

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.

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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.

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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.

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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*.

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"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.

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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.

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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)

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Report of the Trustees

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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)

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Auditors Saffery Champness LLP
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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

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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.

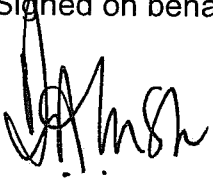
Headway – the brain injury association

Report of the Trustees For the year ended 31 December 2022

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

A handwritten signature in black ink, appearing to read 'Denzil Lush', is written over the text '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.

Headway – the brain injury association

Independent auditor's report to the trustees and members For the year ended 31 December 2022

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.

Headway – the brain injury association

Independent auditor's report to the trustees and members For the year ended 31 December 2022

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.

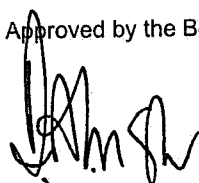
Headway – the brain injury association

Balance Sheets as at 31 December 2022

	Note	Group		Charity	
		RESTATED		RESTATED	
		2022	2021	2022	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
		<u>1,463,141</u>	<u>1,522,903</u>	<u>1,463,141</u>	<u>1,522,903</u>
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		<u>4,134,799</u>	<u>3,567,367</u>	<u>4,134,799</u>	<u>3,567,367</u>
		4,858,831	4,465,637	4,858,831	4,465,637
Creditors: amounts falling due within one year	14	<u>(497,180)</u>	<u>(868,350)</u>	<u>(497,180)</u>	<u>(868,350)</u>
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		<u>5,824,792</u>	<u>4,907,690</u>	<u>5,824,792</u>	<u>4,907,690</u>
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		<u>5,824,792</u>	<u>4,907,690</u>	<u>5,824,792</u>	<u>4,907,690</u>

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)		<u>567,433</u>		<u>1,721,424</u>

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)	-
	<u>861,472</u>	<u>1,500,837</u>

(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	<u>881,822</u>		<u>881,822</u>
Net cash funds at 31 December 2022	<u>4,134,800</u>	<u>567,433</u>	<u>3,567,367</u>

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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.

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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 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 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

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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
	<u>42,139</u>	<u>37,339</u>

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	<u>58,882</u>
Administration expenses (shop operating costs)	(21,121)
Net profit for the year	<u>37,761</u>
Gift aid payment	-
Retained profit for the year	<u>37,761</u>

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	<u>20,257</u>
Administration expenses (shop operating costs)	(19,074)
Net profit for the year	<u>1,183</u>
Gift aid payment	-
Retained profit for the year	<u>1,183</u>

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

7. Analysis of total resources expended (Continued)

	Total 2022 £	Restated Total 2021 £
Support costs		
Staff costs	432,242	457,752
	211,170	
Office costs		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

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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
	<u>712,421</u>	<u>884,283</u>	<u>712,421</u>	<u>884,283</u>

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
	<u>497,180</u>	<u>868,350</u>	<u>497,180</u>	<u>868,350</u>

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
	<u>-</u>	<u>212,500</u>	<u>-</u>	<u>212,500</u>

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.

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

16. Restricted income funds

	Balance 31 December 2021	Income	Movement in funds Expenditure	Transfers	Balance 31 December 2022	
	£	£	£	£	£	
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

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

17. Designated and unrestricted funds (continued)

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

- 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 £	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

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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	<u>3,317,367</u>	<u>817,433</u>	<u>-</u>	<u>4,134,800</u>

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.

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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
<i>Charitable activities:</i>			
- Training	28,928	-	28,928
- Services to groups and branches	200,243	-	200,243
- Publications and awareness	325,348	-	325,348
<i>Other trading activities:</i>			
- 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			
<i>Raising funds:</i>			
Fundraising	204,399	-	204,399
Retail activities	1,972,327	-	1,972,327
Events and conferences	-	-	-
<i>Charitable activities:</i>			
- 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

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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
	<u>1,522,903</u>		<u>1,522,903</u>	<u>1,522,903</u>		<u>1,522,903</u>
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
	<u>4,581,323</u>	<u>(115,686)</u>	<u>4,465,637</u>	<u>4,581,323</u>	<u>(115,686)</u>	<u>4,465,637</u>
Creditors: amounts falling due within one year	<u>(868,350)</u>		<u>(868,350)</u>	<u>(868,350)</u>		<u>(868,350)</u>
Net current assets	3,712,973		3,597,287	3,712,973		3,597,287
CBILS loan falling due after one year	<u>(212,500)</u>		<u>(212,500)</u>	<u>(212,500)</u>		<u>(212,500)</u>
Net assets	<u>5,023,376</u>	<u>(115,686)</u>	<u>4,907,690</u>	<u>5,023,376</u>	<u>(115,686)</u>	<u>4,907,690</u>
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	<u>5,023,376</u>	<u>(115,686)</u>	<u>4,907,690</u>	<u>5,023,376</u>	<u>(115,686)</u>	<u>4,907,690</u>

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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
<i>Charitable activities:</i>				
- Training	28,928	-	-	28,928
- Services to groups and branches	200,243	-	-	200,243
- Publications and awareness	325,348	-	-	325,348
<i>Other trading activities:</i>				
- 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				
<i>Raising funds:</i>				
Fundraising	204,399	-	-	204,399
Retail activities	1,972,327	-	-	1,972,327
Events and conferences	-	-	-	-
<i>Charitable activities:</i>				
- 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

Headway – the brain injury association

Notes to the consolidated Financial Statements for the year ended 31 December 2022

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	-	-	-	-
	<u>1,259,819</u>	<u>769,442</u>	<u>147,465</u>	<u>2,176,726</u>
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
	<u>2,007,142</u>	<u>1,185,469</u>	<u>702,216</u>	<u>3,894,827</u>

	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	<u>673,089</u>
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	<u>29,128</u>
Total management support	<u><u>702,217</u></u>

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	<u>4,114,382</u>	<u>286,613</u>	<u>506,695</u>	<u>4,907,690</u>

