

HEADWAY ARTS

England & Wales · Charity number 1049698

Details

Other names	HEADSTRONG PRODUCTIONS, HEADWAY ARTS, HEADWAY THEATRE
Status	Registered
Legal form	Charitable company
Company number	03006904
Registered	1995-10-09
Register	View on the Charity Commission register

Contact

Address	Headway Arts The Old Church Waterloo Road Blyth NE24 1BY
Phone	01670351962
Email	admin@headwayarts.co.uk
Website	www.headwayarts.co.uk

Activities

Objects: TO ADVANCE EDUCATION FOR THE PUBLIC BENEFIT BY THE PROMOTION OF THE ARTS.

Activities: Headway Arts develops accessible, engaging and inclusive arts projects to those isolated from many activities. Projects are designed with specific communities to develop events giving positive images of their culture and developing confidence and self esteem. Headway Arts currently support Seven Stars Learning Disabled Theatre Co and work with over 2000 people every year.

Classification

- **How:** Provides Services
- **What:** Arts/culture/heritage/science
- **Who:** Children/young People, People With Disabilities

Geography

- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£364,902	£393,491	-	-
2024-03-31	£326,895	£312,496	-	-
2023-03-31	£223,137	£288,668	-	-
2022-03-31	£234,307	£264,063	-	-
2021-03-31	£289,134	£252,196	-	-

Trustees

Name	Role	Appointed
Daniel Fraser		2024-01-17
Julie Hall		2023-08-08
Sharron Fawcett		2022-09-06

HEADWAY ARTS

England & Wales - Charity number 1049698

Accounts

Company Registration Number 3006904

Registered Charity Number 1049698

HEADWAY ARTS

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS

For the year ending 31 March 2025

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

The Trustees, who are also Directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2025.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Headway Arts
Charity registration number	1049698
Company registration number	3006904
Registered office	Headway ArtSpace, The Old Church, Waterloo Road, Blyth, Northumberland NE24 1BY

Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.

The Trustees of Headway Arts during the period and to the date of signing this report are as follows:

Ms S Fawcett	
Mr D Fraser	
Ms J Hall	
Mr P D James	
Ms L Neslund	Resigned 31 December 2024

Company Secretary	Mrs F M Castle
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Bankers	Barclays Bank plc, 3 Northumberland Square, North Shields, NE30 1QX
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Independent Examiner	Pete O'Hara FCA, Chartered Accountant, 26 La Sagesse, Jesmond, Newcastle upon Tyne NE2 3AF
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Headway Arts is a charitable company limited by guarantee, incorporated as Headstrong Productions on 6 January 1995 and registered as a charity on 9 October 1995.

It was established under the Memorandum of Association that established its objects and powers and is governed under its Articles of Association, as amended by special resolutions dated 30 June 2000 and 21 November 2005.

The company changed its name from Headstrong Productions to Headway Arts by means of a special resolution passed on 18 November 2015.

The Directors of the company are also Trustees of the charity.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Governing Documents (Cont.)

Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Memorandum and Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

Charitable Purpose

Headway Arts' charitable objectives are 'to advance education for the public benefit through the promotion of the arts with particular but not exclusive reference to the dramatic arts'.

Principal Activity, Aims and Objectives

In delivering our charitable purpose we strive to offer high quality arts and cultural participation opportunities to communities in Northumberland and beyond.

Our aims are to:

- Produce high quality art
- Create environments where art can take place
- Provide lifelong learning, training and employment opportunities
- Offer platforms for expression & the exploration of creativity
- Proactively encourage the engagement and representation of excluded groups
- Offer a means to contribute to the cultural life of communities
- Initiate informed debate and influence policy-making

Our values are that:

- Everyone is equal and everyone is different
- Participation in the arts enables personal development and social inclusion
- Participation in the arts is an entitlement for everyone
- Creative contribution is of high value irrespective of the circumstance or background of the person
- All participants have the right to make choices and determine their own creative engagement

Structure and Governance

The charity currently has a board of four non-executive Trustees.

The Board meets a minimum of four times per year and conducts an Annual General Meeting, typically in November.

Detailed written Board reports and an agenda are prepared by the Chief Executive and circulated in advance of meetings.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Recruitment and Appointment of Board of Trustees

Trustees are elected to the Board as necessary, with regard to any specialist skills required on the Board, based on discussions and recommendations offered by Trustees and outside advisors to the organisation. Trustees are re-appointed annually.

Trustee Induction and Training

New Trustees are briefed on their legal obligations under company and charity law, our Memorandum and Articles of Association, the operation of the Board and its decision-making processes, future plans and recent performance to support their understanding of Headway Arts' activities.

They are encouraged to attend appropriate training, are made aware of Charity Commission publications and online guidance and are encouraged to provide feedback.

Policies on Reserves

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The Trustees aim to hold a level of Unrestricted Reserves sufficient to meet the costs of essential salaries and overheads for a 3 to 4 month period which would allow for the orderly winding down of the operation in the unlikely event that the Trustees so decided.

At present, the Trustees estimate that the Unrestricted Reserves required for such purposes would be in the range of £40,000 to £50,000.

Headway Arts' current Unrestricted Reserves at 31 March 2025 are £32,143 (2024: £36,227). Free Reserves, defined as Unrestricted Reserves minus the value of Unrestricted Tangible Fixed Assets, are £24,818 (2024: £24,842).

The Trustees aim, through their budgeting and financial management processes, to restore Unrestricted Reserves to within the aspirational range within 2-3 financial years to ensure the charity can run efficiently and meet the needs of the beneficiaries.

This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

The Charity's grant making policies

The charity does not currently engage in grant-making activity.

The contribution of volunteers

The charity makes extensive use of volunteers within its productions and to support its activities.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

OBJECTIVES AND ACTIVITIES

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Principle 1 - There must be an identifiable benefit, or benefits - Headway Arts' activities include a core commitment to the promotion of the arts, enabling the personal development of those in our care and providing a benefit to the wider community.

Principle 2 - Benefit must be to the public, or a section of the public - Engagement in Headway Arts' productions is open to people of all backgrounds who want to be part of the experience.

Headway Arts' beneficiaries are therefore entirely appropriate to its aims and the public as a whole benefits from its work. All of these benefits are clear, evidenced and relate directly to Headway Arts' aims. In addition, the Trustees do not consider that any significant detriment or harm flows from Headway Arts' work.

Risk Management

The Trustees of the charity regularly review (at least annually) the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

Headway Arts has a risk management strategy in place which comprises:

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

These control systems have enabled Headway to return to a strong and stable financial position after experiencing some financial difficulties several years previously.

The Trustees have managed the potential impact of further financial risks by ensuring that:

- Prudent budgets have been set for the next financial year
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place for the actions which would be taken if income appears unlikely to reach its target

The Trustees are satisfied that appropriate financial systems and controls and employment policies and practices are in place.

Other than financial the key risk to the organisation identified by the Trustees is the Board size and composition. The Board is currently at its minimum size and positive action is being taken to identify and recruit new members to the Board, particularly those with skills in finance, HR and legal issues.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

ACHIEVEMENTS AND PERFORMANCE

Summary of the main achievements of the charity during the year

Our focus this past year has been very much on our local community and how, as a town, we embrace inclusion. Building on our successes of previous years, we have continued to offer a wide range of activities for local disenfranchised people and attract visitors to our building both for workshops and events, promoting the use of our building by the community.

A diverse programme, a warm and welcoming environment and a sense of ownership supports and maintains our important work within our town. Many of the people who attend Headway Arts speak of the sense of wellbeing and their improved mental health and many people who might not otherwise access the arts are represented.

This year we worked with our local communities in many ways.

Our original drama 'Monkey's Island' in partnership with The Forget Me Nots Residents Association has been fantastic in engaging people of all ages in the arts from a highly disadvantaged area providing the opportunity for residents to tell the story of their lives in a creative way. It was performed to an audience of over 100 local people with the cast barely believing they had done it! Aspiration and inspiration has flooded out from the group as we look at our next steps.

Blythfest, now in its 3rd year and co-ordinated by Headway Arts, celebrates the culture of Blyth. This 'snapshot of Blyth' over 2 weeks in June saw 22 organisations holding 87 events across 17 venues. Headway Arts itself held a 2-week programme of activity including a summer art exhibition, drop-in workshops and live music. Blythfest aims to raise the profile of grass roots and mainstream culture in Blyth and significantly contributes to an improved image of the town as a vibrant area for culture. We believe Blythfest has the potential to grow and offer yet more cultural experiences to both local people and visitors to the area.

A partnership with Newcastle University School of Arts and Cultures created a successful collaboration with 2 estates in Blyth who took part in a series of workshops to engage local residents in the creation of a shared socially just policy for future developments in Blyth. In practice, the workshops have through creative intervention supported local people to contribute towards future planning in their area.

Our Stars Programme, supporting learning disabled artists, provided a variety of daily arts workshops covering printmaking, dance, drama and music. The programme supported both Come on Down in October and our annual Winter Festival in December. With an emphasis on equity and ownership, our working model has supported the building of new audiences for disability arts and inclusion and more opportunity for learning disabled artists to show their work. This year we have performed at Alphabetti Theatre as part of Newcastle Fringe Festival and our learning-disabled dancers travelled to Brisbane in Australia to perform their show "earthlings" at The World Down's Syndrome Congress, a huge and exciting opportunity to learn, explore and show our peers from all over the world what we can do!



HEADWAY ARTS
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TRUSTEES' REPORT
For the year ended 31 March 2025

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

Our partnership with the Dialogue Society continued this year as we held the 3rd annual Christmas Celebration Event, an important event for demonstrating diversity within Blyth and the contribution made by diverse groups.

Our impact has been strong across inclusion, new audiences and health/ wellbeing. It has been a feature of 2024 that people are seeking activities that bring them together to do something that has creative and social content. 'Just being together with others' has been a desire that emerged from the pandemic. Where possible we have supported groups to use our space and to develop these creative activities themselves and where necessary we have raised funding to support this.

A sense of ownership for user groups remains a strong attraction and it's rewarding to see our Third Thursday music group now organising the sessions themselves and defining their own agenda in the building.

Countywide our role as an Arts Council England National Portfolio Organisation (NPO) brings attention to our work in the county to a national level and collaboration with companies from across the country connects Northumberland to a wider audience. In our role as a NPO we have been looking at approaches to arts evaluation with companies Corali and Spare Tyre, sharing ideas and experiences. This feeds into our evaluation as a NPO having recently completed our first annual report encompassing organisational profile, staffing, financial statements, educational activities, as well as data on international engagements and digital outputs. We continue to produce grant reports for funders which include participants' journeys through projects highlighting their experiences and achievements.

Our CEO has worked to develop more meaningful and impactful relationships this year, joining the new Blyth Town Neighbourhood Board and continuing her involvement with the Northumberland Inclusive Economy Community Partnerships Board and Learning and Insights Group.

At Headway Arts we strive for a more just and inclusive society and hope all the work we do contributes to that.

"I've seen people grow in confidence and pleasure, being listened to by a kind local audience."

"Headway Arts is a terrific venue, both in style and also the staff, who are so supportive."

"I've been looking for something like this for a long time now and I absolutely love it!"

"Everyone, yes everyone gets to join in, performing or just having fun."

"The sessions have a great feel, welcoming and quirky."



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

Financial Review

The out-turn for the year is an unrestricted deficit of £(4,084) (2024: Surplus £4,917). The deficit will be deducted Unrestricted Reserves, leaving a balance on Unrestricted Funds at 31 March 2025 of £32,143 (2024: £36,227).

The Trustees consider the financial performance of the charity to be satisfactory and would wish to record their appreciation for the diligence and hard work of the staff, management and Board of Trustees during the year.

Principal Funding Sources

Grants received in the year are listed in Note 4 to the accounts.

The charity is grateful to all such funders for their grant support during the year.

PLANS FOR FUTURE PERIODS

We continue to build strong local networks and partnership working that builds capacity in the area. Blyth Culture Network is building on the success of Blythfest and continue to meet regularly, attracting new members and preparing for Blythfest 2025.

The desire to increase local capacity for inclusive cultural activities has driven our need for refurbishment for our building and its purchase to ensure it remains a long-term community asset for Blyth. Whilst we continue to secure funding for small improvements, we still need the larger pots of money to take it through the stages to completion. It is a long-term plan, but we want to be ready to move should monies become available and will continue to look for opportunities where they do not detract from the work we are doing, which will always be a priority.

2025 is also our 30th birthday and we will be looking to programme an exciting range of activities in celebration, looking back at where we have been and forward to where we might go.

Through our role as an Arts Council National Portfolio Organisation we will raise the contribution of a Northumberland-based organisation to wider national debates on the Arts, particularly in areas of access and inclusion.

As always, and at the core of everything, Headway Arts remains passionately committed to working with those in the community who are considered hardest to reach, particularly people who are learning disabled, neurodiverse or have enduring health issues.



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2025

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also the Directors of Headway Arts for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by order of the Trustees



Frances Castle
Company Secretary
Company Registration Number 3006904

31 July 2025



INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF HEADWAY ARTS YEAR ENDED 31 MARCH 2025

I hereby report to the Trustees/Members of Headway Arts (Charity Registration Number 1049698) on the accounts for the year ended 31 March 2025 set out on pages 11 to 23.

Responsibilities and Basis of Report

As the charity's Trustees (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

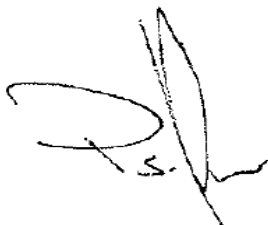
Independent Examiner's Statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountant in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods or principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Pete O'Hara, FCA, Chartered Accountant
Fellow of the Institute of Chartered Accountants in England & Wales
26 La Sagesse, Jesmond, Newcastle upon Tyne NE2 3AF

31 July 2025

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds £	Restricted Funds £	Total 2025 £	Total 2024 £
Income					
Income from Investments	2	-	-	-	-
Income from Donations & Legacies	3	888	500	1,388	5,279
Income from Charitable Activities	4	208,653	154,861	363,514	321,616
Total Income		209,541	155,361	364,902	326,895
Expenditure					
Expenditure on Charitable Activities	5	213,625	179,866	393,491	312,496
Total Expenditure		213,625	179,866	393,491	312,496
Net Income/(Expenditure)		(4,084)	(24,505)	(28,589)	14,399
Balance brought forward at 1 April		36,227	27,505	63,732	49,333
Balance carried forward at 31 March	13	£32,143	£3,000	£35,143	£63,732

The notes on pages 13 to 23 form part of the financial statements.

All of the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
Fixed Assets			
Tangible Fixed Assets	9	7,325	16,972
Current Assets			
Debtors	10	13,552	19,502
Cash At Bank & In Hand		30,286	47,171
		<u>43,838</u>	<u>66,673</u>
Creditors – Amounts Falling Due Within 1 Year	11	(16,020)	(19,913)
Net Current Assets/(Liabilities)		<u>27,818</u>	<u>46,760</u>
Total Net Assets	12	<u>£35,143</u>	<u>£63,732</u>
Represented by:			
Unrestricted Reserves	13	32,143	36,227
Restricted Reserves	13	3,000	27,505
		<u>£35,143</u>	<u>£63,732</u>

The notes on pages 13 to 23 form part of the financial statements.

The Trustees are satisfied that for the year ended 31 March 2025 the charity was entitled to exemption under section 477(2) of the Companies Act 2006.

The Trustees also confirm that the Members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

(i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by a Member of the Board of Trustees on 31 July 2025.



D Fraser
Trustee
Company Registration Number 3006904

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

The financial statements are prepared in sterling, which is the functional currency of the charity.

Taxation Status

Headway Arts is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting Policies (Continued)

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

Tangible Fixed Assets and Depreciation

Capital items costing over £250 are capitalised and included in fixed assets.

Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

- Furniture, Fittings & Equipment- 33.3% per annum on reducing balance
- IT Equipment - 33.3% straight line
- Leasehold Property Improvements – over the length of the lease (to 3 December 2025)

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost where there is a material adjustment.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

1. Accounting Policies (Continued)

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no significant judgements or estimation uncertainty included within the financial statements.

Pensions

Headway Arts contributes to a defined contribution pension scheme. Further details can be found in Note 8.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

2. Income from Investments

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Bank Interest Receivable	-	-	-	-
	£-	£-	£-	£-

3. Income from Donations & Legacies

	Unrestricted Funds	Restricted Funds	2025	2024
	£	£	£	£
Donations	888	500	1,388	5,279
	£888	£500	£1,388	£5,279

Of the 2024 total of £5,279, £1,221 related to Unrestricted Funds and £4,058 to Restricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

4. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2025 £	2024 £
Earned Income				
Project Fees	89,841	-	89,841	79,030
Other Earned Income	12,812	-	12,812	13,353
	102,653	-	102,653	92,383
Grant Income				
Architectural Heritage Fund	-	10,000	10,000	-
Arts Council England – National Portfolio Organisation	96,000	-	96,000	96,000
Banks Community Fund via County Durham Community Foundation	-	4,680	4,680	-
Blyth Town Council	5,000	-	5,000	5,000
Blyth Town Council Community Grant – Blyth Culture Network	-	1,988	1,988	-
Community Foundation (Anonymous Fund)	-	1,420	1,420	-
EDF Blyth Offshore Community Benefit Fund at the Community Foundation of Tyne & Wear and Northumberland	-	4,635	4,635	-
Erasmus+	-	-	-	(2,905)
Hadrian Trust	-	1,000	1,000	-
Henry Smith Charity	-	48,600	48,600	47,200
Linden Family Fund at the Community Foundation of Tyne & Wear and Northumberland	-	4,200	4,200	-
National Lottery Community Fund (NLCF) – Reaching Out	-	10,000	10,000	20,000
NLCF – Cowpen Community Play	-	-	-	17,860
National Lottery Heritage Fund - Crofton Mill Pit	-	-	-	6,990
Northumberland County Council (NCC)	-	54,090	54,090	-
NCC Community Chest	-	3,000	3,000	7,940
NCC N'land Inclusive Economy Community Partnership Grant Fund	-	8,748	8,748	8,748
NCC Heart of Blyth Microgrant	-	2,500	2,500	2,400
Postcode Neighbourhood Trust	-	-	-	15,000
Sir James Knott Trust	5,000	-	5,000	5,000
	106,000	154,861	260,861	229,233
	£208,653	£154,861	£363,514	£321,616

Of the 2024 total of £321,616, £230,071 related to Unrestricted Funds and £91,545 to Restricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

5. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2025 £	2024 £
Project Delivery Costs				
Materials/Project Costs	-	21,048	21,048	17,302
Contract Workers	-	25,778	25,778	20,248
Wages & Salaries	155,903	61,706	217,609	194,553
	155,903	108,532	264,435	232,103
Support Costs				
Travel & Subsistence	-	1,657	1,657	1,991
Bad Debts	2,804	-	2,804	8,198
Office Costs	9,695	-	9,695	5,012
Premises Costs	22,617	-	22,617	13,202
Repairs & Maintenance	795	54,090	54,885	21,132
Insurance	15,123	-	15,123	11,232
Depreciation	4,993	5,587	10,580	11,939
	56,027	61,334	117,361	72,706
Governance Costs				
Accountancy Fees	1,152	-	1,152	710
Legal & Professional Fees	543	10,000	10,543	6,977
	1,695	10,000	11,695	7,687
	£213,625	£179,866	£393,491	£312,496

Of the 2024 total of £312,496, £226,375 related to Unrestricted Funds and £86,121 to Restricted Funds.

6. Net Income/(Expenditure)

	2025 £	2024 £
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner's Fees	1,152	1,152
Depreciation – Owned Assets	10,580	11,939

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Staff Costs/Trustees' Remuneration

	2025	2024
	£	£
Gross Salary Costs	198,117	178,264
Pension Costs	14,704	12,069
Social Security Costs	4,788	4,220
	£217,609	£194,553

No employee received remuneration of more than £60,000 during the year (2024 - Nil).

The average number of staff employed during the year, calculated as full-time equivalents, was as follows:

	2025	2024
	No.	No.
Artistic Production and Support	7	6

No remuneration was paid to or waived by Trustees/Directors in the year (2024: Nil) and no travel and subsistence expenses (2024: None) were reimbursed to Trustees in respect of their attendance at meetings of the charity.

There were no transactions undertaken by, or on behalf of the charity, in which any Trustees or a connected person had a material interest during the year to 31 March 2025 (2024: Nil).

8. Pension Scheme

Pension benefits are provided through a Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. In the year to 31 March 2025 Headway Arts made an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the scheme on a monthly basis. Contributions totalling £2,100 were outstanding at 31 March 2025 (2024: £4,014).

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

9. Tangible Fixed Assets

	Leasehold Property Improvements £	IT Equipment £	Fixtures, Fittings & Equipment £	Total Fixed Assets £
Cost				
At 1 April 2024	57,120	10,001	65,405	132,526
Additions in year	-	621	312	933
Disposals	-	(1,375)	(37,148)	(38,523)
At 31 March 2025	57,120	9,247	28,569	94,936
Accumulated Depreciation				
At 1 April 2024	51,318	9,578	54,658	115,554
Charge for year	5,802	629	4,149	10,580
Disposals	-	(1,375)	(37,148)	(38,523)
At 31 March 2025	57,120	8,832	21,659	87,611
Net Book Value				
At 31 March 2025	£-	£415	£6,910	£7,325
At 1 April 2024	£5,802	£423	£10,747	£16,972

10. Debtors

	2025 £	2024 £
Trade Debtors	11,741	16,078
Accrued Income – Grant Funding	1,811	1,811
Prepayments	-	1,613
	£13,552	£19,502

All sums are due within 1 year.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

11. Creditors – Amounts Falling Due Within 1 Year

	2025	2024
	£	£
Income Received In Advance	2,040	-
Pension Scheme Creditor	2,100	4,014
Sundry Creditors	1,713	-
Accruals	10,167	15,899
	£16,020	£19,913

12. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2025	Total 2024
	£	£	£	£
Fixed Assets	7,325	-	7,325	16,972
Debtors	13,552	-	13,552	19,502
Cash at Bank and In Hand	27,286	3,000	30,286	47,171
Creditors – Amounts Due Within 1 Year	(16,020)	-	(16,020)	(19,913)
	£32,143	£3,000	£35,143	£63,732

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Analysis of Charitable Funds

	Fund at 1 April 2024 £	Income In Year £	Resources Expended in Year £	Fund at 31 March 2025 £
Unrestricted Funds				
Charity General Fund	36,227	209,541	(213,625)	32,143
Restricted Funds				
Architectural Heritage Fund	-	10,000	(10,000)	-
Banks Community Fund via County Durham Community Foundation	-	4,680	(4,680)	-
Blyth Town Council Community Grant – Blyth Culture Network	-	1,988	(1,988)	-
Coastal Revival Fund*	5,190	-	(5,190)	-
Community Foundation (Anonymous Fund)	-	1,420	(1,420)	-
Donations – Australia Conference	4,058	500	(4,558)	-
EDF Blyth Offshore Community Benefit Fund at the Community Foundation of Tyne & Wear and Northumberland	-	4,635	(4,635)	-
Hadrian Trust	-	1,000	(1,000)	-
Henry Smith Charity	-	48,600	(48,600)	-
Linden Family Fund at the Community Foundation of Tyne & Wear and Northumberland	-	4,200	(4,200)	-
National Lottery Community Fund (NLCF) – Cowpen Community Play	17,860	-	(17,860)	-
NLCF – Reaching Out	-	10,000	(10,000)	-
Northumberland County Council (NCC)	-	54,090	(54,090)	-
NCC Community Chest	-	3,000	-	3,000
NCC N'land Inclusive Economy Community Partnership Grant Fund	-	8,748	(8,748)	-
NCC Heart of Blyth Microgrant	-	2,500	(2,500)	-
Wellesley Trust (Building Improvements)*	397	-	(397)	-
Total Restricted Funds	27,505	155,361	(179,866)	3,000
Total Funds	£63,732	£364,902	£(393,491)	£35,143

*Though £46,145 from Coastal Revival Fund and £9,549 from the Wellesley Trust was received and fully spent in the year to 31 March 2017 on the capital redevelopment of Headway ArtSpace, the required accounting treatment releases the grants over the period of the lease, matching the annual depreciation of the capital improvements.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Architectural Heritage Fund	Towards the costs of professional survey fees
Banks Community Fund via County Durham Community Foundation	Towards the costs of Mission Australia,
Blyth Town Council Community Grant – Blyth Culture Network	Towards the costs of Blythfest
Coastal Revival Fund*	To fund a programme of building improvements
Community Foundation (Anonymous Fund)	Towards the costs of Third Thursdays
Donations – Australia Conference	Towards attendance at a conference in Australia in 2024/25
EDF Blyth Offshore Community Benefit Fund at the Community Foundation of Tyne & Wear and Northumberland	Towards the costs of a Creative Support Assistant post
Hadrian Trust	Towards the costs of Come On Down festival
Henry Smith Charity	Towards the core salaries and running costs, excluding redundancy and legal fees
Linden Family Fund at the Community Foundation of Tyne & Wear and Northumberland	Towards the costs of developing the Cowpen community play
National Lottery Community Fund – Cowpen Community Play	Towards the costs of developing a community play
National Lottery Community Fund – Reaching Out	Towards the costs of Reaching Out - activities with adults with learning disabilities across Northumberland

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

13. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Northumberland County Council (NCC)	Towards the costs of developing the Crofton Mill Pit project
NCC Community Chest	Towards the purchase of Macbook Pro laptops
NCC N'land Inclusive Economy Community Partnership Grant Fund	Towards the cost of replacing/repairing damaged windows including stonework repairs and glazing
NCC Heart of Blyth Microgrant	Towards the cost of Blythfest publicity
Wellesley Trust (Building Improvements)	To fund a programme of building improvements

14. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

15. Financial and Capital Commitments

No material financial and/or capital commitments have been made in respect of future financial periods (2024: None).

16. Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

HEADWAY ARTS

England & Wales - Charity number 1049698

Accounts

Company Registration Number 3006904

Registered Charity Number 1049698

HEADWAY ARTS

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS

For the year ending 31 March 2024

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

The Trustees, who are also Directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2024.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Headway Arts
Charity registration number	1049698
Company registration number	3006904
Registered office	Headway ArtSpace, The Old Church, Waterloo Road, Blyth, Northumberland NE24 1BY

Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.

The Trustees of Headway Arts during the period and to the date of signing this report are as follows:

Ms S Fawcett	
Mr D Fraser	Appointed 17 January 2024
Ms J Hall	Appointed 8 August 2023
Mr P D James	
Ms L Neslund	

Company Secretary	Mrs F M Castle
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Bankers	Barclays Bank plc, 3 Northumberland Square, North Shields, NE30 1QX
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Independent Examiner	Mr P O'Hara FCA, Chartered Accountant, 26 La Sagesse, Jesmond, Newcastle upon Tyne NE2 3AF
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Headway Arts is a charitable company limited by guarantee, incorporated as Headstrong Productions on 6 January 1995 and registered as a charity on 9 October 1995.

It was established under the Memorandum of Association that established its objects and powers and is governed under its Articles of Association, as amended by special resolutions dated 30 June 2000 and 21 November 2005.

The company changed its name from Headstrong Productions to Headway Arts by means of a special resolution passed on 18 November 2015.

The Directors of the company are also Trustees of the charity.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Governing Documents (Cont.)

Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Memorandum and Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

Charitable Purpose

Headway Arts' charitable objectives are 'to advance education for the public benefit through the promotion of the arts with particular but not exclusive reference to the dramatic arts'.

Principal Activity, Aims and Objectives

In delivering our charitable purpose we strive to offer high quality arts and cultural participation opportunities to communities in Northumberland and beyond.

Our aims are to:

- Produce high quality art
- Create environments where art can take place
- Provide lifelong learning, training and employment opportunities
- Offer platforms for expression & the exploration of creativity
- Proactively encourage the engagement and representation of excluded groups
- Offer a means to contribute to the cultural life of communities
- Initiate informed debate and influence policy-making

Our values are that:

- Everyone is equal and everyone is different
- Participation in the arts enables personal development and social inclusion
- Participation in the arts is an entitlement for everyone
- Creative contribution is of high value irrespective of the circumstance or background of the person
- All participants have the right to make choices and determine their own creative engagement

Structure and Governance

The charity currently has a board of five non-executive Trustees.

The Board meets a minimum of four times per year and conducts an Annual General Meeting, typically in November.

Detailed written Board reports and an agenda are prepared by the Chief Executive and circulated in advance of meetings.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Recruitment and Appointment of Board of Trustees

Trustees are elected to the Board as necessary, with regard to any specialist skills required on the Board, based on discussions and recommendations offered by Trustees and outside advisors to the organisation. Trustees are re-appointed annually.

Trustee Induction and Training

New Trustees are briefed on their legal obligations under company and charity law, our Memorandum and Articles of Association, the operation of the Board and its decision-making processes, future plans and recent performance to support their understanding of Headway Arts' activities.

They are encouraged to attend appropriate training, are made aware of Charity Commission publications and online guidance and are encouraged to provide feedback.

Policies on Reserves

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The Trustees aim to hold a level of Unrestricted Reserves sufficient to meet the costs of essential salaries and overheads for a 3 to 4 month period which would allow for the orderly winding down of the operation in the unlikely event that the Trustees so decided.

At present, the Trustees estimate that the Unrestricted Reserves required for such purposes would be in the range of £40,000 to £50,000.

Headway Arts' current Unrestricted Reserves are £36,227 at 31 March 2024. Free Reserves, defined as Unrestricted Reserves minus the value of Unrestricted Tangible Fixed Assets, are £24,842.

The Trustees aim, through their budgeting and financial management processes, to restore Unrestricted Reserves to within the aspirational range within 2-3 financial years to ensure the charity can run efficiently and meet the needs of the beneficiaries.

This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

The Charity's grant making policies

The charity does not currently engage in grant-making activity.

The contribution of volunteers

The charity makes extensive use of volunteers within its productions and to support its activities.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

OBJECTIVES AND ACTIVITIES

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Principle 1 - There must be an identifiable benefit, or benefits.

Headway Arts' activities include a core commitment to the promotion of the arts, enabling the personal development of those in our care and providing a benefit to the wider community.

Principle 2 - Benefit must be to the public, or a section of the public.

Engagement in Headway Arts' productions is open to people of all backgrounds who want to be part of the experience.

Headway Arts' beneficiaries are therefore entirely appropriate to its aims and the public as a whole benefits from its work.

All of these benefits are clear, evidenced and relate directly to Headway Arts' aims. In addition, the Trustees do not consider that any significant detriment or harm flows from Headway Arts' work.

Risk Management

The Trustees of the charity regularly review (at least annually) the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

Headway Arts has a risk management strategy in place which comprises:

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

These control systems have enabled Headway to return to a strong and stable financial position after experiencing some financial difficulties several years previously.

The Trustees have managed the potential impact of further financial risks by ensuring that:

- Prudent budgets have been set for the next financial year
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place for the actions which would be taken if income appears unlikely to reach its target

The Trustees are satisfied that appropriate financial systems and controls and employment policies and practices are now in place.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

OBJECTIVES AND ACTIVITIES (CONTINUED)

Risk Management (Cont.)

Other than financial the key risk to the organisation identified by the Trustees is the Board size and composition. The Board is currently at its minimum size and positive action is being taken to identify and recruit new members to the Board, particularly those with skills in finance, HR and legal issues.



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

ACHIEVEMENTS AND PERFORMANCE

Summary of the main achievements of the charity during the year

Headway Arts have presented a wide-ranging schedule of arts activities this year covering Theatre, Dance, Circus, Visual Arts and live events featuring music, performance, exhibition and exposition of the Arts through debate and dialogue. Our programme has covered health, heritage, education, learning, social cohesiveness and just transitions, whilst, in the background, we have been seeking ownership and improvement to our building as a future long-term asset for Blyth. Having taken the decision to focus much more on our longer-term stability and securing funding from Arts Council England, the National Lottery and Henry Smith Charity we have been able to develop this exciting programme.

We have seen an increase in attendances from 585 in 2023 to over 5,582 in 2024. Around 90% of these attenders are new. This has largely been the result of an upsurge in people seeking new activities post-Covid and through new and existing partnerships in the town which have brought a wide range of people to our building.

We began the year intending to further develop the success of our online activities which seemed to be where the future platforms of our work was heading but instead we have responded to the high demand for in-building activities and a focus largely on Blyth. Through audience feedback we have noted a definite desire for people to attend new cultural activity, particularly within our quirky building.

Quotes from visitors:

- *'Lovely environment and building, looking forward to coming again soon!'*
- *'It is very nice here, lively and busy. I will be back soon'*
- *'What a brilliant atmosphere, loved it!'*
- *'Canny little gallery. Love the variety'*

We continue to have around 40 attendances a week as part of our Stars! daily sessions for adults who are neurodiverse or learning disabled. They continue to work with a changing rota of artists across art forms such as drama, music, printmaking, dance and circus, bringing new skills, confidence and resilience to people who are often overlooked.

Quotes from Stars! members:

"With my anxieties I think, I can't do this and can't do that - but taking part has made me realise that just because you have problems doesn't mean you can't achieve your dreams. Since I was a little girl my number one dream has been to be an artist, and I feel like one now."

We have initiated a number of new partnerships that support organisations to use Headway Old Church and bring more people into contact with the Arts. Friends of Crofton Field, the Dialogue Society, local schools and the 22 cultural organisations involved in Blythfest, an annual snapshot of Blyth Culture running through June.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

In October we held our annual Come on Down festival of learning disabled culture. We were delighted that 128 people with a disability attended the event from 11 organisations including day centres from across Northumberland and disability arts organisations from the region. Now in its 15th year it still remains an essential platform for learning disabled art.

In December, as part of our annual Winter festival, our inclusive theatre company held a performance of a Christmas Carol (circus style) followed by an evening of music. We continue to look for and develop platforms for their work.

We have been able to extend our evening and weekend programme to the general public holding Creative Cafe wellbeing sessions featuring Gong baths and Shamanic Healing with weekly sessions by Blyth Samba band and Stitch and Mend. As the use of the building expands so do the requests to run sessions.

Financial Review

The out-turn for the year is an unrestricted surplus of £4,917 (2023: Deficit £26,456). The surplus will be added to Unrestricted Reserves, leaving a balance on Unrestricted Funds at 31 March 2024 of £36,227.

The Trustees consider the financial performance of the charity to be satisfactory and would wish to record their appreciation for the diligence and hard work of the staff, management and Board of Trustees during the year.



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Principal Funding Sources

Grants received in the year are listed in Note 4 to the accounts.

The charity is grateful to all such funders for their grant support during the year.

PLANS FOR FUTURE PERIODS

We continue to build strong local networks and partnership working that builds capacity in the area. Blyth Cultural Network are building on the success of Blythfest and continue to meet regularly, attracting new members and preparing for Blythfest 2024.

Walks for Social Change in partnership with Newcastle University attracts interest from a variety of local groups and we look to continue these in the coming years.

One of our major projects for next year will be A Community Play working with people of all ages from the Cowpen estate.

Through our role as an Arts Council NPO we will raise the contribution of a Northumberland based organisation to wider national debates on the Arts, particularly in areas of access and inclusion.

The establishment of our Heads Up! Programme will see learning disabled and neurodiverse artists become critical friends in a number of venues in Northumberland, offering invaluable critique to their shows and venues.

The desire to increase local capacity for cultural activities has driven our need for refurbishment for our building and its purchase to ensure it remains a long-term community asset for Blyth. We have secured further funding towards this over the year thanks to support from the Architectural Heritage Fund and Community Ownership Fund and more recently UKSPF. This has meant we can take our building plans created with Edable Architects nearer to planning permission stage.

We are also getting close to our 30th birthday so will be looking to programme and exciting range of activities in celebration for 2025.

As always, and at the core of everything, Headway Arts remains passionately committed to working with those in the community who are considered hardest to reach, particularly people who are learning disabled, neurodiverse or have enduring health issues.



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2024

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also the Directors of Headway Arts for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by order of the Trustees



Frances Castle
Company Secretary
Company Registration Number 3006904

9 September 2024

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF HEADWAY ARTS YEAR ENDED 31 MARCH 2024

I hereby report to the Trustees/Members of Headway Arts (Charity Registration Number 1049698) on the accounts for the year ended 31 March 2024 set out on pages 12 to 24.

Responsibilities and basis of report

As the charity's Trustees (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

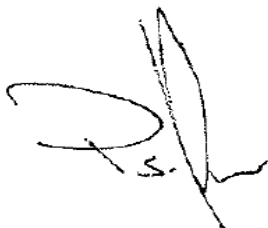
Independent Examiner's Statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountant in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods or principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Pete O'Hara, FCA, Chartered Accountant
Fellow of the Institute of Chartered Accountants in England & Wales
26 La Sagesse, Jesmond, Newcastle upon Tyne NE2 3AF

9 September 2024

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted Funds £	Restricted Funds £	Total 2024 £	Total 2023 £
Income					
Income from Investments	2	-	-	-	-
Donations & Legacies	3	1,221	4,058	5,279	4,044
Income from Charitable Activities	4	230,071	91,545	321,616	219,093
Total Income		231,292	95,603	326,895	223,137
Expenditure					
Expenditure on Charitable Activities	5	226,375	86,121	312,496	288,668
Total Expenditure		226,375	86,121	312,496	288,668
Net Income/(Expenditure)		4,917	9,482	14,399	(65,531)
Balance brought forward at 1 April		31,310	18,023	49,333	114,864
Balance carried forward at 31 March	13	£36,227	£27,505	£63,732	£49,333

The notes on pages 14 to 24 form part of the financial statements.

All of the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
Fixed Assets			
Tangible Fixed Assets	9	16,972	25,990
Current Assets			
Debtors	10	19,502	22,471
Cash At Bank & In Hand		47,171	22,366
		<u>66,673</u>	<u>44,837</u>
Creditors – Amounts Falling Due Within 1 Year	11	(19,913)	(21,494)
Net Current Assets/(Liabilities)		<u>46,760</u>	<u>23,343</u>
Total Net Assets	12	<u>£63,732</u>	<u>£49,333</u>
Represented by:			
Unrestricted Reserves	13	36,227	31,310
Restricted Reserves	13	27,505	18,023
		<u>£63,732</u>	<u>£49,333</u>

The notes on pages 14 to 24 form part of the financial statements.

The Trustees are satisfied that for the year ended 31 March 2024 the charity was entitled to exemption under section 477(2) of the Companies Act 2006.

The Trustees also confirm that the Members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

(i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by a Member of the Board of Trustees on 9 September 2024.



L Neslund
Trustee
Company Registration Number 3006904

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

The financial statements are prepared in sterling, which is the functional currency of the charity.

Taxation Status

Headway Arts is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting Policies (Continued)

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

Tangible Fixed Assets and Depreciation

Capital items costing over £250 are capitalised and included in fixed assets.

Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

- Furniture, Fittings & Equipment- 33.3% per annum on reducing balance
- IT Equipment - 33.3% straight line
- Leasehold Property Improvements – over the length of the lease (to 3 December 2024)

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost where there is a material adjustment.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

1. Accounting Policies (Continued)

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no significant judgements or estimation uncertainty included within the financial statements.

Pensions

Headway Arts contributes to a defined contribution pension scheme. Further details can be found in Note 8.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

2. Income from Investments

	Unrestricted Funds	Restricted Funds	2024	2023
	£	£	£	£
Bank Interest Receivable	-	-	-	-
	£-	£-	£-	£-

3. Income from Donations & Legacies

	Unrestricted Funds	Restricted Funds	2024	2023
	£	£	£	£
Donations	1,221	4,058	5,279	4,044
	£1,221	£4,058	£5,279	£4,044

Of the 2023 total of £4,044, £1,825 related to Unrestricted Funds and £2,219 to Restricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

4. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2024 £	2023 £
Earned Income				
Project Fees	79,030	-	79,030	75,101
Other Earned Income	13,353	-	13,353	2,519
	92,383	-	92,383	77,620
Grant Income				
1989 Willan Charitable Trust	-	-	-	7,600
Architectural Heritage Fund	-	-	-	13,495
Arts Council England – National Portfolio Organisation	96,000	-	96,000	-
Arts Council England – Seeing Making Talking	-	-	-	(300)
Banks Community Fund via County Durham Community Foundation	-	-	-	4,575
Blyth Town Council	5,000	-	5,000	10,000
EDF Blyth Offshore Community Benefit Fund at the Community Foundation of Tyne & Wear and Northumberland	-	-	-	3,600
Erasmus+	-	(2,905)	(2,905)	48,319
European Social Fund (ESF)	-	-	-	709
Heart of Blyth	-	2,400	2,400	3,275
Henry Smith Charity	-	47,200	47,200	-
National Lottery Heritage Fund - Crofton Mill Pit	-	6,990	6,990	-
National Lottery Community Fund (NLCF) – Reaching Out	-	20,000	20,000	20,000
NLCF – Cowpen Community Play	-	17,860	17,860	-
Community Ownership Fund	8,748	-	8,748	-
NCC Community Chest	7,940	-	7,940	-
Newcastle Building Society	-	-	-	2,600
Postcode Neighbourhood Trust	15,000	-	15,000	-
Scope Connecting Communities Grant	-	-	-	7,000
Ridley Family Charity	-	-	-	2,000
Ryder Architecture	-	-	-	10,000
Sir James Knott Trust	5,000	-	5,000	5,000
Wellbank Foundation	-	-	-	3,600
	137,688	91,545	229,233	141,473
	£230,071	£91,545	£321,616	£219,093

Of the 2023 total of £219,093, £99,620 related to Unrestricted Funds and £119,473 to Restricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Expenditure on Charitable Activities

	Unrestricted Funds	Restricted Funds	2024	2023
	£	£	£	£
Project Delivery Costs				
Materials/Project Costs	-	17,302	17,302	33,592
Contract Workers	4,430	15,818	20,248	25,020
Wages & Salaries	147,353	47,200	194,553	163,657
	151,783	80,320	232,103	222,269
Support Costs				
Travel & Subsistence	1,991	-	1,991	553
Bad Debts	8,198	-	8,198	214
Office Costs	5,012	-	5,012	2,187
Premises Costs & Room Hire	13,202	-	13,202	26,562
Repairs & Maintenance	21,132	-	21,132	2,621
Insurance	11,232	-	11,232	6,251
Depreciation	6,138	5,801	11,939	13,713
	66,905	5,801	72,706	52,101
Governance Costs				
Accountancy Fees	710	-	710	2,304
Legal & Professional Fees	6,977	-	6,977	11,994
	7,687	-	7,687	14,298
	£226,375	£86,121	£312,496	£288,668

Of the 2023 total of £288,668, £127,901 related to Unrestricted Funds and £160,767 to Restricted Funds.

6. Net Income/(Expenditure)

	2024	2023
	£	£
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner's Fees	1,152	1,152
Depreciation – Owned Assets	11,939	13,713

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

7. Staff Costs/Trustees' Remuneration

	2024	2023
	£	£
Gross Salary Costs	178,264	149,789
Pension Costs	12,069	3,711
Social Security Costs	4,220	10,157
	£194,553	£163,657

No employee received remuneration of more than £60,000 during the year (2023 - Nil).

The average number of staff employed during the year, calculated as full-time equivalents, was as follows:

	2024	2023
	No.	No.
Artistic Production and Support	6	5

No remuneration was paid to or waived by Trustees/Directors in the year (2023: Nil) and no travel and subsistence expenses (2023: None) were reimbursed to Trustees in respect of their attendance at meetings of the charity.

There were no transactions undertaken by, or on behalf of the charity, in which any Trustees or a connected person had a material interest during the year to 31 March 2024 (2023: Nil).

8. Pension Scheme

Pension benefits are provided through a Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. In the year to 31 March 2024 Headway Arts made an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the scheme on a monthly basis. Contributions totalling £4,014 were outstanding at 31 March 2024 (2023: £1,925).

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Tangible Fixed Assets

	Leasehold Property Improvements £	IT Equipment £	Fixtures, Fittings & Equipment £	Total Fixed Assets £
Cost				
At 1 April 2023	57,120	10,001	62,484	129,605
Additions in year	-	-	2,921	2,921
Disposals	-	-	-	-
At 31 March 2024	57,120	10,001	65,405	132,526
Accumulated Depreciation				
At 1 April 2023	45,517	9,156	48,942	103,615
Charge for year	5,801	422	5,716	11,939
Disposals	-	-	-	-
At 31 March 2024	51,318	9,578	54,658	115,554
Net Book Value				
At 31 March 2024	£5,802	£423	£10,747	£16,972
At 1 April 2023	£11,603	£845	£13,542	£25,990

10. Debtors

	2024 £	2023 £
Trade Debtors	16,078	10,961
Accrued Income – Grant Funding	1,811	10,940
Accrued Income - Other	-	423
Prepayments	1,613	147
	£19,502	£22,471

All sums are due within 1 year.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

11. Creditors – Amounts Falling Due Within 1 Year

	2024	2023
	£	£
Taxes & Social Security Costs	-	3,538
Pension Scheme Creditor	4,014	1,925
Sundry Creditors	-	1,562
Accruals	15,899	14,469
	£19,913	£21,494

12. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2024	Total 2023
	£	£	£	£
Fixed Assets	11,385	5,587	16,972	25,990
Debtors	17,691	1,811	19,502	22,471
Cash at Bank and In Hand	27,064	20,107	47,171	22,366
Creditors – Amounts Due Within 1 Year	(19,913)	-	(19,913)	(21,494)
	£36,227	£27,505	£63,732	£49,333

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Analysis of Charitable Funds

	Fund at 1 April 2023 £	Incoming Resources in Year £	Resources Expended in Year £	Fund at 31 March 2024 £
Unrestricted Funds				
Charity General Fund	31,310	231,292	(226,375)	36,227
Restricted Funds				
Banks Community Fund via County Durham Community Foundation	3,660	-	(3,660)	-
Coastal Revival Fund*	10,099	-	(4,909)	5,190
Donations – Australia Conference	-	4,058	-	4,058
Erasmus+	-	(2,905)	2,905	-
Heart of Blyth – Blythfest 2023	2,975	-	(2,975)	-
Heart of Blyth – Blythfest 2024	-	2,400	(2,400)	-
Henry Smith Charity	-	47,200	(47,200)	-
National Lottery Community Fund – Cowpen Community Play	-	17,860	-	17,860
National Lottery Community Fund – Reaching Out	-	20,000	(20,000)	-
National Lottery Heritage Fund - Crofton Mill Pit	-	6,990	(6,990)	-
Wellesley Trust (Building Improvements)*	1,289	-	(892)	397
Total Restricted Funds	18,023	95,603	(86,121)	27,505
Total Funds	£49,333	£326,895	£(312,496)	£63,732

*Though £46,145 from Coastal Revival Fund and £9,549 from the Wellesley Trust was received and fully spent in the year to 31 March 2017 on the capital redevelopment of Headway ArtSpace, the required accounting treatment releases the grants over the period of the lease, matching the annual depreciation of the capital improvements.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Banks Community Fund via County Durham Community Foundation	Towards the cost of new staging
Coastal Revival Fund*	To fund a programme of building improvements
Donations – Australia Conference	Towards the attendance of a conference in Australia in 2024/25
Erasmus+	To fund the Different Ways For Different Days European partnership
European Social Fund	To fund capacity building
European Social Fund (Releasing Potential)	To fund the Releasing Potential project
Heart of Blyth – Blythfest 2023	Towards the costs of Blythfest 2023
Heart of Blyth – Blythfest 2024	Towards the costs of Blythfest 2024
Henry Smith Charity	Towards the core salaries and running costs, excluding redundancy and legal fees
National Lottery Community Fund – Cowpen Community Play	Towards the costs of developing a community play
National Lottery Community Fund – Reaching Out	Towards the costs of Reaching Out - activities with adults with learning disabilities across Northumberland
National Lottery Heritage Fund - Crofton Mill Pit	Towards the costs of developing the Crofton Mill Pit project
Wellesley Trust (Building Improvements)*	To fund a programme of building improvements

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

15. Financial and Capital Commitments

No material financial and/or capital commitments have been made in respect of future financial periods (2023: None).

16. Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

HEADWAY ARTS

England & Wales - Charity number 1049698

Accounts

Company Registration Number 3006904

Registered Charity Number 1049698

HEADWAY ARTS

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS

For the year ending 31 March 2023

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

The Trustees, who are also Directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Headway Arts
Charity registration number	1049698
Company registration number	3006904
Registered office	Headway ArtSpace, The Old Church, Waterloo Road, Blyth, Northumberland NE24 1BY

Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.

The Trustees of Headway Arts during the period and to the date of signing this report are as follows:

Mr S Bradley	Resigned 10 December 2022
Ms S Fawcett	Appointed 6 September 2022
Mr P D James	
Ms L Neslund	
Ms K Wilcox	Resigned 16 December 2022

Company Secretary	Mrs F M Castle
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Bankers	Barclays Bank plc, 3 Northumberland Square, North Shields, NE30 1QX
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Independent Examiner	Mr P O'Hara FCA, Chartered Accountant, 4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Headway Arts is a charitable company limited by guarantee, incorporated as Headstrong Productions on 6 January 1995 and registered as a charity on 9 October 1995.

It was established under the Memorandum of Association that established its objects and powers and is governed under its Articles of Association, as amended by special resolutions dated 30 June 2000 and 21 November 2005.

The company changed its name from Headstrong Productions to Headway Arts by means of a special resolution passed on 18 November 2015.

The Directors of the company are also Trustees of the charity.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Governing Documents (Cont.)

Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Memorandum and Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

Charitable Purpose

Headway Arts' charitable objectives are 'to advance education for the public benefit through the promotion of the arts with particular but not exclusive reference to the dramatic arts'.

Principal Activity, Aims and Objectives

In delivering our charitable purpose we strive to offer high quality arts and cultural participation opportunities to communities in Northumberland and beyond.

Our aims are to:

- Produce high quality art
- Create environments where art can take place
- Provide lifelong learning, training and employment opportunities
- Offer platforms for expression & the exploration of creativity
- Proactively encourage the engagement and representation of excluded groups
- Offer a means to contribute to the cultural life of communities
- Initiate informed debate and influence policy-making

Our values are that:

- Everyone is equal and everyone is different
- Participation in the arts enables personal development and social inclusion
- Participation in the arts is an entitlement for everyone
- Creative contribution is of high value irrespective of the circumstance or background of the person
- All participants have the right to make choices and determine their own creative engagement

Structure and Governance

The charity currently has a board of three non-executive Trustees.

The Board meets a minimum of four times per year and conducts an Annual General Meeting, typically in November.

Detailed written Board reports and an agenda are prepared by the Chief Executive and circulated in advance of meetings.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Recruitment and Appointment of Board of Trustees

Trustees are elected to the Board as necessary, with regard to any specialist skills required on the Board, based on discussions and recommendations offered by Trustees and outside advisors to the organisation. Trustees are re-appointed annually.

Trustee Induction and Training

New Trustees are briefed on their legal obligations under company and charity law, our Memorandum and Articles of Association, the operation of the Board and its decision-making processes, future plans and recent performance to support their understanding of Headway Arts' activities.

They are encouraged to attend appropriate training, are made aware of Charity Commission publications and online guidance and are encouraged to provide feedback.

Policies on Reserves

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The Trustees aim to hold a level of Unrestricted Reserves sufficient to meet the costs of essential salaries and overheads for a 3 to 4 month period which would allow for the orderly winding down of the operation in the unlikely event that the Trustees so decided.

At present, the Trustees estimate that the Unrestricted Reserves required for such purposes would be in the range of £40,000 to £50,000.

Headway Arts' current Unrestricted Reserves are £31,310 at 31 March 2023. Free Reserves, defined as Unrestricted Reserves minus the value of Unrestricted Tangible Fixed Assets, are £20,368.

The Trustees aim, through their budgeting and financial management processes, to restore Unrestricted Reserves to within the aspirational range within 2-3 financial years to ensure the charity can run efficiently and meet the needs of the beneficiaries.

This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

The Charity's grant making policies

The charity does not currently engage in grant-making activity.

The contribution of volunteers

The charity makes extensive use of volunteers within its productions and to support its activities.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

OBJECTIVES AND ACTIVITIES

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Principle 1 - There must be an identifiable benefit, or benefits.

Headway Arts' activities include a core commitment to the promotion of the arts, enabling the personal development of those in our care and providing a benefit to the wider community.

Principle 2 - Benefit must be to the public, or a section of the public.

Engagement in Headway Arts' productions is open to people of all backgrounds who want to be part of the experience.

Headway Arts' beneficiaries are therefore entirely appropriate to its aims and the public as a whole benefits from its work.

All of these benefits are clear, evidenced and relate directly to Headway Arts' aims. In addition, the Trustees do not consider that any significant detriment or harm flows from Headway Arts' work.

Risk Management

The Trustees of the charity regularly review (at least annually) the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

Headway Arts has a risk management strategy in place which comprises:

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

These control systems have enabled Headway to return to a strong and stable financial position after experiencing some financial difficulties several years previously.

The Trustees have managed the potential impact of further financial risks by ensuring that:

- Prudent budgets have been set for the next financial year
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place for the actions which would be taken if income appears unlikely to reach its target

The Trustees are satisfied that appropriate financial systems and controls and employment policies and practices are now in place.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

OBJECTIVES AND ACTIVITIES (CONTINUED)

Risk Management (Cont.)

Other than financial the key risk to the organisation identified by the Trustees is the Board size and composition. The Board is currently at its minimum size and positive action is being taken to identify and recruit new members to the Board, particularly those with skills in finance, HR and legal issues.



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

ACHIEVEMENTS AND PERFORMANCE

Summary of the main achievements of the charity during the year

This year we took the decision to focus much more on our longer-term stability as we felt that a lack of multi-year core funding had stifled our development somewhat. We focussed much of our attention on 3 major funding opportunities and were successful in our applications to all three. Core funding from the National Lottery, Henry Smith Charity and Arts Council England will ensure our longer-term future and enable us to develop several projects for which we lacked the resources to make happen. Thanks to this funding we look forward to a rich and more varied programme over the next 3 years.

Becoming a member of Arts Council England's National Portfolio from 2023 onwards has been a great boost to the company both internally and externally and we look forward to continuing and developing our programme of work with people who are learning disabled through this opportunity.

Funding from the Henry Smith Charity will support our work locally, particularly our programme of workshops, events, courses and creative cafes we run at ArtSpace.

In November 2022 we were overjoyed to receive funding from the National Lottery Reaching Communities strand for our 3-year disability project Reaching Out. The project really helps us further our mission bringing together disability groups from across Northumberland to address issues of isolation, mental health and resilience through the arts.

We also have been fabulously supported by a number of Trusts and Foundations throughout the year which have enabled us to bring sessional workers, support workers and resources to our work, all with new skills and ideas.

In addition, we have revived plans to refurbish the building, working with EDable Architecture to produce a new set of plans for the building which can be phased for development over a number of years as capital funding allows.

We began the year with half of our building still closed after the damage of storm Arwen. This had impacted greatly not only on our projects and events, but also on our sales and revenue. Luckily we had good insurance or we wouldn't be here now! Our roof was eventually fixed but we are still waiting for damage caused by the ingress of rain to be fixed. We are also keen to renew our garden which has suffered badly.

Our programme throughout the year had a strong emphasis on well-being initially to support the return of people to our building who had become isolated during the pandemic and later to respond to demand for well-being sessions within the wider area. Sessions have included relaxation and mindfulness workouts, helped people get active again through dance and movement work and focussed on positive social interaction.

Our Stars! programme offered new skills to people with a learning disability. Twelve artists across dance, drama, visual arts and music have delivered training this year with 192 sessions delivered. After the hiatus caused by Covid-19 the Stars! are keen to start touring and performing again and will be developing a new touring piece for 2023-24.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

Some comments from the Stars! programme:

"I learnt a great deal from [the Stars group], because they are unashamed of their individual downfalls, but never fail to raise someone up when they are feeling self-conscious; each one supporting another in the group as a method of making themselves grow in confidence. This is how they make such thrilling and accomplished work, because the ensemble connection is unmatched in any theatre group I have worked in previously. They trust each other entirely, and this was evident in their show and the way they came together to perform" Phyllis Hoyle, Facilitator, Stars! Sessions

"Rebecca has been on a large journey of transformation. Although she can experience moments of heightened anxiety, related to uncertainty and changes to routines, she is realising that she has her own resources to get through these times. She is more accepting of situations that are out of her control and is more able to let go. She has developed a deeper sense of trust. In doing so, she has been able to create and perform a solo dance for an audience for the first time. And the performance was fully expressive, allowing for her true nature and humour to shine... thoroughly entertaining the audience!" Social care Volunteer comments on Stars! dance sessions.

Our European partnership work sadly came to an end this year with the demise of the Erasmus+ programme. Our year, however, was full of travel as we completed our final 3 projects with artists who have learning disabilities visiting Portugal, Sweden, Greece, Poland and Bulgaria to work with other artists in those countries. We also hosted 75 European artists here in Blyth, who learned the work and methodology of Headway Arts and also enjoyed the culture and heritage of Northumberland. We continue to keep in touch with our partners and will take advantage of any opportunities to continue the work that arise.

"Blythfest" was a new initiative developed with our partners on the Blyth Culture Network. Described as a 'snapshot of Blyth over 2 weeks' the festival introduced local residents to new and existing cultural experiences with opportunities to be more active, join new groups and to socialise. The first Blythfest was well received and demonstrated the desire within the town to improve current perceptions of Blyth and to promote its rich cultural offer.

Looked at over the year, our figures represent a turbulent time post-Covid. Our programme is often dependent on partnership working and this has been irregular and unpredictable due to uncertainties of partners still at this time. Things are beginning to settle and whilst we have waited for everyone to catch up with each other, we have also continued to offer a very high-quality service.

Financial Review

The out-turn for the year is an unrestricted deficit of £(26,456) (2022: Surplus £7,656). The deficit will be deducted from Unrestricted Reserves, leaving a balance on Unrestricted Funds at 31 March 2023 of £31,310.

The Trustees consider the financial performance of the charity to be satisfactory and would wish to record their appreciation for the diligence and hard work of the staff, management and Board of Trustees during the year.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Principal Funding Sources

Grants received in the year are listed in Note 4 to the accounts.

The charity is grateful to all such funders for their grant support during the year.

PLANS FOR FUTURE PERIODS

The COVID-19 virus affected all of us and emerging from lockdown we found ourselves in very different times. The pandemic has not been kind to learning disabled people in the arts sector and lost much of the ground we made over the past 25 years, particularly in terms of inclusion. It is becoming increasingly important we maintain the profile of learning disability arts and ensure access and inclusion are prioritised.

The pandemic brought the service we normally provide into a sharp focus, demonstrating not only its valuable role in keeping disabled people creative and included in society, but its value in maintaining good mental health and wellbeing and in helping people to be safe, feel secure and find new routines.

We will continue to provide and maintain this valued support and develop our new and exciting projects that look back at where we have been and ahead to where we might go. Our inclusion in the Arts Council England National Portfolio gives us opportunities to extend and develop our work with people who have learning disabilities and we are excited to continue to progress our "Beautiful Difference" programme which will look at people's similarities, differences and our shared humanity.

Having positioned ourselves as the National Centre of Arts and Inclusion we will continue to work regionally, nationally and internationally to find best inclusive practices, quality methodologies and inform national policy debates.

Blyth is undergoing a transformation and Headway Arts will be at the centre of this, ensuring that it meets its key aims over the next five years to build on its work and ensure it has the resources necessary to expand its work in line with both demand and current local and regional plans. We will continue to co-ordinate the Blyth Culture Network and 'Blythfest' in order to improve current perceptions of Blyth and to promote its rich cultural offer.

We will also continue to develop our building, seeking funds to refurbish and develop ArtSpace as the contemporary, accessible and inclusive space it deserves to be.

As always, and at the core of everything, Headway Arts remains passionately committed to working with those in the community who are considered hardest to reach, particularly people who are learning disabled, have special needs or with enduring health issues.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2023

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also the Directors of Headway Arts for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by order of the Trustees



Frances Castle
Company Secretary
Company Registration Number 3006904

8 August 2023

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF HEADWAY ARTS YEAR ENDED 31 MARCH 2023

I hereby report to the Trustees/Members of Headway Arts (Charity Registration Number 1049698) on the accounts for the year ended 31 March 2023 set out on pages 12 to 24.

Responsibilities and basis of report

As the charity's Trustees (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

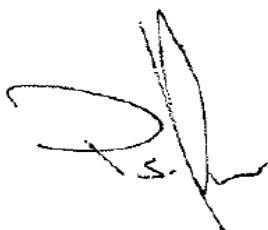
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods or principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Pete O'Hara, FCA, Chartered Accountant
Fellow of the Institute of Chartered Accountants in England & Wales
4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG

8 August 2023

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income					
Income from Investments	2	-	-	-	1
Donations & Legacies	3	1,825	2,219	4,044	1,314
Income from Charitable Activities	4	99,620	119,473	219,093	232,992
Total Income		101,445	121,692	223,137	234,307
Expenditure					
Expenditure on Charitable Activities	5	127,901	160,767	288,668	264,063
Total Expenditure		127,901	160,767	288,668	264,063
Net Income/(Expenditure)		(26,456)	(39,075)	(65,531)	(29,756)
Balance brought forward at 1 April		57,766	57,098	114,864	144,620
Balance carried forward at 31 March	13	£31,310	£18,023	£49,333	£114,864

The notes on pages 14 to 24 form part of the financial statements.

All of the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
Fixed Assets			
Tangible Fixed Assets	9	25,990	26,059
Current Assets			
Debtors	10	22,471	73,034
Cash At Bank & In Hand		22,366	29,257
		<u>44,837</u>	<u>102,291</u>
Creditors – Amounts Falling Due Within 1 Year	11	(21,494)	(13,486)
Net Current Assets/(Liabilities)		<u>23,343</u>	<u>88,805</u>
Total Net Assets	12	<u>£49,333</u>	<u>£114,864</u>
Represented by:			
Unrestricted Reserves	13	31,310	57,766
Restricted Reserves	13	18,023	57,098
		<u>£49,333</u>	<u>£114,864</u>

The notes on pages 14 to 24 form part of the financial statements.

The Trustees are satisfied that for the year ended 31 March 2023 the charity was entitled to exemption under section 477(2) of the Companies Act 2006.

The Trustees also confirm that the Members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

(i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by a Member of the Board of Trustees on 8 August 2023.



L Neslund
Trustee
Company Registration Number 3006904

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

The financial statements are prepared in sterling, which is the functional currency of the charity.

Taxation Status

Headway Arts is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies (Continued)

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

Tangible Fixed Assets and Depreciation

Capital items costing over £250 are capitalised and included in fixed assets.

Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

- Furniture, Fittings & Equipment- 33.3% per annum on reducing balance
- IT Equipment - 33.3% straight line
- Leasehold Property Improvements – over the length of the lease (to 3 December 2024)

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost where there is a material adjustment.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

1. Accounting Policies (Continued)

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no significant judgements or estimation uncertainty included within the financial statements.

Pensions

Headway Arts contributes to a defined contribution pension scheme. Further details can be found in Note 8.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

2. Income from Investments

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Bank Interest Receivable	-	-	-	1
	£-	£-	£-	£1

The 2022 total of £1 related wholly to Unrestricted Funds.

3. Income from Donations & Legacies

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Donations	1,825	2,219	4,044	1,314
	£1,825	£2,219	£4,044	£1,314

The 2022 total of £1,314 related wholly to Unrestricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Income from Charitable Activities

	Unrestricted Funds	Restricted Funds	2023	2022
	£	£	£	£
Earned Income				
Project Fees	75,101	-	75,101	76,962
Other Earned Income	2,519	-	2,519	738
	77,620	-	77,620	77,700
Grant Income				
1989 Willan Charitable Trust	-	7,600	7,600	-
Architectural Heritage Fund	-	13,495	13,495	-
Arts Council England – Seeing Making Talking	-	(300)	(300)	-
Arts Council England Cultural Recovery Fund	-	-	-	30,041
Banks Community Fund via County Durham Community Foundation	-	4,575	4,575	-
Blyth Town Council	10,000	-	10,000	10,000
EDF Blyth Offshore Community Benefit Fund at the Community Foundation of Tyne & Wear and Northumberland	-	3,600	3,600	8,232
Erasmus+	-	48,319	48,319	10,759
ESF LA6 Community Grant (Moving Mountains project)	-	-	-	5,373
ESF LA6 Community Grant (Releasing Potential project)	-	-	-	19,295
European Social Fund (ESF)	-	709	709	2,438
Good Things Foundation	-	-	-	1,000
Hadrian Trust	-	-	-	1,000
Healthwatch Northumberland	-	-	-	1,000
Heart of Blyth	-	3,275	3,275	-
Mental Health Concern NHS Winter Resilience Fund	-	-	-	5,000
National Lottery Community Fund	-	20,000	20,000	-
NCC Arts, Culture and Heritage	-	-	-	9,721
NCC Community Chest	-	-	-	4,755
Newcastle Building Society @ Community Foundation	-	2,600	2,600	-
Northumberland Citizens Advice	-	-	-	5,798
Northumberland County Council (NCC) Starting Back Up Fund	-	-	-	8,000
Power to Change Community Business Renewal Fund	-	-	-	20,000
Scope Connecting Communities Grant (through the Charities Aid Foundation)	-	7,000	7,000	-
Continued overleaf...				

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Income from Charitable Activities (Cont.)

	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
Riddell Family Community First Fund at the Com. Foundation of T&W and N'land	-	-	-	2,880
Ridley Family Charity	2,000	-	2,000	
Ryder Architecture	10,000	-	10,000	10,000
Sir James Knott Trust	-	5,000	5,000	-
Wellbank Foundation	-	3,600	3,600	-
	22,000	119,473	141,473	155,292
	£99,620	£119,473	£219,093	£232,992

Of the 2022 total of £232,992, £163,694 related to Unrestricted Funds and £69,298 to Restricted Funds.

5. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2023 £	2022 £
Project Delivery Costs				
Materials/Project Costs	-	33,592	33,592	11,201
Contract Workers	-	25,020	25,020	31,508
Wages & Salaries	80,212	83,445	163,657	163,484
	80,212	142,057	222,269	206,193
Support Costs				
Travel & Subsistence	553	-	553	761
Bad Debts	214	-	214	-
Office Costs	2,187	-	2,187	2,599
Premises Costs & Room Hire	26,562	-	26,562	19,886
Repairs & Maintenance	2,621	-	2,621	12,436
Insurance	6,251	-	6,251	9,740
Depreciation	6,997	6,716	13,713	10,816
	45,385	6,716	52,101	56,238
Governance Costs				
Accountancy Fees	2,304	-	2,304	1,632
Legal & Professional Fees	-	11,994	11,994	-
	2,304	11,994	14,298	1,632
	£127,901	£160,767	£288,668	£264,063

Of the 2022 total of £264,063, £157,353 related to Unrestricted Funds and £106,710 to Restricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

6. Net Income/(Expenditure)

	2023	2022
	£	£
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner's Fees	1,152	1,152
Depreciation – Owned Assets	13,713	10,816

7. Staff Costs/Trustees' Remuneration

	2023	2022
	£	£
Gross Salary Costs	149,789	150,406
Pension Costs	3,711	3,235
Social Security Costs	10,157	9,843
	£163,657	£163,484

No employee received remuneration of more than £60,000 during the year (2022 - Nil).

The average number of staff employed during the year, calculated as full-time equivalents, was as follows:

	2023	2022
	No.	No.
Artistic Production and Support	5	5

No remuneration was paid to or waived by Trustees/Directors in the year (2022: Nil) and no travel and subsistence expenses (2022: None) were reimbursed to Trustees in respect of their attendance at meetings of the charity.

There were no transactions undertaken by, or on behalf of the charity, in which any Trustees or a connected person had a material interest during the year to 31 March 2023 (2022: Nil).

8. Pension Scheme

Pension benefits are provided through a Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. In the year to 31 March 2023 Headway Arts made an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the scheme on a monthly basis. Contributions totalling £1,925 were outstanding at 31 March 2023 (2022: £875).

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

9. Tangible Fixed Assets

	Leasehold Property Improvements £	IT Equipment £	Fixtures, Fittings & Equipment £	Total Fixed Assets £
Cost				
At 1 April 2022	57,120	8,735	50,106	115,961
Additions in year	-	1,266	12,378	13,644
Disposals	-	-	-	-
At 31 March 2023	57,120	10,001	62,484	129,605
Accumulated Depreciation				
At 1 April 2022	39,716	6,376	43,810	89,902
Charge for year	5,801	2,780	5,132	13,713
Disposals	-	-	-	-
At 31 March 2023	45,517	9,156	48,942	103,615
Net Book Value				
At 31 March 2023	£11,603	£845	£13,542	£25,990
At 1 April 2022	£17,404	£2,359	£6,296	£26,059

10. Debtors

	2023 £	2022 £
Trade Debtors	10,961	35,826
Accrued Income – Grant Funding	10,940	37,208
Accrued Income - Other	423	-
Prepayments	147	-
	£22,471	£73,034

All sums are due within 1 year.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Creditors – Amounts Falling Due Within 1 Year

	2023	2022
	£	£
Taxes & Social Security Costs	3,538	7,167
Pension Scheme Creditor	1,925	875
Sundry Creditors	1,562	1,947
Accruals	14,469	3,497
	£21,494	£13,486

12. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Fixed Assets	10,942	15,048	25,990	26,059
Debtors	11,523	10,948	22,471	73,034
Cash at Bank and In Hand	30,339	(7,973)	22,366	29,257
Creditors – Amounts Due Within 1 Year	(21,494)	-	(21,494)	(13,486)
	£31,310	£18,023	£49,333	£114,864



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Analysis of Charitable Funds

	Fund at 1 April 2022 £	Incoming Resources in Year £	Resources Expended in Year £	Fund at 31 March 2023 £
Unrestricted Funds				
Charity General Fund	57,766	101,445	(127,901)	31,310
Restricted Funds				
1989 Willan Charitable Trust	-	7,600	(7,600)	-
Architectural Heritage Fund	-	13,495	(13,495)	-
Arts Council England – Talking Seeing Doing	14,614	-	(14,614)	-
Arts Council England – Seeing Making Talking	-	(300)	300	-
Banks Community Fund via County Durham Community Foundation	-	4,575	(915)	3,660
Coastal Revival Fund*	15,008	-	(4,909)	10,099
Donations – Blythfest 2022	-	2,219	(2,219)	-
EDF Blyth Offshore Community Benefit Fund at the Community Foundation of Tyne & Wear and Northumberland	-	3,600	(3,600)	-
Erasmus+	-	48,319	(48,319)	-
European Social Fund (ESF)	-	709	(709)	-
European Social Fund (Releasing Potential)	15,295	-	(15,295)	-
Heart of Blyth – Blythfest 2022	-	300	(300)	-
Heart of Blyth – Blythfest 2023	-	2,975	-	2,975
National Lottery Community Fund	-	20,000	(20,000)	-
Newcastle Building Society at the Community Foundation of Tyne & Wear and Northumberland	-	2,600	(2,600)	-
Ryder Architecture	10,000	-	(10,000)	-
Scope Connecting Communities Grant (through the Charities Aid Foundation)	-	7,000	(7,000)	-
Sir James Knott Trust	-	5,000	(5,000)	-
Wellbank Foundation	-	3,600	(3,600)	-
Wellesley Trust (Building Improvements)*	2,181	-	(892)	1,289
Total Restricted Funds	57,098	121,692	(160,767)	18,023
Total Funds	£114,864	£223,137	£(288,668)	£49,333

*Though £46,145 from Coastal Revival Fund and £9,549 from the Wellesley Trust was received and fully spent in the year to 31 March 2017 on the capital redevelopment of Headway ArtSpace, the required accounting treatment releases the grants over the period of the lease, matching the annual depreciation of the capital improvements.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
1989 Willan Charitable Trust	To fund the PrintAble project
Architectural Heritage Fund	Towards the cost of building appraisal fees and associated core staff time
Arts Council England – Talking Seeing Doing	To fund the Talking Seeing Doing project
Arts Council England – Seeing Making Talking	To fund the Seeing Making Talking project
Banks Community Fund via County Durham Community Foundation	Towards the cost of new staging
Coastal Revival Fund*	To fund a programme of building improvements
Donations – Blythfest 2022	Towards the costs of Blythfest 2022
EDF Blyth Offshore Community Benefit Fund at the Community Foundation of Tyne & Wear and Northumberland	Towards the cost of facilitator fees for Stars Drama sessions
Erasmus+	To fund the Different Ways For Different Days European partnership
European Social Fund	To fund capacity building
European Social Fund (Releasing Potential)	To fund the Releasing Potential project
Heart of Blyth – Blythfest 2022	Towards the costs of Blythfest 2022
Heart of Blyth – Blythfest 2023	Towards the costs of Blythfest 2023
National Lottery Community Fund	Towards the costs of Reaching Out - activities with adults with learning disabilities across Northumberland
Newcastle Building Society at the Community Foundation of Tyne & Wear and Northumberland	Towards the costs of Blythfest 2022

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Ryder Architecture	To fund the installation of staging
Scope Connecting Communities Grant (through the Charities Aid Foundation)	Towards the cost of drama sessions
Sir James Knott Trust	Towards support worker salary costs
Wellbank Foundation	Towards the cost of drama sessions
Wellesley Trust (Building Improvements)*	To fund a programme of building improvements

14. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

15. Financial and Capital Commitments

No material financial and/or capital commitments have been made in respect of future financial periods (2022: None).

16. Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

HEADWAY ARTS

England & Wales - Charity number 1049698

Accounts

Company Registration Number 3006904

Registered Charity Number 1049698

HEADWAY ARTS

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS

For the year ending 31 March 2022

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2022

The Trustees, who are also Directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Headway Arts
Charity registration number	1049698
Company registration number	3006904
Registered office	Headway ArtSpace, The Old Church, Waterloo Road, Blyth, Northumberland NE24 1BY

Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.

The Trustees of Headway Arts during the period and to the date of signing this report are as follows:

Mr S Bradley
Mr P D James
Ms L Neslund
Ms K Wilcox

Company Secretary	Mrs F M Castle
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Bankers	Barclays Bank plc, 3 Northumberland Square, North Shields, NE30 1QX
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Independent Examiner	Mr P O'Hara FCA, Chartered Accountant, 4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Headway Arts is a charitable company limited by guarantee, incorporated as Headstrong Productions on 6 January 1995 and registered as a charity on 9 October 1995.

It was established under the Memorandum of Association that established its objects and powers and is governed under its Articles of Association, as amended by special resolutions dated 30 June 2000 and 21 November 2005.

The company changed its name from Headstrong Productions to Headway Arts by means of a special resolution passed on 18 November 2015.

The Directors of the company are also Trustees of the charity.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Governing Documents (Cont.)

Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Memorandum and Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

Charitable Purpose

Headway Arts' charitable objectives are 'to advance education for the public benefit through the promotion of the arts with particular but not exclusive reference to the dramatic arts'.

Principal Activity, Aims and Objectives

In delivering our charitable purpose we strive to offer high quality arts and cultural participation opportunities to communities in Northumberland and beyond.

Our aims are to:

- Produce high quality art
- Create environments where art can take place
- Provide lifelong learning, training and employment opportunities
- Offer platforms for expression & the exploration of creativity
- Proactively encourage the engagement and representation of excluded groups
- Offer a means to contribute to the cultural life of communities
- Initiate informed debate and influence policy-making

Our values are that:

- Everyone is equal and everyone is different
- Participation in the arts enables personal development and social inclusion
- Participation in the arts is an entitlement for everyone
- Creative contribution is of high value irrespective of the circumstance or background of the person
- All participants have the right to make choices and determine their own creative engagement

Structure and Governance

The charity currently has a board of 4 non-executive Trustees.

The Board meets a minimum of four times per year and conducts an Annual General Meeting, typically in November.

Detailed written Board reports and an agenda are prepared by the Chief Executive and circulated in advance of meetings.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Recruitment and Appointment of Board of Trustees

Trustees are elected to the Board as necessary, with regard to any specialist skills required on the Board, based on discussions and recommendations offered by Trustees and outside advisors to the organisation. Trustees are re-appointed annually.

Trustee Induction and Training

New Trustees are briefed on their legal obligations under company and charity law, our Memorandum and Articles of Association, the operation of the Board and its decision-making processes, future plans and recent performance to support their understanding of Headway Arts' activities.

They are encouraged to attend appropriate training, are made aware of Charity Commission publications and online guidance and are encouraged to provide feedback.

Policies on Reserves

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The Trustees aim to hold a level of Unrestricted Reserves sufficient to meet the costs of essential salaries and overheads for a 3 to 4 month period which would allow for the orderly winding down of the operation in the unlikely event that the Trustees so decided.

At present, the Trustees estimate that the Unrestricted Reserves required for such purposes would be in the range of £40,000 to £50,000.

Headway Arts' current Unrestricted Reserves are £57,766 at 31 March 2022. Free Reserves, defined as Unrestricted Reserves minus the value of Unrestricted Tangible Fixed Assets, are £48,896.

The Trustees believe that, now that this level has been reached, reserves should be maintained at least at this level to ensure the charity can run efficiently and meet the needs of the beneficiaries.

This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

The Charity's grant making policies

The charity does not currently engage in grant-making activity.

The contribution of volunteers

The charity makes extensive use of volunteers within its productions and to support its activities.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2022

OBJECTIVES AND ACTIVITIES

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Principle 1 - There must be an identifiable benefit, or benefits

Headway Arts' activities include a core commitment to the promotion of the arts, enabling the personal development of those in our care and providing a benefit to the wider community.

Principle 2 - Benefit must be to the public, or a section of the public.

Engagement in Headway Arts' productions is open to people of all backgrounds who want to be part of the experience.

Headway Arts' beneficiaries are therefore entirely appropriate to its aims and the public as a whole benefits from its work.

All of these benefits are clear, evidenced and relate directly to Headway Arts' aims. In addition, the Trustees do not consider that any significant detriment or harm flows from Headway Arts' work.

Risk Management

The Trustees of the charity regularly review (at least annually) the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

Headway Arts has a risk management strategy in place which comprises:

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

These control systems have enabled Headway to return to a strong and stable financial position after experiencing some financial difficulties several years previously.

The Trustees have managed the potential impact of further financial risks by ensuring that:

- Prudent budgets have been set for the next financial year
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place for the actions which would be taken if income appears unlikely to reach its target

The Trustees are satisfied that appropriate financial systems and controls and employment policies and practices are now in place.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2022

ACHIEVEMENTS AND PERFORMANCE

Summary of the main achievements of the charity during the year

We began this year still in lockdown and still working remotely with all of our workshop sessions online. We decided at the onset to take a positive approach to lockdown and, looking back, we can see the opportunities it has given us: It has helped us fully integrate a digital approach into our service, enabled us to reach people who are least able to participate because they are housebound or limited by their health/disability, improved the digital inclusion of hard to reach groups and provided our Associate Artists with new challenges to present their way of working in a digital context.

Once again, we received confirmation from Northumberland care services that we maintained sufficient contact with our online workshops to retain our social care contracts for most of our regular attenders. Delayed payments could have caused major cash flow problems had we not managed to secure a good level of reserves in the previous year.

Overall, we have managed to maintain a good financial position this year through the funding we carried over (ie the funding that was for the delayed projects), but project funding opportunities, particular with the smaller trusts and foundations, have been fewer due to the emphasis placed on ensuring less fortunate organisations and services survive the pandemic. We have, however, managed to maintain the organisation and its programme with no financial loss this year and having funding in place for this year (from previous years) has given the organisation opportunity to focus on its development and prioritise tasks which it would not have been able to do under usual circumstances, particularly looking at its future programmes of work.

From May 2021 the STARS! creative arts sessions for learning disabled adults resumed in person, initially outdoors where gentle reintroduction sessions took place, moving to our redesigned storytelling garden funded by NHS Charities Together, before moving back indoors in July. Making the most of this outdoor work our Stars! artists created a short dance film in collaboration with The National Trust Seaton Delaval Hall using the Hall's grounds as a backdrop. (<https://vimeo.com/headwayarts>). We also took part in the Seaton Delaval Hall open House event in October alongside 8 other regional companies, with three street theatre pieces inspired by the Hall.

Our Creative Café sessions have resumed as part of our continuing online service thanks to funding from the Northumberland Recovery College. As part of offering a combined service (in person and online) we have carried out significant renovations to the garden at Headway Artspace so it can be used for in person Creative Café sessions and other events in the future.

Our annual Come on Down festival this year was a hybrid event as so many learning-disabled people, being such a vulnerable group health wise, were still isolating. We had live streamed performances, recorded films and groups from across the county joined us for our "Power Sofa" chats. To date there have been 3,208 viewings.

As with everything else, Covid also affected our 'Hold Your Peace' performances which had been devised prior to lockdown. When it became obvious that the performance, which centres around life in a hospital for people with learning disabilities during the First World War, was not going to be able to tour, we adapted it into a radio play/podcast which can be heard at <https://vimeo.com/headwayarts>. Just as we got back into the swing of things after lockdown we were visited by Storm Arwen and lost our roof! The closure of half the building impacted greatly not only on our projects and events, but also on our sales and revenue. Luckily, we had good insurance or we wouldn't be here now! At the end of the year we are still waiting for the roof to be fixed but happy to be getting on with our work as best as we can.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2022

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

In view of our pending bid to become an Arts Council England National Portfolio Organisation we joined together with other cultural organisations in the region to commission an audience development plan. We have been meeting to discuss what we want to find out about potential/future audiences, how we could share information about existing audiences and what information already exists in the county. The report includes valuable insights into current and potential audiences for the Arts, which will help us develop and grow.

In November 2022 we were overjoyed to receive funding from the National Lottery Reaching Communities strand for our 3-year disability project Reaching Out. The project really helps us further our mission bringing together disability groups from across Northumberland to address issues of isolation, mental health and resilience through the arts.

Through our continuing work with the Erasmus+ programme, learning disabled artists visited Lisbon to work with disabled performers from Sweden, Poland and Portugal and to prepare for a visit to Blyth later in the year. Next year will be a year of catch up as we push to complete all of our European projects by the end of 2023 when Erasmus+ closes. What will happen to our European partnerships after that time is unknown, but we will keep in touch online and take advantage of any opportunities that arise.

Financial Review

The out-turn for the year is an unrestricted surplus of £7,656 (2021: Surplus £20,799).

The surplus will be added to Unrestricted Reserves, leaving a balance on Unrestricted Funds at 31 March 2022 of £57,766.

The Trustees consider the financial performance of the charity to be satisfactory and would wish to record their appreciation for the diligence and hard work of the staff, management and Board of Trustees during the year.

The Trustees acknowledge that careful financial management will be required on an ongoing basis and will continue to consider the charity's viability and status as a going concern on a regular basis, undertaking only those projects which best fulfil our charitable objectives and utilise our specialist skills whilst also being economically sound. We continue to be aware of our obligations to all our stakeholders, including staff and creditors.

Principal Funding Sources

Grants received in the year are listed in Note 4 to the accounts.

The charity is grateful to all such funders for their grant support during the year.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2022

PLANS FOR FUTURE PERIODS

The COVID-19 virus has affected all of us and we find ourselves in very different times. The pandemic has not been kind to learning disabled people in the arts sector and we face the very real possibility of losing the all ground we have made over the past 25 years, particularly in terms of inclusion. It is increasingly important we maintain the profile of learning disability arts and ensure access and inclusion are prioritised as we continue to come out of lockdown.

The pandemic brought the service we normally provide to a sharp focus demonstrating not only its valuable role in keeping disabled people creative and included in society, but its value in maintaining good mental health and wellbeing and in helping people to be safe, feel secure and find new routines. We will continue to provide and maintain this valued support and develop our new and exciting projects that look back at where we have been and ahead to where we might go. We are excited to have begun our Arts Council Funded "Beautiful Difference" project will look at people's similarities, differences and our shared humanity.

Having placed ourselves as the National Centre of Arts and Inclusion we will continue to work regionally, nationally and internationally to find best inclusive practices, quality methodologies and inform national policy debates.

Blyth is undergoing a transformation and Headway Arts will be at the centre of this, ensuring that it meets its key aims over the next five years to build on its work and ensure it has the resources necessary to expand its work in line with both demand and current local and regional plans. We continue to develop the building, seeking funds to refurbish and develop ArtSpace as the contemporary, accessible and inclusive space it deserves to be.

As always, and at the core of everything, Headway Arts remains passionately committed to working with those in the community who are considered hardest to reach, particularly people who are learning disabled, have special needs or with enduring health issues.



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2022

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also the Directors of Headway Arts for the purposes of company law) are responsible for preparing the Trustees' Annual 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by order of the Trustees



Frances Castle
Company Secretary
Company Registration Number 3006904

16 November 2022

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF HEADWAY ARTS YEAR ENDED 31 MARCH 2022

I hereby report to the Trustees/Members of Headway Arts (Charity Registration Number 1049698) on the accounts for the year ended 31 March 2022 set out on pages 11 to 24.

Responsibilities and basis of report

As the charity's Trustees (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods or principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**Pete O'Hara, FCA, Chartered Accountant
Fellow of the Institute of Chartered Accountants in England & Wales**

4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG

16 November 2022

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income					
Income from Investments	2	1	-	1	3
Donations & Legacies	3	1,314	-	1,314	551
Income from Charitable Activities	4	163,694	69,298	232,992	288,580
Total Income		165,009	69,298	234,307	289,134
Expenditure					
Expenditure on Charitable Activities	5	157,353	106,710	264,063	252,196
Total Expenditure		157,353	106,710	264,063	252,196
Net Income/(Expenditure)		7,656	(37,412)	(29,756)	36,938
Balance brought forward at 1 April		50,110	94,510	144,620	107,682
Balance carried forward at 31 March	13	£57,766	£57,098	£114,864	£144,620

The notes on pages 13 to 24 form part of the financial statements.

All of the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible Fixed Assets	9	26,059	37,496
Current Assets			
Debtors	10	73,034	47,507
Cash At Bank & In Hand		29,257	74,812
		<u>102,291</u>	<u>122,319</u>
Creditors – Amounts Falling Due Within 1 Year	11	(13,486)	(15,195)
Net Current Assets/(Liabilities)		<u>88,805</u>	<u>107,124</u>
Total Net Assets	12	<u>£114,864</u>	<u>£144,620</u>
Represented by:			
Unrestricted Reserves	13	57,766	50,110
Restricted Reserves	13	57,098	94,510
		<u>£114,864</u>	<u>£144,620</u>

The notes on pages 13 to 24 form part of the financial statements.

The Trustees are satisfied that for the year ended 31 March 2022 the charity was entitled to exemption under section 477(2) of the Companies Act 2006.

The Trustees also confirm that the Members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

(i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by a Member of the Board of Trustees on 16 November 2022.



L Neslund
Trustee
Company Registration Number 3006904

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

The financial statements are prepared in sterling, which is the functional currency of the charity.

Taxation Status

Headway Arts is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting Policies (Continued)

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

Tangible Fixed Assets and Depreciation

Capital items costing over £250 are capitalised and included in fixed assets.

Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

- Furniture, Fittings & Equipment- 33.3% per annum on reducing balance
- IT Equipment - 33.3% straight line
- Leasehold Property Improvements – over the length of the lease (to 3 December 2024)

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost where there is a material adjustment.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting Policies (Continued)

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no significant judgements or estimation uncertainty included within the financial statements.

Pensions

Headway Arts contributes to a defined contribution pension scheme. Further details can be found in Note 8.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

2. Income from Investments

	Unrestricted Funds	Restricted Funds	2022	2021
	£	£	£	£
Bank Interest Receivable	1	-	1	3
	£1	£-	£1	£3

The 2021 total of £3 related wholly to Unrestricted Funds.

3. Income from Donations & Legacies

	Unrestricted Funds	Restricted Funds	2022	2021
	£	£	£	£
Donations	1,314	-	1,314	551
	£1,314	£-	£1,314	£551

The 2021 total of £551 related wholly to Unrestricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Earned Income				
Project Fees	76,962	-	76,962	45,623
Other Earned Income	738	-	738	-
	77,700	-	77,700	45,623
Grant Income				
Arts Council England Cultural Recovery Fund	30,041	-	30,041	60,250
Arts Council England Emergency Fund	-	-	-	30,129
Blyth Town Council	10,000	-	10,000	10,000
Coalfields Regeneration Trust	-	-	-	1,895
Coronavirus Job Retention Scheme	-	-	-	4,448
EDF Blyth Offshore Community Benefit Fund at the Community Foundation of Tyne & Wear and Northumberland	8,232	-	8,232	10,763
Edward Gostling Foundation	-	-	-	2,900
Erasmus+	-	10,759	10,759	-
Erasmus+ (Access & Aesthetic project)	-	-	-	16,133
Erasmus+ (REAL project)	-	-	-	7,165
European Social Fund (ESF)	-	2,438	2,438	-
ESF LA6 Community Grant (Moving Mountains project)	-	5,373	5,373	-
ESF LA6 Community Grant (Releasing Potential project)	-	19,295	19,295	7,228
ESF LA6 Community Grant	-	-	-	16,616
Good Things Foundation	-	1,000	1,000	-
Hadrian Trust	-	1,000	1,000	-
Healthwatch Northumberland	-	1,000	1,000	-
Mental Health Concern NHS Winter Resilience Fund	-	5,000	5,000	-
National Lottery Covid19 Response Fund	-	-	-	23,847
National Lottery Heritage Fund	-	-	-	4,500
Northumberland County Council (NCC) Starting Back Up Fund	8,000	-	8,000	-
NCC Arts, Culture and Heritage	9,721	-	9,721	9,721
NCC Community Chest	-	4,755	4,755	4,943
NCC COVID Support	-	-	-	10,000
NCC Heart of Blyth	-	-	-	830
Northumberland Citizens Advice	-	5,798	5,798	-
Percy Bilton Charity	-	-	-	470
Power to Change Community Business Renewal Fund	20,000	-	20,000	-
Continued overleaf...				

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Income from Charitable Activities (Cont.)

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Prime Fund at the Community Foundation of Tyne & Wear and Northumberland	-	-	-	3,952
Riddell Family Community First Fund at the Com. Foundation of T&W and N'land	-	2,880	2,880	-
Ridley Family Fund	-	-	-	3,880
Ryder Architecture	-	10,000	10,000	-
Screwfix Foundation	-	-	-	3,587
Wellesley Trust	-	-	-	9,700
	85,994	69,298	155,292	242,957
	£163,694	£69,298	£232,992	£288,580

Of the 2021 total of £288,580, £200,333 related to Unrestricted Funds and £88,247 to Restricted Funds.

5. Expenditure on Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2022 £	2021 £
Project Delivery Costs				
Materials/Project Costs	-	11,201	11,201	26,533
Contract Workers	-	31,508	31,508	24,450
Wages & Salaries	105,284	58,200	163,484	141,595
	105,284	100,909	206,193	192,578
Support Costs				
Travel & Subsistence	761	-	761	1,999
Office Costs	2,599	-	2,599	1,669
Premises Costs & Room Hire	19,886	-	19,886	21,306
Repairs & Maintenance	12,436	-	12,436	13,279
Insurance	9,740	-	9,740	6,948
Depreciation	5,015	5,801	10,816	12,065
	50,437	5,801	56,238	57,266
Governance Costs				
Accountancy Fees	1,632	-	1,632	1,152
Legal & Professional Fees	-	-	-	1,200
	1,632	-	1,632	2,352
	£157,353	£106,710	£264,063	£252,196

Of the 2021 total of £252,196, £180,088 related to Unrestricted Funds and £72,108 to Restricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

6. Net Income/(Expenditure)

	2022	2021
	£	£
Net income/(expenditure) is stated after charging/(crediting):		
Independent Examiner's Fees	1,152	1,152
Depreciation – Owned Assets	10,816	12,065

7. Staff Costs/Trustees' Remuneration

	2022	2021
	£	£
Gross Salary Costs	150,406	129,445
Pension Costs	3,235	3,135
Social Security Costs	9,843	9,015
	£163,484	£141,595

No employee received remuneration of more than £60,000 during the year (2021 - Nil).

The average number of staff employed during the year, calculated as full-time equivalents, was as follows:

	2022	2021
	No.	No.
Artistic Production and Support	5	5

No remuneration was paid to or waived by Trustees/Directors in the year (2021: Nil) and no travel and subsistence expenses (2021: None) were reimbursed to Trustees in respect of their attendance at meetings of the charity.

There were no transactions undertaken by, or on behalf of the charity, in which any Trustees or a connected person had a material interest during the year to 31 March 2022 (2021: Nil).

8. Pension Scheme

Pension benefits are provided through a Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. In the year to 31 March 2022 Headway Arts made an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the scheme on a monthly basis. Contributions totalling £875 were outstanding at 31 March 2022 (2021: £950).

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

9. Tangible Fixed Assets

	Leasehold Property Improvements £	IT Equipment £	Fixtures, Fittings & Equipment £	Total Fixed Assets £
Cost				
At 1 April 2021	57,120	14,362	50,106	121,588
Additions in year	-	-	-	-
Disposals	-	(5,627)	-	(5,627)
At 31 March 2022	57,120	8,735	50,106	115,961
Accumulated Depreciation				
At 1 April 2021	33,914	9,024	41,154	84,092
Charge for year	5,802	2,358	2,656	10,816
Disposals	-	(5,006)	-	(5,006)
At 31 March 2022	39,716	6,376	43,810	89,902
Net Book Value				
At 31 March 2022	£17,404	£2,359	£6,296	£26,059
At 1 April 2021	£23,206	£5,338	£8,952	£37,496

10. Debtors

	2022 £	2021 £
Trade Debtors	35,826	4,764
Accrued Income – Grant Funding	37,208	42,743
	£73,034	£47,507

All sums are due within 1 year.

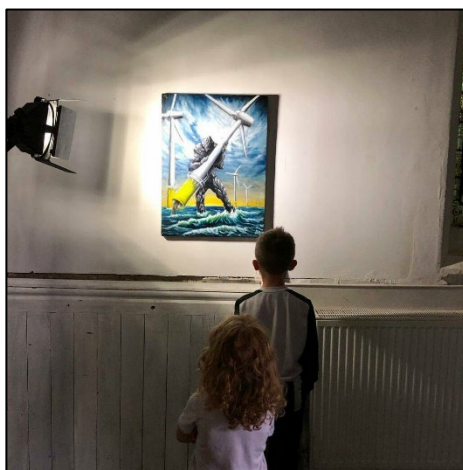
HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Creditors – Amounts Falling Due Within 1 Year

	2022	2021
	£	£
Taxes & Social Security Costs	7,167	3,220
Pension Scheme Creditor	875	950
Sundry Creditors	1,947	4,933
Accruals	3,497	6,092
	£13,486	£15,195

12. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Fixed Assets	8,870	17,189	26,059	37,496
Debtors	35,826	37,208	73,034	47,507
Cash at Bank and In Hand	26,556	2,701	29,257	74,812
Creditors – Amounts Due Within 1 Year	(13,486)	-	(13,486)	(15,195)
	£57,766	£57,098	£114,864	£144,620



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Analysis of Charitable Funds

	Fund at 1 April 2021 £	Incoming Resources in Year £	Resources Expended in Year £	Fund at 31 March 2022 £
Unrestricted Funds				
Charity General Fund	50,110	165,009	(157,353)	57,766
Restricted Funds				
Arts Council England	29,724	-	(15,110)	14,614
Erasmus+	-	10,759	(10,759)	-
Coastal Revival Fund*	19,917	-	(4,909)	15,008
Culture Bridge Fund at the Community Foundation of Tyne & Wear and N'land	1,500	-	(1,500)	-
Curtin PARP Fund	2,880	-	(2,880)	-
Edward Gostling Foundation	2,900	-	(2,900)	-
Erasmus+ (Access & Aesthetic)	10,866	-	(10,866)	-
European Social Fund (Moving Mountains)	-	5,373	(5,373)	-
European Social Fund (Releasing Potential)	-	19,295	(4,000)	15,295
European Social Fund Capacity Building	-	2,438	(2,438)	-
Good Things Foundation	-	1,000	(1,000)	-
Hadrian Trust	-	1,000	(1,000)	-
Healthwatch N'land	-	1,000	(1,000)	-
Mental Health Concern NHS Winter Resilience Fund	-	5,000	(5,000)	-
National Lottery Heritage Fund	4,500	-	(4,500)	-
Northumberland Council Community Chest	-	4,755	(4,755)	-
Northumberland Council Heart of Blyth	830	-	(830)	-
Northumberland Citizens Advice	-	5,798	(5,798)	-
Prime Fund	4,740	-	(4,740)	-
Riddell Family Community First Fund at the Community Foundation of Tyne & Wear and Northumberland	-	2,880	(2,880)	-
Ridley Family Fund	3,880	-	(3,880)	-
Ryder Architecture	-	10,000	-	10,000
Wellesley Trust (Building Improvements)*	3,073	-	(892)	2,181
Wellesley Trust (Young People project)	9,700	-	(9,700)	-
Total Restricted Funds	94,510	69,298	(106,710)	57,098
Total Funds	£144,620	£234,307	£(264,063)	£114,864

*Though £46,145 from Coastal Revival Fund and £9,549 from the Wellesley Trust was received and fully spent in the year to 31 March 2017 on the capital redevelopment of Headway ArtSpace, the required accounting treatment releases the grants over the period of the lease, matching the annual depreciation of the capital improvements.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Arts Council England	To fund the Talking Seeing Doing project
Coastal Revival Fund	To fund a programme of building improvements
Culture Bridge Fund at the Community Foundation of Tyne & Wear and Northumberland	To fund a school-based arts project
Curtin PARP Fund at the Community Foundation of Tyne & Wear and Northumberland	To fund Printable workshops
Edward Gostling Foundation	To fund STARS! circus workshops
Erasmus+ (A&A)	To fund the Access & Aesthetic European partnership
Erasmus+ (DW4DD)	To fund the Different Ways For Different Days European partnership
European Social Fund (ESF)	To fund capacity building
European Social Fund (ESF)	To fund the Moving Mountains project
European Social Fund (ESF)	To fund the Releasing Potential project
Good Things Foundation	To fund tablets for STARS!
Hadrian Trust	To fund Come On Down
Healthwatch Northumberland	To fund the hosting and facilitation of an End Of Life Care Research Group
Mental Health Concern NHS Winter Resilience Fund	To fund the Creative Café project
National Lottery Heritage Fund	To fund the Sill to Sea project

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Northumberland County Council Community Chest	To fund a garden ramp and gate
Northumberland County Council - Heart of Blyth	To fund a creative consultation
Northumberland Citizens Advice	To fund Kickstart staff recruitment
Prime Fund at the Community Foundation of Tyne & Wear and Northumberland - Workshops	To fund STARS! circus skills workshops
Riddell Family Community First Fund at the Community Foundation of Tyne & Wear and Northumberland	To fund STARS! dance workshops
Ridley Family Charity	To fund the PrintAble project
Ryder Architecture	To fund the installation of staging
Wellesley Trust - Work With Young People	To fund work with young people
Wellesley Trust - Building Improvements	To fund a programme of building improvements



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

14. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

15. Financial and Capital Commitments

No material financial and/or capital commitments have been made in respect of future financial periods (2021: None).

16. Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

HEADWAY ARTS

England & Wales - Charity number 1049698

Accounts

Company Registration Number 3006904

Registered Charity Number 1049698

HEADWAY ARTS

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND ACCOUNTS

For the year ending 31 March 2021

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

The Trustees, who are also Directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Headway Arts
Charity registration number	1049698
Company registration number	3006904
Registered office	Headway ArtSpace, The Old Church, Waterloo Road, Blyth, Northumberland NE24 1BY

Trustees

For the purposes of the Companies Act 2006, the Board of Trustees is the Board of Directors of the charitable company and is referred to as the Trustees throughout this report.

The Trustees of Headway Arts during the period and to the date of signing this report are as follows:

Mr S Bradley	Appointed 18 June 2020
Mr P D James	
Ms L Neslund	
Ms K Wilcox	
Mr R Graham	Resigned 18 June 2020
Mr C Seccombe MBE	Resigned 18 June 2020

Company Secretary	Mrs F M Castle
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Bankers	Barclays Bank plc, 3 Northumberland Square, North Shields, NE30 1QX
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Independent Examiner	Mr P O'Hara FCA, Chartered Accountant, 4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

Headway Arts is a charitable company limited by guarantee, incorporated as Headstrong Productions on 6 January 1995 and registered as a charity on 9 October 1995.

It was established under the Memorandum of Association that established its objects and powers and is governed under its Articles of Association, as amended by special resolutions dated 30 June 2000 and 21 November 2005.

The company changed its name from Headstrong Productions to Headway Arts by means of a special resolution passed on 18 November 2015.

The Directors of the company are also Trustees of the charity.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Governing Documents (Cont.)

Eligibility for membership of the charity, and membership of the Board of Trustees, is governed by the Memorandum and Articles of Association. There are no restrictions in the governing document on the operation of the charity other than those imposed by general charity law.

Charitable Purpose

Headway Arts' charitable objectives are 'to advance education for the public benefit through the promotion of the arts with particular but not exclusive reference to the dramatic arts'.

Principal Activity, Aims and Objectives

In delivering our charitable purpose we strive to offer high quality arts and cultural participation opportunities to communities in Northumberland and beyond.

Our aims are to:

- Produce high quality art
- Create environments where art can take place
- Provide lifelong learning, training and employment opportunities
- Offer platforms for expression & the exploration of creativity
- Proactively encourage the engagement and representation of excluded groups
- Offer a means to contribute to the cultural life of communities
- Initiate informed debate and influence policy-making

Our values are that:

- Everyone is equal and everyone is different
- Participation in the arts enables personal development and social inclusion
- Participation in the arts is an entitlement for everyone
- Creative contribution is of high value irrespective of the circumstance or background of the person
- All participants have the right to make choices and determine their own creative engagement

Structure and Governance

The charity currently has a board of 4 non-executive Trustees.

The Board meets a minimum of four times per year and conducts an Annual General Meeting, typically in November.

Detailed written Board reports and an agenda are prepared by the Chief Executive and circulated in advance of meetings.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Recruitment and Appointment of Board of Trustees

Trustees are elected to the Board as necessary, with regard to any specialist skills required on the Board, based on discussions and recommendations offered by Trustees and outside advisors to the organisation. Trustees are re-appointed annually.

Trustee Induction and Training

New Trustees are briefed on their legal obligations under company and charity law, our Memorandum and Articles of Association, the operation of the Board and its decision-making processes, future plans and recent performance to support their understanding of Headway Arts' activities.

They are encouraged to attend appropriate training, are made aware of Charity Commission publications and online guidance and are encouraged to provide feedback.

Policies on Reserves

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The Trustees aim to hold a level of Unrestricted Reserves sufficient to meet the costs of essential salaries and overheads for a 3 to 4 month period which would allow for the orderly winding down of the operation in the unlikely event that the Trustees so decided.

At present, the Trustees estimate that the Unrestricted Reserves required for such purposes would be in the range of £40,000 to £50,000.

Headway Arts' current Unrestricted Reserves are £50,110 at 31 March 2021.

The Trustees believe that, now that this level has been reached, reserves should be maintained at least at this level to ensure the charity can run efficiently and meet the needs of the beneficiaries.

This policy will be reviewed by the Trustees on an annual basis as part of the charity's budgeting processes.

The Charity's grant making policies

The charity does not currently engage in grant-making activity.

The contribution of volunteers

The charity makes extensive use of volunteers within its productions and to support its activities.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

OBJECTIVES AND ACTIVITIES

Public Benefit

The Trustees understand and have discussed the implications of the provisions of the Charities Act 2006, which state that all charities must demonstrate that they are established for public benefit and have had due regard to the public benefit guidance issued by the Charity Commission. The Trustees believe that the charity meets both of the key principles.

Principle 1 - There must be an identifiable benefit, or benefits

Headway Arts' activities include a core commitment to the promotion of the arts, enabling the personal development of those in our care and providing a benefit to the wider community.

Principle 2 - Benefit must be to the public, or a section of the public.

Engagement in Headway Arts' productions is open to people of all backgrounds who want to be part of the experience.

Headway Arts' beneficiaries are therefore entirely appropriate to its aims and the public as a whole benefits from its work.

All of these benefits are clear, evidenced and relate directly to Headway Arts' aims. In addition, the Trustees do not consider that any significant detriment or harm flows from Headway Arts' work.

Risk Management

The Trustees of the charity regularly review (at least annually) the major governance, operational and financial risks which the charity faces as part of its annual business planning process and confirm that systems have been established to mitigate these risks.

Headway Arts has a risk management strategy in place which comprises:

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

These control systems have enabled Headway to return to a strong and stable financial position after experiencing some financial difficulties several years previously.

The Trustees have managed the potential impact of further financial risks by ensuring that:

- Prudent budgets have been set for the next financial year
- Regular management accounts are provided, showing the performance against budget
- Contingency plans are in place for the actions which would be taken if income appears unlikely to reach its target

The Trustees are satisfied that appropriate financial systems and controls and employment policies and practices are now in place.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE

Summary of the main achievements of the charity during the year

A crisis can bring both threats and opportunities. From the very beginning of lockdown we decided that Covid-19 could be an opportunity! An opportunity to try out new ideas, develop new ways of working, push forward with our plans and take the initiative on working with those most vulnerable in our community. It's not all been easy and not all positive but, overall, we are coming out of the pandemic a stronger and more resilient organisation. Emergency funding from Arts Council England, the National Lottery and Blyth Council has helped us to do this.

The pandemic led us to explore new ways of delivering our work through digital technology. Being online has also provided an opportunity for many people with disabilities and long-term health conditions to take part in arts activities that previously had no access to such opportunities. These are new participants to Headway Arts' work, extending our reach in terms of both audience and geography. We will definitely be continuing with this approach in the future, using a hybrid model for some of our planned projects. We have joined in the discussions with our partners within the Creative Minds Network to see how this might be used to reach new audiences. Some of the highlights of this year have included:

Stars! Online

STARS! Is our CoCreArt learning disability arts programme which places the emphasis on the participants. Sessions are offered from Monday to Thursday across 48 weeks of the year and it remains one of the most dynamic and innovative arts programme for people who are learning disabled, are Autistic, have special needs, or long term health conditions, in the region. STARS! offers high quality, inclusive arts provision across a range of artforms with new developments that help participants expand their artistic skills, develop confidence and self-esteem and progress to further opportunities. STARS! has consistently provided professional development for disabled and non-disabled artists, raising the profile of disability arts and building new audiences through partnership working in the region, nationally and abroad. STARS! encompasses Headway Arts Inclusive Dance Co., Headway Arts Inclusive Theatre Co. and Printable which provide progression for talented individuals to perform and exhibit more widely.

In April 2020 we were able to deliver digital devices and boxes of art materials so that our learning disabled artists could keep connected and continue to work online. Every day we were joined by around 10 people and ran sessions in drama, puppetry, dance, storytelling, spoken word, visual and creative arts and circus. A challenge over zoom for everyone including the leading artists - let's say we've all learned some valuable new skills!



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

- Inclusion - STARS! has been particularly successful at raising the profile of learning disabled people within the community making them feel valued and included.
- Well-being - By providing a service of high quality facilitated by professional artists participants have realised personal ambitions, developed new skills and challenged stereotypes and discrimination around disability. Tackling loneliness and isolation has been especially important over the past year with many of our learning disabled artists being isolated or shielded and struggling to understand what is happening:

"It's kept my mind working, it's lonely not seeing anyone"

"I found the workshops very relaxing. I'm feeling relaxed now"

"It's been a lifeline. I don't know what we'd do otherwise"

- Skill development and routes into employment - STARS! has provided training and employment in working with diverse groups for emerging artists helping to retain talent in the County
- Making a difference in the region - Learning disabled artists have continued to represent the sector and region online in national forums such as Creative Minds, advocating for change and raising the profile of diversity in the region
- Building capacity in the sector - STARS! has showcased the best in learning disabled arts and throughout lockdown has established partnerships that will bring companies from across the UK to Blyth enriching the local cultural offer.

Our Virtual World

Most of our work has necessarily had to take place online this year and, as our work responds to the needs of its participants, much of it has been combatting the effects of isolation and loneliness. With funding from ESF LA6 Community Grants we were able to deliver 2 online projects designed to boost skills towards employment or volunteering and maintain good mental health through a combination of creative online activities. We held 2 online Creative Cafés, in partnership with Northumberland Healthwatch and Heart of Blyth, something we will continue to do through Northumberland Recovery College.

We didn't stop there with our summer festival in August and Winter Festival in December. 'Counting The lights in the Darkness', shown over a 7-hour period, featured a programme of spoken word, dance, drama and visual arts performances produced online throughout the year and was viewed by an audience of over 600.

As part of the winter festival we worked in partnership with St Mary's Church in Blyth to provide activities to over 50 young people and their families, delivering art bags for an online workshop and creating an artwork for the Town Centre.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)

Community Programme

Over the year we have worked in support of the new developments in Blyth Town Centre, particularly those relating to the Future High Street Fund, by establishing and coordinating the Blyth Culture Network. Initially started to gather direct responses to the proposed developments from the Blyth Cultural Sector, the Network has developed into a cohesive group who feel they can work together to effect positive change through culture in their town. Whilst supporting improvements in Blyth Town Centre, Headway Arts continues to pursue its own development as a centre for arts and inclusion and is working to ensure there is complementarity between the two.

Heritage

'From Sill to Sea' is a project exploring Northumbrian Folk tales. Working with People With Learning Disability, in collaboration with Haltwhistle Film Project Filmable and the Sill Discovery Centre, this National Heritage Lottery funded project (which had begun in March 2019 and was preparing for a tour of venues and schools including a performance at Hexham Abbey for the first time), was postponed when the pandemic hit. Work continued online with the performances adapted to film and web content. Although this provided some difficult technical challenges, work has progressed slowly over the past year and we hope to complete the project by June 2021 with a website, an exhibition at the Sill and postcards linking visitors to the Sill to heritage sites connected to Northumbrian folk tales in the National Park. The project has been highly successful at introducing people who are learning disabled to the heritage and landscape of Northumberland. Involving 22 people from across the county, many had never heard the stories or visited the heritage sites connected with them previously. A great relationship with the Sill Discovery Centre was established and talks are already in progress about future partnerships.

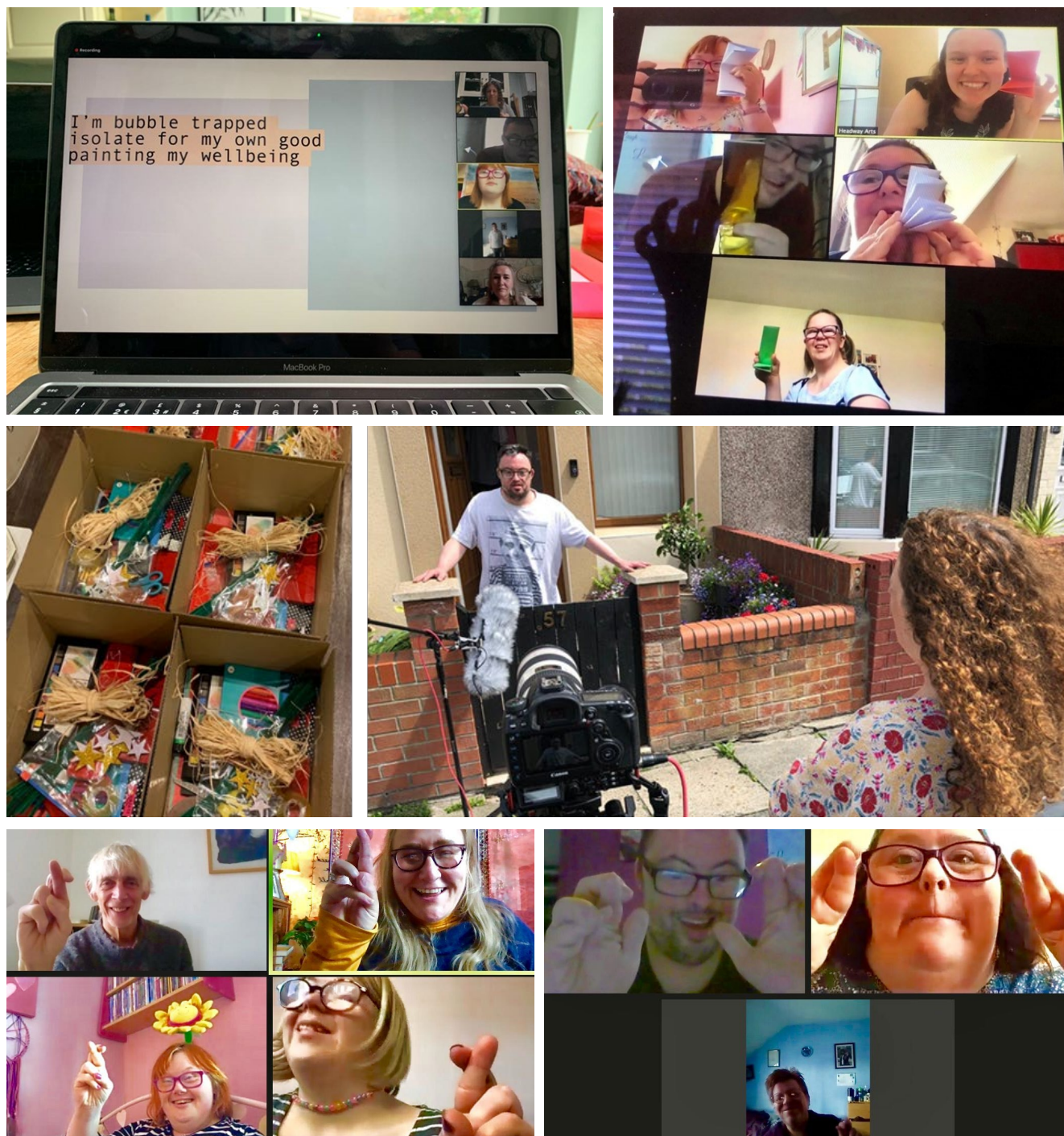
All our online activities during the past 12 months have had the dual purpose of engaging people in creative activities and seeking to improve people's well-being. The pandemic has resulted in these elements becoming inseparable from each other, highlighting the beneficial role that the arts play in increasing wellbeing. Crucially being able to take part has also increased people's ability to cope with isolation and the feelings of disconnection, increasing resilience and hopefully opening up opportunities for the future. We were particularly pleased to be able to involve many housebound participants through our Moving Mountains and Releasing Potential courses. Participants used creative expression to affirm positive aspects of their lives and a way forward 'out of the darkness'. For many this was not easy; even taking part on Zoom was a major step forward for some. For Headway Arts this highlights a potential way forward to greater inclusion for disadvantaged group and has informed our future planning.



HEADWAY ARTS
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TRUSTEES' REPORT
For the year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Summary of the main achievements of the charity during the year (Cont.)



HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE (Continued)

Financial Review

The out-turn for the year is an unrestricted surplus of £20,799 (2020: Deficit £5,428).

The surplus will be added to Unrestricted Reserves, leaving a balance on Unrestricted Funds at 31 March 2021 of £50,110.

The Trustees consider the financial performance of the charity to be satisfactory and would wish to record their appreciation for the diligence and hard work of the staff, management and Board of Trustees during the year.

The Trustees acknowledge that careful financial management will be required on an ongoing basis and will continue to consider the charity's viability and status as a going concern on a regular basis, undertaking only those projects which best fulfil our charitable objectives and utilise our specialist skills whilst also being economically sound. We continue to be aware of our obligations to all our stakeholders, including staff and creditors.

Principal Funding Sources

Grants received in the year are listed in Note 4 to the accounts.

The charity is grateful to all such funders for their grant support during the year.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

PLANS FOR FUTURE PERIODS

We begin 2021/22 still caught in the global pandemic. The COVID-19 virus has affected all of us and we find ourselves in very different times. The pandemic has not been kind to learning disabled people in the arts sector and we face the very real possibility of losing all the ground we have made over the past 25 years, particularly in terms of our inclusion. It is increasingly important we maintain the profile of learning disability arts and ensure access and inclusion are prioritized as we come out of lockdown.

The pandemic has brought the service we normally provide into sharp focus, demonstrating not only its valuable role in keeping disabled people creative and included in society, but its value in maintaining good mental health and wellbeing and in helping people to be safe, feel secure and find new routines. Thrown into this sudden new worrying world, we all need reassurance and support to adjust.

We will continue to provide and maintain this valued support through an online programme for participants with special needs, their families and supporters until we can return to ArtSpace and develop our new and exciting projects that look back at where we have been and ahead to where we might go. We are excited to be planning our Arts Council Funded "Beautiful Difference" project will look similarities, differences and our shared humanity.

It is important we do not forget what we have learned throughout the lockdown and we will continue with a hybrid model to maintain our new and isolated audiences.

Having placed ourselves as the National Centre of Arts and Inclusion we will continue to work regionally, nationally and internationally to find best inclusive practices, quality methodologies and inform national policy debates.

Blyth is undergoing a transformation and Headway Arts will be at the centre of this, ensuring that it meets its key aims over the next five years to build on its work and ensure it has the resources necessary to expand its work in line with both demand and current local and regional plans.

As always, and at the core of everything, Headway Arts remains passionately committed to working with those in the community who are considered hardest to reach, particularly people who are learning disabled, have special needs or with enduring health issues.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT
For the year ended 31 March 2021

RESPONSIBILITIES OF THE TRUSTEES

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

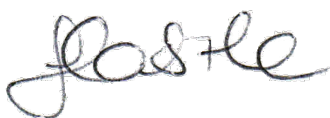
Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing 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;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed by order of the Trustees



Frances Castle
Company Secretary
Company Registration Number 3006904

17 August 2021

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF HEADWAY ARTS YEAR ENDED 31 MARCH 2021

I hereby report to the Trustees/Members of Headway Arts (Charity Registration Number 1049698) on the accounts for the year ended 31 March 2021 set out on pages 14 to 26.

Responsibilities and basis of report

As the charity's Trustees (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

Since the Company's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountant in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods or principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial reporting Standard applicable in the UK and Republic of Ireland (FRS102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**Pete O'Hara, FCA, Chartered Accountant
Fellow of the Institute of Chartered Accountants in England & Wales**

4 Stoneyhurst Road West, Gosforth, Newcastle upon Tyne NE3 1PG

17 August 2021

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income					
Income from Investments	2	3	-	3	7
Donations & Legacies	3	551	-	551	845
Income from Charitable Activities	4	200,333	88,247	288,580	272,924
Total Income		200,887	88,247	289,134	273,776
Expenditure					
Expenditure on Charitable Activities	5	180,088	72,108	252,196	240,145
Total Expenditure		180,088	72,108	252,196	240,145
Net Income/(Expenditure)		20,799	16,139	36,938	33,631
Balance brought forward at 1 April		29,311	78,371	107,682	74,051
Balance carried forward at 31 March	13	£50,110	£94,510	£144,620	£107,682

The notes on pages 16 to 26 form part of the financial statements.

All of the activities of the company are classed as continuing.

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION/BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
Fixed Assets			
Tangible Fixed Assets	9	37,496	37,154
Current Assets			
Debtors	10	47,507	32,508
Cash At Bank & In Hand		74,812	53,367
		<u>122,319</u>	<u>85,875</u>
Creditors – Amounts Falling Due Within 1 Year	11	(15,195)	(15,347)
Net Current Assets/(Liabilities)		<u>107,124</u>	<u>70,528</u>
Total Net Assets	12	<u>£144,620</u>	<u>£107,682</u>
Represented by:			
Unrestricted Reserves	13	50,110	29,311
Restricted Reserves	13	94,510	78,371
		<u>£144,620</u>	<u>£107,682</u>

The notes on pages 16 to 26 form part of the financial statements.

The Trustees are satisfied that for the year ended 31 March 2021 the charity was entitled to exemption under section 477(2) of the Companies Act 2006.

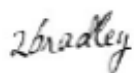
The Trustees also confirm that the Members have not required the charity to obtain an audit in accordance with section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

(i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and

(ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved and signed by a Member of the Board of Trustees on 17 August 2021.



S Bradley
Trustee
Company Registration Number 3006904

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies

Basis of Accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 and the Statement of Recommended Practice (Charities SORP FRS 102) "Accounting and Reporting by Charities" and the Charities Act 2011.

The financial statements have been prepared on the historical cost basis, modified to include certain financial instruments at fair value.

Advantage has been taken of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a statement of cashflows.

The financial statements are prepared in sterling, which is the functional currency of the charity.

Taxation Status

Headway Arts is a Charity registered under the 1960 Charities Act and is accorded exemption from liability to taxation on its income under S505 Income and Corporation Taxes Act 1988.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

- Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Income from charitable trading activity is accounted for when earned.
- Other income is accounted for when receivable.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies (Continued)

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

Tangible Fixed Assets and Depreciation

Capital items costing over £250 are capitalised and included in fixed assets.

Depreciation is provided on any fixed assets at rates calculated to write off the assets over their remaining useful lives as follows:

- Furniture, Fittings & Equipment- 33.3% per annum on reducing balance
- IT Equipment - 33.3% straight line
- Leasehold Property Improvements – over the length of the lease (to 3 December 2024)

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost where there is a material adjustment.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting Policies (Continued)

Fund Accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the purposes of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no significant judgements or estimation uncertainty included within the financial statements.

Pensions

Headway Arts contributes to a defined contribution pension scheme. Further details can be found in Note 8.

For the defined contribution scheme, the amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

2. Income from Investments

	Unrestricted Funds	Restricted Funds	2021	2020
	£	£	£	£
Bank Interest Receivable	3	-	3	7
	£3	£-	£3	£7

The 2020 total of £7 related wholly to Unrestricted Funds.

3. Income from Donations & Legacies

	Unrestricted Funds	Restricted Funds	2021	2020
	£	£	£	£
Donations	551	-	551	845
	£551	£-	£551	£845

The 2020 total of £845 related wholly to Unrestricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Income from Charitable Activities

	Unrestricted Funds £	Restricted Funds £	2021 £	2020 £
Earned Income				
Project Fees	45,623	-	45,623	65,289
Other Earned Income	-	-	-	7,469
	45,623	-	45,623	72,758
Grant Income				
1989 Willan Charitable Trust	-	-	-	6,500
Arts Council England	-	-	-	49,680
Arts Council England - Cultural Recovery	60,250	-	60,250	-
Arts Council England - Emergency Fund	30,129	-	30,129	-
Blyth Town Council	10,000	-	10,000	10,600
Coalfields Regeneration Trust	-	1,895	1,895	7,460
Coronavirus Job Retention Scheme	-	4,448	4,448	-
Culture Bridge Fund at the Community	-	-	-	1,500
Foundation of Tyne & Wear and N'land	-	-	-	2,880
Curtin PARP Fund at the Community	-	-	-	-
Foundation of Tyne & Wear and N'land	-	-	-	-
EDF Blyth Offshore Community Benefit	10,763	-	10,763	-
Fund at the Community Foundation of	-	-	-	-
Tyne & Wear and Northumberland	-	-	-	-
Edward Gostling Foundation	-	2,900	2,900	-
Erasmus+ - Access & Aesthetic	-	16,133	16,133	-
Erasmus+ / British Council	-	-	-	3,052
Erasmus+ REAL	-	7,165	7,165	5,216
European Social Fund	-	7,228	7,228	-
European Social Fund LA6	-	16,616	16,616	10,842
Healthwatch N'land Voice Fund	-	-	-	736
Joicey Trust	-	-	-	3,200
National Lottery Covid19 Response Fund	23,847	-	23,847	40,500
National Lottery Heritage Fund	-	4,500	4,500	-
Northumberland CC	9,721	-	9,721	25,000
Northumberland CC - Community Chest	-	4,943	4,943	4,875
Northumberland CC - COVID Support	10,000	-	10,000	-
Northumberland CC - Heart of Blyth	-	830	830	-
Northumbria University	-	-	-	1,225
People's Postcode Trust	-	-	-	8,660
Percy Bilton Charity	-	470	470	-
Prime Fund - Support Worker Costs	-	3,952	3,952	-
Prime Fund - Star Circus Workshops	-	-	-	4,740
Ridley Family Fund - PrintAble	-	3,880	3,880	-
Rothley Trust	-	-	-	1,000

Continued overleaf...

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

4. Income from Charitable Activities (Cont.)

	Unrestricted Funds	Restricted Funds	2021	2020
	£	£	£	£
Screwfix Foundation	-	3,587	3,587	-
Shears Foundation	-	-	-	4,500
Sir James Knott Trust	-	-	-	8,000
Wellesley Trust	-	9,700	9,700	-
	154,710	88,247	242,957	200,166
	£200,333	£88,247	£288,580	£272,924

Of the 2020 total of £272,924, £105,958 related to Unrestricted Funds and £166,966 to Restricted Funds.

5. Expenditure on Charitable Activities

	Unrestricted Funds	Restricted Funds	2021	2020
	£	£	£	£
Production Costs				
Materials/Project Costs	-	26,533	26,533	21,697
Contract Workers	-	24,450	24,450	30,367
Wages & Salaries	135,271	6,324	141,595	145,134
	135,271	57,307	192,578	197,198
Support Costs				
Travel & Subsistence	1,999	-	1,999	1,261
Office Costs	1,572	-	1,572	2,167
Premises Costs & Room Hire	21,306	-	21,306	16,492
Repairs & Maintenance	4,279	9,000	13,279	3,163
Insurance	6,948	-	6,948	7,769
Depreciation	6,264	5,801	12,065	9,005
	42,368	14,801	57,169	39,857
Governance Costs				
Bank Charges & Interest	97	-	97	193
Independent Examiner's Fees	1,152	-	1,152	1,152
Legal & Professional Fees	1,200	-	1,200	-
Bad Debts	-	-	-	1,745
	2,449	-	2,449	3,090
	£180,088	£72,108	£252,196	£240,145

Of the 2020 total of £240,145, £112,238 related to Unrestricted Funds and £127,907 to Restricted Funds.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

6. Net Income/(Expenditure)

Net income/(expenditure) is stated after charging/(crediting):	2021 £	2020 £
Independent Examiner's Fees	1,152	1,152
Depreciation – Owned Assets	12,065	9,005
Operating Leases – Land & Buildings	15,000	15,000

7. Staff Costs/Trustees' Remuneration

	2021 £	2020 £
Gross Salary Costs	129,445	132,250
Pension Costs	3,135	3,071
Social Security Costs	9,015	9,813
	£141,595	£145,134

No employee received remuneration of more than £60,000 during the year (2020 - Nil).

The average number of staff employed during the year, calculated as full-time equivalents, was as follows:

	2021 No.	2020 No.
Artistic Production and Support	5	5

No remuneration was paid to or waived by Trustees/Directors in the year (2020: Nil) and no travel and subsistence expenses (2020: None) were reimbursed to Trustees in respect of their attendance at meetings of the charity.

There were no transactions undertaken by, or on behalf of the charity, in which any Trustees or a connected person had a material interest during the year to 31 March 2021 (2020: Nil).

8. Pension Scheme

Pension benefits are provided through a Group Personal Pension Scheme, which is a defined contribution scheme. The assets of the scheme are held separately from those of the company in a separately administered fund. In the year to 31 March 2021 Headway Arts made an employer's contribution of 3% of pensionable pay, provided that the employee makes a minimum contribution of 5%.

These amounts are paid over to the scheme on a monthly basis.

Contributions totalling £950 were outstanding at 31 March 2021 (2020: £807).

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

9. Tangible Fixed Assets

	Leasehold Property Improvements £	IT Equipment £	Fixtures, Fittings & Equipment £	Total Fixed Assets £
Cost				
At 1 April 2020	57,120	6,882	45,179	109,181
Additions in year	-	7,480	4,927	12,407
At 31 March 2021	57,120	14,362	50,106	121,588
Accumulated Depreciation				
At 1 April 2020	28,113	5,416	38,498	72,027
Charge for year	5,801	3,608	2,656	12,065
At 31 March 2021	33,914	9,024	41,154	84,092
Net Book Value				
At 31 March 2021	£23,206	£5,338	£8,952	£37,496
At 1 April 2020	£29,007	£1,466	£6,681	£37,154

10. Debtors

	2021 £	2020 £
Trade Debtors	4,764	7,518
Accrued Income – Grant Funding	42,743	24,990
	£47,507	£32,508

All sums are due within 1 year.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

11. Creditors – Amounts Falling Due Within 1 Year

	2021	2020
	£	£
Taxes & Social Security Costs	3,220	10,084
Pension Scheme Creditor	950	807
Sundry Creditors	4,933	-
Accruals	6,092	4,456
	£15,195	£15,347

12. Analysis of Net Assets between Funds

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Fixed Assets			37,496	37,154
Debtors			47,507	32,508
Cash at Bank and In Hand			74,812	53,367
Creditors – Amounts Due Within 1 Year	(15,195)	-	(15,195)	(15,347)
	£50,110	£94,510	£144,620	£107,682

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Analysis of Charitable Funds

	Fund at 1 April 2020 £	Incoming Resources in Year £	Resources Expended in Year £	Fund at 31 March 2021 £
Unrestricted Funds				
Charity General Fund	29,311	200,887	(180,088)	50,110
Restricted Funds				
Arts Council England - CoCreArt	29,724	-	-	29,724
Coalfields Regeneration Trust	-	1,895	(1,895)	-
Coastal Revival Fund*	24,826	-	(4,909)	19,917
Coronavirus Job Retention Scheme	-	4,448	(4,448)	-
Culture Bridge Fund at the Community Foundation of Tyne & Wear and N'land	1,500	-	-	1,500
Curtin PARP Fund	2,880	-	-	2,880
Edward Gostling Foundation	-	2,900	-	2,900
Erasmus+ - Access & Aesthetic	-	16,133	(5,267)	10,866
Erasmus+ REAL	-	7,165	(7,165)	-
European Social Fund - Releasing Potential	-	7,228	(7,228)	-
European Social Fund LA6 - Moving Mountains	-	16,616	(16,616)	-
Healthwatch N'land Your Voice Fund	736	-	(736)	-
National Lottery Heritage Fund - Sill2Sea	-	4,500	-	4,500
Northumberland CC - Community Chest	-	4,943	(4,943)	-
Northumberland CC - Heart of Blyth	-	830	-	830
Northumberland County Council	5,000	-	(5,000)	-
Percy Bilton Charity	-	470	(470)	-
Prime Fund - Support Worker Costs	-	3,952	(3,952)	-
Prime Fund - Star Circus Workshops	4,740	-	-	4,740
Ridley Family Fund - PrintAble	-	3,880	-	3,880
Rothley Trust	1,000	-	(1,000)	-
Screwfix Foundation	-	3,587	(3,587)	-
Sir James Knott Trust	4,000	-	(4,000)	-
Wellesley Trust - Work With Young People	-	9,700	-	9,700
Wellesley Trust - Building Improvements*	3,965	-	(892)	3,073
Total Restricted Funds	78,371	88,247	(72,108)	94,510
Total Funds	£107,682	£289,134	£(252,196)	£144,620

*Though £46,145 from Coastal Revival Fund and £9,549 from the Wellesley Trust was received and fully spent in the year to 31 March 2017 on the capital redevelopment of Headway ArtSpace, the required accounting treatment releases the grants over the period of the lease, matching the annual depreciation of the capital improvements.

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Arts Council England	To fund the CoCreArt Talking Seeing Doing project
Coalfields Regeneration Trust	To fund dance workshops
Coastal Revival Fund	To fund a programme of building improvements
Coronavirus Job Retention Scheme	To support the costs of furloughed staff
Culture Bridge Fund at the Community Foundation of Tyne & Wear and Northumberland	To fund the Croftway Bus Project
Curtin PARP Fund at the Community Foundation of Tyne & Wear and Northumberland	To fund Stars workshops
Edward Gostling Foundation	To fund circus workshops
Erasmus+ - Access & Aesthetic	To fund the Access & Aesthetic European partnership
Erasmus+ REAL	To fund the REAL European partnership
European Social Fund LA7	To fund the Releasing Potential employment training project for those considered hardest to reach
European Social Fund LA6	To fund Moving Mountains
Healthwatch N'land Your Voice Fund	To fund a creative consultation
National Lottery Heritage Fund	To fund the Sill2Sea project
Northumberland CC - Community Chest	To fund kitchen improvements
Northumberland CC - Heart of Blyth	To fund a creative consultation
Northumberland County Council	To fund a programme of building improvements
Percy Bilton Charity	To fund kitchen improvements/new dishwasher

HEADWAY ARTS
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Analysis of Charitable Funds (Cont.)

Name of Restricted Fund	Description, Nature & Purpose of the Restricted Fund
Prime Fund at the Community Foundation of Tyne & Wear and Northumberland - Support Worker	To support the costs of a Project Worker
Prime Fund at the Community Foundation of Tyne & Wear and Northumberland - Workshops	To fund Stars workshops
Ridley Family Charity	To fund the PrintAble project
Rothley Trust	To fund a programme of building improvements
Screwfix Foundation	To fund kitchen improvements
Sir James Knott Trust	To fund the costs of Support Workers
Wellesley Trust - Work With Young People	To fund work with young people
Wellesley Trust - Building Improvements	To fund a programme of building improvements

14. Taxation

The company is a registered charity and no provision is considered necessary for taxation.

15. Financial and Capital Commitments

No material financial and/or capital commitments have been made in respect of future financial periods (2020: None).

16. Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The company law members of the charity are the members of its Board of Trustees.

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding £1 as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.