

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.

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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.

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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.

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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
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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
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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 and 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.

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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').

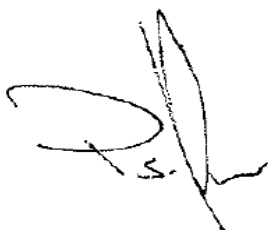
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act').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

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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).

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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.

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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



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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.

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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

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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.