

REGISTERED COMPANY NUMBER: 03917437 (England and Wales)
REGISTERED CHARITY NUMBER: 1080775

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
HEADWAY LUTON LIMITED**

HEADWAY LUTON LIMITED

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HEADWAY LUTON LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS for the Year Ended 31 MARCH 2021

TRUSTEES	Mrs C Havill (resigned 11.2.21) Mr B H Bateson Treasurer Mr A D Headley Mr A Malik Mrs A Morgan Chair
REGISTERED OFFICE	49-53 Alma Street Luton Bedfordshire LU1 2PL
REGISTERED COMPANY NUMBER	03917437 (England and Wales)
REGISTERED CHARITY NUMBER	1080775
INDEPENDENT AUDITORS	FKCA Limited 260 - 270 Butterfield Great Marlings Luton Bedfordshire LU2 8DL
CHIEF EXECUTIVE	Mr G Atkins

HEADWAY LUTON LIMITED (REGISTERED NUMBER: 03917437)

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2021. They are prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objectives are for the relief of adults who have an acquired brain injury (ABI) and/or any other neurological condition, their families, carers and other related professionals by the provision of advice, information, services and facilities as required by such persons.

To manage and run activities, day centres, visiting services and support groups in furtherance of the objectives.

To create a wider understanding of brain injury within the community.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Board of Trustees are pleased to report to the Headway Luton membership, principal funders and regulatory authorities that our principle key objectives for 2020/21 were achieved despite the spread of the Covid-19 virus pandemic and subsequent national lockdowns that affected our primary income.

Key Objectives:

1. To continue providing services to our clients to meet changing demands due to the pandemic.
2. For Headway to financially survive despite the severe loss of income that threatened our services to clients and staff job security.

The fiscal year began with a national lockdown to reduce the virus spread and increasing hospital cases, with many sadly leading to death. We had to close our Centre services for obvious safety reasons as advised by Public Health and implement an emergency closure plan to support clients.

With no immediate national or local government financial assurances or guidance regarding our service income and sustainability it was decided to place on furlough all Centre and admin staff on the essential government Coronavirus Job Retention Scheme (CJRS), leaving a senior management task force to provide an emergency response to client needs as required throughout lockdown.

The emergency plan provided:

1. Daily/weekly telephone contact with clients depending on their emotional and health needs.
2. Basic shopping doorstep deliveries of food, essential equipment, medication, cleaning and personal hygiene products, masks, and/or cognitive activity packs as needed.
3. Weekly group social zoom meetings.

These additional shopping costs were met by a much welcomed grant from the Bedfordshire and Luton Community Fund (BLCF).

Even with the CJRS and BLCF grant our financial reserves were being quickly eroded by employing staff to provide emergency services while not in receipt of our primary source of income. Applications for business grants were unsuccessful due to our ineligibility for these.

The lockdown had an effect on covid-19 cases and by July 2020 we were given the green light by Public Health to reopen the Centre following covid-19 safety measures put in place at the centre including distancing signage, additional PPE for staff and introducing a health check point at the entry.

All staff returned to work but we only saw 50% of clients initially return either due to the risks of travelling to Headway or for personal safety fears, despite our premises being deemed covid-19 safe. With the financial risk of decreasing reserves we appealed to the local authorities of Luton Council and Central Beds Council who, in their support of our services, provided additional emergency funding towards the shortfall. We also applied for emergency funds to the National Lottery and were very grateful when they decided to support us with a grant to allow us to continue with our phased reopening plan. Without the financial support of the local councils and the Lottery we would have faced possible closure of all our services, and we are very grateful for their support.

By October we had nearly 80% of clients returned but we were still operating at a loss and the trustees were obliged to consider substantial cost saving measures, possibly by making some staff redundant. This was made worse by the increasing local covid-19 case and death rates forcing us to close again by Christmas. Meeting with the CEO by zoom the trustees agreed to consultations with staff to ask for voluntary redundancies or reduced working hours but this was not taken up by many staff members, understandably due to the prevailing economic climate and limited alternative opportunities.

By February the trustees had to make a very difficult decision on a financial plan to ensure Headway continued to survive. One member of staff was given notice of redundancy and five others had their working week reduced effective as of April 2021. Without the foresight of when the Centre might reopen again the staff reduction was kept to a minimum measure to ensure financial survivability but keeping sufficient staff to reopen when required.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

The board of trustees would like to thank all the staff who appreciated the need and accepted the staff reductions for the survivability of our services in these unprecedented times.

Fortunately the second lockdown eased case rates and we were finally able to reopen following Easter and welcomed back grateful clients, although sadly some may never return. At our reopening staff meeting we remembered those who had sadly lost their lives due to the pandemic throughout 2020/21, and our thoughts are with the partners and families left behind.

Service activity

Despite the Centre being closed for a total of six months throughout the traumatic year we continued to support over 240 clients either in the centre or in the community. This was a considerable achievement considering the unprecedented circumstances and would have been impossible without the determination of the staff team and goodwill of our clients.

Unfortunately our Leighton Buzzard branch had to close, mainly due to unacceptable contractual reasons rather than the pandemic, but we hope to relaunch the branch at some point in the near future, probably at a new venue.

Appreciations:

The Board of Trustees would like to sincerely thank all our clients, staff and funders for helping us make it through the worst year of our existence as a charity.

Many other charities, along with many businesses, have been far less fortunate and have not survived the year so we fully appreciate everyone's moral and financial support.

Primary funders included:

Luton Borough Council

Luton CCG (now merging with Bedford and Milton Keynes to become BLMK CCG)

Central Bedfordshire Council

The National Lottery

Bedfordshire and Luton Community Fund (London Luton Airport funding)

Thank you everyone.

HEADWAY LUTON LIMITED (REGISTERED NUMBER: 03917437)

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

FINANCIAL REVIEW

The results of the charity for the year are set out in the Statement of Financial Activities on page 12.

Overall the charity had a surplus for the year of £25,842.

Principal funding sources

Grant income for the year totalled £219,487 and was made up as follows:-

			£
Unrestricted:	Coronavirus Job Retention Scheme	86,645	
	BLCF - Beds Coronavirus Emergency Fund	3,500	
	Central Beds Council - Infection control	<u>5,544</u>	
Restricted:			95,689
	Luton Primary Care Trust - Community Support Service	50,749	
	London Luton Airport Limited (Luton Borough Council) - Day Centre	36,340	
	The National Lottery Community Fund	34,209	
	The Edward Gostling Foundation	<u>2,500</u>	
			<u>123,798</u>

All other income totalled £222,285. Charges for the day care service were £216,215. Fund raising contributed £55, other donations £5,770 and other income £245.

Reserves policy

The trustees review the level of reserves periodically to ensure that the charity is able to be managed efficiently and to provide a buffer for uninterrupted services. It is their policy to maintain unrestricted funds at a level which equates to at least six months expenditure. This provides sufficient funds to cover management, administration and support costs.

PLANS FOR THE FUTURE

1. To continue services ensuring covid-19 safety measures are in place and regularly reviewed.
2. To review 'Emergency Contingency Plan' to improve response to future closures, maximising available resources.
3. To fully reopen all referral routes and increase client numbers supported.
4. To find a new venue for the Leighton Buzzard clients.
5. To safely restart home visits and assessments, as required.
6. To support Luton CCG with their merger into the BLMK CCG group.
7. To increase community support and services in Central Beds.
8. To replenish cash reserves in readiness for any increases in covid-19 cases potentially leading to further national or local lockdown/s.
9. To increase new activities available in the Centre and new branch.
10. To increase volunteer and trustee recruitment and retention.

**REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was incorporated on 1st February 2000 as a private company limited by guarantee, registered in England and Wales, after having been in existence for about eleven years as an unincorporated entity. It registered as a charity on 15th December 1997, with the charitable company being registered on 18th May 2000. The charity changed its name from Headway South Bedfordshire Limited on 22nd October 2008.

The governing documents currently in force are the Memorandum and Articles of Association.

There are currently 4 members (trustees) (2020 - 5) each of whom agrees to contribute an amount not exceeding £10 in the event of the charity winding up.

Appointment of trustees

Trustees are appointed by the management committee, subject to approval at the following annual general meeting, which is normally held in November. At each AGM the two longest serving trustees retire but may offer themselves up for re-election.

Organisation

The names of the trustees who served during the year are set out on page 1.

Board meetings are held regularly on a monthly basis, with ad hoc meetings being held as and when necessary.

The chief executive officer has the overall responsibility for all operational activity, service quality, contract achievement and future developments to meet service demands, within a budget set and overseen by the board of trustees.

Risk management

The trustees carry out an annual review of the risks which the charity may face, have established systems and procedures to mitigate any risks identified and minimise any potential impact should any identified risks materialise.

REPORT OF THE TRUSTEES
for the Year Ended 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Headway Luton Limited for the purposes of company law) are responsible for preparing the Report of the Trustees 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 those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

In so far as the trustees are aware:


- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

FKCA Limited are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The Report of the Trustees has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by order of the board of trustees on 09/12/2021 and signed on its behalf by:


.....
Mrs A Morgan - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HEADWAY LUTON LIMITED (REGISTERED NUMBER: 03917437)**

Opinion

We have audited the financial statements of Headway Luton Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HEADWAY LUTON LIMITED (REGISTERED NUMBER: 03917437)**

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HEADWAY LUTON LIMITED (REGISTERED NUMBER: 03917437)**

Our responsibilities for the audit of the financial statements

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, we considered the following:

1. The nature of the charity, control environment and the charity's performance.
2. Enquiries with management about their own identification and assessment of the risks of irregularities.
3. The matters discussed among the audit team regarding how and where fraud might occur and fraud indicators.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISA'S (UK), we are also required to perform specific procedures to respond to the risk of management override.

In addition we considered the legal and regulatory framework that the charity operates in, focusing on provisions of these laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. Key laws considered include the UK Companies Act and UK Tax Legislation.

We also considered those laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or avoid a material penalty.

Audit response to risks identified:

Testing was undertaken to address the risk of management override which included the review / testing of any year end journals and an assessment of whether the judgements made in making accounting estimates are indicative of potential bias.

Due to the size of the accounting function we have also carried out testing to assess the risk of fraudulent payments which included substantive testing on a sample of payments made during the reporting period.

We remained alert to any indications of fraud or non compliance throughout the entire audit process.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HEADWAY LUTON LIMITED (REGISTERED NUMBER: 03917437)**

Use of our report

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



Tara Aldwin ACA (Senior Statutory Auditor)
for and on behalf of FKCA Limited
260 - 270 Butterfield
Great Marlings
Luton
Bedfordshire
LU2 8DL

Date:10 December 2021

HEADWAY LUTON LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) for the Year Ended 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,770	-	5,770	12,230
Charitable activities					
Charitable Activities		225,259	123,798	349,057	434,854
Other trading activities	3	55	-	55	4,745
Other income		245	-	245	50
Government grants – CJRS		<u>86,645</u>	<u>-</u>	<u>86,645</u>	<u>-</u>
Total		317,974	123,798	441,772	451,879
EXPENDITURE ON					
Raising funds		(270)	-	(270)	1,842
Charitable activities					
Charitable Activities	4	291,854	124,346	416,200	448,761
Total		<u>291,584</u>	<u>124,346</u>	<u>415,930</u>	<u>450,603</u>
NET INCOME/(EXPENDITURE)		26,390	(548)	25,842	1,276
RECONCILIATION OF FUNDS					
Total funds brought forward		497,142	113,121	610,263	608,987
TOTAL FUNDS CARRIED FORWARD		<u>523,532</u>	<u>112,573</u>	<u>636,105</u>	<u>610,263</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

HEADWAY LUTON LIMITED (REGISTERED NUMBER: 03917437)

**BALANCE SHEET
31 MARCH 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	9	543,046	542,228
CURRENT ASSETS			
Debtors	10	6,502	17,871
Cash at bank and in hand		<u>111,492</u>	<u>60,417</u>
		117,994	78,288
CREDITORS			
Amounts falling due within one year	11	(24,935)	(10,253)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>93,059</u>	<u>68,035</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>636,105</u>	<u>610,263</u>
NET ASSETS		<u>636,105</u>	<u>610,263</u>
FUNDS	13		
Unrestricted funds		523,532	497,142
Restricted funds		<u>112,573</u>	<u>113,121</u>
TOTAL FUNDS		<u>636,105</u>	<u>610,263</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 09/12/2021 and were signed on its behalf by:


Mrs A Morgan - Trustee


Mr B H Bateson - Trustee

HEADWAY LUTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019) and the Companies Act 2006.

The Trustees have considered the impact of the uncertainties of the global health crisis COVID-19 on the charity. Contingency plans have been put in place in order to mitigate the negative effects of any period of interrupted services. Accordingly the trustees continue to adopt the going concern basis in preparing the financial statements.

The charity meets the definition of a public benefit entity under FRS102.

The presentation currency of the financial statements is in Pounds Sterling (£), which is the functional currency of the charity.

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements, although strict safeguards remain in place for the audit opinion, to remain fully objective.

Company status

The charity is a company limited by guarantee. The members of the charity are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Income recognition

Grant income is accounted for in the period in which it is to be used.

All other income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Investment income is included when receivable.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds comprise the costs associated with attracting voluntary income; mainly in relation to fund raising events.

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.

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

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as set out in Note 2.

HEADWAY LUTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged on the straight line basis over the expected useful economic lives of the assets at the following annual rates:

Freehold buildings	-	over 50 years
Lift	-	over 15 years
Computers and other office equipment	-	over 3 years
Fixtures and fittings	-	over 10 years

No depreciation is provided on freehold land.

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. This includes grant funds which are given for specific purposes.

Pension costs

Payments made directly to individual employee personal pension plans by the charity are charged to the Statement of Financial Activities when paid.

Government grants

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment.

Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	<u>5,770</u>	<u>12,230</u>

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events	<u>55</u>	<u>4,745</u>

HEADWAY LUTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

4. CHARITABLE ACTIVITIES COSTS

Costs directly allocated to activities	Basis of allocation	Raising funds	Charitable activities	2021 Total £	2020 Total £
	Actual				
Staff costs		-	342,601	342,601	368,497
General office costs		-	10,293	10,293	5,920
Computer expenses		-	1,294	1,294	443
Travel		-	962	962	898
Training		-	1,870	1,870	1,659
Fund raising costs		(270)	-	(270)	1,842
Volunteer expenses		-	100	100	466
Legal and professional fees		-	4,974	4,974	5,879
Governance costs:					
Audit and accountancy		-	7,689	7,689	6,997
Book-keeping		-	3,750	3,750	4,850
		(270)	373,533	369,763	397,451
Support costs allocated to activities	Usage				
Premises		-	22,659	22,659	35,589
Communications		-	3,415	3,415	2,999
Depreciation		-	16,593	16,593	14,564
		-	42,667	42,667	53,152
		(270)	416,200	415,930	450,603

5. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	16,593	14,564
Audit fees	4,455	4,325
Other accountancy services	<u>3,234</u>	<u>2,672</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

HEADWAY LUTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

7. STAFF COSTS

	2021 £	2020 £
Wages and salaries	310,454	333,309
Social security costs	17,438	19,632
Other pension costs	<u>14,709</u>	<u>15,556</u>
	<u>342,601</u>	<u>368,497</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Head injury services	14	15
Management and administration	<u>4</u>	<u>4</u>
	<u>18</u>	<u>19</u>

No employees received emoluments in excess of £60,000.

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	12,230	-	12,230
Charitable activities			
Charitable Activities	344,306	90,548	434,854
Other trading activities	4,745	-	4,745
Other income	<u>50</u>	<u>-</u>	<u>50</u>
Total	361,331	90,548	451,879
EXPENDITURE ON			
Raising funds	1,842	-	1,842
Charitable activities			
Charitable Activities	357,665	91,096	448,761
Total	<u>359,507</u>	<u>91,096</u>	<u>450,603</u>
NET INCOME/(EXPENDITURE)	1,824	(548)	1,276
RECONCILIATION OF FUNDS			
Total funds brought forward	495,318	113,669	608,987
TOTAL FUNDS CARRIED FORWARD	<u>497,142</u>	<u>113,121</u>	<u>610,263</u>

HEADWAY LUTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

9. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment and other equipment £	Totals £
COST				
At 1 April 2020	617,955	10,618	37,909	666,482
Additions	<u>9,786</u>	<u>1,170</u>	<u>6,455</u>	<u>17,411</u>
At 31 March 2021	<u>627,741</u>	<u>11,788</u>	<u>44,364</u>	<u>683,893</u>
DEPRECIATION				
At 1 April 2020	78,636	9,383	36,235	124,254
Charge for year	<u>13,286</u>	<u>268</u>	<u>3,039</u>	<u>16,593</u>
At 31 March 2021	<u>91,922</u>	<u>9,651</u>	<u>39,274</u>	<u>140,847</u>
NET BOOK VALUE				
At 31 March 2021	<u>535,819</u>	<u>2,137</u>	<u>5,090</u>	<u>543,046</u>
At 31 March 2020	<u>539,319</u>	<u>1,235</u>	<u>1,674</u>	<u>542,228</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	3,370	15,139
Prepayments and accrued income	<u>3,132</u>	<u>2,732</u>
	<u>6,502</u>	<u>17,871</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accruals and deferred income	<u>24,935</u>	<u>10,253</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	430,473	112,573	543,046	542,228
Current assets	117,994	-	117,994	78,836
Current liabilities	<u>(24,935)</u>	<u>-</u>	<u>(24,935)</u>	<u>(10,801)</u>
	<u>523,532</u>	<u>112,573</u>	<u>636,105</u>	<u>610,263</u>

HEADWAY LUTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

13. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	497,142	26,390	523,532
Restricted funds			
Headway House - Capital grant	34,731	-	34,731
Other capital grant	71,989	-	71,989
Other capital donations	<u>6,401</u>	<u>(548)</u>	<u>5,853</u>
	<u>113,121</u>	<u>(548)</u>	<u>112,573</u>
TOTAL FUNDS	<u>610,263</u>	<u>25,842</u>	<u>636,105</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	317,974	(291,584)	26,390
Restricted funds			
Day centre operational cost	36,340	(36,340)	-
Community support service	50,749	(50,749)	-
Other capital donations	-	(548)	(548)
The National Lottery Community Fund	34,209	(34,209)	-
The Edward Gostling Foundation	<u>2,500</u>	<u>(2,500)</u>	<u>-</u>
	<u>123,798</u>	<u>(124,346)</u>	<u>(548)</u>
TOTAL FUNDS	<u>441,772</u>	<u>(415,930)</u>	<u>25,842</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	495,318	1,824	497,142
Restricted funds			
Headway House - Capital grant	34,731	-	34,731
Other capital grant	71,989	-	71,989
Other capital donations	<u>6,949</u>	<u>(548)</u>	<u>6,401</u>
	<u>113,669</u>	<u>(548)</u>	<u>113,121</u>
TOTAL FUNDS	<u>608,987</u>	<u>1,276</u>	<u>610,263</u>

HEADWAY LUTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	361,331	(359,507)	1,824
Restricted funds			
Day centre operational cost	40,000	(40,000)	-
Community support service	50,548	(50,548)	-
Other capital donations	-	(548)	(548)
	<u>90,548</u>	<u>(91,096)</u>	<u>(548)</u>
TOTAL FUNDS	<u>451,879</u>	<u>(450,603)</u>	<u>1,276</u>

Purposes of restricted funds

The funds for the Community Support service and Day Centre represent grants received for the charity to undertake these specific services.

The Headway House and other capital grants funds represent grants originally received in the years ended 31st March 2000 to 31st March 2002 for the charity to purchase the freehold premises from which to operate services.

The other capital donations represent monies received to fund the upgrade of the new lift within the charity's freehold premises.

The funds from the National Lottery Community Fund were given as emergency funds to support the charity through the impact of the Covid-19 pandemic.

The funds from The Edward Gostling Foundation were to fund the costs of specialist external tutors.

14. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2020 - none).