

Headway London - Brain Injury Services

England & Wales · Charity number 1083910

Details

Other names	HEADWAY EAST LONDON, Headway London
Status	Registered
Legal form	Charitable company
Company number	03998925
Registered	2000-12-01
Register	View on the Charity Commission register

Contact

Address	Bradbury House Timber Wharf 238-240 Kingsland Road London E2 8AX
Phone	020 7749 7790
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Website	www.headwayeastlondon.org

Activities

Objects: The relief, continuing rehabilitation and support of people who have suffered head injury or brain injury through illness or accident and their spouses, partners or relatives who have an unpaid responsibility for their daily care and treatment.

Activities: The objectives of the charity are the relief, continuing rehabilitation and support of people who have suffered head injury or brain injury through illness or accident and their spouses, partners or relatives who have an unpaid responsibility for their daily care and treatment.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Disability
- **Who:** People With Disabilities, Other Defined Groups

Geography

- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,481,379	£2,418,985	£591,986	55
2024-03-31	£2,245,307	£2,311,018	£529,592	53
2023-03-31	£2,005,349	£2,066,733	£595,303	55
2022-03-31	£1,883,656	£1,846,163	£656,687	56
2021-03-31	£1,766,978	£1,765,754	£619,193	57

Trustees

Name	Role	Appointed
Alice Kershberg		2022-03-21
Glen Hodgson		2018-09-20
Mairead Samwell		2024-09-19
Sonita Hayward		2024-09-19
Stephanie Edwards		2023-03-09
Timothy Richard Sneath		2023-12-05
Toby Gregory Russell		2023-09-28

Accounts

Charity registration number 1083910 (England and Wales)

Company registration number 03998925

HEADWAY EAST LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

HEADWAY EAST LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S Edwards	
	G Hodgson (Chair)	
	A Kershberg	
	P Stanford	
	T Russell	
	T Sneath	
	M Samwell	(Appointed 19 September 2024)
	S Hayward	(Appointed 19 September 2024)
Secretary	W Geertsema	
Charity number	1083910	
Company number	03998925	
Registered office	Bradbury House Timber Wharf 238-240 Kingsland Road London E2 8AX	
Auditor	BK Plus Audit Limited Oakingham House Frederick Place High Wycombe Buckinghamshire HP11 1JU	

HEADWAY EAST LONDON

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HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

This has been a year of growth, change, and celebration for Headway East London. Following a vibrant 25th anniversary year, 2024–25 has seen the organisation continue to deliver outstanding services while laying the groundwork for our future expansion.

We ended the calendar year with a joyful month of events, celebrating our members, volunteers and staff with parties across December—including a memorable karaoke performance from some of our trustees at the volunteer celebration! These moments remind us how important connection and community are to Headway's culture and our work.

There have been lots of exciting developments in our funding landscape. We received renewed and new commitments for key services, including the Casework Team. A particular highlight was a one-off grant of £20,000 from a charitable trust—offered after trustees watched our film *The Magic of Chaos*. Combined with our multi-year grants, these developments place us in a strong and stable financial position going into 2025–26.

This year has also involved deeper collaboration and leadership development across the organisation. Budget setting in December and January brought together managers from every area to shape our financial priorities, with a strong level of engagement and shared ownership.

Alongside this, our Fundraising Manager, Kath Lee, was promoted into our senior management team as Director of Fundraising, and we appointed a Director of Services, Claire Farrington-Douglas, who joined in March. These appointments strengthen our leadership capacity at a crucial time, as we prepare to extend our reach.

A business case to establish a new day service in South East London has been agreed. This opportunity has emerged through a chance meeting and subsequent partnership with a local group. With agreement to use their remaining funds, we're developing plans to co-create a new service rooted in Headway's core values.

With this expansion comes a bigger question about identity and naming. We have started early work on a change of name—from Headway East London to Headway London—that reflects both our current and future geography. Over the coming months, we'll consult with other Headway groups and branches across the London area to build collaboration around this ambition.

As we look ahead, we remain rooted in the community of members, staff and volunteers who make our work possible. We are proud of everything we've achieved together this year and excited for what comes next.

Sarah Lantsbury, Chief Executive
Glen Hodgson, Chair

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Service/Department highlights

Fundraising

We've sustained strong momentum this year, securing new grants and cultivating positive relationships with major funders. All major reports to funders, including the Arts Council and National Lottery, were successfully completed. Although the grants environment remains highly competitive, we've laid solid groundwork for future applications and launched development of a capital fundraising strategy for a new site.

Development

Our partnerships continue to thrive. We've secured a 4-year commitment from solicitor firm Bolt, Burdon & Kemp (BBK) for our Casework service and launched collaborative creative projects with Vital Arts, Brainbook, and Crainio. Our kitchen team catered community events and secured a 5-star hygiene rating, while Submit to Love Studio raised over £5,000 at their Christmas Open Studio.

Communications & Public Engagement

Our 25th anniversary heritage project culminated with our documentary *The Magic of Chaos*, which premiered to a sold-out audience and gained further reach via ITV, cinemas, and online platforms—engaging tens of thousands of viewers. Strategic support from Cream UK has delivered over £50k in pro-bono advertising and improved our digital presence. A tour of *differently various in different spaces* reached audiences at exhibitions and events across our catchment area. Meanwhile, our events programme—featuring the Winter Feast and new public performances—continues to connect our members with wider audiences.

Day & Evening Services

We welcomed new members, launched creative groups, and continued to expand our volunteer team and build partnerships in the community. Highlights include a successful group exhibition in Shoreditch, a string of sell-out Headway Eats supper clubs, and a drama performance in Chats Palace. In the kitchen, demand for Headway lunches is at an all-time high since being supported to offer free meals to members by a generous donation from a former volunteer and their friend. The Day Service is now at capacity, and alongside the Evening Service, which continues to grow, we are exploring ways to increase access and space.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Community Support Work Service

The service has grown steadily with more assessments, new starters, and improved peer support activity. Staff turnover has presented challenges, but we are addressing recruitment and retention through permanent roles and improved contracts to ensure continuity and financial efficiency.

Therapy Service

Our low-cost therapy offer expanded and our private therapy team is growing in strength and visibility. New research partnerships blossomed, including presentations at national events and academic collaborations with UCL and Anglia-Ruskin Medical School. "Member Led Training" (MLT) peer training, which is provided by our beneficiaries or "members", has begun its next phase with co-design groups and has lined up two pilot training events. We are also working closely with NHS partners to support the development of accessible services for people with brain injuries.

Casework Service

We've increased our reach and welcomed a new full-time caseworker. With generous funding from BBK and the National Lottery Community Fund, we're building capacity and expanding support across hospitals. Our support groups continue to grow in popularity, and we're working closely with domestic violence charities to better meet members' needs. Staff shortages have posed challenges, but with positions now filled we can work to reduce the waiting list and strengthen hospital relationships.

Finance

We built a strong financial foundation this year with a healthy cash reserve, better debt recovery, and real-time reporting including a detailed restricted fund analysis. The focus now is on refining our purchase order system, refreshing our chart of accounts, and improving accessibility to financial tools.

Admin & Facilities

The team oversaw upgrades to heating and lighting, supported events, and helped achieve the kitchen's 5-star hygiene rating. Referrals and data processing have improved, and we are preparing for a major IT upgrade in April. A new caretaker has been recruited from our volunteer base, adding valuable lived experience to our team.

S Edwards

G Hodgson (Chair)

A Kershberg

P Stanford

T Russell

T Sneath

M Samwell

S Hayward

(Appointed 19 September 2024)

(Appointed 19 September 2024)

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HEADWAY EAST LONDON

Opinion

We have audited the financial statements of Headway East London (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEADWAY EAST LONDON

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees report. We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 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; 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HEADWAY EAST LONDON

Explanation as to the extent to which the audit was considered capable of detecting irregularities, including fraud

From the preliminary stage of the audit, we ensure our understanding of the entity is up to date. This includes, but is not limited to, current knowledge of their activities, the business and control environments, and their compliance with the applicable legal and regulatory frameworks. This information supports our risk identification and the subsequent design of audit procedures to mitigate those risks; ensuring that the audit evidence obtained is sufficient and appropriate to support our opinion.

In response to the risks identified, specific to this entity, we designed procedures which included, but were not limited to:

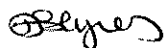
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance, if available;
- Reviewing financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of business.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusions. There is always the unavoidable risks that material misstatements in the financial statements may not be detected despite the audit being properly performed in accordance with UK Auditing standards.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



David Hynes (Senior Statutory Auditor)

For and on behalf of BK Plus Audit Limited

17/12/2025

Oakingham House
Frederick Place
High Wycombe
Buckinghamshire
HP11 1JU

HEADWAY EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

Current financial year

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
<u>Income from:</u>					
Donations and legacies	3	101,692	459,054	560,746	479,963
Charitable activities	4	1,893,073	-	1,893,073	1,748,461
Other trading activities	5	21,432	-	21,432	13,708
Investments	6	6,128	-	6,128	3,175
Total income		2,022,325	459,054	2,481,379	2,245,307
<u>Expenditure on:</u>					
Raising funds	7	80,452	-	80,452	154,405
Charitable activities	8	1,869,721	468,812	2,338,533	2,156,613
Total expenditure		1,950,173	468,812	2,418,985	2,311,018
Net income/(expenditure) for the year/ Net movement in funds		72,152	(9,758)	62,394	(65,711)
Fund balances at 1 April 2024		490,026	39,566	529,592	595,303
Fund balances at 31 March 2025		562,178	29,808	591,986	529,592

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HEADWAY EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Prior financial year

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	96,426	383,537	479,963
Charitable activities	4	1,748,461	-	1,748,461
Other trading activities	5	13,708	-	13,708
Investments	6	3,175	-	3,175
Total income		1,861,770	383,537	2,245,307
<u>Expenditure on:</u>				
Raising funds	7	154,405	-	154,405
Charitable activities	8	1,718,254	438,359	2,156,613
Total expenditure		1,872,659	438,359	2,311,018
Net (expenditure)/income for the year/ Net movement in funds		(10,889)	(54,822)	(65,711)
Fund balances at 1 April 2023		500,915	94,388	595,303
Fund balances at 31 March 2024		490,026	39,566	529,592

HEADWAY EAST LONDON

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	15		69,435		81,706
Current assets					
Debtors	16	317,639		350,979	
Cash at bank and in hand		628,708		290,247	
		946,347		641,226	
Creditors: amounts falling due within one year	17	(423,796)		(193,340)	
Net current assets			522,551		447,886
Total assets less current liabilities			591,986		529,592
Income funds					
Restricted funds			29,808		39,566
Unrestricted funds			562,178		490,026
			591,986		529,592

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The financial statements were approved by the Trustees on 16/12/25

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T Russell
Trustee

Company registration number 03998925

HEADWAY EAST LONDON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		342,795		(97,280)
Investing activities					
Purchase of tangible fixed assets		(10,727)		(7,637)	
Investment income received		6,128		3,175	
Net cash used in investing activities			(4,599)		(4,462)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			338,196		(101,742)
Cash and cash equivalents at beginning of year			290,247		391,989
Cash and cash equivalents at end of year			628,443		290,247
Relating to:					
Cash at bank and in hand			628,708		290,247
Bank overdrafts included in creditors payable within one year			(265)		-

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Headway East London is a private company limited by guarantee incorporated in England and Wales. The registered office is Bradbury House Timber Wharf, 238-240 Kingsland Road, London, E2 8AX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Over the life of the lease
Plant and equipment	25% straight line
Fixtures and fittings	25% straight line
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Bad debt provision

The trustees assess the recoverability of trade receivables at each reporting date and recognise a provision for impairment where there is objective evidence that the full amount may not be recoverable. The trustees make their assessment on the basis of past experience and specific circumstances affecting individual debtors. The trustees believe the provision for bad debts recognised within the financial statements is appropriate at the reporting date.

Depreciation

The estimated useful lives and residual values of tangible assets are reviewed annually, considering factors such as technological advancements, changes in market demand, and expected usage. Depreciation methods and rates applied reflect management's best estimates of how the asset's economic benefits will be consumed. Changes to these assumptions could result in material differences in depreciation expense recognised in future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Donations and gifts	580	21,207	21,787	58,892	-	58,892
Grants	69,485	430,425	499,910	4,820	383,537	388,357
Other	31,627	7,422	39,049	32,714	-	32,714
	<u>101,692</u>	<u>459,054</u>	<u>560,746</u>	<u>96,426</u>	<u>383,537</u>	<u>479,963</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

4 Charitable activities

For the year ended 31 March 2025

	Fee income	Transport income	CSW services	Therapies	Total 2025	Total 2024
	2025	2025	2025	2025		
	£	£	£	£	£	£
Sales within charitable activities	1,158,810	285,140	328,891	120,232	1,893,073	1,748,461

For the year ended 31 March 2024

	Fee income	Transport income	CSW services	Therapies	Total 2024
	£	£	£	£	£
Sales within charitable activities	1,091,212	217,316	311,579	128,354	1,748,461

5 Income from other trading activities

	Unrestricted funds 2025	Unrestricted funds 2024
	£	£
Fundraising events	21,432	13,708

6 Income from investments

	Unrestricted funds 2025	Unrestricted funds 2024
	£	£
Interest receivable	6,128	3,175

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
<u>Fundraising and publicity</u>		
Premises and office costs	5,652	51,544
Projects costs	575	-
Communications costs	290	-
Legal and professional costs	300	-
Staff costs	73,635	102,861
	<u>80,452</u>	<u>154,405</u>
Fundraising and publicity		

8 Expenditure on charitable activities

	Charitable expenditure	Charitable expenditure
	2025	2024
	£	£
Direct costs		
Staff costs	1,385,719	1,274,310
Depreciation	8,038	-
Contractors	12,225	69,705
Premises and office costs	214,890	243,421
Service transport costs	264,042	209,185
Legal and professional costs	3,800	-
Communication costs	11,682	30,579
Other costs	-	15,101
Public engagements costs	65,629	-
Members' activities	-	22,919
Project costs	58,301	-
	<u>2,024,326</u>	<u>1,865,220</u>
Share of support and governance costs (see note 9)		
Support	261,861	249,744
Governance	52,346	41,649
	<u>2,338,533</u>	<u>2,156,613</u>
Analysis by fund		
Unrestricted funds	1,869,721	1,718,254
Restricted funds	468,812	438,359
	<u>2,338,533</u>	<u>2,156,613</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Support and governance costs allocated to activities

	Support costs	Governance costs	2025	Support costs	Governance costs	2024
	£	£	£	£	£	£
Staff costs	98,019	20,310	118,329	153,621	31,662	185,283
Depreciation	14,960		14,960	21,932		21,932
Communication costs	4,861		4,861	6,219		6,219
Legal and professional costs	29,725	2,000	31,725	22,895		22,895
Other costs	-	22,936	22,936	15,450		15,450
Premises and office costs	114,257		114,257	29,629	85	29,714
Audit fees	-	7,100	7,100	-	9,900	9,900
Service transport costs	39		39	-		-
	<u>261,861</u>	<u>52,346</u>	<u>314,207</u>	<u>249,746</u>	<u>41,647</u>	<u>291,393</u>
Analysed between:						
Charitable activities	<u>261,861</u>	<u>52,346</u>	<u>314,207</u>	<u>249,746</u>	<u>41,647</u>	<u>291,393</u>
	<u>261,861</u>	<u>52,346</u>	<u>314,207</u>	<u>249,746</u>	<u>41,647</u>	<u>291,393</u>

10 Net movement in funds

2025
£

2024
£

The net movement in funds is stated after charging/(crediting):

Fees payable to the charity's auditor:

- for the audit of the charity's financial statements

- for other financial services

Depreciation of owned tangible fixed assets

5,775
5,700
22,998

5,500
5,100
21,932

11 Auditor's remuneration

Fees payable to the charity's auditor and associates:

2025
£

2024
£

For audit services

Audit of the financial statements of the charity

7,100

6,750

For other services

All other non-audit services

5,700

5,100

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

13 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Part-time	31	30
Full-time	20	20
Casual	4	3
Total	55	53

Employment costs	2025 £	2024 £
Wages and salaries	1,349,837	1,351,142
Social security costs	108,265	117,648
Other pension costs	99,271	93,664
	1,557,373	1,562,454

The average number of full time equivalent employees for the year was 25 (2024: 27).

The number of employees whose annual remuneration was more than £60,000 is as follows:

2025 Number	2024 Number
1	1

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

15 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2024	380,876	71,853	12,059	48,496	513,284
Additions	1,732	1,689	7,306	-	10,727
At 31 March 2025	382,608	73,542	19,365	48,496	524,011
Depreciation and impairment					
At 1 April 2024	315,259	60,565	12,059	43,695	431,578
Depreciation charged in the year	15,076	4,843	288	2,791	22,998
At 31 March 2025	330,335	65,408	12,347	46,486	454,576
Carrying amount					
At 31 March 2025	52,273	8,134	7,018	2,010	69,435
At 31 March 2024	65,617	11,288	-	4,801	81,706

16 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	211,163	118,593
Other debtors	17,500	17,500
Prepayments and accrued income	88,976	214,886
	317,639	350,979

17 Creditors: amounts falling due within one year

	2025 £	2024 £
Bank overdrafts	265	-
Other taxation and social security	24,461	28,088
Deferred income	166,010	-
Trade creditors	93,239	93,129
Other creditors	3,622	2,904
Accruals	136,199	69,219
	423,796	193,340

Bank overdrafts above are secured by way of a charge over the assets of the charity.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Retirement benefit schemes

	2025	2024
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	99,271	93,664

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
General funds	490,026	2,022,325	(1,950,173)	562,178
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	500,915	1,861,770	(1,872,659)	490,026

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20	Analysis of net assets between funds	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Restricted funds	Total
		2025 £	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £	2024 £
	Fund balances at 31 March 2025 are represented by:								
	Tangible assets	45,051	-	24,384	69,435	49,573	-	32,133	81,706
	Current assets	147,527	369,600	5,424	522,551	70,853	369,600	7,433	447,886
		<u>192,578</u>	<u>369,600</u>	<u>29,808</u>	<u>591,986</u>	<u>120,426</u>	<u>369,600</u>	<u>39,566</u>	<u>529,592</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	90,000	90,000
Between two and five years	174,167	264,167
	<u>264,167</u>	<u>354,167</u>

22 Related party transactions

The charity received donations from its trustees and other related parties during the year which totalled £180 (2024: £180)

23 Cash generated from operations

	2025 £	2024 £
Surplus/(deficit) for the year	62,394	(65,711)
Adjustments for:		
Investment income recognised in statement of financial activities	(6,128)	(3,175)
Depreciation and impairment of tangible fixed assets	22,998	21,932
Movements in working capital:		
Decrease/(increase) in debtors	33,340	(127,804)
Increase in creditors	64,181	77,478
Increase in deferred income	166,010	-
Cash generated from/(absorbed by) operations	<u>342,795</u>	<u>(97,280)</u>

Accounts

Charity registration number 1083910

Company registration number 03998925 (England and Wales)

HEADWAY EAST LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

HEADWAY EAST LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

S Edwards
G Hodgson (Chair)
A Kershberg
P Stanford
T Russell (Appointed 5 October 2023)
T Sneath (Appointed 5 December 2023)
M Samwell (Appointed 19 September 2024)
S Hayward (Appointed 19 September 2024)

Secretary

W Geertsema

Charity number

1083910

Company number

03998925

Registered office

Bradbury House Timber Wharf
238-240 Kingsland Road
London
E2 8AX

Auditor

Haines Watts High Wycombe Limited
Oakingham House
Frederick Place
High Wycombe
Buckinghamshire
HP11 1JU

HEADWAY EAST LONDON

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Balance sheet	14
Statement of cash flows	15
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HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

This has been a very special year for Headway East London as we celebrated 25 years of the organisation supporting people affected by brain injury across East London. Our events programme dominated our work this year but resulted in great opportunities to raise awareness of the organisation and more widely about brain injury.

Our celebrations included a Community Day in June where members (which is the word we use for our beneficiaries) brought family and friends together to get a taste of the community that is such an important part of their lives. Guests enjoyed music, food and pottery while meeting up with old and new friends.

Our most ambitious undertaking yet was our '*differently various*' exhibition at The Barbican in the summer where we took over the Curve gallery for the first truly co-produced exhibition of its kind, raising awareness of brain injury and showing the world the incredible art works that our members create. You can read more about the exhibition later in the report. We also spotlighted two of our artists at our first exhibition at Burgh Gallery in Hampstead, where they both sold several artworks.

We held our first ever conference called '*Not Just A Conference*', fully co-produced by a Steering group of people with lived experience of brain injury working alongside staff, volunteers and trustees to deliver a truly first-class conference attended by professionals from within the health and social care sector, legal firms, private agencies and Government departments. The combination of personal stories alongside expert professionals from health and social care gave attendees a rich and insightful day, while also giving people the opportunity to get involved in workshops to gain a deeper understanding of what life is like living with a brain injury. Plans are underway to make this conference an annual occurrence.

We couldn't have delivered any of these events without support from our partners and supporters, and we are grateful as always for this support that enables us to continue to achieve great things with our members.

This year, we opened a new evening service one day a week. This service provides a new group of members with an opportunity to meet one evening a week between 4 and 8pm in the Headway Centre. Together the group have designed the service and enjoy a range of activities together. For many, the chance to have dinner together, rather than eating alone, makes life much better than it was, and it's lovely to see this new group taking shape and growing in confidence together.

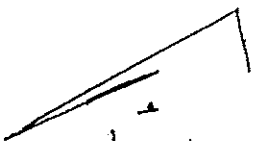
We welcomed our new Finance Director at the start of the year and have made some significant changes to the finance team and systems to enable us to become more efficient, providing more timely financial information to managers and the Board.

We said goodbye to our longest serving trustee, Norman Keen, at our AGM in December. Norman had been involved with Headway East London since it began and has been a huge source of support and knowledge over that time. We will miss him.

We also prepared for our CEO, Anna McEwen, to move on in April 2024 and made plans to recruit her successor.

Our incredible community of members, staff and volunteers have, as always, worked together to ensure a very successful year despite the challenges faced by charities around the country, and showing that Headway East London continues to punch above our weight, delivering first class events based on our principles of co-production and inclusion. We are grateful to be a part of such a wonderfully diverse, passionate, and supportive community.

Glen Hodgson, Chair



3/12/24

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Service/Department highlights

Day Service

This year, the Day Service has been vibrant with activities, enriching the lives of our members and building strong community engagement. A total of 6,540 attendances by 145 Day Service members were achieved. Our dedicated team has been actively coordinating and delivering a variety of group sessions, including a women's group, writing group, music sessions, discussion groups, and many outings. We also played a key role in supporting the Barbican project, by facilitating workshops and ensuring our members could visit and actively engage in the experience. There have been several successful therapeutic groups run by our Therapy Team within the service, attracting a wide range of members in terms of ability, age, ethnicity, and sex.

We successfully implemented an Outcomes system on our database especially designed for our members and service provision. This enables keyworkers to meet with members twice a year for one-on-one reviews. These reviews provide essential feedback to both our team and social services, ensuring that our service remains responsive, and member focused.

We established a new transport contract with the Community Ambulance Service, and we are pleased to welcome Jamal as a regular driver, providing consistency and comfort for our members.

Evening Service

One of the most exciting developments this year has been the launch of our evening service, aimed at reducing the waiting list. Initially starting with 7 members, we have since grown to 11 members, and the service runs weekly from 4-8 p.m. To support this expansion, we also recruited an additional coordinator, both of whom also serve as support workers.

A total of 104 attendances by 12 Evening Service members were achieved.

The group has truly embraced the evening service, taking ownership by deciding together on the activities they enjoy most—art and games being the clear favourites. We also share dinner around a single table, fostering a strong sense of community and belonging.

Submit to Love

In the past year, Submit to Love Studio has achieved significant milestones, including notable exhibitions, collaborations, and artist engagements. Highlights include '*differently various*' at The Curve Gallery in The Barbican, which received a five-star review from The Guardian. All the work on display was created by our members, both in the studio and in other creative groups across the organisation.

Two of our artists held their first solo exhibition at Burgh House, another fantastic opportunity given to the artists of the studio with a significant breadth of work.

The Christmas Open Studio raised £4,240 in art and merchandise sales. These evenings are a collaboration between staff, members and volunteers and are carefully curated to involve as many members' works as possible, ensuring they can show their talents and gain first-hand acknowledgement of their skills.

Kitchen

Highlights of 2023-24 in the Headway Kitchen included: '*differently various*' at The Barbican – catering for the opening event; a Spice Mix workshop and a Food After Brain Injury workshop. The kitchen crew also catered for the Headway East London '*Not Just A Conference*' in October, hosted a Christmas party for Devereux Chambers in December, and a Winter Feast Burns Night in January. We also provided drinks and mince pies for the Submit to Love Open Studio. Due to the Barbican project and associated commitments, the number of Supper Clubs was limited to just two, but these included a particularly memorable Headway Eats in honor a longstanding Tuesday Day Service member. Another big highlight was the Community Celebration Day in August, when we opened the doors to all our members and their families and carers to celebrate 25 years of Headway East London, when the kitchen again catered for everyone.

And, lastly, this year will go down in the Headway Kitchen history as the year of the sausage roll...

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities

Casework

This year, the Casework Service opened the Better Together project at Queens Hospital Romford, which provides early intervention, peer support, advice and advocacy to patients at bedside and their families. This is running each week alongside the continued work at the Royal London Hospital.

We have reopened the Saturday Social support group, under the umbrella of the Casework Service. Once a month, members come and enjoy lunch together as part of a community as well as dedicated slots at each social, where members can book a session with a caseworker who will provide support and advice.

The team continues to reach more people in the community to secure the care and support they need.

CSWS

The Community Support Worker Service has continued to provide stable one-to-one support in our 13-borough community every week of the year.

Recent new assessments and membership involve complex cases with greater collaboration with NHS and community teams.

We have recruited a bank list of cover support workers who are providing cover for planned permanent staff leave and bridging gaps in service allocation due to rota or staff changes. Two of the Support Workers are also working for the Evening Service.

Therapy Service

The Therapy Service is made up of employed staff, associates, volunteers and trainee therapists.

Our Therapy Team uses their expert knowledge of brain injury to help people achieve their potential and live a meaningful life. Our interdisciplinary approach brings together our skills across a range of therapies to give each person what they need in the best way for them. We work with individuals and case managers and can provide medico-legal assessments and reports, as well as providing therapies and support to our services, the brain injury service in Enfield, and exploring areas of research.

As part of the Enfield Brain Injury Service our team offers occupational therapy, physiotherapy; psychotherapy and neuropsychology intervention for Enfield residents who have had a brain injury (excluding a stroke). The team saw 41 Enfield residents for community rehabilitation this year. 95% of rehabilitation goals were achieved or partially achieved.

We have also been working on a pilot research project to investigate health inequalities in our catchment, with a focus on mental health services for brain injury survivors. A service audit found that there were no free to access, stand-alone psychological therapy services available for survivors with a moderate to severe cognitive impairment. This was followed up with a series of focus groups and surveys to understand members' experience of accessing mental health services. Several themes emerged from these highlighting the intersectional barriers brain injury survivors face when trying to access mental health services. These findings were used to apply for a further two-year funding to expand on this work in the coming years.

Fundraising

We want to express our huge thanks to everyone who supported us during the year, particularly our loyal regular givers, and everyone who undertook a fundraising challenge event and those who sponsored them.

We were delighted that the National Lottery Community Fund agreed to fund the Casework Service for five years. BBK renewed their support of Casework which is extremely welcome and Coulthursts funding enabled us to launch Better Together at Queen's Hospital in Romford. All of this gives the Casework service long-term stability and a basis from which to look at expanding and reaching more people out in the community.

We are proud to have received funding under the London Funders Propel initiative, from the City Bridge Foundation. This first year Explore grant supported us to investigate areas of systemic inequity in our catchment and the lack of access to mental health support for people with brain injury (see above in the Therapy Service section). We will build on this work in the future to address this harmful lack in provision.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

The National Lottery Heritage Fund gave a grant for our 25th year, employing a Heritage Manager and Peer Researcher, together with two volunteers, to work on our '*differently various*' Barbican and touring exhibition, and beginning work to set up an archive to capture and preserve our history.

Public Engagement

As mentioned before, our most visible event this year was the '*differently various*' exhibition at The Barbican Curve Gallery. This was a fully coproduced exhibition that was part of the 25 Years of Headway project, generously funded by The National Lottery Heritage Fund. This exhibition was larger than any project we had previously taken on; we filled the entire Curve Gallery in The Barbican. It proved to be a great success not only to highlight the wonderful art from our members, but also to increase awareness of brain injury among the general public.

In order to deliver this project we recruited a project manager and a "peer researcher", which is a role for someone with lived experience of brain injury. Planning began for the Touring Exhibition, a series of mini-exhibitions and events inspired by '*differently various*' that reach all 13 boroughs in our catchment. Exhibition partners are UCLH (Camden), Westminster Town Hall (Westminster), Apple Cart Arts (Newham) and Shoreditch Library (Hackney). And an additional grant was secured from Arts Council England to support the touring exhibition, which will start in April 2024.

Communications

Our Communications team collaborated with the Barbican Press & Marketing team to create a conversation around our '*differently various*' exhibition at The Barbican. There were a number of press articles about the exhibition with members and staff talking on news and radio, most notably on Chanel 4 and BBC news and receiving a 5-star review in The Guardian by Cathy Reay, freelance journalist covering disability, politics and culture.

We supported Headway UK's ABI (Acquired Brain Injury) campaign '*Every 90 Seconds*' with a reach on Instagram of 12,000, and our members featuring in the Headway UK ABI week poster campaign. We also engaged in campaigns for '#SupportCantWait' and '#worldmentalhealthday

HR

At the end of the 2023-24 financial year, Headway East London had an average of 53 employees with a staff turnover of 21.9 % during the year.

During 2023-24, a volunteer with a brain injury worked with the HR department, showing the value of lived experience within our operations and giving us new insight into how HR can support, engage with and create more opportunities for brain injury survivors. As Headway East London relies heavily on volunteers to provide its services, we find that volunteers add value and bring additional skills and experience, which greatly enhances our members' experience.

We rolled out the Health Insurance Scheme "Medicash" to all permanent staff, which has had an enthusiastic uptake among staff. We also rolled out our HR Software "Staffology", which has improved the efficiency of the HR admin processes for managers and staff.

We were immensely proud to be awarded the We Invest In People "IIP" accreditation in August 2023.

Despite the financial challenges of the year 2023-2024 with its sharp inflation and the cost of living crisis, we continue to be a Living Wage Employer, supporting the ideals of the Living Wage Foundation.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Financial Overview – Treasurer

All around the country, the financial climate for charities has continued to be challenging in the year 2023-2024. However, thanks to a focused strategy and careful financial management the charity has managed to deliver all its services, while retaining its financial sustainability. During the year, the charity has carried out a thorough overhaul of its financial systems and processes, so that it feels fully prepared to withstand economic challenges in coming years, and in the budget for the year 2024/2025 the Trustees have made it their highest priority to build healthy reserves and replenish the small unrestricted deficit of this year.

Income was 0.3% above the budgeted income target, with expenditure 3% over budget, which was partly due to inflationary pressure and partly to spending down restricted reserves. The planned deficit for 2023-2024 was £(1,502), and the result was a deficit of £(65,711). However, this figure consists of a £(10,889) deficit in unrestricted funds, and a £(54,822) deficit in restricted funds, as the charity was due to spend down restricted funds that had been kept in reserve. Given the inflationary pressure during the year, the Trustees feel satisfied that this is a relatively positive result.

The total income for the charity was £2,245,307 (2022/2023: £2,005,349), which represents a 12% increase on the previous year; of this, £1,861,770 was unrestricted and £383,537 was restricted. Total expenditure was £2,311,018 (2022/2023: £2,066,733), an increase of 12% on the previous year. Of this, £1,872,659 was unrestricted, and £438,359 was restricted.

Total staff costs were £1,566,581 (2022/2023: £1,449,397), an increase of 8%. The increase in cost is attributable to the formation of a new senior management team, a small cost of living increase for all staff, and an increase in project staff funded by some generous grants.

Additional Information

Structure, Governance & Management

Headway East London is a Charity and Company limited by guarantee. If the Charity must be wound up the Directors of the Company (Trustees of the Charity) would have a maximum liability of £1.

On 31 March 2024 there were 6 Trustees (2022/2023: 8), each with different skills and interests reflecting the needs of the charity. A full skills audit took place during the year, and two more Trustees have been appointed since the writing of this report, bringing the total back to 8. Trustees usually meet four times a year to oversee the running of the charity with an additional meeting for the Annual General Meeting, which took place on 5 December 2023.

The Board was supported by three sub-committees, which meet quarterly online: Finance & Audit, Governance and Creative Committee.

We would like to extend thanks to Norman Keen, Tony Palluotto, Bisila Noha and Pardeep Dhoofer, who stood down as Trustees during the year, for their contribution and input to the work of Headway East London. We welcomed Toby Russell and Tim Sneath, who were appointed as Trustees on the 5th of October and the 5th of December 2023 respectively.

New trustees undergo a comprehensive induction to brief them on the structure and governance of the charity, the organisational strategy, business plan and budget together with recent financial performance, as well as their obligations under the Trustees Code of Conduct. Trustees are also invited to attend in-house training relating to brain injury and to spend time in the Day Service engaging with staff, volunteers and members. Trustees are provided with relevant information from the Charity Commission on a regular basis.

Day to day responsibility for the running of the charity was delegated to the Chief Executive, Anna McEwen, and the senior management team.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Public benefit

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit when reviewing the charity's aims and objectives and in planning future activities. As well as improving the lives of people affected by brain injury, Headway East London provides benefits to the wider public by equipping its members to make a positive contribution to society and through its occupational, training, campaigning and awareness raising activities.

Reserves

The trustees' policy is to maintain unrestricted reserves at a level that allows Headway East London to be managed efficiently, to provide a buffer for interrupted services, to provide for future potential relocation and service development and to cover costs in the event of the charity needing to wind down services due to significant loss of income, and or increases in costs.

The charity's approach in the event of significant income reduction and/or cost escalation would be to anticipate this as far as possible, and to respond by modifying services in a planned way to meet the new situation, while at the same time taking steps to seek alternative sources of funding, and thus continue to provide a sustainable and effective service to as many people as possible.

Robust contingency plans are in place to enable the charity to respond to possible situations, as identified through the risk management process. For example, steps are being taken to respond to the situation when current high demand services will be affected with the likely end of major grants.

This year, the charity has maintained its contingency reserve of £369,600; this is a designated reserve as determined by the Trustees in previous years.

£529,592 of reserves was held on 31 March 2024, a 11% decrease on the previous year. As mentioned before, this is due to inflationary pressure, as well as the spending down of restricted funds that were held in reserve. £490,026 of reserves were unrestricted, of which £369,600 were held in above mentioned designated contingency reserve; and £39,566 of reserves were restricted, which were meant to be spent down in line with funders' intentions.

The Trustees have determined that given the current volatile financial climate, they make it their highest priority in future years' budgets to increase the level of immediately available Free Reserves.

Risk Management

An updated Risk Register is maintained that identifies potential risks and the impact of those risks. The register details the controls in place to mitigate each risk, together with the associated monitoring processes. The risks, control and monitoring procedures are reviewed and reassessed regularly by the Senior Management Team. Areas of potential improvement are identified and timetables for action implemented. The Risk Matrix can be added to at any time and is reviewed by the Board of Trustees regularly. The Finance and Audit Committee has responsibility for monitoring the financial risk areas, identifying new risks and proposing amendments as necessary. The Governance committee has responsibility for monitoring other governance risks, including issues such as safeguarding, health and safety, and data protection.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Fundraising Statement

Headway East London employs staff to carry out fundraising duties. The charity did not employ external professional fundraisers or undertake commercial fundraising activities. Headway East London is registered with the Fundraising Regulator and adheres to and fully supports the Code of Fundraising Practice standards and values; Legal, Open, Honest, and Respectful. When supporters undertake sponsored events or fundraise on the charity's behalf on a voluntary basis, and this is known to the charity, they are encouraged to register with a compliant third-party donation processing supplier or to give directly through the website. The charity provides supporters with information to comply with standards on seeking and handling donations.

The safeguarding policy and processes of Headway East London ensure that safeguards and measures are in place to reduce the likelihood of abuse taking place within its services, including its fundraising activities, and to protect vulnerable supporters from undue pressure, unreasonable intrusion, and unreasonably persistent behaviour in connection with any fundraising activity. All staff, including fundraisers, undergo full induction and receive ongoing training in relation to safeguarding people at risk. The charity's complaints procedure is available on its website and at the premises, and applies to funders, supporters, and anyone who encounters Headway East London. In 2023-24 the charity received no complaints from donors or supporters, and none were reported directly to the Fundraising Regulator.

Trustees' Responsibilities Statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Significant Challenges and Opportunities

Statutory Funding:

Local authorities have a statutory duty to provide support to people who have an assessed need under the Care Act 2014. There are no other specialist brain injury support providers in our area and so we have a significant waiting list for our services. These services are charged at true cost, and each year they are increased by the necessary percentage.

Awareness & Brand Recognition:

We have continued to raise awareness and build our brand as an organisation through our social media presence, developing relationships across the social care and brain injury sectors and getting back out into the world post-Covid with members and finding opportunities for members to tell their stories. The campaign for, and subsequent development of, an ABI strategy has given us opportunity and recognition with the Department of Health and Social Care that we've not had previously. Our new strategy has a big focus on awareness raising over the next five years.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

P Dhoofer	(Resigned 29 February 2024)
S Edwards	
G Hodgson (Chair)	
N Keen	(Resigned 8 December 2023)
A Kershberg	
B Noha	(Resigned 29 February 2024)
A Palluotto	(Resigned 8 December 2023)
P Stanford	
T Russell	(Appointed 5 October 2023)
T Sneath	(Appointed 5 December 2023)
M Samwell	(Appointed 19 September 2024)
S Hayward	(Appointed 19 September 2024)

Auditor

In accordance with the charity's articles, a resolution proposing that BK Plus Audit Limited, successor firm to Haines Watts High Wycombe Limited, be reappointed as auditor of the charity will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



.....
T Russell
Trustee

Date: 3/12/2024

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HEADWAY EAST LONDON

Opinion

We have audited the financial statements of Headway East London (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEADWAY EAST LONDON

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to the extent to which the audit was considered capable of detecting irregularities, including fraud

During the audit we identify and assess the risk of material misstatements of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud and error; and to respond appropriately to those risks.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: the Companies Act 2006, the Charities Act 2011, UK GAAP and the Data Protection Act.
- We obtained an understanding of how the charity is complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations.
- We corroborated our enquiries through our review of Board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies and also obtained management representations regarding compliance with applicable laws and regulations.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEADWAY EAST LONDON

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

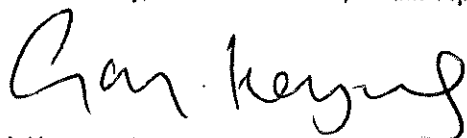
- Identifying and assessing the controls, management has in place to prevent and detect fraud, including the existence of supervisory controls;
- Challenging assumptions and judgements made by management in its significant accounting estimates and judgements (in particular in relation to depreciation);
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- Assessing the extent of compliance with the relevant laws and regulations.

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

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

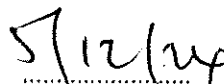
Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Gary A Heywood (Senior Statutory Auditor)
for and on behalf of Haines Watts High Wycombe Limited

Statutory Auditor



Oakingham House
Frederick Place
High Wycombe
Buckinghamshire
HP11 1JU

HEADWAY EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

Current financial year

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
	Notes				
<u>Income from:</u>					
Donations and legacies	3	96,426	383,537	479,963	369,276
Charitable activities	4	1,748,461	-	1,748,461	1,612,978
Other trading activities	5	13,708	-	13,708	20,706
Investments	6	3,175	-	3,175	2,389
Total income		1,861,770	383,537	2,245,307	2,005,349
<u>Expenditure on:</u>					
Raising funds	7	154,405	-	154,405	133,589
Charitable activities	8	1,718,254	438,359	2,156,613	1,933,144
Total expenditure		1,872,659	438,359	2,311,018	2,066,733
Net expenditure for the year/ Net movement in funds		(10,889)	(54,822)	(65,711)	(61,384)
Fund balances at 1 April 2023		500,915	94,388	595,303	656,687
Fund balances at 31 March 2024		490,026	39,566	529,592	595,303

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HEADWAY EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	121,578	247,698	369,276
Charitable activities	4	1,463,101	149,877	1,612,978
Other trading activities	5	20,706	-	20,706
Investments	6	2,389	-	2,389
Total income		1,607,774	397,575	2,005,349
<u>Expenditure on:</u>				
Raising funds	7	133,589	-	133,589
Charitable activities	8	1,460,384	472,760	1,933,144
Total expenditure		1,593,973	472,760	2,066,733
Net expenditure for the year/ Net movement in funds		13,801	(75,185)	(61,384)
Fund balances at 1 April 2022		487,114	169,573	656,687
Fund balances at 31 March 2023		500,915	94,388	595,303

HEADWAY EAST LONDON

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	15		81,706		96,001
Current assets					
Debtors	16	350,979		223,175	
Cash at bank and in hand		290,247		391,989	
		<u>641,226</u>		<u>615,164</u>	
Creditors: amounts falling due within one year	17	<u>(193,340)</u>		<u>(115,862)</u>	
Net current assets			<u>447,886</u>		<u>499,302</u>
Total assets less current liabilities			<u>529,592</u>		<u>595,303</u>
Income funds					
Restricted funds			39,566		94,388
Unrestricted funds			490,026		500,915
			<u>529,592</u>		<u>595,303</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The financial statements were approved by the Trustees on DECEMBER 3 2024

G Hodgson (Chair)
Trustee

Company registration number 03998925

HEADWAY EAST LONDON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(97,280)		(152,696)
Investing activities					
Purchase of tangible fixed assets		(7,637)		-	
Investment income received		3,175		2,389	
Net cash (used in)/generated from investing activities			(4,462)		2,389
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(101,742)		(150,307)
Cash and cash equivalents at beginning of year			391,989		542,296
Cash and cash equivalents at end of year			290,247		391,989

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity Information

Headway East London is a private company limited by guarantee incorporated in England and Wales. The registered office is Bradbury House Timber Wharf, 238-240 Kingsland Road, London, E2 8AX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Over the life of the lease
Plant and equipment	25% straight line
Fixtures and fittings	25% straight line
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations and gifts	58,892	-	58,892	51,037	-	51,037
Grants	4,820	383,537	388,357	4,950	247,698	252,648
Other	32,714	-	32,714	65,591	-	65,591
	<u>96,426</u>	<u>383,537</u>	<u>479,963</u>	<u>121,578</u>	<u>247,698</u>	<u>369,276</u>

4 Charitable activities

For the year ended 31 March 2024

	Fee income	Transport income	CSW services	Therapies	Total 2024	Total 2023
	2024	2024	2024	2024		
	£	£	£	£	£	£
Sales within charitable activities	<u>1,091,212</u>	<u>217,316</u>	<u>311,579</u>	<u>128,354</u>	<u>1,748,461</u>	<u>1,612,978</u>
Analysis by fund						
Unrestricted funds	1,091,212	217,316	311,579	128,354	1,748,461	1,463,101
Restricted funds	-	-	-	-	-	149,877
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,877</u>

For the year ended 31 March 2023

	Fee income	Transport income	CSW services	Therapies	Total 2023
	£	£	£	£	£
Sales within charitable activities	<u>978,138</u>	<u>189,065</u>	<u>272,475</u>	<u>173,300</u>	<u>1,612,978</u>
Analysis by fund					
Unrestricted funds	978,138	189,065	272,475	23,423	1,463,101
Restricted funds	-	-	-	149,877	149,877
	<u>978,138</u>	<u>189,065</u>	<u>272,475</u>	<u>173,300</u>	<u>1,612,978</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising events	13,708	20,706

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	3,175	2,389

7 Raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
<u>Fundraising and publicity</u>	51,544	41,546
Membership schemes and social lotteries	102,861	92,043
Staff costs		
Fundraising and publicity	154,405	133,589

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

8 Expenditure on charitable activities

	Charitable expenditure 2024 £	Charitable expenditure 2023 £
Direct costs		
Staff costs	1,274,310	931,585
Contractors	69,705	68,816
Premises costs	243,421	152,329
Members' transport	209,185	158,478
Volunteers' expenses	-	1,102
Communication expenses	30,579	30,161
Other expenses	15,101	25,681
Members' activities	13,356	32,388
Depreciation	9,563	20,377
	<u>1,865,220</u>	<u>1,420,917</u>
Share of support and governance costs (see note 9)		
Support	249,744	424,893
Governance	41,649	87,334
	<u>2,156,613</u>	<u>1,933,144</u>
Analysis by fund		
Unrestricted funds	1,718,254	1,460,384
Restricted funds	438,359	472,760
	<u>2,156,613</u>	<u>1,933,144</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Support costs allocated to activities

	Support costs £	Governance costs £	2024 £	Support costs £	Governance costs £	2023 £
Staff costs	153,621	35,789	189,410	384,699	41,070	425,769
Depreciation	12,369	-	12,369	-	-	-
Communication expenses	6,219	-	6,219	-	-	-
Legal and professional	22,893	-	22,893	-	34,735	34,735
Other office expenses	25,013	-	25,013	-	-	-
Premises costs	29,629	85	29,714	40,194	6,029	46,223
Audit fees	-	5,775	5,775	-	5,500	5,500
	<u>249,744</u>	<u>41,649</u>	<u>291,393</u>	<u>424,893</u>	<u>87,334</u>	<u>512,227</u>
Analysed between:						
Charitable activities	<u>249,744</u>	<u>41,649</u>	<u>291,393</u>	<u>424,893</u>	<u>87,334</u>	<u>512,227</u>
	<u>249,744</u>	<u>41,649</u>	<u>291,393</u>	<u>424,893</u>	<u>87,334</u>	<u>512,227</u>

10 Net movement in funds

The net movement in funds is stated after charging/(crediting):

Fees payable to the charity's auditor:

- for the audit of the charity's financial statements

- for other financial services

Depreciation of owned tangible fixed assets

2024
£

5,775
1,350
21,932

2023
£

5,500
1,250
20,377

11 Auditor's remuneration

Fees payable to the charity's auditor and associates:

For audit services

Audit of the financial statements of the charity

For other services

All other non-audit services

2024
£

5,775

1,350

2023
£

5,500

1,250

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

13 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Part-time	30	24
Full-time	20	25
Casual	3	6
Total	53	55

Employment costs

	2024 £	2023 £
Wages and salaries	1,351,142	1,199,013
Social security costs	117,648	177,599
Other pension costs	93,664	70,185
	1,562,454	1,446,797

The average number of full time equivalent employees for the year was 27 (2023: 32).

The number of employees whose annual remuneration was more than £60,000 is as follows:

2024 Number	2023 Number
1	1

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2023	380,876	64,216	12,059	48,496	505,647
Additions	-	7,637	-	-	7,637
At 31 March 2024	380,876	71,853	12,059	48,496	513,284
Depreciation and impairment					
At 1 April 2023	300,678	56,786	12,059	40,123	409,646
Depreciation charged in the year	14,581	3,779	-	3,572	21,932
At 31 March 2024	315,259	60,565	12,059	43,695	431,578
Carrying amount					
At 31 March 2024	65,617	11,288	-	4,801	81,706
At 31 March 2023	80,198	7,430	-	8,373	96,001

16 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	118,593	112,571
Other debtors	17,500	17,519
Prepayments and accrued income	214,886	93,085
	350,979	223,175

17 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	28,088	24,467
Trade creditors	93,129	74,955
Other creditors	2,904	4,633
Accruals and deferred income	69,219	11,807
	193,340	115,862

18 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	93,664	70,185

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Retirement benefit schemes

(Continued)

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	500,915	1,861,770	(1,872,659)	490,026
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	487,114	1,607,774	(1,593,973)	500,915

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

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HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	90,000	90,000
Between two and five years	264,167	354,167
	<u>354,167</u>	<u>444,167</u>

22 Related party transactions

The charity received donations from its trustees and other related parties during the year which totalled £180 (2023: £810)

23 Cash generated from operations

	2024 £	2023 £
Deficit for the year	(65,711)	(61,384)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,175)	(2,389)
Depreciation and impairment of tangible fixed assets	21,932	20,377
Movements in working capital:		
(Increase) in debtors	(127,804)	(25,824)
Increase/(decrease) in creditors	77,478	(83,476)
Cash absorbed by operations	<u>(97,280)</u>	<u>(152,696)</u>

Accounts

Charity registration number 1083910

Company registration number 03998925 (England and Wales)

HEADWAY EAST LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

HEADWAY EAST LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

P Dhoofer
S Edwards (Appointed 9 March 2023)
G Hodgson (Chair)
N Keen
A Kershberg
B Noha
A Palluotto
P Stanford (Appointed 29 September 2022)

Secretary

A McEwen

Charity number

1083910

Company number

03998925

Registered office

Bradbury House Timber Wharf
238-240 Kingsland Road
London
E2 8AX

Auditor

Haines Watts High Wycombe Limited
Oakingham House
Frederick Place
High Wycombe
Buckinghamshire
HP11 1JU

HEADWAY EAST LONDON

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HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Why we're here

Hello, we're Headway East London. We're here to support people in our city affected by brain injury.

Each year in the capital, tens of thousands of people are admitted to hospital with a brain injury. This might be the result of an illness like meningitis, stroke, or head trauma.

Brain injury can have a significant impact on the life of the individual and those closest to them. For many, it becomes a long-term condition which requires long-term support.

Headway East London was founded in 1997, and opened its doors to members* one year later. To begin with, we just worked in Hackney, but we've grown significantly and today help people from across 13 London boroughs.

In the year 2022-2023 we supported over 800 brain injury survivors, family members and carers. Over the next five years, we've got ambitions to reach more people than ever before.

*we call people who use our services members

What we do

We combine expertise to do things a little differently.

Brain injury is complicated. It affects people in lots of different ways, and not all of them are visible. In fact, brain injury is often referred to as a hidden disability.

In many cases, people with a brain injury are offered generic support for a physical disability, which makes only a limited difference. This not only represents poor value for money for commissioners, but it can also lead to a deterioration in health, wellbeing and relationships; requiring additional intervention for both survivors and their families.

At Headway East London, we offer services specifically tailored to the needs of people affected by brain injury. Most importantly and uniquely, we always work in partnership with those we support. We know our members are experts in their own injury and needs; that only they can tell us what is most important to them. We combine this expertise with our own, empowering people affected by brain injury to explore new identities; developing new skills and interests along the way.

How we work

We understand and support the whole person.

We believe in the power of connection and creativity to create better futures for those affected by brain injury. Our holistic approach means that projects are co-produced in response to members' needs, desires and ambitions, whilst the breadth of our work reflects the diversity of Headway East London's community.

Our art studio – Submit to Love – provides a means of discovery and expression, whilst our Kitchen Project encourages people to work together on a shared goal. Weekly dance, music, writing and exercise groups provide several ways for members to gain skills, share stories and find agency in their own journey. Meanwhile, partnerships with leading organisations celebrate our members' work and talents on a national stage.

All of this sits alongside our established day services, neurological therapies, community support and casework and advocacy services. We take a responsive approach, so that members can access the support and projects they feel will most benefit and interest them.

Who we are

We are one big team

At Headway East London, members, staff and volunteers talk about feeling part of one community in which every person is valued and respected. We're all equal partners, combining our collective experiences to make a difference.

Members have a feeling of belonging and can be themselves, or find themselves again. Since many of our volunteers have personal experience of brain injury, they also bring invaluable insight to our work. Decisions and ideas are shared, and we place a strong emphasis on peer support in all that we do.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Each day we come together to discover what's meaningful in life; forging friendships and connections along the way. While we have ambitious plans to grow, we are dedicated to maintaining this philosophy and community. It's what makes us so special.

Why it matters

Our work is important – to people affected by brain injury, their families, and communities they live in.

The impact of brain injury on someone's life can be severe. We help people to not only navigate this unimaginable experience, but move towards a place where they can meet their potential and thrive. At the same time, we also reduce pressure on non-specialist services and ensure public money is spent more effectively. Every person we support should be able to live the life they want, without facing marginalisation and lack of understanding. That doesn't only affect our members: it benefits entire communities and health and social care economies. Together we can discover new ways of looking at the world, and ensuring it is accessible to everyone.

The Future

We've got big plans

We've got ambitious plans for the next five years. We want to be the leading brain injury organisation in London providing high quality, innovative specialist support, and to have a strong voice across the health and social care sector. We also want to create more opportunities for our members to share their contributions and talents, and to interrogate what true collaboration looks like in the process.

There is no shortage of people who would benefit from our help. In 2016/17, the most recent year for which data is publicly available, almost 40,000 people were admitted to a London hospital with an acquired brain injury. That was a 15% increase over the 10 years to that point.

Our aims for 2022-2026 are to:

- **Help more people than ever before;** we want to double the number of people we reach each year across London to 1,500 by 2026.
- Provide **new innovative and creative ways** of supporting brain injury survivors, and different opportunities for people to connect with us.
- Continue to **fight for equity** for brain injury survivors and develop our social justice voice, raising awareness of the impact of brain injury.
- Make sure that everyone at Headway East London enjoys their role and feels they are **contributing towards the same goal**.

Objectives and activities

Our mission

We empower our community of brain injury survivors and their families to imagine new possibilities—ones filled with creativity, embracing diversity and backed by specialist support.

Our vision

A world which is accessible to them, and where their contributions are valued and celebrated.

Our principles

- **Coproduction:** Members are at the centre of everything we do; they are actively involved in designing new projects, developing new ideas and helping to make decisions at all levels.
- **Equity, diversity and inclusion:** We are committed to valuing every person as an individual and ensuring that our members, staff and volunteers do not experience discrimination at Headway East London. We will continue to work hard and create space for these conversations with everyone involved in the organisation.
- **Sustainability:** We want to be around for the long term, to support survivors of brain injury now and in the future. To do this we will make sure our systems and processes are efficient and effective to support our work, and work hard to make sure our financial position remains positive. We care about broader sustainability too. That's why we're committed to cutting our carbon footprint, including through reducing our dependence on non-renewable energy sources.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

A message from our CEO and Chair

We started the year by launching our new co-produced strategy in May 2022 with four ambitious strategic aims to focus on over the next 5 years:

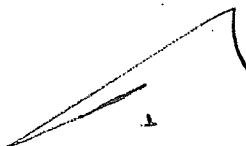
- Help more people than ever before; we want to double the number of people we reach each year across London to 1,500 by 2026
- Provide new innovative and creative ways of supporting brain injury survivors, and different opportunities for people to connect with us
- Continue to fight for equity for brain injury survivors and develop our social justice voice; raising awareness of the impact of brain injury and our work
- Make sure that everyone at Headway East London enjoys their role and feels they are contributing towards the same goal.

After a couple of hard years through the pandemic, Headway East London has had a really good year with lots of positive outcomes despite the cost of living crisis and energy price hikes, which have impacted our operations and continue to challenge our financial sustainability. Despite full cost recovery within our Day Service, and a struggle to achieve this for other service areas and fundraising, which continues to be a challenge, we have retained our financial sustainability. This has resulted in a deficit position at the end of the year. As always our staff are our biggest asset, providing excellent quality support to our members with passion and commitment through difficult times. Many have been greatly affected by the cost of living crisis, and as a result we introduced some new benefits for staff, including free lunches and a health insurance scheme to support staff with additional costs. A successful awareness raising event called "See The Hidden Me" was held for health and social care professionals during Acquired Brain Injury Week, and received great feedback, with attendees saying that they finally understood what it means to live with a brain injury after hearing directly from our members.

We were excited to contribute to the government's Acquired Brain Injury Strategy in a number of ways, including holding a focus group with Department for Health & Social Care officials at our centre, responding to the call for evidence and presenting at an away day for their staff about our Better Together hospital project. We look forward to the launch of the strategy in autumn 2023. Positive changes were made to our operations, including moving our community support workers to permanent contracts to provide more stability for staff and members, and implementing new finance and HR software to help make us more efficient. We carried out an external HR audit to review all job descriptions and benchmark against the wider sector. We looked forward to our 25th Anniversary year in 2023 and set up a birthday committee involving members, volunteers, staff and trustees to plan a year of activities and events. We were delighted to end the year with our Not Just a Gala Dinner event in March 2023, which was a wonderful celebration of food, music and art in true Headway East London style. As ever, we are grateful to our funders, incredible volunteers who give their time and commitment to add so much value to what we do, and our wonderful staff team for all the energy, ideas and positivity they bring every day which help us to provide the best possible support to our members.



Anna McEwen, CEO



Glen Hodgson, Chair

Date:

5/12/23

5 DECEMBER 2023

Date:

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Service Update

The services at Headway East London are going strong and together support over 800 individuals affected by brain injury each year.

Our **Community Support Workers** moved from casual to fixed-term contracts in July 2022, giving these valued members of staff the same rights and rewards as staff from other services. This has been a positive move forward and has increased staff job security, and more consistent support for our members, which we know is essential in supporting people with lived experience of brain injury.

Our **Therapy Team** continues to offer support to members of our Day Service, as well as private therapy sessions and a successful contract with North Central London Integrated Care Board (NCLICB) offering a brain injury specific rehab pathway in Enfield. They also offer clinical support and advice to all our services to ensure the best possible outcomes for our members.

Our **Day Service** continues to thrive and remains the hub of our service on Kingsland Road in Hackney. The service is now in full swing following the pandemic and is offering more activities and support than ever before. **Submit to Love Studios**, the **Kitchen** and **Music Projects** are going from strength to strength, and engage our members in purposeful activity with opportunities for members to receive direct feedback from the public about the skills and talents they put out into the community.

The **Casework Team** has continued to support the important early intervention work through the Better Together Project at the Royal London Hospital – supporting people before discharge to understand their rights and how to navigate systems, such as accessing benefits, housing and ongoing health and social care. Caseworkers also support members of our community with advice, advocacy, and signposting as well as running monthly Support Groups at our base in Hackney and in Romford.

Looking forward...

There are exciting plans to increase the membership of our **Community Support Worker Service** to meet the significant needs in our catchment area. We are working hard to make this service as beneficial as possible for our members and hope to develop a Community Connector role for the service in the future.

We want to expand on what our **Therapy Team** has to offer, and the specialist support they provide to our membership. Over the next year we will be exploring unmet needs in our area and make a plan of how our experienced team can help to meet those needs.

Due to the large waiting list for our **Day Service** and a limit on capacity in our current premises, we are looking to launch an **Evening Service** in the next year, to reach more people and cut down the waiting times for support. This Service will combine the experience we have gathered over 25 years, alongside new exciting ideas put forward by the members.

We have been focusing on fundraising for a new phase for the **Casework Team**, taking what they already do with the Better Together Project and replicating this in more hospitals in our catchment, as well as moving into new areas, such as supporting people in prisons and with experience of domestic abuse.

We are excited for what is to come and will continue to support people with lived experience of brain injury in every way we can.

Financial Overview – Treasurer

After two years of pandemic, we had hoped that our re-emergence into full action this year would have given some financial relief, however the financial year 2022-2023 has provided us with its own challenges, adding inflationary pressure to ongoing limited resources and funding constraints. Despite this, with a focused strategy and careful financial management, the charity has managed to deliver a great number of services and retain its financial sustainability.

Income was down 5.6% on the budgeted income target, with expenditure down 2% on budget. The planned surplus for 2022-2023 was £8,503, but there was an actual deficit of £61,384, down £98,877. However, this figure hides a surplus in unrestricted funds of £13,801, up £51,435. This stands against a £(75,185) deficit in restricted funds, down £150,312, showing how we spent down previously donated funds after project delays due to Covid-19.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The total income for the charity was £2,005,349 (2021/2022: £1,883,656), which represents a 6.5% increase on the previous year; of this, £397,575 was restricted and £1,607,774 was unrestricted. Total expenditure was £2,066,733 (2021/2022: £1,846,162), an increase of 11.9% on the previous year. Of this, £1,593,973 was unrestricted, and £472,760 was restricted.

Total staff costs were £1,446,797 (2021/2022: £1,414,920), an increase of 2.3%. However, this is still £75,061 or 5% below what was budgeted. The increase in cost is attributable to the formation of a new senior management team, a 3% cost of living increase, and resuming full capacity after the Covid-19 pandemic. The fact that the cost was still lower than budgeted was due to the difficulty of filling all staff positions; we expect this issue to be resolved by the year 2023/2024.

Raising Money

Whilst a large proportion of our income is derived from service incomes, we rely on fundraising from our community and supporters to bridge the gap between fees income and all the services we want to provide for our members. It was another challenging year in the fundraising environment, and we are very grateful for the continued support of our corporate, trust, Headway Friends, and community supporters to see us through, putting us in a strong position for future growth.

Our fundraising streams were split into: Grants £207,698, Corporate £126,974, Individuals £15,841, Art £6,338, Community, £11,808, Supper Club £1,735, Winter Feast £2,670, Merchandise £6,301 and Gift Aid £4,458.

Fundraising Highlights

We are grateful to everyone who supports us through donations and especially our wonderful Friends who make regular gifts. This is so important for us to continue to provide the community, activities and all the support that our members rely upon.

Individual donors and supporters

We were fortunate to benefit from superb efforts during the year from supporters who undertook sponsored challenge events, notably Alex Sensier, who undertook 10 events in memory of his father Alan.

We successfully completed a second year of The Big Give – a match funded fundraising campaign to support the Kitchen Project. Our community generously supported the campaign, increasing our total on 2022 to £5,600.

Events

We kicked off our 25th Birthday celebrations with our Not Just A Gala Dinner, kindly sponsored by Irwin Mitchell solicitors. Held in The Tab centre in Shoreditch, the evening was attended by 120 guests and members, who enjoyed a delicious dinner prepared by members, kitchen staff and volunteer chef Rachel Dick from the Towpath Café. Guests were entertained and moved by inspiring performances from the Headway Band, together with Nordorff and Robbins Community Choir. A Q&A with artist Sam Jevon capped off an unforgettable evening, full of Headway magic. On top of this we made £11,000 to support our work!

Grants

We receive incredible support from trusts and foundations and are especially grateful to:

- Arts Council England's Let's Create funding to deliver an exhibition at Rich Mix
- Garfield Weston Foundation's continued support of our Community Support Worker service
- The long-term support of the Worshipful Company of Fan Makers
- National Heritage Lottery Fund for a programme to document and celebrate 25 years of Headway East London (work to begin in 2023-24)
- Osbornes Law's sponsorship of our new website and translated information leaflets
- BBK's continued support our Better Together project at the Royal London Hospital

Thank you to all our supporters, we are so grateful to you for your generosity!

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

P Dhoofer	
S Edwards	(Appointed 9 March 2023)
G Hodgson (Chair)	
N Keen	
A Kershberg	
B Noha	
A Palluotto	
P Stanford	(Appointed 29 September 2022)
S Griggs	(Resigned 8 December 2022)
L Lodwick	(Resigned 16 August 2022)

Supporters

- Arts Council - Let's Create
- BBK
- East End Community Foundation
- Felix Project
- French Connection
- Garfield Weston Foundation
- Golsoncott Trust
- Hospital Saturday Fund
- Irwin Mitchell
- John Lewis
- Joseph Strong Frazer Trust
- LSE Student Union
- RAG M&G PLC
- National Lottery Heritage Fund
- Nordoff & Robbins
- Osbornes Law
- Peter Stebbings Memorial Trust
- Radcliffe Trust
- Rathbones
- Sir Jules Thorn Charitable Trust
- The Big Give / Reed Foundation
- Worshipful Company of Fan Makers

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Additional Information

Structure, Governance & Management

Headway East London is a Charity and Company limited by guarantee. If the Charity must be wound up the Directors of the Company (Trustees of the Charity) would have a maximum liability of £1.

On 31 March 2022 there were 8 Trustees, each with different skills and interests reflecting the needs of the charity. A full skills audit took place during the year. Trustees usually meet four times a year to oversee the running of the charity with an additional meeting for the Annual General Meeting, which took place on 8 December 2022.

The Board was supported by three sub-committees, which meet quarterly online: Finance & Audit, Governance and Creative Committee. A trustee strategy working group also met during the development of our new strategy.

We would like to extend thanks to Sarah Griggs and Leila Lodwick, who stood down as Trustees during the year, for their contribution and input to the work of Headway East London. We welcomed Stephanie Edwards and Paula Stanford, who were appointed as Trustees on the 9th of March 2023 and 29th of September 2022 respectively.

New trustees undergo a comprehensive induction to brief them on the structure and governance of the charity, the organisational strategy, business plan and budget together with recent financial performance, as well as their obligations under the Trustees Code of Conduct. Trustees are also invited to attend in-house training relating to brain injury and to spend time in the Day Service engaging with staff, volunteers and members. Trustees are provided with relevant information from the Charity Commission on a regular basis.

Day to day responsibility for the running of the charity was delegated to the Chief Executive, Anna McEwen, and the senior management team.

Public benefit

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit when reviewing the charity's aims and objectives and in planning future activities. As well as improving the lives of people affected by brain injury, Headway East London provides benefits to the wider public by equipping its members to make a positive contribution to society and through its occupational, training, campaigning and awareness raising activities.

Reserves

The trustees' policy is to maintain unrestricted reserves at a level that allows Headway East London to be managed efficiently, to provide a buffer for interrupted services, to provide for future potential relocation and service development and to cover costs in the event of the charity needing to wind down services due to significant loss of income, and or increases in costs.

The charity's approach in the event of significant income reduction and/or cost escalation would be to anticipate this as far as possible, and to respond by modifying services in a planned way to meet the new situation, while at the same time taking steps to seek alternative sources of funding, and thus continue to provide a sustainable and effective service to as many people as possible.

After a review in the year 2021-2022 of the level of funds required to be allocated to a contingency reserve, we had determined that the minimum amount will be set at £369,600 and we have retained that level this year.

Robust contingency plans are in place to enable the charity to respond to possible situations, as identified through the risk management process. For example, steps are being taken to respond to the situation when current high demand services will be affected with the likely end of major grants.

£595,303 of reserves was held, as at 31 March 2023, a decrease from £656,687 as at 31 March 2022. £94,388 of reserves is restricted. £369,600 of unrestricted reserves is held in a contingency reserve; £54,306 of unrestricted reserves is fixed assets. There is £77,009 of available free reserves. The trustees have agreed to set aside the full amount of £77,009 of free reserves as a provision for increased costs and the inflationary headwinds anticipated in 23-24.

Staffing and Volunteers

At the end of the 2022-23 financial year Headway East London had 54 employees with a staff turnover of 31% during the year. We rely heavily on volunteers to provide our services, add value and bring additional skills and experience to enhance our members' experience in all our services.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

During 2022-23 we had a total of 35 volunteers, 14 of whom were brain injury survivors. We also had 1 student therapist placement and 2 therapist volunteers, providing counselling, art therapy and craniosacral therapy as part of our neurological therapy team. All our staff and volunteers continue to be an incredibly dedicated team who work with passion and enthusiasm for the benefit of brain injury survivors and their families.

Risk Management

An updated Risk Register is maintained that identifies potential risks and the impact of those risks. The register details the controls in place to mitigate each risk, together with the associated monitoring processes. The risks, control and monitoring procedures are reviewed and reassessed regularly by the Senior Management Team. Areas of potential improvement are identified and timetables for action implemented. The Risk Matrix can be added to at any time and is reviewed by the Board of Trustees regularly. The Finance and Audit Committee has responsibility for monitoring the financial risk areas, identifying new risks and proposing amendments as necessary. The Governance committee has responsibility for monitoring other governance risks, including issues such as safeguarding, health and safety, and data protection.

Fundraising Statement

Headway East London's fundraising is carried out by in-house employed staff. We do not use third party fundraising organisations and the only fundraising conducted outside our organisation is by individual supporters undertaking sponsored events. We protect potentially vulnerable and at-risk supporters by following our Ethical Fundraising & Acceptance of Donations and Safeguarding policy and procedures, backed up by regular mandatory refresher training. We received no complaints about fundraising during the year.

Trustees' Responsibilities Statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Significant Challenges and Opportunities

Statutory Funding

Local authorities have a statutory duty to provide to people who have an assessed need under the Care Act 2014. There are no other specialist brain injury support providers in our area and so we have a significant waiting list for our services. Trustees made a decision in 2021 that we can no longer subsidise statutory services with charitable funds. In 2021/22, we did some detailed work on our costings for our day service and community support work service so that we can ensure we are charging local authorities the true costs of the services. We have started to charge our Day Service and Community Support Work Service at true cost in the year 2022-2023.

Awareness & Brand Recognition:

We have continued to raise awareness and build our brand as an organisation through our social media presence, developing relationships across the social care and brain injury sectors and getting back out into the world post-Covid with members and finding opportunities for members to tell their stories. The campaign for, and subsequent development of, an ABI strategy has given us opportunity and recognition with the Department of Health and Social Care that we've not had previously. Our new strategy has a big focus on awareness raising over the next five years.

Auditor

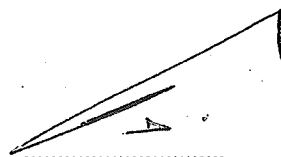
Haines Watts High Wycombe Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



P Dhoofer
Trustee

Date: 5/12/23



G Hodgson (Chair)
Trustee

5/12/23

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HEADWAY EAST LONDON

Opinion

We have audited the financial statements of Headway East London (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEADWAY EAST LONDON

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Explanation as to the extent to which the audit was considered capable of detecting irregularities, including fraud

During the audit we identify and assess the risk of material misstatements of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud and error; and to respond appropriately to those risks.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: the Companies Act 2006, the Charities Act 2011, UK GAAP and the Data Protection Act.
- We obtained an understanding of how the charity is complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations.
- We corroborated our enquiries through our review of Board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies and also obtained management representations regarding compliance with applicable laws and regulations.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HEADWAY EAST LONDON

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

- Identifying and assessing the controls, management has in place to prevent and detect fraud, including the existence of supervisory controls;
- Challenging assumptions and judgements made by management in its significant accounting estimates and judgements (in particular in relation to depreciation);
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- Assessing the extent of compliance with the relevant laws and regulations.

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Gary A Heywood (Senior Statutory Auditor)
for and on behalf of Haines Watts High Wycombe Limited

15/12/2023.....

Chartered Accountants
Statutory Auditor

Oakingham House
Frederick Place
High Wycombe
Buckinghamshire
HP11 1JU

HEADWAY EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	3	121,578	247,698	369,276	415,518
Charitable activities	4	1,463,101	149,877	1,612,978	1,453,342
Other trading activities	5	20,706	-	20,706	14,764
Investments	6	2,389	-	2,389	32
Total income		1,607,774	397,575	2,005,349	1,883,656
Expenditure on:					
Raising funds	7	133,589	-	133,589	91,885
Charitable activities	8	1,460,384	472,760	1,933,144	1,754,277
Total expenditure		1,593,973	472,760	2,066,733	1,846,162
Net income/(expenditure) for the year/ Net movement in funds		13,801	(75,185)	(61,384)	37,494
Fund balances at 1 April 2022		487,114	169,573	656,687	619,193
Fund balances at 31 March 2023		500,915	94,388	595,303	656,687

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HEADWAY EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes			
<u>Income from:</u>				
Donations and legacies	3	111,322	304,196	415,518
Charitable activities	4	1,352,099	101,243	1,453,342
Other trading activities	5	14,764	-	14,764
Investments	6	32	-	32
Total income		1,478,217	405,439	1,883,656
<u>Expenditure on:</u>				
Raising funds	7	91,885	-	91,885
Charitable activities	8	1,423,965	330,312	1,754,277
Total expenditure		1,515,850	330,312	1,846,162
Net (expenditure)/income for the year/ Net movement in funds		(37,633)	75,127	37,494
Fund balances at 1 April 2021		524,747	94,446	619,193
Fund balances at 31 March 2022		487,114	169,573	656,687

HEADWAY EAST LONDON

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		96,001		116,378
Current assets					
Debtors	14	223,175		197,351	
Cash at bank and in hand		391,989		542,296	
		615,164		739,647	
Creditors: amounts falling due within one year	15	(115,862)		(199,338)	
Net current assets			499,302		540,309
Total assets less current liabilities			595,303		656,687
Income funds					
Restricted funds	17		94,388		169,573
Unrestricted funds			500,915		487,114
			595,303		656,687

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The financial statements were approved by the Trustees on 5 DECEMBER 2023

G Hodgson (Chair)
Trustee

Company registration number 03998925

HEADWAY EAST LONDON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	21		(152,696)		(6,538)
Investing activities					
Purchase of tangible fixed assets		-		(16,368)	
Investment income received		2,389		32	
Net cash generated from/(used in) investing activities			2,389		(16,336)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(150,307)		(22,874)
Cash and cash equivalents at beginning of year			542,296		565,170
Cash and cash equivalents at end of year			391,989		542,296

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Headway East London is a private company limited by guarantee incorporated in England and Wales. The registered office is Bradbury House Timber Wharf, 238-240 Kingsland Road, London, E2 8AX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Over the life of the lease
Plant and equipment	25% straight line
Fixtures and fittings	25% straight line
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	51,037	-	51,037	40,274	156,099	196,373
Grants	4,950	247,698	252,648	18,124	148,097	166,221
Sponsorship	-	-	-	3,025	-	3,025
Other	65,591	-	65,591	49,899	-	49,899
	<u>121,578</u>	<u>247,698</u>	<u>369,276</u>	<u>111,322</u>	<u>304,196</u>	<u>415,518</u>

4 Charitable activities

For the year ended 31 March 2023

	Fee income	Transport income	CSW services	Therapies	Total 2023	Total 2022
	2023	2023	2023	2023	£	£
	£	£	£	£		
Sales within charitable activities	<u>978,138</u>	<u>189,065</u>	<u>272,475</u>	<u>173,300</u>	<u>1,612,978</u>	<u>1,453,342</u>
Analysis by fund						
Unrestricted funds	978,138	189,065	272,475	23,423	1,463,101	1,352,099
Restricted funds	-	-	-	149,877	149,877	101,243
	<u>978,138</u>	<u>189,065</u>	<u>272,475</u>	<u>173,300</u>	<u>1,612,978</u>	<u>1,453,342</u>

For the year ended 31 March 2022

	Fee income	Transport income	CSW services	Therapies	Total 2022
	£	£	£	£	£
Sales within charitable activities	<u>888,791</u>	<u>159,275</u>	<u>284,952</u>	<u>120,324</u>	<u>1,453,342</u>
Analysis by fund					
Unrestricted funds	888,791	159,275	284,952	19,081	1,352,099
Restricted funds	-	-	-	101,243	101,243
	<u>888,791</u>	<u>159,275</u>	<u>284,952</u>	<u>120,324</u>	<u>1,453,342</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising events	20,706	14,764

6 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	2,389	32

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Membership schemes and social lotteries	41,546	14,897
Staff costs	92,043	76,988
Fundraising and publicity	133,589	91,885

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Staff costs	931,585	850,029
Contractors	68,816	-
Premises costs	152,329	129,719
Members' transport	158,478	112,312
Volunteers' expenses	1,102	2,424
Communication expenses	30,161	3,576
Other expenses	25,681	4,846
Bank charges	-	468
Members' activities	32,388	26,249
Depreciation	20,377	12,771
Bad debt provision	-	4,000
	<u>1,420,917</u>	<u>1,146,394</u>
Share of support costs (see note 9)	424,893	524,559
Share of governance costs (see note 9)	87,334	83,324
	<u>1,933,144</u>	<u>1,754,277</u>
Analysis by fund		
Unrestricted funds	1,460,384	1,423,965
Restricted funds	472,760	330,312
	<u>1,933,144</u>	<u>1,754,277</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	384,699	38,470	423,169	450,935	36,968	487,903
Depreciation	20,377	-	20,377	6,227	-	6,227
Volunteers' expenses	-	-	-	583	-	583
Communication expenses	-	-	-	2,912	-	2,912
Legal and professional	-	-	-	(1,000)	-	(1,000)
Other expenses	-	-	-	862	-	862
Premises costs	19,817	-	19,817	63,812	-	63,812
Bank charges	-	-	-	228	-	228
Audit fees	-	8,100	8,100	-	10,134	10,134
Legal and professional	-	34,735	34,735	-	30,461	30,461
Depreciation	-	-	-	-	511	511
Premises costs	-	6,029	6,029	-	5,231	5,231
Bank charges	-	-	-	-	19	19
	<u>424,893</u>	<u>87,334</u>	<u>512,227</u>	<u>524,559</u>	<u>83,324</u>	<u>607,883</u>
Analysed between						
Charitable activities	<u>424,893</u>	<u>87,334</u>	<u>512,227</u>	<u>524,559</u>	<u>83,324</u>	<u>607,883</u>

Governance costs includes payments to the auditors of £8,100 (2022 - £10,134) for audit fees.

10 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2023	2022
	£	£
Audit of the charity's annual accounts	<u>8,100</u>	<u>10,134</u>
Non-audit services		
All other non-audit services	<u>6,120</u>	<u>6,360</u>

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Part-time	24	20
Full-time	25	20
Casual	6	16
Total	55	56

Employment costs

	2023 £	2022 £
Wages and salaries	1,199,013	1,271,014
Social security costs	177,599	82,630
Other pension costs	70,185	61,276
	1,446,797	1,414,920

The average number of full time equivalent employees for the year was 32 (2022: 32).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
	1	1

13 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2022	380,876	64,216	12,059	48,496	505,647
At 31 March 2023	380,876	64,216	12,059	48,496	505,647
Depreciation and impairment					
At 1 April 2022	287,097	54,314	11,557	36,301	389,269
Depreciation charged in the year	13,581	2,472	502	3,822	20,377
At 31 March 2023	300,678	56,786	12,059	40,123	409,646
Carrying amount					
At 31 March 2023	80,198	7,430	-	8,373	96,001
At 31 March 2022	93,779	9,902	502	12,195	116,378

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	112,571	80,056
Other debtors	17,519	17,500
Prepayments and accrued income	93,085	99,795
	<u>223,175</u>	<u>197,351</u>

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	24,467	30,048
Trade creditors	74,955	104,975
Other creditors	4,633	18,883
Accruals and deferred income	11,807	45,432
	<u>115,862</u>	<u>199,338</u>

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £70,185 (2022 - £61,276).

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021 £	Movement in funds		Balance at 1 April 2022 £	Movement in funds		Balance at 31 March 2023 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	
Barchester's Charitable Foundation	-	449	(227)	222	-	-	222
BBK	1,137	35,000	(36,137)	-	35,000	(35,000)	-
BlackRock	-	3,637	(3,637)	-	-	-	-
Boshier Hinton Foundation	161	-	(161)	-	-	-	-
Charities Trust	-	730	(730)	-	-	-	-
City Bridge Trust	5,469	12,983	(14,545)	3,907	-	(1,563)	2,344
Clothworkers' Foundation	11,635	-	(3,580)	8,055	-	(1,151)	6,904
Worshipful Company of Arts Scholars	475	-	-	475	-	(475)	-
Derek Hill Foundation	-	2,000	(1,620)	380	-	(380)	-
Disability Arts	-	200	(90)	110	-	(67)	43
Enfield CCG	-	101,243	(92,388)	8,855	103,268	(112,123)	-
Estate of Maharaj	-	14,728	(14,728)	-	-	-	-
Ford Britain Trust	454	-	(237)	217	-	(217)	-
Gallagher RE	-	730	(730)	-	-	-	-
Garfield Weston Foundation	-	25,000	(18,750)	6,250	15,000	(21,250)	-
Greenhall Foundation	996	-	(502)	494	-	(494)	-
Hackney Parochial Charities	16	-	(16)	-	-	-	-
Hello Again Hackney Fund	-	7,277	-	7,277	-	(7,277)	-
Henry Smith Charity	5,725	60,000	(35,725)	30,000	60,000	(90,000)	-
Hospital Saturday Fund	-	2,000	(2,000)	-	-	-	-
Independence at Home	199	-	-	199	-	(199)	-
Northern Trust	545	-	-	545	-	(545)	-
Osbornes Law	500	13,000	(3,500)	10,000	12,000	(10,190)	11,810
Samaritan Grant	687	750	(483)	954	-	(277)	677

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17	Restricted funds						(Continued)
	Screwfix Foundation	4,608	-	-	4,608	-	(658) 3,950
	Skinner Grant	-	280	(280)	-	-	-
	Soufer Charitable Trust	-	5,000	(3,021)	1,979	-	(1,979)
	Sport England	-	5,000	-	5,000	-	(5,000)
	Tesco Grant	-	1,000	(1,000)	-	500	(500)
	The Bradbury Foundation	34,522	-	(4,315)	30,207	-	(4,316) 25,891
	The February Foundation	-	3,857	(381)	3,476	-	(869) 2,607
	The Morrisons Foundation	685	-	(685)	-	-	-
	The National Lottery Community Fund	26,146	104,975	(90,358)	40,763	95,000	(115,813) 19,950
	Workforce Capacity Fund	-	5,600	-	5,600	-	(5,600)
	Worshipful Company of Fan Makers	578	-	(578)	-	2,500	(2,500)
	Arts Council England	-	-	-	-	12,550	(12,550)
	Barbican	-	-	-	-	26,723	(6,733) 19,990
	Arts Council England - Let's Create	-	-	-	-	6,898	(6,898)
	Peter Stebbings Memorial Charity	-	-	-	-	5,000	(5,000)
	Saturday Social	-	-	-	-	845	(845)
	M&G Community Fund	-	-	-	-	3,200	(3,200)
	The Big Give/ The Reed Foundation	-	-	-	-	5,091	(5,091)
	The Sir Jules Thorn Charitable Trust	-	-	-	-	3,000	(3,000)
	The Golsongott Foundation	-	-	-	-	1,000	(1,000)
	The Radcliffe Trust	-	-	-	-	5,000	(5,000)
	Irwin Mitchell	-	-	-	-	5,000	(5,000)
	Misc	(92)	-	92	-	-	-
		94,446	405,439	(330,312)	169,573	397,575	(472,760) 94,388

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

18 Analysis of net assets between funds

Fund balances at 31 March 2023 are represented

by:

Tangible assets

Current assets

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
	54,306	-	41,695	96,001	73,718	-	42,660	116,378
	77,009	369,600	52,693	499,302	43,796	369,600	126,913	540,309
	131,315	369,600	94,388	595,303	117,514	369,600	169,573	656,687

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	<u>90,000</u>	<u>146,046</u>

20 Related party transactions

The charity received donations from its trustees and other related parties during the year which totalled £810 (2022: £3,390)

21 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(61,384)	37,494
Adjustments for:		
Investment income recognised in statement of financial activities	(2,389)	(32)
Depreciation and impairment of tangible fixed assets	40,754	19,509
Movements in working capital:		
Increase in debtors	(25,824)	(646)
Decrease in creditors	(83,476)	(62,863)
Cash absorbed by operations	<u>(132,319)</u>	<u>(6,538)</u>

Accounts

Charity registration number 1083910

Company registration number 03998925 (England and Wales)

HEADWAY EAST LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

HEADWAY EAST LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr N A Keen	
	Ms S Griggs	
	Mr G Hodgson	
	Mr A Palluotto	
	Mr P S Dhoofer	
	Ms B Noha	
	Ms A Kershberg	(Appointed 21 March 2022)
	Mr D Hilton	(Resigned 28 February 2022)
	Ms L K Lodwick	(Resigned 16 August 2022)
	Ms M Antoni	(Resigned 14 December 2021)
	Mr D Smith	(Resigned 14 December 2021)
	Mr J D Stockdale	(Resigned 24 September 2021)
	Ms K Hibbert	(Resigned 09 August 2021)
Charity number	1083910	
Company number	03998925	
Registered office	Bradbury House Timber Wharf 238-240 Kingsland Road London E2 8AX	
Auditor	SRG (AUDIT) LLP 10 Bolt Court London EC4A 3DA	

HEADWAY EAST LONDON

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HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Why we're here

Hello, we're Headway East London. We're here to support those in our city affected by brain injury.

Each year in the capital, tens of thousands of people are admitted to hospital with a brain injury. This might be the result of an illness like meningitis, stroke, or head trauma.

Brain injury can have a significant impact on the life of the individual and those closest to them. For many, it becomes a long-term condition which requires long-term support.

Headway East London was founded in 1997, and opened its doors to members one year later. To begin with, we just worked in Hackney, but we've grown significantly and today help people from across 13 London boroughs.

In 2020/21, we supported over 700 brain injury survivors, family members and carers. Over the next five years, we've got ambitions to reach more people than ever before.

What we do

We combine expertise to do things a little differently.

Brain injury is complicated. It affects people in lots of different ways, and not all of them are visible. In fact, brain injury is often referred to as a hidden disability.

In many cases, people with a brain injury are offered generic support for a physical disability, which makes only a limited difference. This not only represents poor value for money for commissioners, but it can also lead to a deterioration in health, wellbeing and relationships; requiring additional intervention for both survivors and their families.

At Headway East London, we offer services specifically tailored to the needs of people affected by brain injury. Most importantly and uniquely, we always work in partnership with those we support. We know our members are experts in their own injury and needs; that only they can tell us what is most important to them. We combine this expertise with our own, empowering people affected by brain injury to explore new identities; developing new skills and interests along the way.

How we work

We understand and support the whole person.

We believe in the power of connection and creativity to create better futures for those affected by brain injury. Our holistic approach means that projects are co-produced in response to members' needs, desires and ambitions, whilst the breadth of our work reflects the diversity of Headway East London's community.

Our art studio – Submit to Love – provides a means of discovery and expression, whilst our kitchen project encourages people to work together on a shared goal. Weekly dance, music, writing and exercise groups provide several ways for members to gain skills, share stories and find agency in their own journey. Meanwhile, partnerships with leading organisations like the Barbican celebrate our members' work and talents on a national stage.

All of this sits alongside our established day services, neurological therapies, community support and casework and advocacy services. We take a responsive approach, so that members can access the support and projects they feel will most benefit and interest them.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Who we are

We are one big team.

At Headway East London, members, staff and volunteers talk about feeling part of one community in which every person is valued and respected. We're all equal partners, combining our collective experiences to make a difference.

Members have a feeling of belonging and can be themselves, or find themselves again. Since many of our volunteers have personal experience of brain injury, they also bring invaluable insight to our work. Decisions and ideas are shared, and we place a strong emphasis on peer support in all that we do.

Each day we come together to discover what's meaningful in life; forging friendships and connections along the way. While we have ambitious plans to grow, we are dedicated to maintaining this philosophy and community. It's what makes us so special.

Why it matters

Our work is important – to people affected by brain injury and their families, but also to the communities they live in.

The impact of brain injury on someone's life can be severe. We help people to not only navigate this unimaginable experience, but move towards a place where they can meet their potential and thrive. At the same time, we also reduce pressure on non-specialist services and ensure public money is spent more effectively.

Every person we support should be able to live the life they want, without facing marginalisation and lack of understanding. That doesn't only affect our members: it benefits entire communities and health and social care economies. Together we can discover new ways of looking at the world, and ensuring it is accessible to everyone.

The Future

We've got big plans.

We've got ambitious plans for the next five years. We want to be the leading brain injury organisation in London providing high quality, innovative specialist support, and to have a strong voice across the health and social care sector. We also want to create more opportunities for our members to share their contributions and talents, and to interrogate what true collaboration looks like in the process.

There is no shortage of people who would benefit from our help. In 2016/17, the most recent year for which data is publicly available, almost 40,000 people were admitted to a London hospital with an acquired brain injury. That was a 15% increase over the 10 years to that point.

Our aims for 2022-2026 are to:

- Help more people than ever before; we want to double the number of people we reach each year across London to 1,500 by 2026
- Provide new innovative and creative ways of supporting brain injury survivors, and different opportunities for people to connect with us
- Continue to fight for equity for brain injury survivors and develop our social justice voice; raising awareness of the impact of brain injury and our work
- Make sure that everyone who is part of Headway East London enjoys their role and feels they are contributing towards the same goal

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities

Our mission

We empower our community of brain injury survivors and their families to imagine new possibilities – ones filled with creativity, embracing diversity and backed by specialist support.

Our vision

Brain injury survivors experience a world which is accessible to them, and where their contributions are valued and celebrated.

Our principles

- Coproduction: Members are at the centre of everything we do; they are actively involved in designing new projects, developing new ideas and helping to make decisions at all levels.
- Equity, diversity and inclusion: We are committed to valuing every person as an individual and ensuring that our members, staff and volunteers do not experience discrimination at Headway East London. We will continue to work hard and create space for these conversations with everyone involved in the organisation.
- Sustainability: We want to be around for the long term, to support survivors of brain injury now and in the future. To do this we will make sure our systems and processes are efficient and effective to support our work, and work hard to make sure our financial position remains positive. We care about broader sustainability too. That's why we're committed to cutting our carbon footprint, including through reducing our dependence on non-renewable energy sources.

A message from our CEO and Chair

This year we fully re-opened our doors, as the Day Service returned to as 'normal' as possible after the pandemic. We began the year offering hybrid support for our members, working on half capacity within the day centre to allow for social distancing. While our community of members, staff and volunteers were pleased to be back, it wasn't quite the same and our usual buzzing atmosphere was missing.

We were delighted to re-open at full capacity in August 2021, and gradually bring our community back together. It was wonderful to hear the hum of people talking and being together again as we resumed all our usual groups and activities, which had been paused or had to work differently through the pandemic. Over the year we reduced our infection control measures in line with government guidance, and staff continued to wear masks with members and test regularly.

Our Community Support Work Service continued to support people in their homes and in the community, providing crucial support to help people stay connected, independent and reduce isolation. The Board made an important decision to move our Community Support workers to permanent contracts, to help us recruit and retain great staff by providing more stability and opportunity in these roles.

The Casework team supported individual members with issues including housing and benefits, offered monthly support groups in Hackney and Romford, and re-launched our work in the Royal London Hospital. Our 'Better Together' project with the Royal London Hospital now runs weekly sessions on the neuro wards of the hospital.

We developed new partnerships, including with French Connection and Bonnier books, providing our artists in the Submit to Love studio with opportunities to design t-shirts and book covers, as well as continuing our relationship with the Barbican as their Community Collaborator. We ran several art sales, including at Osbornes Law's offices.

We embarked on a programme of organisational change following the start of our new CEO. By Autumn we had recruited a new senior management team, including promoting staff internally into new roles, and began work on our new mission, vision and values. In the second half of the year we brought together members, volunteers, staff, trustees and stakeholders to co-create our five-year strategy, launched in May 2022. This was a major piece of work to ensure that everyone's voices were heard, and we are pleased with the exciting and ambitious strategy we developed.

Covid-19 continued to bug us, with staff sickness absence higher than usual making service delivery challenging at times, and staff having to adapt quickly to make sure our services were safe. Our amazing staff team were resilient and despite these external pressures, continued to deliver high quality support to our members.

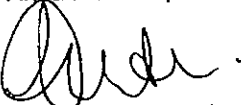
HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

We restructured our Finance, Admin and Comms teams to better meet the needs of the organisation, and are looking forward to new staff joining us in 2022. We also said goodbye to four trustees, and welcomed Alice Kershberg to the board, whose expertise as a clinical nurse specialist will be invaluable as we look to the future.

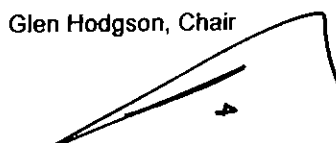
Like most charities and social care providers we're still working in a very difficult environment living with Covid-19, but we all know how important our services and support are to our members and the difference that it makes. We're grateful to all our supporters, funders and volunteers who give money and time to help us keep making a difference, and we're excited about a bright future of opportunities and developments coming up.

Anna McEwen, CEO



Date: 15/12/2022

Glen Hodgson, Chair



Date: DECEMBER 21 2022

Financial Overview - Treasurer

Despite emerging from the economic difficulties caused by the global pandemic, it has continued to be a challenging year owing to limited resources and funding constraints. Despite this, with a focused strategy and careful financial management, the charity has managed to deliver a healthy surplus for the year.

Income was down 8.8% on the budgeted income target, with expenditure down 10.8% on budget. The planned surplus for 2021-22 was £5,111 and the actual surplus was £37,493, up £32,382. Savings were made in Transport costs and Staff costs. The total income for the charity was £1,883,656, which represents a 9.5% increase on the previous year after excluding furlough income received of £47,296 in 20-21. Total expenditure was £1,846,163, an increase of 4.6% on the previous year.

Total staff costs were £1,415,178, a decrease of 4.8% on 2020-21. The decrease is attributable to savings in senior management team, a restructure in response to the covid-19 pandemic and lower CSWS casual staff costs in response to lower budgeted income. However, despite this lower figure a 1% cost of living increase was awarded to all staff.

Raising Money

Whilst a large proportion of our income is derived from service incomes, we rely on fundraising from our community and supporters to bridge the gap between fees income and all the services we want to provide for our members. It was another challenging year in the fundraising environment, and we are very grateful for the continued support of our corporate, trust, Headway Friends, and community supporters to see us through, putting us in a strong position for future growth.

Our fundraising streams were split into: Grants £76,583, Corporate £27,717, Individuals £25,000, Art £16,325, Community £7,900, Supper Club & Winter Feast £9,017, Merchandise £7,234, Gift Aid £3,482 and Sponsored Challenges £3,025.

Fundraising highlights

Our fundraising performance of 96% against target represents the amazing support we receive from our community, grant-making funders and corporate supporters in what was a very challenging fundraising environment for all charities.

Individual donors and supporters:

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

As restrictions eased our supporters were able to return to sponsored events. Enormous thanks to Noel Sainsbury and OLSGEIRE, who carried out their annual London-Essex cycle ride in support of our work, and to Alex Sensier who undertook a whole year's worth of sponsored activities in memory of his father.

We are tremendously grateful to all those who give to us, but especially our Headway Friends, who make regular donations in support of our work.

Grants

We receive incredible support from trusts and foundations and are especially grateful for the following:

- Sport England supported members to undertake physical activities;
- National Lottery Charity Fund continued funding of our Casework Service and gave an additional grant to help us to improve our outcomes monitoring and reporting;
- Henry Smith Charity continued support of our Day Service;
- Garfield Weston Foundation made a grant to our Community Support Worker Service;
- the Worshipful Company of Fan Makers and the February Foundation for renewing their support;
- London Borough of Hackney Culture Department;
- the Let's Create Jubilee fund via the East End Community Foundation.

Enormous thanks go to our corporate supporters: Osbornes Law who sponsored our website and hosted a highly successful art auction; M J Hudsons, supporting us through a two-year partnership; BBK and Irwin Mitchell.

We undertook our first campaign through The Big Give and, thanks to the generosity of our community, raised £4,000 towards our Submit to Love studio.

We developed new partnerships, including with French Connection and Bonnier books, providing our artists in the Submit to Love studio with opportunities to design t-shirts and book covers, as well as continuing our relationship with the Barbican as their Community Collaborator. We ran several art sales, including at Osbornes Law's offices.

Our second Winter Feast took place in December 2021, after a 2 year hiatus due to the pandemic. Kindly sponsored by Irwin Mitchell, 34 people attended, including corporate partners BBK.

Finally we launched our Better Together project in October 2021, a collaboration between Headway East London and the Royal London Hospital, kindly funded and supported by Bolt Burden Kemp law firm for the next 4 years. All of the funding we have received from our providers helps to improve the lives of our members. We empower our community of brain injury survivors and their families to imagine new possibilities; ones filled with creativity, embracing diversity and backed by specialist support.

Supporters

- Arts Council Jubilee Fund
- BBK
- BlackRock
- Credit Suisse
- Derek Hill Foundation
- February Foundation
- Five Points Brewery
- Felix Project
- Forrester Family Trust
- Gallagher RE
- Garfield Weston Foundation
- Henry Smith Charity
- Irwin Mitchell
- Joseph Strong Frazer Trust
- London Borough of Hackney
- London Catalyst
- M&G PLC
- MJ Hudson
- National Lottery Community Fund

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

- Osbornes Law
- Rathbones
- Sir Jules Thorn Charitable Trust
- Square Mile Coffee
- Souter Charitable Trust
- St James Place Charitable Foundation
- Worshipful Company of Fan Makers
- Volkerfitzpatrick Ltd

Additional Information

Structure, Governance & Management

Headway East London is a Charity and Company limited by guarantee. If the Charity must be wound up the Directors of the Company (Trustees of the Charity) would have a maximum liability of £1.

On 31 March 2022 there were 8 Trustees, each with different skills and interests reflecting the needs of the charity, a full skills audit took place during the year. Trustees usually meet four times a year to oversee the running of the charity with an additional meeting for the Annual General Meeting which took place on 14 December 2021.

The Board was supported by three sub-committees which meet quarterly online: Finance & Audit, Governance and Creative Committee. A trustee strategy working group also met during the development of our new strategy.

We would like to extend thanks to Jez Stockdale, Katharine Hibbert, Marilene Antoni, Dan Smith and Daniel Hilton who stood down as Trustees during the year for their contribution and input to the work of Headway East London. We welcomed Alice Kershberg who was appointed as a Trustees on the 21st of March 2022.

New trustees undergo a comprehensive induction to brief them on the structure and governance of the charity, the organisational strategy, business plan and budget together with recent financial performance, as well as their obligations under the Trustees Code of Conduct. Trustees are also invited to attend in-house training relating to brain injury and to spend time in the Day Service engaging with staff, volunteers and members. Trustees are provided with relevant information from the Charity Commission on a regular basis.

Day to day responsibility for the running of the charity was delegated to the Chief Executive, Anna McEwen, and the senior management team.

Public benefit

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit when reviewing the charity's aims and objectives and in planning future activities. As well as improving the lives of people affected by brain injury, Headway East London provides benefits to the wider public by equipping its members to make a positive contribution to society and through its occupational, training, campaigning and awareness raising activities.

Reserves

The trustees' policy is to maintain unrestricted reserves at a level that allows Headway East London to be managed efficiently, to provide a buffer for interrupted services, to provide for future potential relocation and service development and to cover costs in the event of the charity needing to wind-down services due to significant loss of income, and or increases in costs. The charity's approach in the event of significant income reduction and/or cost escalation would be to anticipate this as far as possible, and to respond by modifying services in a planned way to meet the new situation, while at the same time taking steps to seek alternative sources of funding, and thus continue to provide a sustainable and effective service to as many people as possible.

There has been a further review of level of funds required to be allocated to a contingency reserve and we have determined that the minimum amount will be set at £369,600. This has been increased by £60,000 (19%) to provide against an uncertain economic outlook. Robust contingency plans are in place to enable the charity to respond to possible situations, as identified through the risk management process. For example, steps are being taken to respond to the situation when current high demand services will be affected with the likely end of major grants. £656,687 of reserves was held, as at 31 March 2022, increased from £619,193 as at 31 March 2021. £169,573 of reserves is restricted. £369,600 of unrestricted reserves is held in a contingency reserve; £73,718 of unrestricted reserves is fixed assets. There is £43,796 of available free reserves. The trustees have agreed to set aside the full amount of £43,796 of free reserves as a provision for increased costs and the inflationary headwinds anticipated in 22-23.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Staffing

At the end of the 2021-22 financial year Headway East London had 52 employees with a staff turnover of 30% during the year. We rely heavily on volunteers to provide our services, add value and bring additional skills and experience to enhance our members' experience in all our services. During 2021-22 we had a total of 30 volunteers, 15 of whom were brain injury survivors. We also had 3 student therapist placements and 2 therapist volunteers, providing counselling, art therapy and craniosacral therapy as part of our neurological therapy team. Rebounding from the pandemic all our staff and volunteers continue to be an incredibly dedicated team who work with passion and enthusiasm for the benefit of brain injury survivors and their families.

Risk Management

An updated Risk Register is maintained that identifies potential risks and the impact of those risks. The register details the controls in place to mitigate each risk, together with the associated monitoring processes. The risks, control and monitoring procedures are reviewed and reassessed regularly by the Senior Management Team. Areas of potential improvement are identified and timetables for action implemented. The Risk Matrix can be added to at any time and is reviewed by the Board of Trustees regularly. The Finance and Audit Committee has responsibility for monitoring the financial risk areas, identifying new risks and proposing amendments as necessary.

The Governance committee has responsibility for monitoring other governance risks, including issues such as safeguarding, health and safety, and data protection.

Trustees Responsibilities' Statement

The trustees, who are also the directors of Headway East London for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Significant Challenges and Opportunities

Statutory Funding:

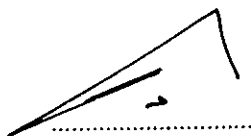
Local authorities have a statutory duty to provide support to people who have an assessed need under the Care Act 2014. There are no other specialist brain injury support providers in our area and so we have a significant waiting list for our services. In 2021/22 we did some detailed work on our costings for our day service and community support work service so that we can ensure we are charging local authorities the true costs of the services. Trustees made a decision in 2021 that we can no longer subsidise statutory services with charitable funds which are used to provide support to anyone with a brain injury regardless of meeting a criteria.

Awareness & Brand Recognition:

We have continued to raise awareness and build our brand as an organisation through our social media presence, developing relationships across the social care and brain injury sectors and getting back out into the world post-Covid with members and finding opportunities for members to tell their stories. The campaign for, and subsequent development of, an ABI strategy has given us opportunity and recognition with the Department of Health and Social Care that we've not had previously. Our new strategy has a big focus on awareness raising over the next five years.

Auditor

The charity reviewed the auditor relationship, on the request of the trustees. Following the year end, the Charity has completed an audit tender. At the Annual General Meeting, the trustees appointed Haines Watts as Auditor for the year ended 31 March 2023 financial statements.



Mr G Hodgson
Director

Date: 21 December 2022

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HEADWAY EAST LONDON

Opinion

We have audited the financial statements of Headway East London (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEADWAY EAST LONDON

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

SRG (AUDIT) LLP

Mr Trevor Clarke (Senior Statutory Auditor)
for and on behalf of SRG (AUDIT) LLP
Chartered Accountants
Statutory Auditor

21 December 2022

10 Bolt Court
London
EC4A 3DA

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEADWAY EAST LONDON

SRG (AUDIT) LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HEADWAY EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds	Restricted funds	Total 2022	Total 2021
	Notes	£	£	£	£
<u>Income from:</u>					
Donations and legacies	3	111,322	304,196	415,518	417,292
Charitable activities	4	1,352,099	101,243	1,453,342	1,332,548
Other trading activities	5	14,764	-	14,764	15,810
Investments	6	32	-	32	1,328
Total income		1,478,217	405,439	1,883,656	1,766,978
<u>Expenditure on:</u>					
Raising funds	7	91,885	-	91,885	83,637
Charitable activities	8	1,423,966	330,312	1,754,278	1,682,117
Total resources expended		1,515,851	330,312	1,846,163	1,765,754
Net (expenditure)/income for the year/ Net movement in funds		(37,634)	75,127	37,493	1,224
Fund balances at 1 April 2021		524,747	94,446	619,193	617,969
Fund balances at 31 March 2022		487,113	169,573	656,686	619,193

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HEADWAY EAST LONDON

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		116,378		119,520
Current assets					
Debtors	14	197,351		196,705	
Cash at bank and in hand		542,296		565,169	
		739,647		761,874	
Creditors: amounts falling due within one year	15	(199,338)		(262,201)	
Net current assets			540,309		499,673
Total assets less current liabilities			656,687		619,193
Income funds					
Restricted funds	17		169,573		94,446
<u>Unrestricted funds</u>					
Designated funds		369,600		309,600	
General unrestricted funds		117,514		215,147	
			487,114		524,747
			656,687		619,193

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the Trustees on December 8 2022

Mr G Hodgson
Trustee

Company Registration No. 03998925

HEADWAY EAST LONDON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	22		(6,539)		92,966
Investing activities					
Purchase of tangible fixed assets		(16,368)		(22,702)	
Interest received		34		1,327	
Net cash used in investing activities			(16,334)		(21,375)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(22,873)		71,591
Cash and cash equivalents at beginning of year			565,169		493,578
Cash and cash equivalents at end of year			<u>542,296</u>		<u>565,169</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Headway East London is a private company limited by guarantee incorporated in England and Wales. The registered office is Bradbury House, Timber Wharf, 238-240 Kingsland Road, London, E2 8AX.

1.1 Accounting convention

The financial statements have been prepared in accordance with, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises expenses for the related costs for which the grants are intended to compensate, which in the case of grants related to assets requires setting up the grant as deferred income or deducting it from the carrying amount of the asset.

Income is stated net of sales taxes and discounts.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Over life of the lease
Plant and equipment	Over 4 years straight line
Fixtures and fittings	Over 4 years straight line
Computers	Over 4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	40,274	156,099	196,373	86,588	132,979	219,567
Restricted grants	18,124	148,097	166,221	17,751	110,829	128,580
Sponsorship	3,025	-	3,025	3,805	-	3,805
Other	49,899	-	49,899	65,340	-	65,340
	<u>111,322</u>	<u>304,196</u>	<u>415,518</u>	<u>173,484</u>	<u>243,808</u>	<u>417,292</u>

4 Charitable activities

	Fee income	Transport income	CSW services	Therapies	Total 2022	Total 2021
	2022	2022	2022	2022		
	£	£	£	£	£	£
Other income	<u>888,791</u>	<u>159,275</u>	<u>284,952</u>	<u>120,324</u>	<u>1,453,342</u>	<u>1,332,548</u>
Analysis by fund						
Unrestricted funds	888,791	159,275	284,952	19,081	1,352,099	1,232,604
Restricted funds	-	-	-	101,243	101,243	99,944
	<u>888,791</u>	<u>159,275</u>	<u>284,952</u>	<u>120,324</u>	<u>1,453,342</u>	<u>1,332,548</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

(Continued)

For the year ended 31 March 2021

	Fee income	Transport Income	CSW services	Therapies	Total 2021
	£	£	£	£	£
Other income	874,625	29,966	305,468	122,489	1,332,548
Analysis by fund					
Unrestricted funds	874,625	29,966	305,468	22,545	1,232,604
Restricted funds	-	-	-	99,944	99,944
	874,625	29,966	305,468	122,489	1,332,548

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Fundraising events	14,764	15,810

6 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	32	1,328

7 Raising funds

	2022 £	2021 £
<u>Fundraising and publicity</u>		
Costs of raising donations and legacies	14,897	8,167
Staff costs	76,988	75,470
Fundraising and publicity	91,885	83,637

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Raising funds	(Continued)	
	91,885	83,637
	<u> </u>	<u> </u>
8 Charitable activities		
	Charitable Expenditure 2022 £	Charitable Expenditure 2021 £
Staff costs	850,029	1,002,791
Depreciation and impairment	12,771	11,270
Premises costs	129,719	127,267
Volunteers' expenses	468	496
Other expenses	4,846	5,872
Bank charges	2,424	2,107
Members' activities	26,249	21,919
Members' transport	112,312	22,005
Communication expenses	3,576	2,105
Provision for bad debts	4,000	2,500
	<u>1,146,394</u>	<u>1,198,332</u>
Share of support costs (see note 12)	524,560	400,410
Share of governance costs (see note 12)	83,324	83,375
	<u>1,754,278</u>	<u>1,682,117</u>
Analysis by fund		
Unrestricted funds	1,423,966	1,314,093
Restricted funds	330,312	368,024
	<u>1,754,278</u>	<u>1,682,117</u>
9 Auditor's remuneration		
Fees payable to the charity's auditor and associates:	2022 £	2021 £
Audit of the charity's annual accounts	10,134	7,554
Non-audit services		
All other non-audit services	6,360	6,610
	<u> </u>	<u> </u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Part-time	20	22
Full-time	20	21
Casual	16	14
Total	56	57

Employment costs

	2022 £	2021 £
Wages and salaries	1,271,014	1,314,640
Social security costs	82,630	103,923
Other pension costs	61,276	64,189
	1,414,920	1,482,752

In addition, the charity is supported on a daily basis by dedicated volunteers, the value of which is not reflected in these accounts.

The average number of full time equivalent employees for the year was 32 (2021: 32).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,001 to £70,000	1	-

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Support costs

	Charitable activities £	Support costs £	Governance costs £	2022 £	2021 £
Staff costs	850,029	450,935	36,968	1,337,932	1,407,282
Volunteers expenses	2,424	583	-	3,007	2,107
Members' activities	26,249	-	-	26,249	22,919
Members' transport	112,312	-	-	112,312	22,005
Other expenses	4,845	862	-	5,707	5,872
Communication expenses	3,576	2,912	-	6,488	5,501
Provision for bad debts	4,000	-	-	4,000	2,500
Legal and professional	-	(1,000)	30,461	29,461	16,191
Audit fees	-	-	10,134	10,134	7,554
Support costs allocated to activities (all based on staff usage)				-	
Premises costs	129,719	63,812	5,231	198,762	175,010
Bank charges	468	228	19	715	682
Depreciation	12,771	6,227	511	19,509	15,494
	1,146,393	524,559	83,324	1,754,276	1,679,618

13 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2021	380,876	55,888	12,059	40,456	489,279
Additions	-	8,328	-	8,040	16,368
At 31 March 2022	380,876	64,216	12,059	48,496	505,647
Depreciation and impairment					
At 1 April 2021	273,516	51,386	10,369	34,488	369,759
Depreciation charged in the year	13,581	2,928	1,188	1,813	19,510
At 31 March 2022	287,097	54,314	11,557	36,301	389,269
Carrying amount					
At 31 March 2022	93,779	9,902	502	12,195	116,378
At 31 March 2021	107,360	4,502	1,690	5,968	119,520

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	80,056	49,966
Other debtors	17,500	17,500
Prepayments and accrued income	99,795	129,239
	<u>197,351</u>	<u>196,705</u>

15 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	30,048	26,484
Trade creditors	104,975	167,210
Other creditors	18,883	19,770
Accruals and deferred income	45,432	48,737
	<u>199,338</u>	<u>262,201</u>

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £61,276 (2021 - £64,189).

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020	Movement in funds			Revaluations, gains and losses	Balance at 1 April 2021	Movement in funds			Balance at 31 March 2022
	£	Incoming resources	Resources expended	Transfers		£	Incoming resources	Resources expended	£	£
<i>Barchester's Charitable Foundation</i>	-	-	-	-	-	-	-	-	-	-
<i>BBK</i>	3,473	6,801	(9,137)	-	-	1,137	35,000	(36,137)	(227)	222
<i>BlackRock</i>	-	-	-	-	-	-	3,637	(3,637)	-	-
<i>Boshier Hinton Foundation</i>	578	-	(417)	-	-	161	-	(161)	-	-
<i>Charities Trust</i>	-	-	-	-	-	-	730	(730)	-	-
<i>City Bridge Trust</i>	4,192	51,523	(50,246)	-	-	5,469	12,983	(14,545)	-	3,907
<i>Clothworkers' Foundation</i>	14,496	-	(2,861)	-	-	11,635	-	(3,580)	-	8,055
<i>Company of Arts Scholars</i>	1,015	-	(540)	-	-	475	-	-	-	475
<i>Cotton Trust</i>	556	-	(556)	-	-	-	-	-	-	-
<i>Derek Hill Foundation</i>	-	-	-	-	-	-	2,000	(1,620)	-	380
<i>Disability Arts</i>	-	-	-	-	-	-	200	(90)	-	110
<i>East End Community Foundation</i>	-	2,000	(2,000)	-	-	-	-	-	-	-
<i>Enfield CCG</i>	-	99,944	(99,944)	-	-	-	101,243	(92,388)	-	8,855
<i>Estate of Maharaj</i>	-	-	-	-	-	-	14,728	(14,728)	-	-
<i>Ford Britain Trust</i>	691	-	(237)	-	-	454	-	(237)	-	217
<i>Gallagher RE</i>	-	-	-	-	-	-	730	(730)	-	-
<i>Garfield Weston Foundation</i>	-	-	-	-	-	-	25,000	(18,750)	-	6,250
<i>Golsoncott Foundation</i>	750	-	(750)	-	-	-	-	-	-	-
<i>Grenhall Foundation</i>	1,498	-	(502)	-	-	996	-	(502)	-	494
<i>Hackney Parochial Charities</i>	-	300	(284)	-	-	16	-	(16)	-	-
<i>Hello Again Hackney Fund</i>	-	-	-	-	-	-	7,277	-	-	7,277
<i>Henry Smith Charity</i>	-	22,900	(17,175)	-	-	5,725	60,000	(35,725)	-	30,000
<i>Hospital Saturday Fund</i>	-	-	-	-	-	-	2,000	(2,000)	-	-
<i>Independence at home</i>	291	3,607	(3,699)	-	-	199	-	-	-	199

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17	Restricted funds										(Continued)
	Irwin Mitchell	614	-	(614)	-	-	-	-	-	-	-
	Islington Mind	-	100	(100)	-	-	-	-	-	-	-
	LCRF Grant	-	41,560	(41,560)	-	-	-	-	-	-	-
	M & G Investments	1,901	-	(1,901)	-	-	-	-	-	-	-
	Music for all	250	-	(250)	-	-	-	-	-	-	-
	Northern Trust	939	-	(394)	-	-	-	-	-	-	-
	Osbornes	-	10,500	(10,000)	-	545	-	-	-	545	-
	People's Postcode Trust	4,462	-	(4,462)	-	500	-	13,000	(3,500)	10,000	-
	Prudential	825	-	(825)	-	-	-	-	-	-	-
	Rathbones	-	1,000	(1,000)	-	-	-	-	-	-	-
	Samaritan Grant	1,157	-	(470)	-	687	-	750	(483)	954	-
	Santander	250	-	(250)	-	-	-	-	-	-	-
	Screwfix Foundation	5,000	-	(392)	-	4,608	-	-	-	4,608	-
	Skinner Grant	-	-	-	-	-	-	280	(280)	-	-
	Souter Charitable Trust	-	-	-	-	-	-	5,000	(3,021)	1,979	-
	Sports England	-	-	-	-	-	-	5,000	-	5,000	-
	Tesco Grant	-	-	-	-	-	-	1,000	(1,000)	-	-
	The Bradbury Foundation	38,837	-	(4,315)	-	34,522	-	-	(4,315)	30,207	-
	The February Foundation	1,667	-	(1,667)	-	-	-	3,857	(381)	3,476	-
	The Mackintosh Foundation	1,000	-	(1,000)	-	-	-	-	-	-	-
	The Morrisons Foundation	1,371	-	(686)	-	685	-	-	(685)	-	-
	The National Lottery Community Fund	31,177	100,528	(105,559)	-	26,146	-	104,975	(90,358)	40,763	-
	The Percy Bilton Charity	33	-	(33)	-	-	-	-	-	-	-
	Wellcome Trust	-	2,990	(2,990)	-	-	-	-	-	-	-
	Workforce Capacity Fund	-	-	-	-	-	-	5,600	-	5,600	-
	Worshipful Company of Fan Makers	1,666	-	(1,088)	-	578	-	-	(578)	-	-
	Misc	29	-	(121)	-	(92)	-	-	92	-	-
	Total	118,718	343,753	(368,025)	-	94,446	-	405,438	(330,312)	169,573	-

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

17 Restricted funds

(Continued)

18 Analysis of net assets between funds

Fund balances at 31 March 2022 are represented

by:

Tangible assets

Current assets/(liabilities)

	Unrestricted Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Unrestricted Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
	73,718	-	42,660	116,378	66,053	-	53,467	119,520
	43,796	369,600	126,913	540,309	152,858	309,600	37,215	499,673
	117,514	369,600	169,573	656,687	218,911	309,600	90,682	619,193

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	146,046	73,023

20 Events after the reporting date

We have finally seen a reduction in the impact of covid-19 on our services and staffing. However, we are now hit by the impact of the cost of living crisis on staff and members alike. Energy prices are increasing our expenditure exponentially with no assurance from the Government of support for charities going forward. Front line staff are on the lower end of salary scales and are experiencing difficulties as a result. We have implemented the support we can to help staff, but are limited in what we are able to do within our means.

Local authorities are being hit hard by the economic situation too, and negotiating fee increases has been difficult but for the most part we are succeeding. However, we know that social care packages are being cut across the country and we will need to continue to advocate for our services for members going forward. We will also need to increase our fees significantly in the next financial year in line with rising costs.

An external HR audit has been undertaken to review and benchmark all roles and responsibilities within the organisation.

Two new trustees have been appointed to the Board and a new Director of Development appointed to SMT after the previous post holder left the role.

The trustees have requested a review of the charity's auditor relationship and an audit tender process has been completed since the year end. The results of the review will be considered by the Finance and audit risk committee with the decision for the appointment of auditor to be made at the Annual General Meeting.

21 Related party transactions

The charity received donations from its trustees and other related parties during the period which totalled £3,390 (2021: £1,640).

22 Cash generated from operations

	2022 £	2021 £
Surplus for the year	37,493	1,224
Adjustments for:		
Investment income recognised in statement of financial activities	(32)	(1,328)
Depreciation and impairment of tangible fixed assets	19,509	15,494
Movements in working capital:		
(Increase)/decrease in debtors	(646)	11,347
(Decrease)/increase in creditors	(62,863)	66,229
Cash (absorbed by)/generated from operations	(6,539)	92,966

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

- 23 Analysis of changes in net funds**
The charity had no debt during the year.

Accounts

Charity Registration No. 1083910

Company Registration No. 03998925 (England and Wales)

HEADWAY EAST LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

HEADWAY EAST LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr N A Keen
Ms M Antoni
Ms S Griggs
Mr D Smith
Mr G Hodgson
Mr A Palluotto
Mr D Hilton (Appointed 17 June 2020)
Mr P S Dhoofer (Appointed 17 February 2021)

Ms L K Lodwick (Appointed 17 February 2021)

Ms B Noha (Appointed 17 February 2021)

Ms K Hibbert (Resigned 9 August 2021)
Mr J Stockdale (Resigned 24 September 2021)

Ms P Wrout (Resigned 17 March 2021)
Mr D Tkaczyk (Resigned 16 September 2020)

Secretary

Ms J Chisholm

Charity number

1083910

Company number

03998925

Registered office

Bradbury House
Timber Wharf
238-240 Kingsland Road
London
E2 8AX

Auditor

SRG LLP
10 Bolt Court
London
EC4A 3DA

HEADWAY EAST LONDON

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HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

Headway East London is a charity supporting people affected by acquired brain injury.

We support both adults who have sustained a head injury or other kind of brain injury and their families, who often take on the role of unpaid carer.

We believe that every one of our members has something to contribute to both the Headway community and the wider community - that every person with a brain injury should be valued and respected and deserves every opportunity to live a full and active life.

In order to achieve this we operate a community day service, where brain injury survivors join as members and take part in a variety of activities and therapies that are beneficial, enjoyable and productive. The community offers an opportunity, with assistance from staff and volunteers, for members to support each other and work on projects that will give something back to the wider community, for example in offering training to professionals working in the field of brain injury and or campaigning for improved services for survivors and their families. It also directly benefits their family members/carers in providing respite.

We also offer support in the form of information, advice and advocacy services for people with brain injury and their families; family support groups; a community support worker service; volunteering opportunities for local people and for some people with a brain injury; therapy services and occupational project work.

A message from our CEO and Chair

2020/21 was a year unlike any other in our history due to the Covid-19 pandemic. When lockdown started, we had to close the doors to our day service and quickly re-imagine how we could continue to support our members during this time. Lockdown for our members did not change their day-to-day lives immensely, and the isolation that the general population experienced is similar to that of our members every day following a brain injury.

During lockdown, we ran a number of online zoom sessions every day including art sessions, discussion groups, quizzes and music sessions. Members were involved in regular 'Canal side discs' our version of desert island discs featuring members, staff and guests choosing their favourite tracks which was a great success. We ran an online magic series with members learning a variety of tricks, as well as therapeutic sessions.

Staff adapted quickly and professionally to working online and finding new and creative ways to engage with members, at times involving doorstep visits, delivering technology to enable members to participate in online sessions or art materials so that members could continue with their art works at home.

A total of 12 staff were furloughed during the year for varying lengths of time as income reduced, but we were grateful to our local authorities continuing to fund us throughout the year as we adapted but continued to support our members.

Feedback from members during the lockdown periods was generally positive, with members able to engage across a number of different days, rather than just one, and meet other people who attend the centre on other days.

We worked hard to re-open our centre after the first lockdown adapting the space to include a one-way system, and ensuring infection control measures were in place with PPE and regular testing for staff and temperature checks for members. When the country went back in to lockdown, we closed and returned to online support before re-opening a hybrid service at the start of March 2021.

In addition to dealing with the pandemic, our CEO, Anthony Bonfil, left the organisation in November to relocate. Following Anthony's departure, the other members of the senior management team also left Headway East London in early 2021. Trustees quickly put interim arrangements in place with an interim CEO, Jane Earl, while recruiting a permanent CEO. Jane provided stability and support to the staff team at the end of a difficult year. Our new CEO, Anna McEwen, was appointed in December 2020 and began work in March 2021 just prior to the end of this period.

Fundraising opportunities changed significantly as funders focused on covid emergency funding, and the usual fundraising events could not take place during lockdowns. However, we were pleased to achieve a total of £205,382 in fundraised income meaning that our end of year position was significantly better than anticipated.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

We are delighted to have our new CEO now in post and services operating fully again. Over the course of the next year we plan to recruit our new SMT and publish a new five-year strategy for the organisation.

Chair: Glen Hodgson

Chief Executive: Anna McEwen

Date: 15/12/2021

Date: 15/12/2021

Why we're here

The most recent statistics produced by Headway – the brain injury association, identify that brain injury is more common than people think.

UK estimates for traumatic brain injuries (not incl. stroke or other forms of acquired brain injury) in 2005 was 1,200 per 100,000 population; this equates to 769,200 in a population of 64.1m and 99,696 in London (2013)

- Every 90 seconds someone is admitted to hospital with an acquired brain injury related illness – this could be from a head injury, stroke or other cause
- Comparison – every 90 seconds a new case of cancer is diagnosed*
- There were 348,934 hospital admissions with an acquired brain injury related illness in 2013-14 (equates to approximately 306,000 individual people)
- Comparison – 331,487 new cases of cancer were diagnosed in 2011
- Head injuries amongst women have increased by 24% in the last 10 years; despite this, men are still 6 times more likely to have a head injury than women
- [Source: Headway – the brain injury association, 2015; *Cancer research UK, 2011]

What we do

- Our mission is to support people affected by brain injury.
- Our vision is to build a world where brain injury survivors are valued, respected and able to fulfil their potential.

How do we do this?

- We provide services & support to survivors ("members"), family members and carers
- We support our members to pursue creative projects & activities
- We support our members to share their experiences & provide training & education to other organisations
- We ensure our support is long-term and flexible: from hospital to community settings

Why we're celebrating

- We supported 750 brain injury survivors and family members
- We were named a GSK Impact Award Winner for charity excellence in health and wellbeing
- A successful remote and hybrid offering was established to members across all services during national lockdowns
- Our Community Support Work Service continued to provide face-to-face emergency support to those in need
- Our Casework Service received 4-year continuation funding from The National Lottery Community Fund
- Members found new ways to connect, share work and stories, and deliver projects through increased video and audio output
- New brand partnerships were formed with French Connection and Barbican Centre

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Creating Community

Day Service

Fundamental to this service is peer support, participation and engagement with the community both at Headway East London and beyond. Although the members attending the service have access to a wide range of activities, including neurological therapies, we do not describe what we are doing as 'rehabilitation', choosing rather to describe it as a 'community'. Despite closing our doors in March 2020, this community came together to provide support, share experiences and keep connecting in new ways. The team managed regular mailouts of resources, activities and materials, whilst continuing emergency doorstep visits where necessary. Alongside this a fully remote service was established consisting of up to 14 weekly Zoom groups (covering football, music, art, dance and relaxation), daily befriending and welfare calls, and daily activity emails. Over the course of the year, more than 339 activity emails were sent to more than 150 members, and 164 members engaged with Zoom groups. During the brief window of re-opening, reduced numbers returned to the centre and celebrated being together, receiving in-person support, and resuming our onsite groups and creative projects.

In 2020-21 a total of 168 members accessed the Day Service, with an average of 190 placements per week, and the service had an income of £874,625 (which includes £12,617 achieved through full cost recovery).

Community Support Worker Service

This service supports brain injury survivors in the community and is heavily reliant on face-to-face interaction. Despite this, the team were able to navigate a move to remote services during the first national lockdown, whilst continuing to carry out emergency visits for members most at risk. From Summer 2020, the service moved into a hybrid model and in total 51 survivors accessed this service receiving 14,500 hours of support from their support workers. The service achieved an income of £305,468. Demand for the service continues to grow and in 2021-22 we expect to offer upwards of 340 support hours per week.

Volunteering

Volunteers are a vital component of Headway East London's work, especially in the Day Service where they have a pivotal role in supporting members to engage in activities. During our remote and hybrid offering volunteers made regular befriending calls, took part in activity Zooms, and engaged in digital creative projects together. In 2020-21 we had a total of 41 volunteers, 13 of whom were brain injury survivors who, as well as contributing to the community, benefit from it and the additional support of the Volunteer Co-Ordinator. These volunteers are in a unique position to offer peer support to the membership as they have the personal experience of a brain injury and are acutely aware of the challenges this can bring.

Encouraging Creativity

Art (Submit to Love Studio)

Each year more than 40 members accessed art activities at Headway East London. During 2020-21 this took a variety of formats to suit both need and accessibility which included two weekly Zoom groups (Home Studio and Art Café) recording 174 attendances, numerous one-to-one online sessions, weekly creative emails, and postal activities. Our online groups regularly welcomed external artists including Stephen Wright, and Katie Scott, to share their practice and lead an activity. Each member engaged with the studio was also sent regular materials whilst at home, along with video and written tutorials for new projects. Upon returning back to the studio, artists continued to work in a variety of mediums covering print, paint, illustration, embroidery and ceramics.

During this time the studio continued to form new external collaborations, in particular with the Barbican Centre (developing merchandise and delivering art workshops / resources) and French Connection (releasing a range of studio designed t-shirts). Artwork was also exhibited online via our own platforms, Jennifer Lauren Gallery and Shape Arts.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Food

The kitchen is ordinarily the hub of the Day Service, overseen by a dedicated Kitchen Project Lead, who encourages members to bring their own ideas or recipes from around the world celebrating the diversity of the Headway community. In addition to a Lunch Club offering, the team also deliver external catering and food-related events for both supporters (Headway Eats Supper Club) and corporate clients. During our remote service the team ran a series cooking Zooms, whilst also sending regular recipes and ingredients packs to interested members. During our short window of re-opening with reduced numbers, new members were encouraged to work in the kitchen at a slower pace, and up to 15 used the project weekly onsite.

Music

Music experienced welcome growth during this year, with the launch of a remote "Canal Side Discs" series encouraging members, staff and volunteers to share stories of their favourite songs. The charity's monthly radio show on Threads Radio continued and flourished with a variety of musical guests. Our partnership with Nordoff Robbins continued with a number of online music groups, whilst we also established The Headway Virtual Choir who collaborated over the phone to record a number of songs together, whilst apart.

Dance

Our dance group, run by a specialist team of on-site therapists across a number of days, transitioned into a virtual space with ease, supporting members to get moving whilst remaining in their homes. During the brief re-opening in Autumn 2020 15 members of the group travelled to the Barbican Centre to complete a series of filmed workshops with Michael Clark Company on the theatre stage, in response to an exhibition. The team also maintained a virtual collaboration with Studio Wayne McGregor, delivering online dance and movement Zooms whilst at home.

Offering Support

Headway East London has always tried to maintain some level of advice & advocacy service to assist brain injury survivors and their families through crisis situations and learn ways to manage better in the future. Due to the complex cognitive problems that often results from brain injury, it takes specialist knowledge to work with people in a way that builds as much independence as possible. In early 2019 we were successful in securing a 4-year National Lottery Community Fund grant for our Casework Service. Currently the service employs two caseworkers, one manager, and one brain injury survivor as a Peer Support Worker, and in total the service recorded an income of £109,301 for the year. Despite a strict lockdown and furlough, the team recorded 624 contacts and provided a range of 1:1 casework services including support completing individual compensation claims (totalling more than £1 million), securing emergency grants for individuals, attending benefits assessments and tribunals, contributing to a disability green paper, mediating neighbour and community disputes, and hosting a focus group with IAS Independent assessment services (IAS).

Better Together Project

In March of this year Bolt Burdon Kemp kindly confirmed sponsorship support for Better Together - Headway East London at The Royal London Hospital - previously known as The Early Intervention Project. The project aims to create a golden pathway for survivors and carers of acquired brain injury from admission to discharge and beyond. Providing advocacy, advice, and emotional support in the early stages of brain injury, linking in with statutory agencies, supporting clinical staff and ensuring a smooth transition to start their journey and life with a brain injury. In-person work begins in Autumn 2021.

Families & carers

Supporting family members is vital – brain injury happens to families. Over the last year the team continued to run two family support groups online, recording 358 attendances. In addition to this they organized and facilitated weekly meditation sessions and a social group focused on sharing stories, music, and quizzes. A new fortnightly group "The Big Ask" was also trialled between the charity and a clinical nurse specialist at The Royal London Hospital. Survivors of mild-moderate injuries who were unable to attend the hospitals outpatient clinic were invited to meet online, ask questions and receive support. Plans are in-place to resume this group in-person in the future.

Saturday Social

The Saturday Social offers opportunities to brain injury survivors, who are unable to access fee paying services. This group, which includes a large proportion of brain injury survivors who volunteer at the Day Service, comes together to socialise, develop friendships and offer support to one another. During lockdown, which usually meets in person each month, met 4 times (twice physically and twice remotely) and recorded 36 attendances.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Providing Therapies

Community neurological health services in our catchment area are inconsistent and have been subject to significant cuts in recent years despite research highlighting the benefits to brain injury survivors and their families of ongoing access to therapeutic input. Our therapy service has a pivotal role in providing therapeutic intervention to survivors and their families, who were unable to easily access timely and effective ongoing community therapeutic support.

In 2020-21 the therapy service provided vital support for members whilst at home and at risk of deterioration to their physical and mental health. The team supported individuals online (and in people's homes where appropriate) to access physiotherapy, occupational therapy, psychotherapy, as well as complementary therapies. On top of this, a number of Zoom groups were established to support fully remote and hybrid groups covering dance, yoga, relaxation, and Pilates. Our dance group in particular maintained collaborations with both Studio Wayne McGregor and Michael Clark Company.

"It's given me more confidence and courage to state what I'm finding difficult. Listening to others opinions and experiences. It is helping me to gain acceptance of my situation" - Private Therapy member

In total, the therapists engaged 30 members in groups and 46 members in 1:1 sessions at the Day Service. Meanwhile 14 people receiving private therapy, which included a new psychotherapy group run online. The Enfield Brain Injury Clinic, commissioned through Enfield Clinical Commissioning Group (CCG), supported 35 traumatic brain injury survivors remotely or in client's homes and 96% Achieved or Partially Achieved their goals.

Public engagement & raising awareness

Our awareness raising activities take many forms across the organisation, and look to involve the community in meaningful ways. From regular social media and written content, to public events and workshops, we continue to seek out opportunities which enable our members to share their lived experience of brain injury with a wider audience. In 2020-21, 25 members were engaged in 14 public engagement projects, covering talks, workshops, videos and articles. Central to this work over the last year has been our 3-year Community Collaborator partnership with the Barbican Centre, which invites the charity to engage with and develop cultural programming. During 2020-21 this relationship resulted in a dance collaboration, music and poetry workshops, advisory support for exhibitions, member-led workshops and the development of a new merchandise range.

In addition to this we also delivered workshops, talks and training to a variety of cultural and educational institutions including The Literacy Trust, St George's University, City of London, Autograph Gallery, and Poplar Union.

Both our members' and the charity's work was featured in a variety of media including ITV News, BBC Radio London, Evening Standard, Neuro Rehab Times, Hackney Citizen, Hackney Gazette, and It's Nice That. We also supported members to secure paid writing commissions for both Wellcome Collection and Barbican Centre.

Strengthening Co-Production

We believe that everyone has the capacity to make a contribution, and our experience at Headway East London has shown us that when more people are involved in discussions, the process creates more effective and focused support, in addition to new, exciting and relevant projects.

To facilitate this we actively seek to involve the people who access our services in the development, planning and implementation of our services, viewing them as our most valuable resource with a wealth of skills, experience, knowledge and expertise to offer. This takes many forms and in the last year alone members have been involved in staff recruitment, strategy planning, and delivering external training. Members have also been recruited to a number of organisational working groups covering Governance, Equity, Diversity and Inclusion, and website development. The charity also facilitates a regular Steering Group of members to discuss and develop public engagement and awareness raising projects. In Autumn 2021 a new Director of Development was recruited who will be implementing a co-production strategy across the organisation to ensure there are numerous opportunities for authentic and effective contributions.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Financial Statement - Treasurer

Against the backdrop of limited resources and insecurities over funding throughout the global pandemic, it has been an incredibly challenging year. Nevertheless, the charity, with the aid of sound financial management and the support of both its staff and trustees, was able to end the year by reporting a small surplus. Income was down 18.4% on the budgeted income target, with expenditure down 17.8% on budget. The planned surplus for 2020-21 was £16,170 and the actual surplus was £1,224, down £14,946. The total income for the charity was £1,766,978, which includes furlough income received of £47,296. Despite this level of government support, the total income reflects a decrease of 5.66% on 2019-20. Total expenditure was £1,765,754, a decrease of 7.75% on the previous year. Total staff costs were £1,486,657, an increase of 3.71% on 2019-20. The increase in costs reflects a 2% incremental increase awarded to qualifying staff and 1.5% cost of living increase awarded to all staff. The pay awards were agreed prior to the onset of covid-19.

Raising Money

Whilst a large proportion of our income is typically derived from service incomes, the rest is secured through charitable fundraising. Despite a number of obstacles facing this stream, including the cancellation of all in-person events and challenges, Headway East London recorded a yearly income of £205,382 (against a target of £291,300). We are tremendously grateful to all those who give to us, but especially our Headway Friends, who make regular donations in support of our work. Looking forward, we intend to continue our community fundraising campaigns, improve our donor stewardship and undertake legacy promotion.

This year our fundraising income was split into the following streams: Donations (£49,213), Grants (£88,301), Corporate donations & sponsorship (£38,203), Sponsored challenges (£3,805), Community Fundraising (£9,390), Art & merchandise sales (£10,048), and Gift Aid (£6,420).

Fundraising highlights

- Our Home Not Alone fundraising campaign to support us in delivering virtual services raised a fantastic £18,000 across our community in April 2020, followed by our Differently Various community fundraising campaign in November 2020. So many people contributed their time and efforts to make these campaigns successful.
- Our fantastic community took on many virtual challenges, including read-athons, hula hooping, cycling and running. A huge thanks to OLSGEIRE who continue to fundraise for us year on year!
- We entered Year 2 of our Charity of the Year partnership with MJ Hudson, whilst also receiving sponsorship and support from Irwin Mitchell, Osbornes, Bolt Burdon Kemp, and Elsevier.
- We were delighted to receive three-year funding from the Henry Smith Charity towards our day services. We were successful in being awarded CoVID emergency funding from Worshipful Company of Leathersellers, the National Lottery Community Fund, the East End Community Foundation and the London Community Response Fund.
- We were notified of two legacy gifts from Lakshmi Maharaj, an ex-member of staff, and Claudia Blackstone, an ex-volunteer.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Our Supporters

In addition to our individual and community supporters, we are also grateful to be supported by a number of trusts, foundations and corporate partners through both financial and in-kind contributions.

Trusts & Foundations

City Bridge Trust
East End Community Foundation
Worshipful Company of Fanmakers
Frazer Trust
Henry Smith Charity
Worshipful Company of Leathersellers
Masonic Charitable Foundation – Highams Park Lodge
National Lottery Community Fund
London Community Response Fund

Corporate supporters

BBK
Credit Suisse
Elsevier
Five Points Brewery
Irwin Mitchell
MJ Hudson
Osbornes
The Felix Project
FareShare
Barbican Centre
Tesco—Hackney Superstore
Supporters of Hackney Recycling
Haringey Irish Centre
Waitrose—various branches
The Wellcome Trust
Tri Masks

Why we need you

Local authorities continued to fund services during the pandemic as we adapted our services to provide remote and then hybrid support to members. As a result of the pandemic, social care budgets are tighter than ever, with more pressure from local authorities to deliver more for less. Our core services – the day service and community support work service – still do not recover full costs from all members supported and the deficit is met by charitable fundraising and other income streams.

There is also relatively low awareness of brain injury and its prevalence in the community, and very little understanding of the long-term effects on survivors and their families. Also, the Headway brand is not as well-known as it should be. This low level of awareness and recognition can impact on fundraising activity and our relationship with statutory agencies, and also of course the statutory services received by survivors and families.

To address this issue we are determined to actively promote the activities of Headway East London and the issue of brain injury by capitalizing on the lived experience of brain injury survivors. We will do this by developing additional opportunities for our members' to showcase their skills and talents in a wide range of public forums, with particular emphasis on occupational projects and public engagement. Throughout the pandemic our Comms team continued to work hard on our social media which is now highly regarded and recognised for its content and celebration of our work.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Racial diversity at Headway East London

In 2020 we witnessed the protests across the world in response to the continued brutal and unjust treatment of people based on the colour of their skin. These protests started a conversation around the world about the pervasiveness of systemic inequality and we were once again reminded of the need for inclusive cultures and diverse leadership here in the UK.

The rights and representation of underrepresented and marginalised people are at the heart of Headway East London's core values and mission and we constantly work to ensure that brain injury survivors who are often disempowered and unseen in society, are supported, respected and valued. However, as part of this, we needed to acknowledge that we have not made as much progress as we should have on issues relating to race and representation. Headway East London is an organisation with a workforce and board of predominantly white people, and the community we support are significantly more diverse.

We acknowledged the need to listen and learn to enable us to recruit a workforce and board which is more reflective of the diversity of the members we support, and as a result we established these initial commitments:

- We publicly state our commitment to anti-racism, recognising the fight against inequality and racial injustice is an ongoing and everyday commitment.
- We established a diversity working group, which involving stakeholders from across the organisation.
- The working group meets monthly to develop an action plan and timeline that addresses racial equality within our organisation and our practice. During 2020/21 the group focused particularly on recruitment practices to ensure we are recruiting a diverse team of staff.
- We will continue to equip ourselves with more knowledge; learning and growing together so that we can remove processes and barriers that sustain systemic racism.
- We offer our full support to any member of our community affected by issues of discrimination and racism.
- When our new CEO joined the organisation in March 2021 she took up the role of chair of our diversity group, which is now re-named Equity, Diversity and Inclusion working group.
- Plans for the future

Headway East London demonstrated our ability to adapt and respond to the Covid-19 pandemic and to support our member in new and different ways to enable them to continue to connect and engage through prolonged periods of lockdown.

After a lengthy period of destabilization, Headway East London is now developing a new 5 year strategy and had a new senior management team in place to deliver this.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Structure, Governance & Management

Headway East London (Headway) is a Charity and Company limited by guarantee. If the Charity must be wound up the Directors of the Company (Trustees of the Charity) would have a maximum liability of £1.

There are currently 10 Trustees, each with different skills and interests reflecting the needs of the charity. Trustees usually meet five times a year to oversee the running of the charity. They work with the Chief Executive and other members of the Senior Management Team on developing future strategy. New Trustees are appointed by existing Trustees. Trustees are provided with training and an induction into their roles and responsibilities as Trustee. The Board was supported by four sub-committees: Finance & Audit, Strategy Working Group, Governance Committee and the Remuneration Committee, which met five, four, three and two times respectively in 2020-21.

We would like to extend thanks to Penny Wrought who stood down as a Trustee on the 17th March 2021, for her contribution and input to the work of Headway East London. We welcomed Pardeep Dhoofar, Leila Lodwick and Bisila Noha who were appointed as Trustees on the 17th February 2021. Pardeep Dhoofar has taken the role of Treasurer for the organisation.

New trustees undergo a comprehensive induction to brief them on the structure and governance of the charity, the organisational strategy, business plan and budget together with recent financial performance, as well as their obligations under the Trustees Code of Conduct. Trustees are also invited to attend in-house training relating to brain injury and to spend time in the Day Service engaging with staff, volunteers and members. Trustees are also provided with relevant information from the Charity Commission on a regular basis.

Day to day responsibility for the running of the charity was delegated to the Chief Executive, Anthony Bonfil, until his departure on 30 November 2020. Jane Earl was appointed on a part time basis as interim CEO while a new permanent CEO, Anna McEwen, was recruited and began work on 22 March 2021.

Public benefit

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit when reviewing the charity's aims and objectives and in planning future activities. As well as improving the lives of people affected by brain injury, Headway East London provides benefits to the wider public by equipping its members to make a positive contribution to society and through its occupational, training, campaigning and awareness raising activities.

Reserves

The trustees' policy is to maintain unrestricted reserves at a level that allows Headway East London to be managed efficiently, to provide a buffer for interrupted services, to provide for future potential relocation and service development and to cover costs in the event of the charity needing to wind-down services due to significant loss of income, and or increases in costs.

The charity's approach in the event of significant income reduction and/or cost escalation would be to anticipate this as far as possible, and to respond by modifying services in a planned way to meet the new situation, while at the same time taking steps to seek alternative sources of funding, and thus continue to provide a sustainable and effective service to as many people as possible. There has been a detailed review of level of funds required to be allocated to a contingency reserve and we have determined that the minimum amount required will be set at £309,600. This was increased by £12,000 (4%) predominately to reflect the increased salary commitments.

Robust contingency plans are in place to enable the charity to respond to possible situations, as identified through the risk management process. For example, steps are being taken to respond to the situation when current high-demand services will be affected with the likely end of major grants. £619,193 of reserves was held, as at 31 March 2021, increased from £617,969 as at 31 March 2020. £94,446 of reserves is restricted. £309,600 of unrestricted reserves is held in a contingency reserve; £66,053 of unrestricted reserves is fixed assets. There is £149,094 of available free reserves.

The trustees have agreed to set aside the full amount of £149,094 of free reserves as a provision for increased costs and the cash impact of the continuing effects of the Covid-19 pandemic.

HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Fundraising statement

We employ staff to carry out fundraising duties. We did not employ external professional fundraisers or undertake commercial fundraising activities. We are registered with the Fundraising Regulator and adhere to the Code of Fundraising Practice standards and values: Legal, Open, Honest and Respectful. When supporters undertake sponsored events or fundraise on our behalf on a voluntary basis, and this is known to us, we encourage them to register with a compliant third-party donations processing supplier or to give directly through our website. We also provide supporters with information to comply with standards on seeking and handling donations.

Our overarching safeguarding policy and processes ensure that safeguards and measures are in place to reduce the likelihood of abuse taking place within our services, including our fundraising activities, and to protect vulnerable supporters from undue pressure, unreasonable intrusion and unreasonably persistent behaviour in connection with our fundraising activity. All our fundraising staff undergo a full induction and receive ongoing training in relation to safeguarding adults at risk. Our complaints policy is available on our website and at our premises, and applies to funders, supporters and anyone who comes into contact with Headway East London. In 2020-21 we received no complaints from donors or supporters and none were reported directly to the Fundraising Regulator.

Staffing

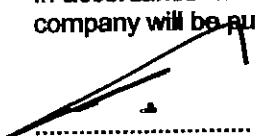
At the end of the 2020-21 financial year Headway East London had 54 permanent employees with a staff turnover of 23% during the year. Over the course of the year, 12 staff were furloughed in line with the Government's furlough scheme during the imposed periods of lockdown as a result of Covid-19. We rely heavily on volunteers to provide our services, add value and bring additional skills and experience to enhance our members experience in the day service. During the pandemic a number of volunteers continued to provide remote support to members, including regular phone or zoom calls to check in and offer a listening ear during isolation. In 2020-21, we had a total of 41 volunteers, 13 of whom were brain injury survivors. We also had 3 student therapist placements, as part of our neurological therapy team. The staff and volunteer team are an incredibly dedicated group of people who work with passion and enthusiasm for the benefit of brain injury survivors and their families.

Risk Management

A Risk Management Matrix is maintained that identifies potential risks and the impact of those risks. The Matrix details the controls in place to mitigate each risk, together with the associated monitoring processes. The risks, control and monitoring procedures are reviewed and reassessed regularly by the Senior Management Team. Areas of potential improvement are identified and timetables for action implemented. The Risk Matrix can be added to at any time and is reviewed by the Board of Trustees regularly. The Finance and Audit Committee has responsibility for monitoring the financial risk areas, identifying new risks and proposing amendments to the Matrix as necessary. The Governance committee has responsibility for monitoring other governance risks, including issues such as, safeguarding, health and safety, and data protection. The Risk Matrix is currently being reviewed and updated by the new Senior Management Team.

Auditor

In accordance with the company's articles, a resolution proposing that SRG LLP be reappointed as auditor of the company will be put at a General Meeting.



Mr G Hodgson
Director

Date: 15 DECEMBER 2021

HEADWAY EAST LONDON

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of Headway East London for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

The trustees confirm that so far as they are aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HEADWAY EAST LONDON

Opinion

We have audited the financial statements of Headway East London (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEADWAY EAST LONDON

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

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

HEADWAY EAST LONDON

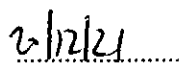
INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEADWAY EAST LONDON

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Trevor Clarke (Senior Statutory Auditor)
for and on behalf of SRG LLP



Chartered Accountants
Statutory Auditor

10 Bolt Court
London
EC4A 3DA

SRG LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HEADWAY EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds	Restricted funds	Total 2021	Total 2020
	Notes	£	£	£	£
<u>Income from:</u>					
Donations and legacies	3	173,484	243,808	417,292	312,899
Charitable activities	4	1,232,604	99,944	1,332,548	1,541,350
Other trading activities	5	15,810	-	15,810	15,151
Investments	6	1,328	-	1,328	3,413
Total income		1,423,226	343,752	1,766,978	1,872,813
<u>Expenditure on:</u>					
Raising funds	7	83,637	-	83,637	71,961
Charitable activities	8	1,314,093	368,024	1,682,117	1,842,092
Total resources expended		1,397,730	368,024	1,765,754	1,914,053
Net income/(expenditure) for the year/ Net movement in funds		25,496	(24,272)	1,224	(41,240)
Fund balances at 1 April 2020		499,251	118,718	617,969	659,209
Fund balances at 31 March 2021		524,747	94,446	619,193	617,969

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

HEADWAY EAST LONDON

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		119,520		112,311
Current assets					
Debtors	14	196,705		208,052	
Cash at bank and in hand		565,169		493,578	
		<u>761,874</u>		<u>701,630</u>	
Creditors: amounts falling due within one year	15	<u>(262,201)</u>		<u>(195,972)</u>	
Net current assets			499,673		505,658
Total assets less current liabilities			<u>619,193</u>		<u>617,969</u>
Income funds					
Restricted funds	17		94,446		118,718
<u>Unrestricted funds</u>					
Designated funds		309,600		297,600	
General unrestricted funds		<u>215,147</u>		<u>201,651</u>	
			524,747		499,251
			<u>619,193</u>		<u>617,969</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the Trustees on 14 DECEMBER 2021


Mr G Hodgson
Trustee

Company Registration No. 03998925

HEADWAY EAST LONDON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	22		92,966		20,189
Investing activities					
Purchase of tangible fixed assets		(22,702)		(5,608)	
Interest received		1,327		3,412	
Net cash used in investing activities			(21,375)		(2,196)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			71,591		17,993
Cash and cash equivalents at beginning of year			493,578		475,585
Cash and cash equivalents at end of year			<u>565,169</u>		<u>493,578</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Headway East London is a private company limited by guarantee incorporated in England and Wales. The registered office is Bradbury House, Timber Wharf, 238-240 Kingsland Road, London, E2 8AX.

1.1 Accounting convention

The financial statements have been prepared in accordance with, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises expenses for the related costs for which the grants are intended to compensate, which in the case of grants related to assets requires setting up the grant as deferred income or deducting it from the carrying amount of the asset.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Income is stated net of sales taxes and discounts.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Over 10 years
Plant and equipment	Over 4 years straight line
Fixtures and fittings	Over 4 years straight line
Computers	Over 4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Donations and gifts	86,588	132,979	219,567	18,258	93,870	112,128
Legacies receivable	-	-	-	1,847	-	1,847
Restricted grants	17,751	110,829	128,580	53,000	90,939	143,939
Sponsorship	3,805	-	3,805	19,194	-	19,194
Other	65,340	-	65,340	35,791	-	35,791
	<u>173,484</u>	<u>243,808</u>	<u>417,292</u>	<u>128,090</u>	<u>184,809</u>	<u>312,899</u>

4 Charitable activities

	Fee income	Transport income	CSW services	Therapies	Total 2021	Total 2020
	2021	2021	2021	2021		
	£	£	£	£	£	£
Other income	<u>874,625</u>	<u>29,966</u>	<u>305,468</u>	<u>122,489</u>	<u>1,332,548</u>	<u>1,541,350</u>
Analysis by fund						
Unrestricted funds	874,625	29,966	305,468	22,545	1,232,604	1,441,406
Restricted funds	-	-	-	99,944	99,944	99,944
	<u>874,625</u>	<u>29,966</u>	<u>305,468</u>	<u>122,489</u>	<u>1,332,548</u>	<u>1,541,350</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities (Continued)

For the year ended 31 March 2020

	Fee income £	Transport Income £	CSW services £	Therapies £	Total 2020 £
Other income	856,910	224,435	339,579	120,426	1,541,350
Analysis by fund					
Unrestricted funds	856,910	224,435	339,579	20,482	1,441,406
Restricted funds	-	-	-	99,944	99,944
	856,910	224,435	339,579	120,426	1,541,350

5 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Fundraising events	15,810	15,151

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	1,328	3,413

7 Raising funds

	2021 £	2020 £
Fundraising and publicity		
Costs of raising donations and legacies	8,167	13,712
Staff costs	75,470	58,249
Fundraising and publicity	83,637	71,961

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

7 Raising funds

(Continued)

83,637	71,961
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8 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Staff costs	1,002,791	922,723
Depreciation and impairment	11,270	10,247
Premises costs	127,267	125,106
Volunteers' expenses	496	527
Other expenses	5,872	799
Bank charges	2,107	5,779
Members' activities	21,919	40,661
Members' transport	22,005	200,217
Communication expenses	2,105	2,708
Provision for bad debts	2,500	917
	<u>1,198,332</u>	<u>1,309,684</u>
Share of support costs (see note 12)	400,410	444,841
Share of governance costs (see note 12)	83,375	87,567
	<u>1,682,117</u>	<u>1,842,092</u>
Analysis by fund		
Unrestricted funds	1,314,093	1,557,927
Restricted funds	368,024	284,165
	<u>1,682,117</u>	<u>1,842,092</u>

9 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the charity's auditor and associates:

	2021 £	2020 £
Audit of the charity's annual accounts	7,554	6,503
Non-audit services		
All other non-audit services	6,610	4,080

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Part-time	22	20
Full-time	21	23
Casual	14	15
Total	57	58

Employment costs	2021 £	2020 £
Wages and salaries	1,314,640	1,270,040
Social security costs	103,923	96,828
Other pension costs	64,189	64,023
	1,482,752	1,430,891

In addition, the charity is supported on a daily basis by dedicated volunteers, the value of which is not reflected in these accounts.

The average number of full time equivalent employees for the year was 32 (2020: 32).

There were no employees whose annual remuneration was more than £60,000.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

12 Support costs

	Charitable activities £	Support costs £	Governance costs £	2021 £	2020 £
Staff costs	1,002,791	350,787	53,704	1,407,282	1,372,642
Volunteers expenses	2,107	-	-	2,107	5,862
Members' activities	21,919	-	-	22,919	40,661
Members' transport	22,005	-	-	22,005	200,217
Other expenses	5,872	-	-	5,872	799
Communication expenses	2,105	3,396	-	5,501	4,499
Provision for bad debts	2,500	-	-	2,500	917
Legal and professional	-	1,000	15,191	15,191	12,500
Audit fees	-	-	7,554	7,554	6,503
Support costs allocated to activities (all based on staff usage)					
Premises costs	127,267	41,404	6,339	175,010	181,759
Bank charges	496	161	25	682	768
Depreciation	11,270	3,663	561	15,494	14,965
	1,198,332	400,411	83,374	1,682,116	1,841,176

13 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2020	363,239	53,948	12,059	37,331	466,577
Additions	17,637	1,940	-	3,125	22,702
At 31 March 2021	380,876	55,888	12,059	40,456	489,279
Depreciation and impairment					
At 1 April 2020	262,011	50,017	9,180	33,057	354,265
Depreciation charged in the year	11,505	1,369	1,189	1,431	15,494
At 31 March 2021	273,516	51,386	10,369	34,488	369,759
Carrying amount					
At 31 March 2021	107,360	4,502	1,690	5,968	119,520
At 31 March 2020	101,228	3,930	2,879	4,274	112,311

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	49,966	83,005
Other debtors	17,500	17,500
Prepayments and accrued income	129,239	107,547
	<u>196,705</u>	<u>208,052</u>

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	26,484	22,386
Trade creditors	167,210	35,744
Other creditors	19,770	18,575
Accruals and deferred income	48,737	119,267
	<u>262,201</u>	<u>195,972</u>

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £64,189 (2020 - £64,023).

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019	Movement in funds			Revaluations, gains and losses	Balance at 1 April 2020	Movement in funds			Balance at 31 March 2021
	£	Incoming resources	Resources expended	Transfers		£	Incoming resources	Resources expended	£	£
Awesome Disability	-	731	731	-	-	-	-	-	-	-
BBK	1,044	9,840	(7,411)	-	-	3,473	6,801	(9,137)	-	1,137
Beatrice Laing	2,000	-	(2,000)	-	-	-	-	-	-	-
Big Lottery	19,718	7,917	(27,635)	-	-	-	-	-	-	-
Boshier Hinton Foundation	1,894	-	(1,316)	-	-	578	-	(417)	-	161
Casework	-	18,861	(18,861)	-	-	-	-	-	-	-
City Bridge Trust	-	37,725	(33,533)	-	-	4,192	51,523	(50,246)	-	5,469
Clothworkers	16,000	-	(1,505)	-	-	14,496	-	(2,861)	-	11,634
Company of Arts Scholars	3,000	-	(1,985)	-	-	1,015	-	(540)	-	475
Cotton Trust	1,148	-	(592)	-	-	556	-	(556)	-	-
D'Oyly Carte Chaitable Trust	-	938	(938)	-	-	-	-	-	-	-
Counterpoints	750	-	750	-	-	-	-	-	-	-
East End Community Foundation	-	-	-	-	-	-	2,000	(2,000)	-	-
Emerton Christie	776	-	776	-	-	-	-	-	-	-
Enfield CCG	-	99,944	99,944	-	-	-	99,944	(99,944)	-	-
Fanmakers	2,500	-	(834)	-	-	1,666	-	(1,088)	-	578
Ford Britian Trust	1,063	-	(372)	-	-	691	-	(237)	-	454
Golsoncott Foundation	-	750	-	-	-	750	-	(750)	-	-
Grenhall Foundation	2,000	-	(502)	-	-	1,498	-	(502)	-	996
Hackney Parochial Charities	-	-	-	-	-	-	300	(284)	-	16
Henry Smith	-	-	-	-	-	-	22,900	(17,175)	-	5,725
Hospital Saturday Fund	1,500	-	1,500	-	-	-	-	-	-	-
Independence at home	-	2,202	(1,911)	-	-	291	3,607	(3,699)	-	199

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

17	Restricted funds										(Continued)
	Irwin Mitchell	-	2,100	(1,486)	-	-	614	-	-	(614)	-
	Islington Mind	-	-	-	-	-	-	100	-	(100)	-
	Kirschel Foundation	500	-	500	-	-	-	-	-	-	-
	LCRF Grant	-	-	-	-	-	-	41,560	-	(41,560)	-
	London Catalyst	127	-	127	-	-	-	-	-	-	-
	Lottery grant	-	68,222	(37,045)	-	-	31,177	53,028	-	(58,059)	26,146
	M & G Investments	-	3,803	(1,901)	-	-	1,901	-	-	(1,901)	-
	Music for all	-	250	-	-	-	250	-	-	(250)	-
	NCLF	-	-	-	-	-	-	47,500	-	(47,500)	-
	Northern Trust	986	1,000	(1,047)	-	-	939	-	-	(394)	545
	Osbornes	12,750	-	(12,750)	-	-	-	10,500	-	(10,000)	500
	Postcode community lottery	-	5,555	(1,093)	-	-	4,462	-	-	(4,462)	-
	Prudential	-	1,500	(675)	-	-	825	-	-	(825)	-
	Radcliffe Trust	1,250	-	(1,250)	-	-	-	-	-	-	-
	Rathbones	-	620	(620)	-	-	-	-	-	-	-
	Sam Winston	-	-	-	-	-	-	1,000	-	(1,000)	-
	Samaritan Grant	-	1,500	(343)	-	-	1,157	-	-	(470)	687
	Satander	-	250	-	-	-	250	-	-	(250)	-
	Saturday Social donations	-	322	(322)	-	-	-	-	-	-	-
	Science Museum	-	80	(80)	-	-	-	-	-	-	-
	Screwfix Foundation	-	5,000	-	-	-	5,000	-	-	(392)	4,608
	South Square Charitable Trust	2,500	-	(2,500)	-	-	-	-	-	-	-
	The Bradbury Foundation	43,152	-	(4,315)	-	-	38,837	-	-	(4,315)	34,522
	The February Foundation	-	4,000	(2,333)	-	-	1,667	-	-	(1,667)	-
	The Mackintosh Foundation	-	1,000	-	-	-	1,000	-	-	(1,000)	-
	The Morrisons Foundation	2,057	-	(686)	-	-	1,371	-	-	(686)	685
	The Percy Bilton Charity	-	500	(467)	-	-	33	-	-	(33)	-
	The Saturday Hospital fund	1,415	-	(1,415)	-	-	-	-	-	-	-
	Tottenham District Charity	-	120	(120)	-	-	-	-	-	-	-
	Wellcome Trust	-	9,993	(9,993)	-	-	-	2,990	-	(2,990)	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

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HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

19 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	73,023	146,046

20 Events after the reporting date

Since the reporting period we have recruited a new Senior Management Team following the departure of the previous directors in early 2021. The new SMT comprises Directors of Finance, Operations and Development, along with our recently appointed CEO.

Covid has continued to impact the organisation, but we have now re-opened all services with infection control measure in place to reduce risks to our members, staff and volunteers.

Fundraising continues to be challenging in the current climate, with less events and changes to large grants as a result of the pandemic.

We have been working on our new five year strategy which is due to be launched in early 2022 giving us some ambitious targets for the future. This has been coproduced working with members, staff, volunteers and trustees.

21 Related party transactions

The charity received donations from its trustees and other related parties during the period which totalled £1,640 (2020: £880).

22 Cash generated from operations	2021 £	2020 £
Surplus/(deficit) for the year	1,224	(41,240)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,328)	(3,413)
Depreciation and impairment of tangible fixed assets	15,494	14,965
Movements in working capital:		
Decrease in debtors	11,347	48,148
Increase in creditors	66,229	1,729
Cash generated from operations	92,966	20,189

23 Analysis of changes in net funds

The charity had no debt during the year.