to deliver regular online meetings, webinars and discussion forums. This resulted in greater engagement between groups and branches across the UK.

Headway branches, which are run by volunteers, were provided with additional assistance in supporting their members, many of whom are isolated and rely on their Headway branches for social engagement.

Helpline

The Headway helpline remained a vital form of support for brain injury survivors, carers and families during 2021, while also providing guidance to professionals working in the field of ABI.

Despite significant disruption, 10,649 enquiries were answered by the team in 2021. This is seven more than the previous year but a 5% decrease on the pre-pandemic figures recorded in 2019 (11,216).

The majority (79.5%) of enquiries answered were from people directly affected by brain injury, that is survivors and their families, friends, and carers.

People contact the Headway helpline with a variety of support needs and questions, or to discuss issues they need help with, such as effects or any social and practical issues they are facing. Issues such as coping with social isolation, access to rehabilitation, and relationships were among the most common to be discussed with callers during 2021, highlighting the pressures created or exacerbated by the pandemic.

The compassionate, caring and professional support provided by the helpline team was recognised throughout the year by messages of gratitude from those using the service.

> *"There are just no words to express my thanks to you and your amazing organisation. To have a loved one with such difficult brain injuries is to walk a very lonely path...only people/family who have a loved one with such an injury can truly understand the loss. Thank you for holding my hand."*

Emergency Fund

In 2021, the Emergency Fund celebrated its 10-year anniversary of supporting families facing the sudden practical implications of acquired brain injury.

By the end of the year, the Emergency Fund had distributed grants totalling almost £450,000 to 2,208 families, with more than £25,000 awarded to those in need during the year. This achievement was made possible by the continued generous support of the Stewarts Foundation.

The number of applications received in 2021 fluctuated in line with the restrictions placed on hospital visiting throughout the pandemic.

The Emergency Fund has continued to provide a constant and critical service for individuals and families facing practical challenges in the immediate aftermath of a brain injury.

Additionally, the fund has continued partnerships with a number of travel providers to secure additional free or discounted travel for Emergency Fund applicants, with some grants awarded by rail companies worth in excess of £3,000.

> *"Thank you so much for this, it really will make a difference and enable us to visit **** without worrying about the cost of petrol. I really appreciate your help."*

Justice Project

The Brain Injury Identity Card scheme continues to expand with more than 1,200 ID cards issued during the course of 2021, bringing the total number of cardholders to 9,411 by the end of the year.

The card remains a highly respected and valuable tool for survivors of brain injury, with 97% of cardholders rating the ID card as 'Excellent' or 'Good'.

Throughout the year, Headway's Justice Project has continued to provide training to a wide range of professionals to improve understanding and awareness of brain injury across the criminal justice system.

This included working with NHS England to provide training to prison and probation staff. Awareness training was also provided to police services.

In March 2021, Headway announced a new partnership with the Department for Work and Pensions. Jobcentre Plus staff have been provided with information on the ID card and instructions on how to 'pin' this information to customers' records. This will ensure staff involved in customer support are aware of their conditions and enable the support they receive to be tailored appropriately.

> *"Carrying the card makes me feel safer. I know that if I can't explain why I can't immediately deal with a situation I can flash the card. It will explain to others without me having to struggle to find the words at a moment when I really can't."*

Publications and resources

Headway's library of award-winning free-to-access publications remains a crucial source of information and support to brain injury survivors and families, as well as those working to support them.

A total of 66,655 factsheets and e-booklets were download from the charity's website in 2021. New factsheets, *Sleep problems after brain injury* (reviewed by clinical neuropsychologists Dr Kimberley

Fletcher and Dr Amanda Mobley) and *Headaches after brain injury* (reviewed by consultant neurologists Dr Colette Griffin and Dr Ivy Ong), were published in 2021.

The booklet *A guide to welfare benefits* was replaced by a series of factsheets to allow for easier review of material. These were reviewed by solicitor and welfare benefits advisor Peter Renshaw (Potter Rees Dolan solicitors) and a welfare benefits advisor at Citizens Advice. Our sincere thanks go to all the third-party experts who assisted in the production or review of Headway publications on a pro bono basis this year.

Digital

There were 987,750 visits to Headway's websites in 2021, with the main website accounting for 95% of this traffic.

On social media, our total following across Facebook, Twitter, Instagram and LinkedIn grew by 9% to 65,754. LinkedIn performed particularly strongly, with page followers increasing by 33% over the course of the year.

Campaigns and awareness

The charity continued to secure mainstream UK-wide media coverage throughout the year.

Headway spokespeople were regularly interviewed on television and radio channels including BBC1, Sky Sports News, ITV and talkSPORT, with extensive coverage and repeated quotes or mentions appearing in all the leading UK-wide newspapers and their respective websites.

Headway was frequently asked to comment on the risks associated with concussion and long-term degenerative neurological conditions in sports such as football, rugby and horse racing, with more than 20 individual broadcast interviews and dozens of additional or repeated mentions of Headway's key messages.

Support for Headway's Concussion Aware campaign was frequently provided by high-profile sportspeople and broadcasters including Alan Shearer, Chris Sutton and Jermaine Jenas, each of whom has helped raise the profile of the charity.

The charity's support for Wolverhampton Wanderers footballer Raul Jimenez, who fractured his skull following a clash of heads in a Premier League match, led to a donation of £8,000 from the club.

A successful Action for Brain Injury Week 2021 campaign used the public's new-found experience of social isolation to promote a greater understanding of what life after brain injury can mean to survivors and carers.

A life of lockdown? gave a voice to survivors to explain how the effects of brain injury can leave people marginalised by society. Webinars, powerful personal testimonies and virtual gatherings all featured during the week alongside the launch of new publications to help survivors who may be isolated.

The campaign also featured a survey of brain injury survivors' experiences of isolation during the Covid-19 lockdown. The study found that survivors' access to rehabilitation during lockdown were significantly diminished.

Public affairs

The findings of our ABI Week study were provided to Members of Parliament participating in a Westminster Hall debate regarding brain injury and Covid-19. This enabled Headway to highlight the plight of brain injury survivors and the support provided by Headway UK and Headway groups and branches across the UK. This work was recognised by Chris Bryant MP in his submissions and the Minister of State, Helen Whately MP, in her response.

Headway gave evidence to a Digital, Culture, Media and Sport Committee inquiry, illustrating that MPs consider Headway a leading voice on the issue of concussion in sport and brain injury more widely.

Meetings were held with Justin Tomlinson MP, Minister of State for Disabled People, Work and Health alongside colleagues from the Department for Work and Pensions (DWP). The meetings provided the opportunity for the Minister and DWP staff to hear directly from brain injury survivors and their carers about the issues they face when navigating the benefits system.

The charity also contributed to numerous consultations on topics including e-scooters and neurodiversity within the criminal justice system.

Fundraising

2021 was a difficult and unpredictable year for fundraising. Community fundraising remained a challenge, but with the support of our incredibly dedicated fundraisers, we were able to deliver several virtual and in-person activities.

These included the return of flagship events such as the London Marathon and the Great North Run, and we were delighted to see Team Headway vests once again proudly on show on the streets of London and Tyneside.

Although many businesses continued to work from home, we were grateful to receive donations from our corporate partners and baton holders, as well as additional income from grants and trusts that have continued to support us.

The financial unpredictability caused by Covid-19 was highlighted by our legacy income outperforming budget by 90.3%, with in-memory giving 53.3% up on budget. Community fundraising and major donor giving were also higher than predicted.

Our sincere thanks go to each individual fundraiser, corporate donor or grant-making body for supporting our work in 2021.

The performance of our retail team in 2021 was exceptional. Our team of volunteers and staff worked extremely hard in challenging circumstances once shops were permitted to re-open, having been unable to trade for the first three and a half months of the year. The team had to manage high

customer demand, ensuring full compliance with Covid-19 guidelines, whilst managing a significant increase in sales.

Opening day after lockdown saw a 210% increase in sales in comparison to the same day in 2019. This trend continued, with like-for-like income in 2021 up by 20% against pre-pandemic levels in 2019.

The trustees fully support the voluntary scheme put in place by the management Team for regulating fundraising activities and monitoring compliance with the regulations outlined by the Institute of Fundraising. Headway also upholds a code of practice within the fundraising team to protect the public and vulnerable members of our society from unreasonable intrusion, unreasonable persistent approaches and undue pressure to give in accordance with the Protection and Social Investment Act 2016.

All fundraising activities were monitored throughout the year by way of regular meetings between the fundraising team and the Chief Executive. Two complaints were received in the year in respect of any fundraising activities and were reported to the board of trustees in accordance with procedure. Each complaint was investigated and action taken where appropriate.

Volunteers

Volunteering opportunities remained limited throughout much of 2021. However, the outstanding performance of the retail team owes much to the charity's selfless volunteers who once again went the extra mile to prepare stock and serve customers.

We are extremely grateful to everyone who has given their time to helping Headway on a voluntary basis. Particular thanks go to group and branch volunteers, including committee members and trustees, who continued to support brain injury survivors and carers through the changing Covid-19 landscape.

Future plans

The strong financial performance in 2021 has enabled the charity to enter the next phase of its development with confidence. The freeze on recruitment was lifted towards the end of 2021, with new appointments including two senior members of staff.

Lessons learned from the pandemic will help shape the strategic development of the charity, with long-term investments in digital communications enabling more effective collaborative working.

The charity will continue to work towards achieving the aims set out in its business plan, including:

- Support brain injury survivors, families, carers and professionals via our freephone nurse-led helpline.
- Utilise digital technologies to facilitate peer support and the sharing of best practice among the Headway network, and enhance the assistance provided to groups and branches to deliver local support and rehabilitation services.

- Support families in need of urgent financial assistance in the immediate aftermath of acquired brain injury via the Emergency Fund.
- Develop its Justice Project by working closely with partners within the criminal justice system and continue to provide Brain Injury Identity Cards to support survivors in their everyday lives and when they come into contact with the criminal justice system.
- Expand its award-winning information library through the production and revision of high-quality publications with the voluntary support of third-party experts.
- Develop its digital and online resources with particular focus on its social media communities, training provision, and greater connectivity.
- Initiate campaigns to increase awareness and understanding of acquired brain injury, improve service provision for those affected, and reduce the incidence of brain injury.
- Identify appropriate opportunities to grow its chain of retail units that not only generate vital income to support the charity's activities, but also act as information hubs for the general public.
- Fundraise in accordance with our fundraising principles, at the heart of which is respect for donors, in order to achieve of the charity's objectives.
- Maintain and develop links with international organisations with the intention of contributing to and learning from organisations with similar objectives to Headway.

Engagement with stakeholders, including brain injury survivors, carers, family members and Headway groups and branches, and experience gained from running projects will continue to shape the delivery of services. This will ensure that the charity's limited resources are used in the most effective way.

Financial review

Despite exceptionally challenging conditions and continued financial instability relating from the Covid-19 pandemic, the charity's financial performance was strong in 2021. Income in 2021 returned to pre-pandemic levels.

It is important to note that this was largely due to significant taxpayer assistance through the Coronavirus Job Retention Scheme and the Retail, Hospitality, and Leisure Grant. However, support provided by the taxpayer was less than the income lost through the enforced closure of our retail operation.

The Kickstart scheme enabled Headway to provide 34 people aged between 16 and 24 with employment opportunities, training and experience.

The unpredictable and fluctuating nature of the public health crisis and its impact on fundraising income necessitated the continuation of the charity's prudent approach to expenditure that was promptly established when the seriousness of the pandemic became clear.

This resulted in the charity achieving a significant surplus in 2021 that will enable it to commence post-pandemic rebuilding. It will also strengthen its ability to protect itself from future crises.

The statement of financial affairs provides a detailed picture of the financial performance of the charity in 2021. The details of our financial performance can be found on pages 22 and 23. Copies of the consolidated statement of financial activities and balance sheet are available in larger print on request.

Our 2021 financial reports and accounts have been prepared under the conditions set out by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Reserves policy

The impact of the 2021 results on our balance sheet is to increase reserves from £3,969,862 on the 2020 balance sheet to £5,023,376.

The Covid-19 pandemic demonstrated the importance of charities having appropriate levels of reserves to withstand extreme and unexpected financial pressures. The prudent way in which Headway has implemented its reserves policy ensured it was sufficiently resilient to maintain its support to brain injury survivors and families throughout the crisis. The strengthening of the charity's unrestricted reserves will enhance Headway's resilience to future crises while allowing for investment to make the charity more efficient and effective.

A detailed analysis of our reserves shows that £506,695 (10.09% of funds held) is held as restricted funds on behalf of Headway branches and £286,613 (5.71% of funds held) is held in other restricted funds and cannot be used for purposes other than that for which the funds were donated.

This leaves unrestricted funds of £4,230,068 (84.20% of funds held), of which £2,990,352 (59.53% of funds held) are not required to support tangible fixed assets and can be used for general charitable purposes. After taking into account all requirements for holding reserves, including the leasehold obligations associated with shops and the cyclical nature of cash flow placing higher demands on reserves during the first three quarters of the year, and the impact of the Covid-19 pandemic on regular income streams, the amount of unrestricted reserves is considered to be both reasonable and prudent by the Trustees.

Investment policy

Traditionally, the charity held a high proportion of its reserves in liquid form. However, the acquisition of the charity's premises in Nottingham in 2009 and legacies received, which included property, have changed the balance of its portfolio. The Trustees previously made the decision to appoint financial advisors to maximise returns on the charity's investments whilst maintaining the security of its funds. The funds are not considered excessive in the context of total expenditure, yet they are available and adequate to fulfil the charity's obligations. The Reserves and Investment policies continue to be reviewed regularly and require the charity to maintain sufficient assets to cover operating costs and maximise the return on the charity's investments.

Structure, governance and management

i. Governing document

Headway – the brain injury association is a company limited by guarantee governed by its Memorandum and Articles of Association (dated 13 February 1989 as amended by Special Resolutions dated 2 October 1999, 6 October 2001, 11 October 2003 and 6 July 2008). It is registered as a charity with the Charity Commission and the Office of the Scottish Regulator (OSCR). In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

In response to the pandemic Headway was forced to postpone its AGM using the emergency legislation provisions under the Corporate Insolvency and Governance Act 2020. This prompted a review of the Governing document to enable the charity to conduct virtual general meetings in the future.

ii. Tax status

The company is a registered charity, number 1025852, and is exempt from corporation tax and income tax.

iii. Capacity of Trustees

All members of the Board of Trustees exercise their authority in their capacity as directors under relevant company legislation and as Trustees of the charity. Given the company's charitable status, the term 'Trustee' rather than 'director' has been used throughout this document.

iv. Appointment of Trustees

In accordance with the Article of Association, one third of the Trustees retire by rotation each year. This provides the members of the charity the opportunity to refresh the Board should it wish to do so using the democratic process. Any member entitled to vote at the general meeting may propose one person for appointment or re-appointment as a Trustee. The number of elected Trustees shall not be less than three and subject to a maximum of 12. The elected Trustees may co-opt a maximum of up to one half of their number as Trustees. Headway does not impose limits on the time that Trustees may serve as such time limits would weaken the Board through the loss of Trustees with appropriate skills and experience. This matter has been the subject of extensive debate within the organisation and members reached the conclusion that this was not in the interests of the charity.

v. Trustee induction and training

New Trustees undergo a comprehensive induction to brief them on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the structure and governance of the charity as well as all policies and procedures, their obligations under the Trustees Code of Conduct, the business plan and budget together with recent financial

performance. Trustees are also provided with relevant information from the Charity Commission on a regular basis. The Trustees have agreed to undertake periodic training on diversity.

vi. Organisation

The Board of Trustees, which meets quarterly, governs the charity. The Board is supported by committees where matters regarding development, membership and audit are considered in detail. A Chief Executive is appointed by the Trustees to manage the day-to-day activities of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and provision of services.

vii. Related parties/Register of interests

The charity has a well-established network of branches and affiliated groups around the country. Collaborative work is undertaken with other brain injury related organisations as well as a wide range of healthcare charities and voluntary sector organisations to raise awareness and share good practice. The charity has in place a system by which senior staff and Trustees are required to make annual declarations of interest which record related party transactions. In the interests of transparency these are published on the Headway website. There are no material disclosures for 2021.

viii. Risk management

The Trustees have a risk management strategy, which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the annual review of risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should the identified risks materialise.

Through the risk management processes established for the charity, the Trustees are satisfied that any major risks identified have been adequately mitigated where necessary. It is recognised that the systems in place can only provide reasonable but not absolute assurance that all major risks have been adequately managed. For example, the risks created by the global pandemic could not have been predicted.

The following risks have been identified:

- The Trustees have recognised that the reputation of the whole Headway movement could be damaged by adverse media coverage. This risk is mitigated by regularly

reviewing the charity's Rules of Affiliation and closer scrutiny of the governance and finances of the local network.

- As a charity supporting vulnerable adults, there is a risk that service users could be harmed. This risk has been mitigated by the introduction of Service Standards and closer scrutiny of the Headway network.
- The Trustees have recognised that trustees within the Headway network may not be sufficiently aware of their responsibilities. This risk is mitigated by comprehensive induction sessions for new trustees.
- The Trustees recognise that changes in local government funding could have an impact on the financial viability of Headway groups. This risk is mitigated by closely monitoring the finances of our local groups and encouraging the development of relationships with key decision makers and funders.
- Headway continues to review its insurance requirements to ensure that appropriate cover is available to all participating groups and branches at a cost-effective price. It will continue to work closely with its branches to ensure adequate financial controls are in place and that operational needs are regularly reviewed.
- In addition, the Trustees identified a number of new risks directly related to the pandemic. These included financial and HR risks.

ix. Pay policy for senior staff

The Trustees consider that along with the Board of Trustees, the senior management team (comprising the Chief Executive, Deputy Chief Executive, Director of Services, Director of Communications, Director of Fundraising, and Director of Finance and Administration) comprises the key personnel of the charity in charge of directing, controlling, running, and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustees received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 9 and note 23 to the accounts. The pay of senior management staff is reviewed annually and reflects performance. The Trustees have established a Remuneration Committee to ensure that appropriate remuneration arrangements for senior staff are in place.

x. Group and branch structure

As of 31 December 2021 the charity is organised into local branches and affiliated or associated groups. Branches operate under the registered charity number (1025852) and OSCR number (SC039992) of Headway – the brain injury association. The relationship between the charity and the branches is explained in the accounting policies note 1(j) on page 26. Groups are autonomous, independently registered charities which have agreed to work within the Rules of Affiliation. The activities of these groups, operating under their own charity registration, are not included in the financial statements.

Reference and administrative details

Headway – the brain injury association is registered with the Charity Commission for England and Wales (Charity No. 1025852) and the Office of the Scottish Charity Regulator (Charity No. SC 039992). Headway – the brain injury association is a company limited by guarantee registered in England (No. 2346893). The Directors of the Company are its Trustees for the purpose of charity law.

Trustees who have served during the relevant period:

Elected Trustees	Andrew Green MBE (Chair) Evelyn Vincent (Deputy Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary) Jane Allberry CBE Dr June Gilchrist Jane Hales Andrew Harding Rev Abraham Lawrence Brendan McKeever Dr Colin Shieff Dr Andy Tyerman
Co-opted Trustee	Denzil Lush
Key management personnel	Chief Executive: Peter McCabe Deputy Chief Executive: Luke Griggs Director of Finance and Administration: Ruth Ormston Director of Services: Anna James (from December 2021)
Principal and registered office	Bradbury House 190 Bagnall Road Old Basford Nottingham NG6 8SF
Auditors	Saffery Champness LLP Westpoint Peterborough Business Park Lynch Wood, Peterborough PE2 6FZ
Bankers	Lloyds Bank Plc 12-16 Lower Parliament Street Nottingham NG1 3DA

Registered in England company number: 2346893

Charity Commission number: 1025852

Office of the Scottish Charity Regulator number: SC039992

Committees

Trustees who have served on other committees during the year are as follows:

Executive Committee	Andrew Green MBE (Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary) Evelyn Vincent (Deputy Chair) Denzil Lush
Audit Committee	Allistair Renton (Chair) Jane Allberry CBE Jane Hales Rev Abraham Lawrence Brendan McKeever Dr Colin Reeves CBE
Membership Committee	Evelyn Vincent (Chair) Andrew Harding Denzil Lush Brendan McKeever Allistair Renton
Remuneration Committee	Andrew Green MBE (Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary)

Statement of Trustees' responsibilities

The Trustees (who are also directors of Headway – the brain injury association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and also with the requirements of the Statement of Recommended Practice (SORP) issued by the Charity Commission for England and Wales. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees, individually, are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' liability insurance

Headway has maintained insurance during the year for Trustees against liabilities in relation to their duties as Trustees.

Signed on behalf of the Board



Andrew Green MBE **DATE:** 31st March 2022

Opinion

We have audited the financial statements of Headway – the brain injury association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, Balance Sheet, Consolidated Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 parent 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 auditor's report 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 17-18, the trustees (who are also the directors of the parent 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 the 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 parent 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

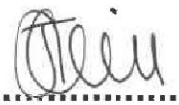
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the parent charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Hill (Senior Statutory Auditor)
for and on behalf of Saffery Champness
LLP

Westpoint
Peterborough Business Park
Lynch Wood
PE2 6FZ

Chartered
Accountants

Statutory Auditors

Date: 9/5/22

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Headway – the brain injury association

Consolidated Statement of Financial Activities (incorporating consolidated income and expenditure account) for the year ended 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Branch funds £	Total 2021 £	Total 2020 £
Income from:						
Donations and Legacies						
- Donations		540,716	6,258	74,878	621,852	690,060
- Grants	8	84,040	311,606	13,189	408,835	634,748
- Legacies		190,303	-		190,303	406,635
Covid-19 grants						
- Retail Grant Scheme		364,515	-	-	364,515	459,632
- Coronavirus Job Retentions Scheme		244,515	-		244,515	479,982
- Kickstart scheme		179,055	-	-	179,055	-
Charitable activities:						
- Training		28,928	-	-	28,928	11,711
- Services to groups & branches		200,243	-	-	200,243	202,344
- Publications and awareness		325,348	-	-	325,348	308,150
Other trading activities:						
- Sale of donated goods		2,174,710	-	-	2,174,710	1,245,538
- Sale of other merchandise & publications		14,809	-	-	14,809	16,878
- Events and conferences		134,491	-	5,601	140,092	14,632
Investment income	4	17,307	-	1,317	18,624	62,693
Rental income		18,715	-	-	18,715	20,017
Other incoming resources:						
- Disposal of property		-	-	-	-	-
Total income		**4,517,695**	**317,864**	**94,985**	**4,930,544**	**4,553,020**
Expenditure on:						
Raising funds:						
Fundraising	7	204,399	-	-	204,399	397,517
Retail activities	7	1,972,327	-	-	1,972,327	1,811,515
Events and conferences	7	-	-	-	-	-
Charitable activities:						
- Services provided		1,095,063	241,027	84,222	1,420,312	1,704,167
- Grants distributed		34,823	27,389	6,102	68,314	54,984
- Publications & awareness		229,473	-	-	229,473	330,261
Total expenditure	7	**3,536,085**	**268,416**	**90,324**	**3,894,826**	**4,298,444**
Net gains/(losses) on investments	11	17,797	-	-	17,797	(18,676)
Net income/(expenditure) before transfers between funds		**999,406**	**49,448**	**4,661**	**1,053,515**	**235,900**
Transfers between funds		-	5,915	(5,915)	-	-
Net income/(expenditure) after other gains/(losses)		**999,406**	**55,362**	**(1,255)**	**1,053,515**	**235,900**
Fund balances brought forward at 1 January 2021		**3,230,661**	**231,251**	**507,950**	**3,969,862**	**3,733,962**
Fund balances at 31 December 2021		**4,230,067**	**286,613**	**506,335**	**5,023,376**	**3,969,862**

General purpose funds and designated funds are both unrestricted funds. The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 27-39 form part of these financial statements.

Headway – the brain injury association

Balance Sheets as at 31 December 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Tangible assets	10	1,239,716	1,268,738	608,831	611,101
Investments	11	283,187	265,598	914,072	949,249
		1,522,903	1,534,336	1,522,903	1,560,350
Current assets					
Stock	12	129,673	85,406	129,673	85,406
Debtors	13	884,283	1,203,478	884,283	1,177,464
Cash at bank and in hand		3,567,367	1,845,943	3,567,367	1,845,943
		4,581,323	3,134,827	4,581,323	3,108,813
Creditors: amounts falling due within one year	14	(868,350)	(699,302)	(868,350)	(699,302)
Net current assets		3,712,973	2,435,525	3,712,973	2,409,511
CBILS loan falling due after one year	15	(212,500)	-	(212,500)	-
Net assets		5,023,376	3,969,862	5,023,376	3,969,862
Funds					
Unrestricted funds					
Other designated funds	17	1,837,625	1,837,625	1,837,625	1,837,625
General funds	17	2,392,443	1,393,036	2,392,443	1,393,036
Restricted funds					
Branches	16	506,695	507,950	506,695	507,950
Other	16	286,613	231,251	286,613	231,251
Total funds		5,023,376	3,969,862	5,023,376	3,969,862

The notes on pages 27-39 form part of these financial statements.

Approved by the Board of Trustees on 31st March 2022
and signed on its behalf by:

Andrew Green MBE
Chair

Company Registration No: 2346893 (England and Wales)

Headway – the brain injury association

Consolidated Cashflow Statement for the year ended 31 December 2021

	Note	£	Group 2021 £	£	Group 2020 £
Net cash provided by operating activities	(i)		1,500,836		59,290
Cashflows from investing activities					
Investing activities					
Dividends and interest		18,624		62,693	
Movement in cash held on deposit		208			
Purchase of tangible fixed assets		(48,244)		(40,753)	
			(29,412)		21,940
Financing activities					
Receipt of CBILS loan		250,000			
			250,000		
Movement in cash and cash equivalents	(ii)		1,721,424		81,229

Notes to the cashflow statement

(i) Reconciliation of net income/expenditure to net cash inflow from operating activities

	Group 2020 £	Group 2020 £
Net income /(expenditure) for the reporting period (as per the statement of financial activities)	1,053,514	235,900
Adjustments for:		
Dividends and interest earned on investments	(18,624)	(62,693)
Gain on investment value	(17,797)	18,326
Loss on revaluation of investment properties	24,000	-
Depreciation of tangible fixed assets	53,266	98,418
Surplus on disposal of fixed assets	-	-
(Increase)/decrease in stock	(44,267)	1,011
Decrease/(increase) in debtors	319,196	(211,064)
Increase/(decrease) in creditors	131,549	(7,180)
Increase/(decrease) in pension provision	-	(13,428)
	1,500,836	59,290

(ii) Analysis of cash and cash equivalents

	Group 2021 £	Movement	Group 2020 £
Cash at bank	2,685,545	1,721,424	964,121
Short-term deposits	881,822		881,822
Net cash funds at 31 December 2020	3,567,367	1,721,424	1,845,943

Notes to the consolidated Financial Statements for the year ended 31 December 2021

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Headway – the brain injury association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

b. Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the authorising of these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

c. Basis of consolidation

i) The consolidated accounts of the group incorporate the financial statements of the charity and its trading subsidiary company, both of which were made up to 31 December 2021.

ii) The agency fee charged by the subsidiary to the charity is treated as part of shops' costs in the consolidated statement of financial activities (SOFA).

iii) The income and expenditure of the subsidiary are disclosed separately in notes 5 and 6.

iv) A separate SOFA for the charity is not provided. See note 3.

d. Taxation

Income tax recoverable in respect of donations, investment income and legacies is included under the heading to which it relates.

e. Incoming resources

i) All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is when it is probable that it will be received, and this is usually when the estate has been settled.

ii) Where the charity has been notified of material legacies that have not been included in the SOFA (because the conditions for recognition have not been met), this fact and an estimate, where possible, of the amounts receivable are disclosed in the notes to the accounts.

iii) Grants, whether attributable to unrestricted or restricted are accounted for on the basis of the amount receivable for the year.

iv) Investment income is accounted for on a receivable basis, including recoverable tax.

v) Corporate membership income is recognised in full in the year in which it is invoiced.

f. Government Grant Accounting policy

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions have been met. Where the grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

g. Expenditure

All revenue expenditure has been dealt with through the SOFA on an accruals basis. Direct costs have been allocated to their appropriate functional headings. Indirect overheads have been apportioned to these headings on the basis of a fair estimate of time spent or resources used.

h. Governance and support costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Governance and support costs are allocated between the expenditure categories on the statement of financial activities on a basis designed to reflect the use of the resource.

i. Shops' operating costs
Costs incurred in acquiring shop leases and improvements thereon are written off over three years to reflect the break clause in the operating leases.

j. Branches and groups
Branches in Headway are non-autonomous and operate under the Registered Charity number 1025852 in England and SC039992 in Scotland are included in full in these accounts. Groups, which operate under their own registered charity number, are not included in these accounts. The financial statements include the income and expenditure of 48 branches in existence for the year ended 31 December 2021.

k. Investments
Investments in listed securities are held at fair value, deemed to be market value. Gains and losses are charged or credited to the SOFA as appropriate.

l. Depreciation
Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over their expected useful life. Depreciation has been applied at the following rates:

- Freehold property	2%
- Building improvements	between 5% and 15%
- Office equipment and furniture	20%
- Computer equipment and software	33%
- Motor vehicles	20%
- Shop operating costs	33%

m. Stocks
Stocks consist of donated goods for sale through our retail outlets which are valued at an estimated net realisable. Merchandise and publications are valued at the lower of cost or net realisable value.

n. Financial instruments
The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest rate method.

o. Operating leases
Rentals payable under operating leases are charged on a straight-line basis over the term of the lease. Any rent premiums are written off immediately.

p. Designated funds
Headway may at its discretion set aside funds for specific purposes which would otherwise form part of the general reserves of the organisation. Specifically, funds are set aside which represent the investment made or to be made in buildings and equipment for use by the charity. As such, they are not available for other purposes.

q. Restricted funds
Distributions from restricted resources must be used for purposes consistent with donor intentions and should be the first source of funding to support programmes and activities meeting the restriction.

r. Unrestricted funds
General funds are funds which are available for the general purposes of that charity. These funds will be spent in a way that the Trustees see fit in accordance with the stated objectives of the charity.

s. Investment Properties
Headway holds two investment properties in Manchester that were gifted as part of a legacy and are held for investment purposes to generate a rental income stream for Headway. There are no legal restrictions to prevent the sale of these properties. These properties were initially valued at cost and subsequently at fair value, which is market value, by an independent examiner.

2. Critical accounting judgements and key sources of estimation uncertainty

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

Critical judgements – stocks
Management use their judgement to assess the value of the donated goods held for resale.

These judgements are reviewed regularly to reflect the changing environment.

3. Net income for the financial year

As permitted by section 408 of the Companies Act 2006, the parent's charity Statement of Financial Activities has not been included in these financial statements. The parent charities total incoming resources for the year were £4,910,285 (2020: £4,535,401). The net surplus for the year for the Charity was £1,052,331 (2020: £235,586)

4. Investment income

	2021 £	2020 £
Income from listed investments	12,847	62,693
Other interest receivable and similar income	24,492	20,751
	37,339	82,710

5. Net income from Headway Retail Limited

The charity has a wholly owned trading subsidiary, Headway Retail Limited, which is incorporated in England and Wales and undertakes two main activities:

i) The company acts as agent in selling donated goods on behalf of the charity.
ii) The company conducts, as principal, the trading activity of selling greeting cards and other merchandise. The profits arising are donated to the charity by an annual payment under gift aid.

At 31 December 2021 the company had 28 trading shops (2020: 29 shops).

Agency agreement

Under the terms of the agency agreement, all income from the sale of donated goods totalling £20,257 for the year (2020 - £17,619) is passed directly to the charity. This income is therefore not included in the profit and loss account of the trading subsidiary, as shown below. The charity is charged an agency fee by the subsidiary which is shown as income in the subsidiary company's profit and loss account. The agency fee equals the expenses incurred in selling of goods, as shown below.

Profit and loss account 2021	Headway Retail Ltd £
Turnover (agency fee/trading income)	20,257
Less cost of sales	-
Gross profit	20,257
Administration expenses (shop operating costs)	(19,074)
Net profit for the year	1,183
Gift aid payment	(1,183)
Retained profit for the year	-

The comparative Profit and loss account for 2020 is as follows

Profit and loss account 2020	Headway Retail Ltd £
Turnover (agency fee/trading income)	17,619
Less cost of sales	-
Gross profit	17,619
Administration expenses (shop operating costs)	(17,305)
Net profit for the year	314
Gift aid payment	(314)
Retained profit for the year	-

6. Net income from 190 Bagnall Road Properties Limited

The charity has a wholly owned trading subsidiary, 190 Bagnall Road Properties Limited, which is incorporated in England and Wales and undertakes one main activity:

i) To hold property used by group companies

Profit and loss account 2021	190 Bagnall Road Properties Ltd £
Turnover	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	-
Retained profit for the year	(5,680)

The comparative profit and loss account for 2020 is as follows

Profit and loss account 2020	190 Bagnall Road Properties Ltd £
Turnover	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	-
Retained profit for the year	(5,680)

7. Analysis of total resources expended

	Staff costs	Other costs	Management support and governance	Total 2021	Total 2020
	£	£	£	£	£
Costs of generating funds					
Fundraising costs	90,762	29,371	84,266	204,399	397,517
Retail activities	1,169,057	740,071	63,199	1,972,327	1,811,515
Events and conferences	-	-	-	-	-
	1,259,819	769,442	147,465	2,176,726	2,209,032
Charitable expenditure					
Services provided	603,684	346,144	470,485	1,420,313	1,704,167
Grants distributed	36,714	31,601	-	68,315	54,984
Publications and awareness	106,925	38,282	84,266	229,473	330,261
	2,007,142	1,185,469	702,216	3,894,827	4,298,442

7. Analysis of total resources expended (Continued)

	Total 2021 £	Total 2020 £
Support costs		
Staff costs	457,752	515,441
Volunteer costs	-	35
Office costs	89,674	241,259
Computer support	56,043	53,467
Depreciation	55,433	30,478
Communication costs	12,597	18,930
Legal & professional fees	1,590	11,190
Subtotal support costs	673,089	870,800
Governance costs		
Audit fees 2021	21,750	20,750
Fee for preparation of Corporation tax returns	1,250	1,200
Prior year additional audit costs	5,978	5,900
Other audit costs	150	164
Trustees' expenses	-	1,310
Subtotal governance costs	29,128	29,324
Total management support	702,217	900,124

Net income for the year

This is stated after charging:

Depreciation	53,266	98,418
Auditor remuneration		
- Audit fee	23,000	28,014
- Prior year audit costs	5,978	-
- Other audit costs	150	-
- Trustees indemnity insurance cover	4,480	4,480
Operating leases - Land and buildings	549,840	521,536

8. Grants & donation for restricted purposes

	Total 2021 £	Total 2020 £
Scottish Government	70,000	80,250
Welsh Assembly Government	-	16,302
Health and Social Care Board, Belfast	144,086	202,461
Covid Resilience DCMS	-	50,000
Justice project grant	24,500	-
(a) Charitable trusts and other grant making bodies	79,278	58,068
	317,864	407,081

(a) Includes generous grants from the following:

Stewarts Law	50,000
	50,000

9. Staff costs

	Total 2021 £	Total 2020 £
Staff remuneration:		
Salaries and wages	2,154,613	2,305,083
Social security costs	185,145	172,325
Pension costs	100,388	77,995
	2,440,146	**2,555,403**

The average number of employees, analysed by function was:

	2021	2020
Administration	8	11
Communications	3	5
Fundraising	128	96
Services	24	33
	163	**145**

Two employees (2020 - 2) had total emoluments in excess of £60,000. The emoluments for one of these employees fell within the range of £130,000 and £140,000. The emoluments for one employee fell within the range of £60,000 to £70,000 (2020 – 1).

Headway benefited from the involvement of unpaid part time volunteers. It is not practical to place a value on these services. The number of these volunteers is 2021 was significantly reduced due to the SARS-CoV-2 Pandemic. In addition, Headway contracted 34 employees for 6 months per placement through the Kickstart Scheme. This was split between 33 posts in the shops, which have been included in Fundraising above and 1 in Services, assisting with the Justice project and the Emergency Fund

No remuneration was paid to any member of the Board of Trustees during the year, or the previous year; No expenditure in 2021 (2020 - £82) was reimbursed.

The key management personnel of the group, parent charity and the wholly owned subsidiary comprise of the trustees, the Chief Executive Officer, The Deputy Chief Executive Officer, the Director of Finance and Administration and the Director of Services. The total employee benefits of the key management personnel was £271,671 (2020: £395,324).

10. Tangible fixed assets

	Office & shop equipment £	Computer equipment & software £	Motor vehicles £	Land & building £	Investment Properties £	Group total £
Cost - Group						
Balance at 1 January 2021	512,180	178,132	82,212	827,891	504,000	2,104,415
Additions	-	48,244	-	-	-	48,244
Disposals/write-offs	-	-	(8,685)	-		(8,685)
Revaluation of properties					(24,000)	(24,000)
Balance at 31 December 2021	**512,180**	**226,376**	**73,527**	**827,891**	**480,000**	**2,119,974**
Accumulated depreciation						
Balance at 1 January 2021	477,750	132,377	56,424	169,126	-	835,677
Charge for the year	21,072	17,073	5,948	9,173	-	53,266
Disposals/write-offs	-	-	(8,685)	-	-	(8,685)
Balance at 31 December 2021	**498,822**	**149,450**	**53,687**	**178,299**	**-**	**880,258**
NBV at 31 December 2021	**13,358**	**76,926**	**19,840**	**649,592**	**480,000**	**1,239,716**
NBV at 31 December 2020	**34,430**	**45,755**	**25,788**	**658,765**	**504,000**	**1,268,738**

The cost of land not depreciated included in land and buildings is £400,000 (2020: £400,000). Amounts attributed to land and buildings relate to the property owned by the charity's subsidiary undertaking, 190 Bagnall Road Properties Limited.

10. Tangible fixed assets (continued)

	Office & shop equipment £	Computer equipment & software £	Motor vehicles £	Land & building £	Investment Properties £	Charity total £
Cost - Charity						
Balance at 1 January 2021	448,964	178,132	82,212	143.891	504,000	1,357,199
Additions	-	48,244	-	-		48,244
Disposals/write-offs	-		(8,685)	-		(8,685)
Revaluation of properties					(24,000)	(24,000)
Balance at 31 December 2021	**448,964**	**226,376**	**73,527**	**143,891**	**480,000**	**1,372,758**
Accumulated depreciation						
Balance at 1 January 2021	448,964	132,377	56,424	108,333	-	746,098
Charge for the year	-	17,073	5,948	3,493	-	26,514
Disposals/write-offs	-	-	(8,685)	-	-	(8,685)
Balance at 31 December 2021	**448,964**	**149,450**	**53,687**	**111,826**	**-**	**763,927**
NBV at 31 December 2021	**-**	**76,926**	**19,840**	**32,065**	**480.000**	**608,831**
NBV at 31 December 2020	**-**	**45,755**	**25,788**	**35,558**	**504,000**	**611,101**

11. Fixed asset investments

Group

	UK Equities £
Balance at 1 January 2021	265,598
Gain/(losses) during year	17,797
Movement in cash held on deposit	(208)
Market value at 31 December 2021	**283,187**

All investments relate to holdings in the EdenTree Amity Investment Funds for Charities and Santander UK PLC preference shares

Charity	UK Equities £	Subsidiary undertaking £	Total £
Balance at 1 January 2021	265,598	684,000	949,598
Gain/(losses) during year	17,797		17,797
Movement in cash held on deposit	(208)		(208)
Market value at 31 December 2021	**283,187**	**684,000**	**967,187**

The investment in the subsidiary undertaking represents 100% of the ordinary share capital of 190 Bagnall Road Properties Limited, a company which owns the charity's property and is incorporated in England and Wales. Its results have been included in the consolidated financial statements along with Headway Retail Limited, a company limited by guarantee. Headway Retail Limited commenced trading during 2015.

12. Stock

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Goods held for resale	13,987	13,612	13,987	13,612
Donated goods held	115,686	71,794	115,686	71,794
	129,673	85,406	129,673	85,406

13. Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	496,435	542,705	470,421	516,691
Other debtors	124,240	99,322	124,240	99,322
Prepayments	98,350	97,630	98,350	97,630
Taxation recoverable	55,644	45,589	55,644	45,589
Legacies receivable	75,083	353,064	75,083	353,064
Accrued income	34,531	65,168	34,531	65,168
	884,283	1,203,478	858,269	1,177,464

14. Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	229,694	168,667	229,694	168,667
Taxation and social security	72,212	42,609	72,212	42,609
Other creditors	19,280	-	19,280	-
Deferred income	418,156	419,384	418,156	419,384
Accruals	43,757	20,891	43,757	20,891
Taxation payable	-	-	-	-
Pension Trust provision within one year	47,751	47,751	47,751	47,751
CBILS loan within one year	37,500	-	37,500	
	868,350	699,302	868,350	699,302

Deferred income includes £285,645 for the Solicitors' List 20222 invoiced in 2021 and £132,512 income received for events that have not yet taken place or where the donor has been unable to participate in 2021. Income of £314,770 deferred in 2020 was released to the SOFA and £313,543 new income was deferred in 2021.

15. Creditors: amounts falling due after one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
CBILS Loan after one year	212,500	-	212,500	-
	212,500	-	212,500	-

On 22nd March 2021, Headway- the brain injury association obtained a CBILS facility of £250k from Lloyds Bank Plc. Interest is charged on a Floating Rate basis under which the interest rate will never be less than the margin of 2.45% plus the Base Rate. Headway also obtained a BIP whereby the Government will pay the interest due under this facility for the first 12 months from drawdown. The loan is repayable in 60 equal instalments commencing 5 months from the date of the first drawdown of the facility

15a Multi employer pension scheme liability

Headway – the brain injury association participates in a multi-employer pension scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is classed as a defined benefit scheme in the UK.

In January 2019, the last participating employee left the scheme and Headway entered a 'period of grace' for twelve months providing time for any new employee to join the scheme. Since no employee did so, the period of grace ended in January 2020. This was deemed to be a cessation event, therefore a Section 75 debt on withdrawal is now due to fully satisfy and settle Headway's liability under this pension scheme.

A preliminary schedule of Headway's debt on withdrawal and the associated fees has been provided by the scheme as follows:

	2021 £
Debt on withdrawal	42,239
Actuarial fee	5,300
Admin fee	212
	47,751

As this debt will be due within 12 months of the end of the 2021 financial year, this debt is recognised on the balance sheet as such and included in the main creditors' schedule under note 14.

16. Restricted income funds

	Balance 31 December 2020	Movement in funds			Balance 31 December 2021	
		Income	Expenditure	Transfers		
	£	£	£	£	£	
Family emergency fund	25,381	52,593	(27,389)		50,585	a
Regional development & group support	50,416	-	-		50,416	b
Helpline	23,711	1,330	-		25,041	c
HATS project	5,660	3,356	(9,016)		-	e
Information Support Programme	2,279	-	-		2,279	f
Scottish government - development within Scotland	-	73,000	(69,522)		3,478	g
Health and Social Care Board - Northern Ireland	90,784	146,421	(133,176)		104,029	i
Justice Project	4,865	27,000	(941)		30,924	J
Covid Resilience DCMS	28,155	-	(28,155)		-	k
Funds held on trust	-	14,164	(217)	5,915	19,862	l
	231,251	317,864	(268,416)	5,915	286,614	
Branches	507,950	94,985	(90,325)	(5,915)	506,694	
	739,201	412,849	(358,741)	-	793,308	

a Family Emergency Fund for people with brain injuries, supported by the Stewarts Law Foundation and other community funding.
b Grants from other charitable bodies and restricted legacies to support Network Support staff, training and other services to groups and branches.
c Grants received to assist the development and support of the Headway nurse-led helpline.
e Grants received from the charitable trusts to support the Headway Acute Trauma Support (HATS) project (including Lord Austin Trust amongst others).
f Funding received from Charities Aid Foundation America to support our Information Support Programme.
g Funding from the Scottish Government to support the development of services within Scotland
i To provide people in Northern Ireland with acquired brain injury and their carers with the opportunity to access a range of services to support their needs
j Funding received to support the Justice Project, providing Headway ID cards to brain injury survivors
k. Funding received from DCMS under the Covid Resilience programme to support network services
l Funds held on trust for groups and branches pending re-establishment of closure

17. Designated and unrestricted funds

	Balance at 31 December 2020	Designations from /(to) other funds	Utilised/ (released)	Balance at 31 December 2021
	£	£	£	£
Designated fund other				
Expendable endowment fund	1,146,000	-	-	1,146,000
Network crisis support	391,622	-	-	391,622
Family Emergency Fund	100,900	-	-	100,900
Justice for Survivors	119,923	-	-	119,923
Digital projects fund	50,000	-	-	50,000
Other designated	29,180	-	-	29,180
Total designated funds	1,837,625	-	-	1,837,625

17. Designated and unrestricted funds (continued)

	Balance 31 December 2020	Movement in funds: Incoming resources	Movement in funds: Expenditure gains/(losses) & transfers	Balance 31 December 2021
	£	£	£	£
General funds	1,393,036	4,517,695	(3,518,288)	2,392,443
	1,393,036	4,517,695	(3,518,288)	2,392,443

a The expendable endowment fund consists of property donated to the charity. The trustees have discretion as to how the fund is used and there is no actual requirement to spend or apply the capital. The trustees have the power to convert the endowment funds into income.

b The network crisis support fund represents the amounts set aside to provide financial support to local Headway groups that run into substantial financial difficulty

c The Family Emergency Fund provides financial support to families and individuals struggling to cope with the practical difficulties brought about by catastrophic brain injury

d The Justice for Survivors fund has been established to ensure to provide ID cards for survivors of a brain injury and make arrangements for legal representation to be provided where appropriate

e The digital project fund represents funds set aside to increase Headway's digital presence

f Other unrestricted designated funds represent funds transferred from and received on behalf of Group and Branches. Such funds are designated for use in the region where they were originally generated. Also includes fund to cover shop dilapidations.

18. Analysis of Group Net Assets between Funds

Fund balances at 31 December 2021 are represented by:

	Unrestricted Funds	Restricted Funds	Branch Funds	2021 Total	2020 Total
	£	£	£	£	£
Tangible fixed assets	1,239,716	-	-	1,239,716	1,268,738
Investment fixed assets	283,187	-	-	283,187	265,598
Current assets	3,788,015	286,614	506,694	4,581,323	3,134,828
Current liabilities	(1,080,850)	-	-	(1,080,850)	(699,302)
Total net assets	4,230,068	286,614	506,694	5,023,376	3,969,862

19. Legal status of headway

Headway is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. Members are liable for a period up to one year after they cease membership.

20. Operating leases

At 31 December 2021 the group and charity had the following total commitments under non-cancellable operating leases with respect to the charity shops.

	Group	
	2021	2020
	£	£
Short leasehold premises		
Operating leases which expire:		
Within one year	215,586	289,258
Within one year to two years	138,978	201,600
Within two to five years	195,275	245,712
Over five years	-	-
	549,839	736,570

21. Related parties

The Charity is the sole member of Headway Retail Limited a company limited by guarantee and registered in England. Headway Retail Limited commenced trading during 2015. At 31 December 2021 the company had no reserves and its income amounted to £20,257 (2020: £17,619) with expenditure of £19,074 (2020: £17,305).

Transactions in the year with Headway – the brain injury association (the parent company) were:

Sales to parent: £16,881 (2020: £14,683)
Donation to parent under gift aid: £1,183 (2020: £314)
Recharges from parent: £19,074 (2020: £17,305)
Balance due to parent at 31 December 2021: £3,376 (2020: £2,937)
At 31 December 2021 Headway Retail Limited had a bank balance of £3,376 (2020: £2,937)

The financial statements of 190 Bagnall Road Properties Limited (Company number 02451998) and Headway Retail Limited (Company number 2925092) can be obtained from Companies House.

22. Analysis of net (debt/funds)

	01 January 2021	Cash flow	Other non-cash changes	31 December 2021
Net cash:				
Cash at bank and in hand	1,845,943	1,721,424	-	3,567,367
Add: Liquid resources				
Current asset investments	-		-	
	-		-	
Less: Debt				
Debts falling due within one year	-	(37,500)	-	(37,500)
Debts falling due after one year	-	(212,500)	-	(212,500)
	-	(250,000)	-	(250,000)
Net funds	**1,845,943**	**1,471,424**	-	**3,317,367**

23. Contingent assets

In 2021, Headway – the brain injury association received notification of a legacy due from a residuary estate. This income has not been recognised in the above accounts due to the following reasons:

- The majority of the estate is held in equities, which have been subject to significant movement since probate valuation,
- There are unquantifiable inheritance tax and capital gains tax liabilities against the estate,
- No professional fees have yet been provided in relation to the administration of the estate or quantifying the tax liabilities.

The value of the legacy is expected to be up to £65,000.

24. Contingent liabilities

Headway – the brain injury association was notified in late 2021 that remedial works are required to the external wall cladding of the Hacienda, one of the two rental properties owned by Headway. A full structural survey has estimated the cost for this to be around £30,000, however the recent decision by the Government on the potential cap on the costs payable by leaseholders and on historical 'waking watch' costs mean that it is not possible to calculate the true liability and this cost has therefore not been accrued to these accounts.

25. Comparative Statements of Financial Activities

	Unrestricted funds £	Restricted funds £	Branch funds £	Total 2020 £
Income				
Donations and Legacies				
- Donations	636,983	750	52,327	690,060
- Grants	206,506	406,331	21,911	634,748
- Legacies	406,635	-		406,365
Covid-19 grants				
- Retail Grant Scheme	459,632	-		459,632
- Coronavirus Job Retention Scheme	479,982	-		479,982
Charitable activities:				
-Training	11,711	-		11,711
- Services to groups and branches	202,344	-		202,344
- Publications and awareness	308,150	-		308,150
Other trading activities:				
- Sale of donated goods	1,245,538	-		1,245,538
- Sale of other merchandise	16,878	-		16,878
- Events and conferences	-	-	14,632	14,632
Investment income	11,714	-	50,979	62,693
Rental income	20,017	-		20,017
Other incoming resources:				
- Disposal of property	-	-	-	-
Total income	**4,006,090**	**407,081**	**139,849**	**4,553,020**
Expenditure				
Raising funds:				
Fundraising	397,517	-	-	397,517
Retail activities	1,811,515	-	-	1,811,515
Events and conferences	-	-	-	-
Charitable activities:				
- Services provided	1,227,901	324,465	151,801	1,704,167
- Grants distributed	21,197	26,047	7,740	54,984
- Publications and awareness	330,261	-	-	330,261
Total expenditure	**3,788,391**	**350,512**	**159,541**	**4,298,444**
Net gains/(losses) on investments	(18,676)	-	-	(18,676)
Net income / (expenditure) before recognised gains	**199,023**	**56,569**	**(19,692)**	**235,900**
Transfers between funds				
Net income/(expenditure) after other gains /(losses)	**199,023**	**56,569**	**(19,692)**	**235,900**
Fund balances brought forward at 1 January 2020	3,031,638	174,682	527,642	3,733,962
Fund balances at 31 December 2020	**3,230,661**	**231,251**	**507,950**	**3,969,862**

24: Comparative Analysis of total resources expended (note 7)

	Staff costs	Other costs	Management support and governance	Total 2020
	£	£	£	£
Costs of generating funds				
Fundraising costs	246,992	42,511	108,014	397,517
Retail activities	945,723	784,780	81,012	1,811,515
Events and conferences	-	-	-	-
Charitable expenditure				
Services provided	684,318	416,767	603,082	1,704,167
Grants distributed	21,197	33,787	-	54,984
Publications and awareness	182,258	39,988	108,015	330,261
	2,080,487	1,317,833	900,123	4,298,442

	Total 2020
	£
Support costs	
Staff costs	515,441
Volunteer costs	35
Office costs	241,259
Computer support	53,647
Depreciation	30,478
Communication costs	18,930
Legal & professional fees	11,190
Subtotal support costs	870,800
Governance costs	
Audit fees	28,014
Trustees' expenses	1,310
Subtotal governance costs	29,324
Total management support	900,124

HEADWAY - THE BRAIN INJURY ASSOCIATION

England & Wales - Charity number 1025852

Accounts

Charity Number: 1025852

Company Number: 2346893

Office of Scottish Charity Regulator Number: SC039992



the brain injury association

(INCORPORATED AS A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

Headway – the brain injury association

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Report of the Trustees for the year ending 31 December 2020

The Trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 December 2020.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006.

Strategic report

Objectives and activities

The charity's mission is to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

Headway's objectives are:

- to increase awareness and understanding of brain injury and its consequences;
- to initiate activities and campaigns that will reduce the incidence of brain injury;
- to provide information and support for people with brain injuries, their relatives, carers and concerned professional people;
- to promote improved approaches to brain injury screening, acute care, assessment, rehabilitation and community reintegration;
- to assist people with brain injuries to return to community living, including access to appropriate accommodation, social outlets and productive activity; and
- to support and help to establish Headway groups throughout the UK in furtherance of the charity's mission statement and encourage them to address the needs of all sections of the community.

The Trustees believe that by realising these objectives the charity will achieve the legal purposes for which it was established namely: to promote understanding of all aspects of brain injury and provide information, support and services to survivors, their families and carers.

Throughout the Covid-19 pandemic, the impact of which is detailed later in this document, the charity prioritised frontline services such as the helpline, Emergency Fund and support to the network of Headway groups and branches. This ensured that despite the significant pressures brought to bear upon the charity by the pandemic, brain injury survivors and carers were not without support.

The short-term priority as the public health crisis recedes will be to apply the lessons learned from the pandemic and review the way we work as we build back better and protect the future of the charity. The long-term objective of the charity remains unchanged: to improve the lives of people affected by brain injury through the provision of services and support.

This means the charity will continue to provide grants via the Emergency Fund to families struggling to cope with the financial implications of brain injury; high-quality, award-winning information will still be made available free-of-charge to survivors, carers and professionals via the website; and the helpline will continue to offer a listening ear and signposting service to those who need support.

We will continue to develop important schemes such as the Approved Provider project, an accreditation scheme for residential care units specialising in the support and rehabilitation of patients with acquired brain injury. We will also campaign and lobby for improved access to specialist rehabilitation services and the prevention of brain injury.

Frontline services provided by Headway – the brain injury association include but are not limited to:

- a free-to-access award-winning range of publications designed to help people understand and cope with the effects of brain injury;
- a comprehensive and award-winning website providing information and support on all aspects of acquired brain injury;
- the Emergency Fund, which provides financial support to families in the aftermath of a brain injury;
- a freephone nurse-led helpline providing confidential support and information to anyone affected by brain injury as well as professionals working in health or social care settings;
- the Justice Project, which provides assistance to survivors of a brain injury who come into contact with the criminal justice system; and
- support and guidance to a network of 120 groups and branches providing local services across the UK.

How do we measure success?

We measure success by accurately monitoring the number of people accessing our services. This includes analysing the number of people visiting our website, downloading our publications, calling the helpline or applying for Emergency Fund grants or Brain Injury Identity Cards.

Qualitative feedback is also taken into account, with the board reviewing positive and negative feedback and complaints on a quarterly basis.

Public benefit

The trustees confirm that they have referred to the advice contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and operations. They are of the opinion that the provision of the range of services offered enables Headway to meet its obligation to provide public benefit.

Achievements and performance

After a sustained period of growth, Headway – like many charities and organisations – faced unprecedented challenges in 2020 as a result of the Covid-19 pandemic. In April 2020, it became clear that the pandemic would cause a significant reduction in the income of the charity. To ensure

the charity's survival, the trustees swiftly implemented a number of cost-saving measures, including a review of all expenditure and a freeze on all salaries and recruitment.

With the introduction of the government's Coronavirus Job Retention Scheme (CJRS), 97 staff were furloughed. The charity also made the difficult decision to reduce expenditure through redundancies.

These measures, coupled with the board's prudent reserves policy over many years and income secured from the taxpayer via the Retail, Hospitality and Leisure Grants scheme and other grants, enabled the charity to avoid financial catastrophe and continue to support vulnerable brain injury survivors and carers throughout the public health crisis.

We were also indebted to our incredible community fundraisers who took on virtual challenges to raise money for the charity during the various lockdowns.

The reduction in staffing levels meant that many staff members were asked to take on additional roles and responsibilities. The board of trustees has expressed its sincere thanks to the staff for their hard work and commitment during this difficult time.

Performance in all frontline services has consistently risen in recent years. However, the Covid-19 pandemic resulted in significant disruption to many of these services.

Support to groups and branches

Headway's priority has always been to support vulnerable brain injury survivors and carers and those that support them. This did not change with the emergence of Covid-19. It is for this reason that no member of the network support team, which provides guidance and assistance to Headway groups and branches across the UK, was furloughed.

The findings of our own research, published in May 2020, identified that 65% of brain injury survivors felt isolated as a result of lockdown, with 62% fearing for their futures.

Headway groups and branches faced unprecedented challenges in supporting vulnerable adults during lockdown at a time when they were facing financial uncertainty and staffing issues due to reductions in income streams. The intense support provided to groups and branches by the network support team included guidance on matters relating to insurance and furlough rules, the provision of regular online meetings to share best practice around the network, and assistance with the creation of virtual support sessions delivered via Zoom.

As the year progressed, the support provided by the team evolved into guiding and assisting groups and branches prepare for the safe re-opening of face-to-face services in accordance with local and national public health guidance and with an abundance of caution.

Helpline

The Headway helpline answered 10,642 during 2020 – a 5% decrease on the number answered in 2019 (11,216). This reduction is despite a record number of enquiries being answered in January and February of 2020, highlighting the impact of the pandemic.

In March 2020, lockdown measures were implemented in the UK. The expectation was that social isolation and difficulties accessing support would lead to an increase in calls to the helpline. However, enquiries to the service fell significantly with immediate effect, with quarter two figures the lowest recorded since 2015.

Call volume gradually increased throughout the year, with the total number of enquiries answered throughout 2020 the fourth highest recorded.

Emergency Fund

Covid-19 also impacted demand for the Emergency Fund, with hospitals placing restrictions on family members visiting loved ones in hospital.

In 2019, 77% of grants supported families with emergency accommodation and travel to hospitals. The number of such applications numbers halved in 2020.

By the end of 2020, the fund had distributed almost £425,000 to 2,078 families, with grants totalling £26,000 given to those in need during the year. Many applications in 2020 related to the impact of the pandemic, either through the cause of an injury or a loss of income. The support of the Emergency Fund has remained critical for those whose lives have been turned upside by brain injury.

The fund continues to be generously supported by The Stewarts Foundation. Partnerships with a number of travel providers have also helped us secure additional free or discounted travel for Emergency Fund applicants.

Justice Project

Headway's Justice Project continued its work to improve understanding and awareness of brain injury within the criminal justice system in 2020. In early 2020, we began delivering training to all Metropolitan Police custody staff, conducting three out of eight scheduled sessions before the remaining sessions were cancelled due to the pandemic.

The charity was also contracted by NHS England to deliver a 'train the trainer' programme to prison and probation staff across the country to raise awareness of ABI across this integral part of the criminal justice system.

The Brain Injury Identity Card continues to prove its value to thousands of survivors, both in the criminal justice settings and in a multitude of different social scenarios. While the widespread impact of the pandemic led to a decline in the number of applications made for the ID card in 2020, more than 1,200 ID cards were issued during the course of the year, bringing the total number of card holders to 8,184.

Publications and resources

Headway remains proud of the high-quality information it provides free-of-charge to brain injury survivors, carers and professionals working to support them.

A total of 81,000 factsheets and e-booklets were download from the charity's website during the course of the year, a small reduction on the previous year as a result of the decreased demand seen in other areas of the charity's work. Two new factsheets, *Visual problems after brain injury* and *Concussion in the workplace*, were published in 2020, the latter as part of a campaign to increase awareness of concussion within the construction industry.

Digital

Visits to Headway's websites totalled 1,194,809 in 2020. The main website (www.headway.org.uk), which is highly commended by the British Medical Association, accounts for the vast majority of these visits (94.6%).

The remaining visits were recorded on the charity's online shop, its *In Memory* site and the *I'm calling about Chris* website, the charity's free resource designed to help ease the burden of keeping friends and family members informed about the condition of a loved one in the acute stage of care following an acquired brain injury.

This cumulative total is the second highest figure on record. Nevertheless, it represents a decline of 13% on 2019.

Website traffic growth plateaued at the beginning of 2020 following a Google Search update that targeted health-related websites. This was followed by a sharp reduction in traffic in March as the Covid-19 pandemic took hold.

The charity's social media presence increased in 2020, with the highest growth on Instagram and LinkedIn.

Campaigns and awareness

The communications department performed exceptionally well during 2020 in terms of securing UK-wide press coverage and supporting groups and branches do likewise in the face of a significant reduction in staffing levels within the team.

Reinforcing the charity's position as the voice of authority on all matters relating to the effects and prevention of brain injury, Headway spokespeople or statements featured on 21 UK-wide television programmes and many more regional news channels. In addition, the charity was interviewed on national and regional radio, making regular contributions to Radio 4, Radio 5Live, and TalkSport.

Concussion in sport was the most common topic the charity was asked to comment on, however high-profile coverage was also secured on ITV's *This Morning* regarding the need for helmets to be used on e-scooters, a feature on post-concussion syndrome on BBC Radio 4's *Women's Hour*, and a cycle helmet feature on BBC 1's *Crimewatch* programme.

Broadcast coverage was supplemented by regular high-profile mentions in all major UK-wide newspapers and online websites throughout the year.

Action for Brain Injury Week, which normally takes place in May, was pushed back to October 2020 due to the pandemic.

The campaign, entitled *Memory loss: A campaign to remember*, focused on the results of a survey of more than 2,000 brain injury survivors, 85% of whom stated that memory problems have a negative impact on their lives. It included an animation created to explain the impact memory loss can have on people's everyday lives.

A press release based on the survey findings, along with personal testimonies, helped the charity to generate 70 pieces of press coverage during the week, including two articles on national newspaper websites. The total reach for coverage during the week was 5.1 million.

Public affairs

Despite the political landscape in 2020 being dominated by the pandemic, Headway continued to raise awareness and promote the interests of brain injury survivors and their families with parliamentarians and civil servants.

In February, Chris Bryant MP, a Headway Parliamentary Champion, called a debate in Parliament on acquired brain injury, during which there were 25 mentions of Headway, including specific groups and branches.

In the debate, Sharon Hodgson, MP Washington and Sunderland West (Labour), said: "I give special thanks to Headway Wearside, which goes above and beyond for people in my region in the north-east, especially for people in my constituency. Headway Wearside has given me a lot of help over the years with constituents."

The Minister for Care, Caroline Dinenage (Conservative), said: "I have had quite a long-standing involvement with Headway in my region of Portsmouth and Gosport.

"They are remarkable and offer the most fantastic support to people in my area. They certainly make a difference to people's lives and they are so inspiring."

Significant support was provided to Headway groups and branches in securing grant funding to help them financially through the pandemic. A number of groups were supported in making applications for grants from their local authorities. This included asking an MP to make a referral on behalf of a group in their constituency for a grant from a private energy company.

Continuing Headway's work on road safety, contact was made with Peter Bone MP's office regarding his Private Members' Bill on cycle safety, which would compel under 16s to wear a helmet when cycling on a public highway. We have also fed back concerns to the Department for Transport regarding the trials of electronic scooters and highlighted the need for those trials to be conducted as safely as possible, with helmet use mandated.

The charity consulted with a series of government departments regarding issues important to brain injury survivors as well as issues relating to brain injury prevention. These included responding to a consultation hosted by the Department for Digital, Culture, Media and Sport regarding the Government's 'levelling up agenda' and how charities can be best supported. We also wrote a further submission on this topic of the Welsh Parliament.

We also worked with the Department for Environment, Food and Rural Affairs to look at how vulnerable and disabled people could ensure they have access to food and other essentials during the various periods of national lockdown.

Fundraising

As previously highlighted, fundraising was exceptionally challenging in 2020. We were required to close our 29 retail units for many months, resulting in an overall loss of budgeted sales totalling £1,295,239.

Other fundraising income streams involving face-to-face contact were also hit extremely hard. Organised events such as the London Marathon and Great North Run, as well as numerous treks and challenges, were cancelled. We were unable to hold the Headway Annual Awards or our annual conference, while Charity of the Year adoptions and corporate giving largely ceased as companies faced their own pressures.

The combined loss of fundraising income to the charity in 2020 was approximately £1.765m. A proportion of these losses were mitigated by financial assistance from the taxpayer in the form of furlough payments and the Retail, Hospitality and Leisure Grant scheme.

The hard work of our fundraising team resulted in additional income from grants and innovative virtual challenge events completed by our incredibly generous and inspiring community fundraisers. Supporters are very important to us and the trustees take their responsibility in respect of all fundraising activities very seriously.

The trustees fully support the voluntary scheme put in place by the Management Team for regulating fundraising activities and monitoring compliance with the regulations outlined by the Institute of Fundraising. Headway also upholds a code of practice within the fundraising team to protect the public and vulnerable members of our society from unreasonable intrusion, unreasonably persistent approaches and undue pressure to give in accordance with the Protection and Social Investment Act 2016.

All fundraising activities were monitored throughout the year by way of regular meetings between the fundraising team and the Chief Executive. Three complaints were received during the year in respect of any fundraising activities and were reported to the board of trustees in accordance with procedure. Each complaint was investigated, and action taken where appropriate.

Volunteers

The charity's success over the years has been underpinned by hundreds of dedicated volunteers. Opportunities to provide voluntary support to our retail team were limited in 2020 due to the enforced closure of our shops for much of the year. However, the support of this selfless team of volunteers was very much needed and appreciated when the shops could eventually re-open their doors.

A special mention must go to Headway group and branch volunteers who went to extraordinary lengths to ensure vulnerable brain injury survivors received support during the various lockdowns. This help ranged from doing their shopping or collecting medication, to providing activities, running

weekly virtual meetings via Zoom or making regular welfare calls. We remain extremely grateful to everyone who has freely given of their time to help the charity.

Future plans

The charity will continue to work towards achieving the aims set out in its business plan, including:

- Support the maximum number of families via our freephone nurse-led helpline.
- Support its network of groups and branches in the deliverance of local support and rehabilitation services.
- Support families in need of urgent financial assistance in the immediate aftermath of acquired brain injury via the Emergency Fund.
- Develop its Justice Project by working closely with agencies within the criminal justice system and continue to issue Brain Injury Identity Cards to support survivors who come into contact with the criminal justice system.
- Develop its information provision through the production and revision of high-quality booklets and factsheets, consulting closely with other agencies and service users to identify topics for new publications and seeking the voluntary support of third-party experts in the drafting of booklets.
- Develop its digital and online resources with particular focus on its social media communities.
- Initiate campaigns to increase awareness and understanding of acquired brain injury, improve service provision for those affected, and reduce the incidence of brain injury.
- Identify appropriate opportunities to increase its chain of retail units that not only generate vital income to support the charity's activities, but also act as information hubs for the general public.
- Fundraise in accordance with our fundraising principles, at the heart of which is respect for donors, in order to achieve of the charity's objectives.
- Maintain and develop links with international organisations with the intention of contributing to and learning from organisations with similar objectives to Headway.

Engagement with stakeholders, including brain injury survivors, carers, family members and Headway groups and branches, and experience gained from running projects will continue to shape the delivery of services. This will ensure that the charity's limited resources are used in the most effective way.

Financial review

The statement of financial affairs provides a detailed picture of the financial performance of the charity in 2020. It has been the most difficult year in the history of the charity. The details of our financial performance can be found on pages 21 and 22. Copies of the consolidated statement of financial activities and balance sheet are available in larger print on request.

Our 2020 financial reports and accounts have been prepared under the conditions set out by the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Reserves policy

The impact of the 2020 results on our balance sheet is to increase reserves from £3,733,962 on the restated 2019 balance sheet to £3,969,861. This may create the misleading impression that the charity has excessive funds at its disposal. A detailed analysis of our reserves shows that £507,954 (12.80% of funds held) is held as restricted funds on behalf of Headway branches and £231,251 (5.83% of funds held) is held in other restricted funds and cannot be used for purposes other than that for which the funds were donated. This leaves unrestricted funds of £3,230,661 (81.38% of funds held), of which £2,465,923 (62.12% of funds held) are not required to support tangible fixed assets and can be used for general charitable purposes. After taking into account all requirements for holding reserves, including the leasehold obligations associated with shops and the cyclical nature of cash flow placing higher demands on reserves during the first three quarters of the year, and the impact of the Covid-19 pandemic on regular income streams, the amounts of unrestricted reserves is considered to be both reasonable and prudent by the Trustees.

Investment policy

Traditionally, the charity held a high proportion of its reserves in liquid form. However, the acquisition of the charity's premises in Nottingham in 2009 and legacies received, which included property, have changed the balance of its portfolio. The Trustees have made the decision to appoint financial advisors to maximise returns on the charity's investments whilst maintaining the security of its funds. The funds are not considered excessive in the context of total expenditure, yet they are available and adequate to fulfil the charity's obligations. The Reserves and Investment policies continue to be reviewed regularly and require the charity to maintain sufficient assets to cover operating costs and maximise the return on the charity's investments.

Structure, governance and management

i. Governing document

Headway – the brain injury association is a company limited by guarantee governed by its Memorandum and Articles of Association (dated 13 February 1989 as amended by Special Resolutions dated 2 October 1999, 6 October 2001, 11 October 2003 and 6 July 2008). It is registered as a charity with the Charity Commission and the Office of the Scottish Regulator (OSCR). In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

In response to the pandemic Headway was forced to postpone its AGM using the emergency legislation provisions under the Corporate Insolvency and Governance Act 2020. This prompted a review of the Governing document to enable the charity to conduct virtual general meetings in the future.

ii. Tax status

The company is a registered charity, number 1025852, and is exempt from corporation tax and income tax.

iii. Capacity of Trustees

All members of the Board of Trustees exercise their authority in their capacity as directors under relevant company legislation and as Trustees of the charity. Given the company's charitable status, the term 'Trustee' rather than 'director' has been used throughout this document.

iv. Appointment of Trustees

In accordance with the Article of Association, one third of the Trustees retire by rotation each year. This provides the members of the charity the opportunity to refresh the Board should it wish to do so using the democratic process. Any member entitled to vote at the general meeting may propose one person for appointment or re-appointment as a Trustee. The number of elected Trustees shall not be less than three and subject to a maximum of 12. The elected Trustees may co-opt a maximum of up to one half of their number as Trustees. Headway does not impose limits on the time that Trustees may serve as such time limits would weaken the Board through the loss of Trustees with appropriate skills and experience. This matter has been the subject of extensive debate within the organisation and members reached the conclusion that this was not in the interests of the charity.

v. Trustee induction and training

New Trustees undergo a comprehensive induction to brief them on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the structure and governance of the charity as well as all policies and procedures, their obligations under the Trustees Code of Conduct, the business plan and budget together with recent financial performance. Trustees are also provided with relevant information from the Charity Commission on a regular basis. The Trustees have agreed to undertake periodic training on diversity.

vi. Organisation

The Board of Trustees, which meets quarterly, governs the charity. The Board is supported by committees where matters regarding development, membership and audit are considered in detail. A Chief Executive is appointed by the Trustees to manage the day-to-day activities of the charity. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and provision of services.

vii. Related parties/Register of interests

The charity has a well-established network of branches and affiliated groups around the country. Collaborative work is undertaken with other brain injury related organisations as well as a wide range of healthcare charities and voluntary sector organisations to raise awareness and share good practice. The charity has in place a system by which senior staff and Trustees are required to make annual declarations of interest which record related party

transactions. In the interests of transparency these are published on the Headway website. There are no material disclosures for 2020.

viii. Risk management

The Trustees have a risk management strategy, which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the annual review of risks; and
- the implementation of procedures designed to minimise any potential impact on the charity should the identified risks materialise.

Through the risk management processes established for the charity, the Trustees are satisfied that any major risks identified have been adequately mitigated where necessary. It is recognised that the systems in place can only provide reasonable but not absolute assurance that all major risks have been adequately managed. For example, the risks created by the global pandemic could not have been predicted.

The following risks have been identified:

- The Trustees have recognised that the reputation of the whole Headway movement could be damaged by adverse media coverage. This risk is mitigated by regularly reviewing the charity's Rules of Affiliation and closer scrutiny of the governance and finances of the local network.
- As a charity supporting vulnerable adults, there is a risk that service users could be harmed. This risk has been mitigated by the introduction of Service Standards and closer scrutiny of the Headway network.
- The Trustees have recognised that trustees within the Headway network may not be sufficiently aware of their responsibilities. This risk is mitigated by comprehensive induction sessions for new trustees.
- The Trustees recognise that changes in local government funding could have an impact on the financial viability of Headway groups. This risk is mitigated by closely monitoring the finances of our local groups and encouraging the development of relationships with key decision makers and funders.
- Headway continues to review its insurance requirements to ensure that appropriate cover is available to all participating groups and branches at a cost-effective price. It will continue to work closely with its branches to ensure adequate financial controls are in place and that operational needs are regularly reviewed.
- In addition, the Trustees identified a number of new risks directly related to the pandemic. These included financial and HR risks.

ix. Pay policy for senior staff

The Trustees consider that along with the Board of Trustees, the senior management team (comprising the Chief Executive, Deputy Chief Executive, Director of Services, Director of

Communications, Director of Fundraising, and Director of Finance and Administration) comprises the key personnel of the charity in charge of directing, controlling, running, and operating the charity on a day-to-day basis. All Trustees give of their time freely and no Trustees received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 9 and note 21 to the accounts. The pay of senior management staff is reviewed annually and reflects performance. The Trustees have established a Remuneration Committee to ensure that appropriate remuneration arrangements for senior staff are in place.

x. Group and branch structure

As of 31 December 2020, the charity is organised into 53 local branches and 70 affiliated or associated groups. Branches operate under the registered charity number (1025852) and OSCR number (SC039992) of Headway – the brain injury association. The relationship between the charity and the branches is explained in the accounting policies note 1(j) on page 25. Groups are autonomous, independently registered charities which have agreed to work within the Rules of Affiliation. The activities of these groups, operating under their own charity registration, are not included in the financial statements.

xi. Subsidiary companies

Headway – the brain injury association holds two subsidiary companies: Headway Retail Ltd (No. 2925092) and 190 Bagnall Road Properties Ltd (No. 02451998)

Reference and administrative details

Headway – the brain injury association is registered with the Charity Commission for England and Wales (Charity No. 1025852) and the Office of the Scottish Charity Regulator (Charity No. SC 039992). Headway – the brain injury association is a company limited by guarantee registered in England (No. 2346893). The Directors of the Company are its Trustees for the purpose of charity law.

Trustees who have served during the relevant period:

Elected Trustees	Andrew Green MBE (Chair)
	Evelyn Vincent (Deputy Chair)
	Dr Colin Reeves CBE (Treasurer)
	Allistair Renton (Company Secretary)
	Jane Allberry CBE
	Dr June Gilchrist
	Jane Hales
	Andrew Harding

	Rev Abraham Lawrence
	Brendan McKeever
	Dr Colin Shieff
	Dr Andy Tyerman
Co-opted Trustee	Denzil Lush
Key management personnel	Chief Executive: Peter McCabe
	Deputy Chief Executive: Luke Griggs
	Director of Finance and Administration: Ruth Ormston
	Director of Communications: Catherine Maddy (to October 2020)
	Director of Fundraising: Jo Plant (to June 2020)
	Director of Services: Dawn Wright (to March 2020)
Principal and registered office	Bradbury House 190 Bagnall Road Old Basford Nottingham NG6 8SF
Auditors	Saffery Champness LLP Westpoint Peterborough Business Park Lynch Wood, Peterborough PE2 6FZ
Bankers	Lloyds Bank Plc 12-16 Lower Parliament Street Nottingham NG1 3DA

Registered in England company number: 2346893

Charity Commission number: 1025852

Office of the Scottish Charity Regulator number: SC039992

Committees

Trustees who have served on other committees during the year are as follows:

Executive Committee	Andrew Green MBE (Chair)

	Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary) Evelyn Vincent (Deputy Chair) Denzil Lush (from March 2020)
Audit Committee	Allistair Renton (Chair) Jane Allberry CBE Jane Hales Rev Abraham Lawrence Brendan McKeever Dr Colin Reeves CBE
Membership Committee	Evelyn Vincent (Chair) Andrew Harding Denzil Lush Brendan McKeever Allistair Renton
Remuneration Committee	Andrew Green MBE (Chair) Dr Colin Reeves CBE (Treasurer) Allistair Renton (Company Secretary)

Statement of Trustees' responsibilities

The Trustees (who are also directors of Headway – the brain injury association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the group and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and also with the requirements of the Statement of Recommended Practice (SORP) issued by the Charity Commission for England and

Wales. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees, individually, are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the Trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' liability insurance

Headway has maintained insurance during the year for Trustees against liabilities in relation to their duties as Trustees.

Signed on behalf of the Board

Andrew Green MBE

DATE: 9th September 2021

Headway – the brain injury association

Independent auditor's report to the trustees and members For the year ended 31 December 2020

Opinion

We have audited the financial statements of Headway – the brain injury association (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, Balance Sheet, Consolidated Cashflow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 parent 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 auditor's report 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' Annual Report which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report and Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 16-17, the trustees (who are also the directors of the parent 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 the 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 parent 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the parent charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company, the parent charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Jane Hill (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Westpoint
Peterborough Business Park
Lynch Wood
PE2 6FZ

Chartered Accountants

Statutory Auditors

Date: 29 September 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Headway – the brain injury association

Consolidated Statement of Financial Activities (incorporating consolidated income and expenditure account) for the year ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Branch funds £	Total 2020 £	Restated Total 2019 £
Income from:						
Donations and Legacies						
- Donations		636,983	750	52,327	690,060	1,149,924
- Grants	8	206,506	406,331	21,911	634,748	367,320
- Legacies		406,635	-	-	406,635	119,071
Covid-19 grants						
- Retail Grant Scheme		459,632	-	-	459,632	-
- Coronavirus Job Retentions Scheme		479,982	-	-	479,982	-
Charitable activities:						
- Training		11,711	-	-	11,711	50,251
- Services to groups & branches		202,344	-	-	202,344	176,822
- Publications and awareness		308,150	-	-	308,150	367,332
Other trading activities:						
- Sale of donated goods		1,245,538	-	-	1,245,538	2,517,308
- Sale of other merchandise & publications		16,878	-	-	16,878	12,492
- Events and conferences				14,632	14,632	233,640
Investment income	4	11,714	-	50,979	62,693	38,983
Rental income		20,017	-	-	20,017	12,639
Other incoming resources:						
- Disposal of property		-	-	-	-	2,583
Total income		**4,006,090**	**407,081**	**139,849**	**4,553,020**	**5,048,365**
Expenditure on:						
Raising funds:						
Fundraising	7	397,517	-	-	397,517	481,064
Retail activities	7	1,811,515	-	-	1,811,515	1,919,515
Events and conferences	7	-	-	-	-	94,876
Charitable activities:						
- Services provided		1,227,901	324,465	151,801	1,704,167	1,909,421
- Grants distributed		21,197	26,047	7,740	54,984	76,087
- Publications & awareness		330,261	-	-	330,261	536,180
Total expenditure	7	**3,788,391**	**350,512**	**159,541**	**4,298,444**	**5,017,143**
Net gains/(losses) on investments	11	(18,676)	-	-	(18,676)	27,006
Net income/(expenditure) before transfers between funds		**199,023**	**56,569**	**(19,692)**	**235,900**	**58,228**
Transfers between funds		-	-	-	-	-
Net income/(expenditure) after other gains/(losses)		**199,023**	**56,569**	**(19,692)**	**235,900**	**58,228**
Fund balances brought forward at 1 January 2020		3,031,638	174,682	527,642	3,733,962	3,675,734
Fund balances at 31 December 2020		**3,230,661**	**231,251**	**507,950**	**3,969,862**	**3,733,962**

General purpose funds and designated funds are both unrestricted funds. The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 24-36 form part of these financial statements.

Headway – the brain injury association

Balance Sheets as at 31 December 2020

	Note	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
Fixed assets					
Tangible assets	10	1,268,738	1,326,403	611,101	634,226
Investments	11	265,598	283,926	949,249	967,926
		1,534,336	1,610,329	1,560,350	1,602,152
Current assets					
Stock	12	85,406	86,417	85,406	86,417
Debtors	13	1,203,478	992,413	1,177,464	998,573
Cash at bank and in hand		1,845,943	1,764,713	1,845,943	1,757,731
		3,134,827	2,843,543	3,108,813	2,842,721
Creditors: amounts falling due within one year	14	(699,302)	(706,483)	(699,302)	(706,483)
Net current assets		2,435,525	2,137,061	2,409,511	2,136,238
Pension provision falling due after one year	15	-	(13,428)	-	(13,428)
Net assets		3,969,862	3,733,962	3,969,862	3,724,962
Funds					
Unrestricted funds					
Other designated funds	17	1,837,625	1,837,625	1,837,625	1,828,625
General funds	17	1,393,036	1,194,013	1,393,036	1,194,013
Restricted funds					
Branches	16	507,950	527,642	507,950	527,642
Other	16	231,251	174,682	231,251	174,682
Total funds		3,969,862	3,733,962	3,969,862	3,724,962

The notes on pages 24 to 36 form part of these financial statements.

Approved by the Board of Trustees on 9th September 2021
and signed on its behalf by:

Andrew Green MBE
Chair

Company Registration No: 2346893 (England and Wales)

Headway – the brain injury association

Consolidated Cashflow Statement for the year ended 31 December 2020

	Note	£	Group 2020 £	£	Group 2019 £
Net cash provided by operating activities	(i)		59,290		(301,148)
Cashflows from investing activities					
Investing activities					
Dividends and interest		62,693		38,983	
Purchase of tangible fixed assets		(40,753)		(132,986)	
Receipts from sale of fixed assets		-		2,583	
			21,940		(91,420)
Movement in cash and cash equivalents	(ii)		81,229		(392,568)

Notes to the cashflow statement

(i) Reconciliation of net income/expenditure to net cash inflow from operating activities

	Group 2020 £	Group 2019 £
Net income /(expenditure) for the reporting period (as per the statement of financial activities)	235,900	58,228
Adjustments for:		
Legacy of tangible fixed assets	-	-
Dividends and interest earned on investments	(62,693)	(38,983)
Gain on investment value	18,326	(27,006)
Depreciation of tangible fixed assets	98,418	55,703
Surplus on disposal of fixed assets	-	(2,583)
(Increase)/decrease in stock	1,011	14,609
Decrease/(increase) in debtors	(211,064)	23,733
Increase/(decrease) in creditors	(7,180)	(373,863)
Increase/(decrease) in pension provision	(13,428)	(10,986)
	59,290	(301,148)

(ii) Analysis of cash and cash equivalents

	Group 2020 £	Movement	Group 2019 £
Cash at bank	964,121	213,955	750,166
Short-term deposits	881,822	(132,726)	1,014,548
Net cash funds at 31 December 2020	1,845,943	81,229	1,764,714

1. Accounting policies

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Headway – the brain injury association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

b. Preparation of the accounts on a going concern basis

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the authorising of these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

c. Basis of consolidation

i) The consolidated accounts of the group incorporate the financial statements of the charity and its trading subsidiary company, both of which were made up to 31 December 2020.

ii) The agency fee charged by the subsidiary to the charity is treated as part of shops' costs in the consolidated statement of financial activities (SOFA).

iii) The income and expenditure of the subsidiary are disclosed separately in notes 5 and 6.

iv) A separate SOFA for the charity is not provided. See note 3.

d. Taxation

Income tax recoverable in respect of donations, investment income and legacies is included under the heading to which it relates.

e. Incoming resources

i) All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is when it is probable that it will be received, and this is usually when the estate has been settled.

ii) Where the charity has been notified of material legacies that have not been included in the SOFA (because the conditions for recognition have not been met), this fact and an estimate, where possible, of the amounts receivable are disclosed in the notes to the accounts.

iii) Grants, whether attributable to unrestricted or restricted are accounted for on the basis of the amount receivable for the year.

iv) Investment income is accounted for on a receivable basis, including recoverable tax.

v) Corporate membership income is recognised in full in the year in which it is invoiced.

f. Government Grant Accounting policy

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions have been met. Where the grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability

g. Expenditure

All revenue expenditure has been dealt with through the SOFA on an accruals basis. Direct costs have been allocated to their appropriate functional headings. Indirect overheads have been apportioned to these headings on the basis of a fair estimate of time spent or resources used.

h. Governance and support costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Governance and support costs are allocated between the expenditure categories on the statement of financial activities on a basis designed to reflect the use of the resource.

i. Shops' operating costs

Costs incurred in acquiring shop leases and improvements thereon are written off over three years to reflect the break clause in the operating leases.

j. Branches and groups
Branches in Headway are non-autonomous and operate under the Registered Charity number 1025852 in England and SC039992 in Scotland are included in full in these accounts. Groups, which operate under their own registered charity number, are not included in these accounts. The financial statements include the income and expenditure of 48 branches in existence for the year ended 31 December 2020.

k. Investments
Investments in listed securities are held at fair value, deemed to be market value. Gains and losses are charged or credited to the SOFA as appropriate.

l. Depreciation
Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over their expected useful life. Depreciation has been applied at the following rates:

- Freehold property	2%
- Building improvements	between 5% and 15%
- Office equipment and furniture	20%
- Computer equipment and software	33%
- Motor vehicles	20%
- Shop operating costs	33%

m. Stocks
Stocks consist of donated goods for sale through our retail outlets which are valued at an estimated net realisable. Merchandise and publications are valued at the lower of cost or net realisable value.

n. Financial instruments
The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest rate method.

o. Operating leases
Rentals payable under operating leases are charged on a straight-line basis over the term of the lease. Any rent premiums are written off immediately.

p. Designated funds
Headway may at its discretion set aside funds for specific purposes which would otherwise form part of the general reserves of the organisation. Specifically, funds are set aside which represent the investment made or to be made in buildings and equipment for use by the charity. As such, they are not available for other purposes.

q. Restricted funds
Distributions from restricted resources must be used for purposes consistent with donor intentions and should be the first source of funding to support programmes and activities meeting the restriction.

r. Unrestricted funds
General funds are funds which are available for the general purposes of that charity. These funds will be spent in a way that the Trustees see fit in accordance with the stated objectives of the charity.

s. Investment Properties
Headway holds two investment properties in Manchester that were gifted as part of a legacy and are held for investment purposes to generate a rental income stream for Headway. There are no legal restrictions to prevent the sale of these properties. These properties were initially valued at cost and subsequently at fair value, which is market value, by an independent examiner.

2. Critical accounting judgements and key sources of estimation uncertainty

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

Critical judgements – stocks
Management use their judgement to assess the value of the donated goods held for resale.

These judgements are reviewed regularly to reflect the changing environment.

3. Net income for the financial year

As permitted by section 408 of the Companies Act 2006, the parent's charity Statement of Financial Activities has not been included in these financial statements. The parent charities total incoming resources for the year were £4,535,401 (2019: £4,980,184). The net surplus for the year for the Charity was £235,586 (2019: £39,817)

4. Investment income

	2020 £	2019 £
Income from listed investments	62,693	38,983
Other interest receivable and similar income	20,751	12,639
	82,710	51,622

5. Net income from Headway Retail Limited

The charity has a wholly owned trading subsidiary, Headway Retail Limited, which is incorporated in England and Wales and undertakes two main activities:

i) The company acts as agent in selling donated goods on behalf of the charity.

ii) The company conducts, as principal, the trading activity of selling greeting cards and other merchandise. The profits arising are donated to the charity by an annual payment under gift aid.

At 31 December 2020 the company had 29 trading shops (2019: 30 shops).

Agency agreement

Under the terms of the agency agreement, all income from the sale of donated goods totalling £17,619 for the year (2019 - £36,959) is passed directly to the charity. This income is therefore not included in the profit and loss account of the trading subsidiary, as shown below. The charity is charged an agency fee by the subsidiary which is shown as income in the subsidiary company's profit and loss account. The agency fee equals the expenses incurred in selling of goods, as shown below.

Profit and loss account 2020	**Headway Retail Ltd £**
Turnover (agency fee/trading income)	17,619
Less cost of sales	-
Gross profit	17,619
Administration expenses (shop operating costs)	(17,305)
Net profit for the year	314
Gift aid payment	(314)
Retained profit for the year	-

The comparative Profit and loss account for 2019 is as follows

Profit and loss account 2019	**Headway Retail Ltd £**
Turnover (agency fee/trading income)	36,959
Less cost of sales	-
Gross profit	36,959
Administration expenses (shop operating costs)	(18,548)
Net profit for the year	18,411
Gift aid payment	(18,411)
Retained profit for the year	-

6. Net income from 190 Bagnall Road Properties Limited

The charity has a wholly owned trading subsidiary, 190 Bagnall Road Properties Limited, which is incorporated in England and Wales and undertakes one main activity:

i) To hold property used by group companies

Profit and loss account 2020	190 Bagnall Road Properties Ltd £
Turnover	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	-
Retained profit for the year	(5,680)

The comparative profit and loss account for 2019 is as follows

Profit and loss account 2019	190 Bagnall Road Properties Ltd £
Turnover	-
Less cost of sales	-
Gross profit	-
Administration expenses	(5,680)
Loss on ordinary activities before taxation	(5,680)
Tax on loss on ordinary activities	-
Retained profit for the year	(5,680)

7. Analysis of total resources expended

	Staff costs	Other costs	Management support and governance	Total 2020	Total 2019
	£	£	£	£	£
Costs of generating funds					
Fundraising costs	246,992	42,511	108,014	397,517	481,064
Retail activities	945,723	784,780	81,012	1,811,515	1,919,515
Events and conferences	-	-	-	-	94,876
	1,192,715	827,291	189,026	2,209,032	2,495,455
Charitable expenditure					
Services provided	684,318	416,767	603,082	1,704,167	1,909,421
Grants distributed	21,197	33,787	-	54,984	76,087
Publications and awareness	182,258	39,988	108,015	330,261	536,180
	2,080,487	1,317,833	900,123	4,298,442	5,017,143

7. Analysis of total resources expended (Continued)

	Total 2020	Total 2019
Support costs	£	£
Staff costs	515,441	467,044
Volunteer costs	35	232
Office costs	241,259	267,982
Computer support	53,467	65,686
Depreciation	30,478	27,389
Communication costs	18,930	-
Legal & professional fees	11,190	51,628
Subtotal support costs	870,800	879,961

Governance costs		
Audit fees	28,014	32,178
Trustees expenses	1,310	2,260
Subtotal governance costs	29,324	34,438
Total management support	900,124	914,399

Net income for the year

This is stated after charging:

Depreciation	98,418	87,277
Auditor remuneration		
- Audit fee	28,000	20,650
- Trustees indemnity insurance cover	4,480	4,480
Operating leases - Land and buildings	521,536	461,100

8. Grants & donation for restricted purposes

	Total 2020 £	Total 2019 £
Scottish Government	80,250	76,500
Welsh Assembly Government	16,302	55,751
Health and Social Care Board, Belfast	202,461	91,386
Covid Resilience DCMS	50,000	-
(a) Charitable trusts and other grant making bodies	58,068	128,882
	407,081	352,519

(a) Includes generous grants from the following:

Stewarts Law	40,000
	40,000

9. Staff costs

	Total 2020 £	Total 2019 £
Staff remuneration:		
Salaries and wages	2,305,083	2,637,018
Social security costs	172,325	208,737
Pension costs	77,995	81,365
	2,555,403	**2,927,120**

The average number of employees, analysed by function was:

	2020	2019
Administration	11	12
Communications	5	17
Fundraising	96	101
Services	33	28
	145	**158**

Two employees (2019 - 3) had total emoluments in excess of £60,000. The emoluments for one of these employees fell within the range of £130,000 and £140,000. The emoluments for one employee fell within the range of £60,000 to £70,000 (2019 – 2).

In addition, Headway benefited from the involvement of unpaid part time volunteers. It is not practical to place a value on these services. The number of these volunteers is 2020 was significantly reduced due to the SARS-CoV-2 Pandemic.

No remuneration was paid to any member of the Board of Trustees during the year, or the previous year; expenditure totalling £82 (2019 - £3,854) was reimbursed.

The key management personnel of the group, parent charity and the wholly owned subsidiary comprise of the trustees, the Chief Executive Officer, The Deputy Chief Executive Officer, the Director of Finance and Administration, the Director of Fundraising, the Director of Services and the Director of Communications. The total employee benefits of the key management personnel was £395,324 (2019: £447,741).

10. Tangible fixed assets

	Office & shop equipment £	Computer equipment & software £	Motor vehicles £	Land & building £	Investment Properties £	Group total £
Cost - Group						
Balance at 1 January 2019	512,180	137,379	82,212	827,891	504,000	2,063,662
Additions	-	40,753	-	-	-	40,753
Disposals/write-offs	-	-	-	-	-	-
Balance at 31 December 2019	**512,180**	**178,132**	**82,212**	**827,891**	**504,000**	**2,104,415**
Accumulated depreciation						
Balance at 1 January 2019	427,959	116,199	33,105	159,996	-	737,259
Charge for the year	49,791	16,178	23,319	9,130	-	98,418
Disposals/write-offs	-	-	-	-	-	-
Balance at 31 December 2019	**477,750**	**132,377**	**56,424**	**169,126**	**-**	**835,677**
NBV at 31 December 2020	**34,430**	**45,755**	**25,788**	**658,765**	**504,000**	**1,268,738**
NBV at 31 December 2019	**84,221**	**21,180**	**49,107**	**667,895**	**504,000**	**1,326,403**

The cost of land not depreciated included in land and buildings is £400,000 (2019: £400,000). Amounts attributed to land and buildings relate to the property owned by the charity's subsidiary undertaking, 190 Bagnall Road Properties Limited.

	Office & shop equipment £	Computer equipment & software £	Motor vehicles £	Land & building £	Investment Properties £	Charity total £
Cost - Charity						
Balance at 1 January 2020	448,964	137,379	82,212	143,891	504,000	1,316,446
Additions	-	40,753	-	-	-	40,753
Disposals / write-offs	-	-	-	-	-	-
Balance at 31 December 2020	**448,964**	**178,132**	**82,212**	**143,891**	**504,000**	**1,357,199**
Accumulated depreciation						
Balance at 1 January 2020	428,033	116,199	33,105	104,883	-	682,220
Charge for the year	20,931	16,178	23,319	3,450	-	63,878
Disposals/write-offs	-	-	-	-	-	-
Balance at 31 December 2020	**448,964**	**132,377**	**56,424**	**108,333**	**-**	**746,098**
NBV at 31 December 2020	**-**	**45,755**	**25,788**	**35,558**	**504,000**	**611,101**
NBV at 31 December 2019	**20,931**	**21,180**	**49,107**	**39,008**	**504,000**	**634,226**

11. Fixed asset investments

Group

	UK Equities £
Balance at 1 January 2020	283,926
Gain/(losses) during year	(18,678)
Cash on deposit	350
Market value at 31 December 2020	**265,598**

All investments relate to holdings in the EdenTree Amity Investment Funds for Charities and Santander UK PLC preference shares

Charity	UK Equities £	Subsidiary undertaking £	Total £
Balance at 1 January 2020	283,926	684,000	967,926
Gain/(losses) during year	(18,678)	-	(18,678)
Cash on deposit	350		350
Market value at 31 December 2020	**265,598**	**684,000**	**949,598**

The investment in the subsidiary undertaking represents 100% of the ordinary share capital of 190 Bagnall Road Properties Limited, a company which owns the charity's property and is incorporated in England and Wales. Its results have been included in the consolidated financial statements along with Headway Retail Limited, a company limited by guarantee. Headway Retail Limited commenced trading during 2015.

12. Stock

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Goods held for resale	13,612	11,417	13,612	11,417
Donated goods held	71,794	75,000	71,794	75,000
	85,406	86,417	85,406	86,417

13. Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	542,705	364,745	516,691	364,745
Other debtors	99,322	135,981	99,322	135,981
Prepayments	97,630	104,015	97,630	104,015
Amounts owed by subsidiary undertaking	-	-		-
Due from group companies	-	-		6,160
Taxation recoverable	45,589	59,094	45,589	59,094
Legacies receivable	353,064	-	353,064	-
Accrued income	65,168	328,578	65,168	328,578
	1,203,478	992,413	1,177,464	998,573

14. Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	168,667	298,742	168,667	298,742
Taxation and social security	42,609	52,849	42,609	52,849
Other creditors	-	50,626	-	50,626
Deferred income	419,384	-	419,384	-
Accruals	20,891	20,650	20,891	20,650
Taxation payable	-	-	-	-
Pension Trust provision within one year	47,751	3,159	47,751	3,159
Solicitors List 2020		280,457		280,457
	699,302	706,483	699,302	706,483

15. Creditors: amounts falling due after one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Pension Trust provision within one year	-	13,428	-	13,428
	-	13,428	-	13,428

15a Multi employer pension scheme liability

Headway – the brain injury association participates in a multi-employer pension scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is classed as a defined benefit scheme in the UK.

In January 2019, the last participating employee left the scheme and Headway entered a 'period of grace' for twelve months providing time for any new employee to join the scheme. Since no employee did so, the period of grace ended in January 2020. This was deemed to be a cessation event, therefore a Section 75 debt on withdrawal is now due to fully satisfy and settle Headway's liability under this pension scheme.

A preliminary schedule of Headway's debt on withdrawal and the associated fees has been provided by the scheme as follows:

	2020
	£
Debt on withdrawal	42,239
Actuarial fee	5,300
Admin fee	212
	47,751

As this debt will be due within 12 months of the end of the 2020 financial year, this debt is recognised on the balance sheet as such and included in the main creditors' schedule under note 14.

16. Restricted income funds

	Balance 31 December 2019	Movement in funds		Balance 31 December 2020
		Income	Expenditure	
	£	£	£	£
Family emergency fund	8,551	43,000	(26,170)	25,381
Regional development & group support	50,416	-	-	50,416
Helpline	23,711	-	-	23,711
HATS project - Big Lottery	-	-	-	-
HATS project	16,138	10,068	(20,546)	5,660
Information Support Programme	2,279	-	-	2,279
Scottish government - development within Scotland	28,303	80,250	(108,554)	-
Welsh Assembly - Wales country manager	(7,230)	16,302	(9,072)	-
Health and Social Care Board - Northern Ireland	50,599	202,461	(162,276)	90,784
Justice Project	1,915	5,000	(2,050)	4,865
Covid Resilience DCMS	-	50,000	(21,845)	28,155
	174,682	407,081	(350,512)	231,251
Branches	527,642	139,849	(159,541)	507,950
	702,324	546,930	(510,053)	739,201

a Family Emergency Fund for people with brain injuries, supported by the Stewarts Law Foundation and other community funding.
b Grants from other charitable bodies and restricted legacies to support Network Support staff, training and other services to groups and branches.
c Grants received to assist the development and support of the Headway nurse-led helpline.
d Grants received from the Big Lottery Fund to support the Headway Acute Trauma Support (HATS) project. Finished in 2018.
e Grants received from the charitable trusts to support the Headway Acute Trauma Support (HATS) project (including Lord Austin Trust amongst others).
f Funding received from Charities Aid Foundation America to support our Information Support Programme.
g Funding from the Scottish Government to support the development of services within Scotland
h Funding from the Welsh Assembly Government to support the work of the development of services within Wales in collaboration with the Child Brain Injury Trust.
i To provide people in Northern Ireland with acquired brain injury and their carers with the opportunity to access a range of services to support their needs
j Funding received to support the Justice Project, providing Headway ID cards to brain injury survivors
k. Funding received from DCMS under the Covid Resilience programme to support network services

17. Designated and unrestricted funds

	Balance at 31 December 2019	Designations from /(to) other funds	Utilised/ (released)	Balance at 31 December 2020
	£	£	£	£
Designated fund other				
Expendable endowment fund	1,146,000	-	-	1,146,000
Network crisis support	391,622	-	-	391,622
Family Emergency Fund	100,900	-	-	100,900
Justice for Survivors	119,923	-	-	119,923
Digital projects fund	50,000	-	-	50,000
Other designated	29,180	-	-	29,180
Total designated funds	1,837,625	-	-	1,837,625

17. Designated and unrestricted funds (continued)

	Balance 31 December 2019 £	Movement in funds: Incoming resources £	Expenditure gains/(losses) & transfers £	Balance 31 December 2020 £
General funds	1,194,013	4,006,090	(3,807,067)	1,393,036
	1,194,013	4,006,090	(3,807,067)	1,393,036

a The expendable endowment fund consists of property donated to the charity. The trustees have discretion as to how the fund is used and there is no actual requirement to spend or apply the capital. The trustees have the power to convert the endowment funds into income.

b The network crisis support fund represents the amounts set aside to provide financial support to local Headway groups that run into substantial financial difficulty

c The Family Emergency Fund provides financial support to families and individuals struggling to cope with the practical difficulties brought about by catastrophic brain injury

d The Justice for Survivors fund has been established to ensure to provide ID cards for survivors of a brain injury and make arrangements for legal representation to be provided where appropriate

e The digital project fund represents funds set aside to increase Headway's digital presence

f Other unrestricted designated funds represent funds transferred from and received on behalf of Group and Branches. Such funds are designated for use in the region where they were originally generated. Also includes fund to cover shop dilapidations.

18. Analysis of Group Net Assets between Funds

Fund balances at 31 December 2020 are represented by:

	Unrestricted Funds £	Restricted Funds £	Branch Funds £	2020 Total £	2019 Total £
Tangible fixed assets	1,268,738			1,268,738	1,326,403
Investment fixed assets	265,598			265,598	283,926
Current assets	2,395,627	231,251	507,950	3,134,828	2,563,088
Current liabilities	(699,302)			(699,302)	(439,455)
Total net assets	3,230,661	231,251	507,950	3,969,862	3,733,962

19. Legal status of headway

Headway is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. Members are liable for a period up to one year after they cease membership.

20. Operating leases

At 31 December 2020, the group and charity had the following total commitments under non-cancellable operating leases with respect to the charity shops.

	Group 2020 £	Group 2019 £
Short leasehold premises		
Operating leases which expire:		
Within one year	289,258	296,249
Within one year to two years	201,600	246,000
Within two to five years	245,712	287,292
Over five years	-	-
	736,570	829,541

21. Related parties

The Charity is the sole member of Headway Retail Limited a company limited by guarantee and registered in England. Headway Retail Limited commenced trading during 2015. At 31 December 2020 the company had no reserves and its income amounted to £17,619 (2019: £36,959) with expenditure of £17,305 (2019: £18,548).

Transactions in the year with Headway – the brain injury association (the parent company) were:

Sales to parent: £14,683 (2019: £30,799)
Donation to parent under gift aid: £314 (2019: £18,411)
Recharges from parent: £17,305 (2019: £18,548)
Balance due to parent at 31 December 2020: £2,937 (2019: £6,160)
At 31 December 2020 Headway Retail Limited had a bank balance of £2,937 (2019: £6,160)

The financial statements of 190 Bagnall Road Properties Limited (Company number 02451998) and Headway Retail Limited (Company number 2925092) can be obtained from Companies House.

22. Analysis of net (debt/funds)

	01 January 2020	Cash flow	Other non-cash changes	31 December 2020
Net cash:				
Cash at bank and in hand	1,764,713	81,230	-	1,845,943
Add: Liquid resources				
Current asset investments	-	-	-	-
	-	-	-	-
Less: Debt				
Debts falling due within one year	-	-	-	-
Debts falling due after one year	-	-	-	-
Net funds	**1,764,713**	**81,230**	**-**	**1,845,943**

23. Comparative Statements of Financial Activities

	Unrestricted funds £	Restricted funds £	Branch funds £	Total 2019 Restated £
Income				
Donations and Legacies				
- Donations	1,019,647	44,303	85,974	1,149,924
- Grants	53,422	285,359	28,539	367,320
- Legacies	119,071	-	-	119,071
Charitable activities:	-	-	-	-
-Training	50,251	-	-	50,251
- Services to groups and branches	153,965	22,857	-	176,822
- Publications and awareness	302,206	-	65,126	367,332
Other trading activities:	-	-	-	-
- Sale of donated goods	2,517,308	-	-	2,517,308
- Sale of other merchandise	12,492			12,492
- Events and conferences	233,640	-	-	233,640
Investment income	36,764	-	2,219	38,983
Rental income	12639	-	-	12,639
Other incoming resources:		-	-	-
- Disposal of property	2,583	-	-	2,583
Total income	**4,513,988**	**352,519**	**181,858**	**5,048,365**
Expenditure				
Raising funds:				
Fundraising	481,064	-	-	481,064
Retail activities	1,919,515	-	-	1,919,515
Events and conferences	94,876	-	-	94,876
Charitable activities:			-	-
- Services provided	1,465,338	261,367	182,716	1,909,421
- Grants distributed	23,347	42,199	10,541	76,087
- Publications and awareness	536,180	-	-	536,180
Total expenditure	**4,520,321**	**303,566**	**193,257**	**5,017,143**
Net gains/(losses) on investments	27,006	-	-	27,006
Net income / (expenditure) before recognised gains	**20,674**	**48,953**	**(11,399)**	**58,228**
Transfers between funds	146,917	(146,917)	-	-
Net income/(expenditure) after other gains /(losses)	**167,591**	**(97,964)**	**(11,399)**	**58,228**
Fund balances brought forward at 1 January 2019	2,864,047	272,646	539,041	3,675,734
Fund balances at 31 December 2020	**3,031,638**	**174,682**	**527,641**	**3,733,961**

24. Comparative Analysis of total resources expended (note 7)

	Staff costs	Other costs	Management support and governance	Total 2019
	£	£	£	£
Costs of generating funds				
Fundraising costs	318,888	41,646	120,530	481,064
Retail activities	1,038,702	819,268	61,545	1,919,515
Events and conferences	-	94,876	-	94,876
	1,357,590	955,790	182,075	2,495,455
Charitable expenditure				
Services provided	898,613	540,577	470,231	1,909,421
Grants distributed	23,347	52,740	-	76,087
Publications and awareness	204,862	69,225	262,093	536,180
	2,484,411	1,618,331	914,399	5,017,143

	Total 2019
	£
Support costs	
Staff costs	467,044
Volunteer costs	232
Office costs	267,982
Computer support	65,686
Depreciation	27,389
Communication costs	-
Legal & professional fees	51,628
Subtotal support costs	879,961
Governance costs	
Audit fees	32,178
Trustees' expenses	2,260
Subtotal governance costs	34,438
Total management support	914,399

25. Restatement of prior year figures

Recent improvements in systems and controls have allowed for the identification of a revenue recognition issue with Solicitors' Directory Income. In prior years, revenue was recognised in the year of invoice but it has now been identified that invoices were raised for the year ahead. The following adjustments have been made to prior year figures:

Income	**2018**	**2019**	**2020**
Solicitors' Directory 2019	(283,226)	283,226	
Solicitors' Directory 2020		(280,456)	280,456
	(283,226)	**2,770**	**280,456**

These adjustments have been made to prior year figures as follows:

	2019	**Adjustment**	**2019 restated**
2018 reserves balance brought forward	3,958,960	(283,226)	3,675,734
2019 income	5,045,595	2,770	5,048,365
2019 reserves balance brought forward	4,014,418	(280,456)	3,733,962