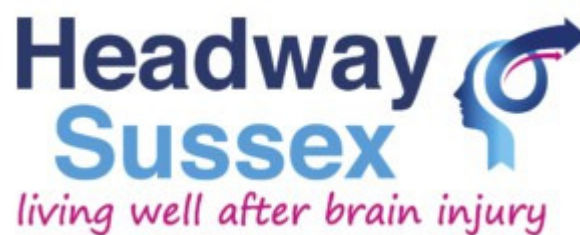


COMPANY REGISTRATION NUMBER: 04027768
CHARITY REGISTRATION NUMBER: 1084715



Headway Sussex Ltd
Company Limited by Guarantee
Unaudited Financial Statements
31st March 2022

Headway Sussex Ltd

Company Limited by Guarantee

Financial Statements

Year ended 31st March 2022

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Headway Sussex Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31st March 2022

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

Reference and administrative details

Registered charity name	Headway Sussex Ltd
Charity registration number	1084715
Company registration number	04027768
Principal office and registered office	Headway House Reedens Jackies Lane Newick East Sussex BN8 4QX
Independent examiner	Kim Lo FCA PRB Accountants LLP Kingfisher House Hurstwood Grange Hurstwood Lane Haywards Heath West Sussex RH17 7QX

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Year ended 31st March 2022

The financial statements have been prepared in compliance with the Charity's Memorandum and Articles of Association, FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

Chairman's Report

This year brought new challenges and change to our charity as we emerged from covid. I am again particularly proud of the resilience and progress that has been made by the full team of Trustees, Management, Staff and Volunteers.

Following our amalgamation with Headway West Sussex we reported on last year we now provide our services across both counties and have updated the name of the charity to Headway Sussex Limited to reflect this change.

During Covid our services had been severely restricted, and we reduced our workforce. As restrictions eased, we reopened our centres and returned to delivering our services face to face. We continued to deliver one to one outreach. We maintained a level of critical hospital liaison service whenever we were allowed into the hospitals. The online support groups that were started up during Covid have continued across the county to assist clients to focus on progressing in their lives. This year saw our second year of the three-year National Lottery Grant which we had been awarded.

We made new appointments and started the process of bringing our services to local areas such as Brighton & Hove and Eastbourne. In Brighton we opened one day a week at Possability Place. In Eastbourne we opened a centre at Faraday House building on our relationship with East Sussex Age UK.

We are very grateful for the grants and support we have received from all quarters especially from both East Sussex County Council and Brighton & Hove Council. We finished the year with a loss but with a healthy cash position.

Over the next year we hope to increase the level of services we provide and to continue to offer rehabilitation and support services for people with brain injuries, their families and carers. Our enquiry levels for support have increased significantly even before we factor in the wider Sussex area that we now cover. We aim to provide a range of services, including offering tailored cognitive rehabilitation and reablement programmes, as well as a variety of advice and support services to those affected across the whole of Sussex.

My thanks go to all our Trustees, Staff and Volunteers who have contributed their time and efforts to the charity this year.

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Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31st March 2022

Chief Executive's Report

A year of recovery and optimism

2021-2022 was a period of renewed determination to get back on track to return to normal services. As we came out of the final lockdown at the end of March, we started to welcome back clients in person on a regular basis and we all learnt to live and work within the constant presence of covid. Clients were pleased to be back at our centres and meet up with old friends again. The effects of the prolonged period of social isolation were evident in many, including their physical abilities and appearances.

It was also time to refocus on our commitment to extend services into West Sussex against a growing waiting list of referrals. Key to this was the introduction of a client service system, making communication more effective and accessible amongst staff. This was particularly important for those delivering remote outreach services around the county. We started to look at where to focus the delivery of our services in West Sussex, based around the location of clients on our waiting list.

The strength and guidance of the experienced Headway Board of Trustees continued to be invaluable in helping us get back on track and refocus on our strategy. Staff changes and the creation of new roles to fulfil our service commitment in West Sussex meant we had quite a few vacancies at the beginning of the year although recruitment was challenging. However, over the course of the year we welcomed new board members, a Digital & Marketing Lead, Grants & Fundraising Lead, Client Services Accountant, Finance & Business Manager plus additional Support Workers. We were also supported by Occupational Therapy students and Social-work students from Brighton University throughout the year who proved popular with clients.

With new staff members and funding coming in from trusts and grants, clients were able to benefit from new activities (art, gardening, Just Bowls). We started planning additional services, such as the Response and Call back Service, and entered talks with local organisations for fundraising and sponsorship initiatives. Community fundraisers ran, cycled and crafted for us and the Counselling Partnership reconvened to deliver sessions in person as well as online. It was good to hear laughter again around the groups and to see people reunited after a period of enforced separation.

Financial Review of the Year

The main aim across the year was to sustain the viability of the charity and to proactively manage the financial impact and other consequences of the pandemic. As reported in the 2020-2021 Annual report Headway suffered a loss of around 35% of income. In May 2021 Trustees took action to secure a Bounce Back Loan of £50k to ensure continuation of charitable activities and availability of adequate cashflow. This was additional to a Charity Bank loan facility already in place.

Close to the start of the 2020/21 financial year Headway received fantastic news about award of a National Lottery Reaching Communities Fund Grant. The Grant was to cover a three-year period to support the charity through the process of change to become a more locally based community-facing organisation. This is being achieved through delivery of a Headway Living Well Programme with the focus on setting up new accessible support services in more town-based venues across East Sussex and Brighton and Hove. The year 1 grant of £92,665 ran from September 2020. Year 2 (2021-2022) ran until end of September 2022.

It had already been necessary to contract and reduce expenditure through restructure which took effect from October 2020 with a reduction in the workforce from 24 to 20 employees. We worked through an organisation-wide redundancy process to re-align management and frontline staffing in order to operate within a reduced budget for our core services. Sadly, we lost valued, experienced and knowledgeable staff and had to reduce to a single Community Service Manager. Once appointed we set about changing our staffing to deliver the Living Well Programme Lottery project which is now successfully running in three East Sussex centres, serving town communities.

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Year ended 31st March 2022

Headways' plan to shift away from a single site at Newick to reach and support people living with brain injury across town communities remains integral to all changes and decisions. Award of the Lottery grant had been an endorsement of the value of our work and plans for change. These remain a good fit with the Lottery Reaching Communities Programme and Partnership ideals. Our key objective continues to deliver reablement and wellbeing support people need closer to home. Receipt of the grant was also perfect timing in enabling Headway to get up and running after Covid.

We have continued the use of the Newick Annexe building as a suitable delivery venue for our clients. It is now open for group work with our clients on a Wednesday and Friday. We are planning to increase the number of days if we are successful in attracting more funds to employ more support workers. This coincides with our strategic aim to increase our service provision in the various community venues.

With the Lottery Covid Emergency Grant and Infection Control funding we purchased a vital new client database system (ECPLISE). Throughout the year we set about training the staff in the recording of client data onto the new system and in October 2022 the system went live. This data base will help us to successfully catch detailed client information and streamline our accounts procedure.

From November 2020 Headway returned to offer small safely distanced face to face services again. As precautions and guidance eased more clients returned to attend our group work sessions in the various centres. Staff were encouraged by observing clients within groups gaining confidence and that support could help reduce worry, anxiety and social isolation exacerbated by Covid.

Alongside the delivery and reintroduction of group work in the three centres, we maintained our community outreach support for clients in person and online throughout the Covid period. Since the arrival of Covid-19 in March 2020, we established stringent policy and procedure maintaining continuous risk assessment. This allowed us to ensure vigilance at all times while following Government guidance in order to maintain a safe practice for client, staff and volunteers.

Throughout the year we developed and reenergised our Living Well Support Group service provision in four locations - Brighton and Hove, Eastbourne, Bognor Regis and Worthing. In addition to these we have continued to grow our on-line options for this service. These meetings give opportunity for everyone living with an ABI, to meet other people in similar situations. They give people a chance to exchange information and get advice from the facilitators, speakers, and each other in an understanding and supportive setting. New friendships are often formed, providing an ongoing source of help and support. Mutual support and expertise through lived experience are central to the running of the groups which are attended by brain injury survivors, family carers and friends.

Commitment to cover West Sussex

Following the amalgamation with West Sussex Headway in September 2020 the charity became Headway Sussex in April 2021. Our strategy and aims have been revisited to reflect this geographical enlargement of our services and to provide services spanning the whole of East Sussex, Brighton and Hove and ensure we concentrate on extending the service provision in West Sussex beyond the existing two support groups. We were fortunate that an experienced Group Facilitator transferred to continue to run the two evening support groups Worthing and Bognor. Much valued volunteers have also continued to offer their time and expertise.

Information Technology

Whilst Covid had created challenges there were also new opportunities for innovation and change to be seen as a positive outcome. The staff changed to embrace remote and mobile working and the organisation adjusted to provide a 'Keeping in Touch' service through phone and online support.

Across the year Headway received external IT advice and support provided by a valued volunteer. Together we are in the process of drawing up a costed IT Plan for Headway systems improvement.

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Year ended 31st March 2022

Digital Transformation

Given the nationwide shift to a digital culture Headway updated phones and laptops for more agile remote and home working. We equipped staff replacing outdated equipment with new technology as part of our wider IT Plan. This is fundamental to digital transformation and has made a major difference to how we work. Staff and volunteers are now able to communicate more speedily and with ease and videos, photos and soundbites have been easy to publish. We have continued to hold many of our Headway meetings online eliminating time, cost and stress of travel.

Outcomes were: -

- ☐ staff digital skills markedly improved as Headway devoted time to induct people in using online conferencing for Support Group meetings and other communications including access to webinars
- ☐ greater efficiency and improved online messaging and publicity to reach more people
- ☐ delivering virtual Support Groups broke down barriers for some clients and carers experiencing difficulties in accessing support through technology
- ☐ one to one support for clients, family members and carers in using smart phones and tablets to join activities, promoting wellbeing through digital inclusion
- ☐ this included a long-term loan of tablets where there was no alternative
- ☐ virtual groups enabled clients to return to the safe environment of groups and allowed new and isolated clients to join for the first time, increasing connections and links to services and opportunities
- ☐ increasing zoom groups gradually allowed old friends and new to meet and catch up on how they were coping with all the changes encountered
- ☐ clients developed new skills and shared enjoyable activities including online quizzes
- ☐ piloting of mixed media groups enabled clients willing and able to re-enter a face-to-face environment whilst others unable to participate could still join and feel part of personal groups

Following the appointment of a new Digital and Marketing Programme Lead our website has been updated and now plays a pivotal role in raising Headway's profile and enabling digital service delivery. This has accelerated the development of online services, raised our profile and increased Headway's opportunity of increasing our income through fundraising.

The Living Well Programme

The Living Well Programme Lottery funding was allocated to cover the following: -

- ☐ Extra day and evening Living Well Support Groups and workshops
- ☐ New Programme Lead time for outreach visits and venue-based activity
- ☐ Extra staff time to initiate a small-scale core Response and Call Back service

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Year ended 31st March 2022

- ☐ Low-cost specialist counselling, affordable by and accessible to those who need it most
- ☐ Vital additional capacity for Hospital Liaison
- ☐ Essential improvements and start-up costs

Two part-time Programme Lead roles were created and the support team changed to a team of Wellbeing Support Workers from November 2020.

Changes were initiated to coordinate a vibrant Programme of group support activities and extend our Living Well Support Group Programme workshops for clients offered out in our community venues, in client's own homes, outside settings and online. The aim is to continue working collaboratively through partnerships.

In summary the overall aim of all our service provision is to deliver a locally based approach, promote and offer greater choice and control, personal wellbeing, rehabilitation and reablement, independence, improved quality of life, social interaction and inclusion. Also to work through individual Headway Link Workers and be more efficient with a common purpose to fully embrace and increase use of social media and digital communication.

Connections

Headway connects with VCSE, NHS, adult social care and community partner organisations to raise awareness and to leverage additional free and low-cost specialist information and resources across these sectors to benefit clients, carers and staff. Examples have been -

Public Sector

- NHS Critical Care Nursing - experiences in ICU
- Brighton and Hove City Council - training and development courses and Healthy Lifestyles Team
- DWP - awareness raising for work coaches advising on benefits and PIP
- Brighton and Sussex University Hospital - expert speakers
- NHS CCG and Continuing Healthcare colleagues - links and Support Plan
- Hospital Liaison Service Lead - membership of UK and Sussex Brain Injury Forum
- University of Brighton - BSC and MSC OT and Social Work student placements
- Sussex Trauma Network - participation alongside NHS and other specialist providers
- Hospital Liaison Service Lead - liaison with rehabilitation practitioners (ward-level, other specialists)

Voluntary and Community Sector

- MIND - liaison on mental health and access to services
- St Lukes and Money Advice Plus / Possability People - welfare benefits and PIP
- Media Trust - digital training via Charity Spring School
- Membership and information - through VCSE organisations Brighton and Hove, East and West Sussex
- Headway UK regional meetings - including regular briefings on responding to the Covid crisis
- Carer Services organisations - liaison and referrals

Business

- IT technical support free of charge from Technology Solutions.
- Neurotherapy Partnership Therapists engaged in individual support plans
- Independent practitioners and Counsellors - Headway Counselling Partnership set up and actively counselled 25 clients.

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Year ended 31st March 2022

Support and Wellbeing Activity Delivered

- ☐ 54 Support Groups were held in Brighton and Hove & East Sussex (including online access) for 596 participants
- ☐ 24 Support Groups were held in West Sussex for 224 participants
- ☐ 700 Activity Groups were held across Brighton & Hove and East Sussex for 3412 participants
- ☐ 5879 client support hours were delivered via individual Community Outreach
- ☐ 48 Rediscover Groups for 338 participants continued across the year for clients with moderate support needs focusing on achieving optimum independence, reintegrating into communities or returning to work
- ☐ 10 hours of individual Therapy support was arranged through individual support planning

Volunteering and Fundraising

It was another year of wonderful community support through fundraising, volunteering and donations. We would not be able to operate without the support of our wonderful network of donors. On behalf of clients and carers, the Trustees and Headway Team are sincerely grateful and thank everyone who supported us.

Our Digital & Marketing Lead took over the management of community fundraisers so our Trust & Grants Lead could concentrate on larger projects. We were in awe of local fundraiser, Judy Tilbury, who continued to be a powerhouse of making and selling masks and intricate beaded Christmas decorations for us. Covid delays and restrictions continued to impact on our entrants for some of the larger fundraising events, such as the London Marathon and the London to Paris Cycle Ride, so further delays were inevitable. It also became apparent that it was a time-consuming task to find and manage community fundraisers. The Fundraising & Marketing Committee took the decision to support those that came to us with fundraising plans in place, rather than securing places in expensive events and looking for participants to take part.

We continue to value our team of volunteers who welcome visitors and assist at our Support groups across the county. Volunteers also help to maintain the grounds at Newick, delivering produce to the office from the Walled Garden, as well as those who bought in their own machinery to cut the lawns and carry out general gardening tasks. We welcomed volunteer photographer, Roger Bloxham, to the team as well as launching a campaign to recruit new trustees. As some trustees stepped down, it was felt that greater diversity was required as well as the need to widen the gender balance across the board.

We maintain our commitment to work with a combined team of staff and volunteers as valued members of the Headway team. Headway aims to remain a charity and voluntary organisation strengthened through an equal partnership with expert volunteers.

Important acknowledgements for the year include: -

<p>Judy Tilbury - a dedicated and generous supporter of Headway who worked tirelessly throughout the Covid period making and selling facemasks. Over Christmas 2021, Judy also made some intricate beaded Christmas decorations which raised additional funds for us.</p>
<p>Collecting Boxes - local stores and public houses held collecting tins on behalf of Headway which also helps raise our profile</p>

Headway Sussex Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31st March 2022

Governance and Management

The organisation is a charitable company limited by guarantee. The company was established under a Memorandum of Association with sets out the objects and powers of the charitable company and is governed under its Articles of Association.

The objects of the charity are the rehabilitation and care of people who suffer brain injuries and who reside in East and West Sussex and adjoining counties the provision of such services and facilities as are required from time to time by such persons.

Trustees

The Trustees, who are also Directors for the purpose of company law and, who served during the year were:

Trustee	Profession	Board Role
Michael Gaughan	Non-Executive Director	Chair of Trustees & Finance Committee
Henrik Bjorn	Retired Banker	Finance Committee
Mark O'Hara	Chartered Accountant	Finance Committee
Andrew Kean	Chartered Accountant	Chair of Finance Committee
Lucy Morewood	Marketing Manager	Fundraising & Marketing Committee
Michele Fleming	Retired Occupational Therapist Former CEO	Fundraising & Marketing Committee Lottery Committee
Ian Foster	Parent of a son with a brain injury	Client and Carer Engagement Lead
Dr John Norris	Consultant Neurosurgeon	NHS engagement
Jonathan Clement	Senior Partner in law firm specialising in personal injury	Standards & Compliance Committee
Claire Glasgow – Appointed 05/05/2022	Senior Associate in the Personal Injury team of a law firm	Counselling Feedback Coordinator, Standards and Compliance Committee Member
Tara Lacey – Appointed 01/06/2022	Programme management for the NHS	Standards & Compliance Committee Member
Lynda Brown – Resigned 04/11/2021	HR Consultant	

The Patron of the Charity is Baroness Julia Cumberledge.

Trustee Lynda Brown stood down after several years of service on the board and the Standards & Compliance Committee. We are very grateful to Lynda for the HR guidance she offered the charity, as well as her valued contribution to general running of the charity.

We were fortunate to have two new Trustees join the Board. We undertook a digital campaign across our social media channels as well as paid advertising through a recruitment site. Trustees were sought from West Sussex, and we were keen to widen the gender balance and diversity of the board.

We welcomed Claire Glasgow, who took up the role of Counselling Feedback Coordinator and Tara Lacey, who joined the Standards & Compliance Committee. Claire brings her legal experience of representing claimants in complex, high-value cases who have suffered serious, sometimes fatal, injuries including brain injuries. Tara brings 12 years of experience of as a neuro-specialist Occupational Therapist within the NHS, supporting people with brain injuries in acute hospital settings. Trustees were recruited following a full recruitment process including interview provision of references and DBS checks.

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Year ended 31st March 2022

Board Governance Committees are Finance, Fundraising and Marketing, Standards and Compliance and all Committees met regularly across the year. Extraordinary meetings also took place.

Audits and Inspections

There were no audits or inspections during this period.

Related Parties

The Charity is affiliated to Headway UK, the national brain injury Charity.

Future of Headway Sussex

In 2020/2021 financial year the Board agreed a new draft Strategy for 2021-2024. The following summarises key points from the Strategy: -

Vision

Headway's vision is to remain a trusted specialist provider organisation so that people with brain injury right across Sussex are supported to rebuild lives and to live well.

Values

- the best interest of each client and family Carer is the focus of all decisions
- always providing caring, safe support to promote wellbeing, independence and quality of life
- fully engaging clients and carers in shaping their own support and our wider services
- a warm, welcoming, listening charity: efficient, affordable and reliable
- embracing difference and diversity in all we do
- welcoming expert volunteers as valued members of a combined workforce

Rebuilding and Extending Headway

For survivors of acquired brain injury life can change overnight and demand for our support is high. Headway will use future investment for growth and development to future-proof and sustain our services and will set out priorities, costs and resources in an annual business plan.

This will be to strengthen services across East Sussex and Brighton and Hove and extend more widely into West Sussex. To be efficient in rolling out best practice through a well-trained, fully mobile, combined staff and volunteer team to increase capacity. Delivery of an agile and affordable service model for people who need our support will be achieved working more efficiently and in partnerships with a range of other experts.

Sussex covers almost 1,500 square miles with 12 District and Borough Councils and Brighton and Hove Unitary Authority. Clients and family carers are widely spread. Our shift in emphasis will be to provide place-based, specialist support across the wider area with a more flexible wellbeing service.

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Year ended 31st March 2022

Partners and Supporters

The views of people who use our services, staff, partners, supporters and stakeholders will help shape delivery and we will strengthen engagement, gathering feedback and opinion in a range of different ways.

Headway will work proactively alongside the community, social care and the NHS partners.

However, the right funding must be in place to reflect the complex and often hidden needs of the people we support. We will foster a clear understanding and stronger working partnership approach to sustain Headway's specialist support role for the Sussex community.

Headway has relied on fundraising income in the region of £100,000 per year and is indebted to the generosity of donors and supporters. We will continue to value the significant added contribution which comes from the expertise and time given by volunteers and Trustees and in fundraising.

The Living Well Programme must stand alone at the end of the grant funding in October 2023. This is a short time window of development. Headway will be transparent in presenting and sharing costs with funders. We are keen to work within collaboratives and social enterprise. We will continue to draw on best practice from the larger Headway network and organisations of excellence.

There is strong client voice in favour of far greater NHS liaison, and we need to extend our staffing in this critical area. We will therefore lobby hard to secure health and social care funding investment at the earliest point.

Reserves and Investment Policy

Trustees took action to obtain the £50k Bounce Back Loan to ensure adequate cashflow. This was in addition to the existing Charity Bank loan facility which provides a facility of up to £150K.

No financial investments were made during this accounting period.

The main asset of the Charity remains the freehold property Headway House, Jackies Lane, Newick. During 2021/2022 the Board began to develop a plan for the future of the Newick site to underpin Headway's financial security.

Headway Sussex Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31st March 2022

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

The trustees' annual report and the strategic report were approved on 25 Jan 2023..... and signed on behalf of the board of trustees by:

Michael J Gaughan

Michael Gaughan - Chairman and Director

Headway Sussex Ltd

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31st March 2022

"I would have been lost without Headway as I was given no support or contacts for help when I left hospital after experiencing a subarachnoid brain haemorrhage in 2015.....I am not blaming the hospital for that, they did a great job in keeping me alive, just that Headway and the Stroke Organisation have a VITAL role. I do hope Headway know how valuable you and Andy are at these meetings; you both do a great job, and I am sure I speak for everyone when I say how much I appreciate you both."

Pat, who participates in a Wellbeing Zoom Group

"I rang Headway, and I cannot tell you how absolutely relieved I felt that I had been heard."

A survivor who received telephone support



"Thank you again so much. Thank you is such a much-used word and can never convey the meaning behind it. You have really helped me gain new insights safely and supported me so well over these last few months. Bless you..."

A recipient of the Counselling Partnership

"When I first came here, I didn't feel left out because everyone has the same problem"

Leigh who attends a Wellbeing Group

"It makes me feel relaxed and I'm meditating. It's a lovely feeling when you've been tense and you can just relax."

You don't have to think too hard."

Wayne, talking about being part of the Pottery Group

Headway Sussex Ltd

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Headway Sussex Ltd

Year ended 31st March 2022

I report to the trustees on my examination of the financial statements of Headway Sussex Ltd ('the charity') for the year ended 31st March 2022.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent examiner's statement

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

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Kim Lo FCA
Independent Examiner

Kingfisher House
Hurstwood Grange
Hurstwood Lane
Haywards Heath
West Sussex
RH17 7QX

Headway Sussex Ltd

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Statement of Financial Activities (including income and expenditure account)

Year ended 31st March 2022

		2022			2021
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	5	24,677	179,151	–	203,828
Charitable activities	6	253,420	–	–	253,420
Investment income	7	232	–	–	232
Other income	8	–	–	–	–
Total income		<u>278,329</u>	<u>179,151</u>	<u>–</u>	<u>457,480</u>
Expenditure					
Expenditure on raising funds:	9	13,502	–	–	13,502
Expenditure on charitable activities	10	<u>290,250</u>	<u>182,482</u>	<u>9,368</u>	<u>482,100</u>
Total expenditure		<u>303,752</u>	<u>182,482</u>	<u>9,368</u>	<u>495,602</u>
Net expenditure		<u>(25,423)</u>	<u>(3,331)</u>	<u>(9,368)</u>	<u>(38,122)</u>
Transfers between funds		<u>5,000</u>	<u>-</u>	<u>(5,000)</u>	<u>–</u>
Net movement in funds		<u>(20,423)</u>	<u>(3,331)</u>	<u>(14,368)</u>	<u>(234)</u>
Reconciliation of funds					
Total funds brought forward		<u>30,487</u>	<u>5,114</u>	<u>548,806</u>	<u>584,407</u>
Total funds carried forward		<u>10,064</u>	<u>1,783</u>	<u>534,438</u>	<u>584,407</u>

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

Headway Sussex Ltd

Company Limited by Guarantee

Statement of Financial Position

31st March 2022

	Note	2022 £	£	2021 £	£
Fixed assets					
Tangible fixed assets	15		551,718		565,958
Current assets					
Stocks	16	1,679		1,679	
Debtors	17	121,840		77,799	
Cash at bank and in hand		65,546		184,185	
		189,065		263,663	
Creditors: amounts falling due within one year	18	113,482		163,037	
Net current assets			75,583		100,626
Total assets less current liabilities			627,301		666,584
Creditors: amounts falling due after more than one year	19		81,016		82,177
Net assets			546,285		584,407
Funds of the charity	20				
Endowment funds			534,438		548,806
Restricted funds			1,783		5,114
Unrestricted funds			10,064		30,487
Total charity funds			546,285		584,407

For the year ending 31st March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act 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.

These financial statements were approved by the board of trustees and authorised for issue on 25 Jan 2023, and are signed on behalf of the board by:

Michael J Gaughan

Michael Gaughan
Trustee and Director

Headway Sussex Ltd

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31st March 2022

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Headway House Reedens, Jackies Lane, Newick, East Sussex, BN8 4QX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

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

Going concern

Although the charity had net expenditure in the year of £38,122 the balance sheet is solvent. The Trustees Report details the restructuring and other measures the charity has undertaken to improve the financial performance. On the basis of the cash flow performance since the year-end to date including a loan drawdown facility which has been obtained from The Charity Bank to ensure adequate cashflow, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for at least 12 months from the date of signing these financial statements. The covenant restricting the use of the charity's main asset being the land and property described in note 15 expires in September 2022 which will give the charity more options with its use to raise finance. There are also grants of £49,467 which have been deferred for future expenditure.

Therefore the Trustees consider there are no material uncertainties about the charity's ability to continue as a going concern.

Judgements and key sources of estimation uncertainty

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

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Headway Sussex Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st March 2022

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Headway Sussex Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st March 2022

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% on endowed property, 10% reducing balance on other property
Fixtures and fittings	-	20% reducing balance
Motor vehicles	-	25% reducing balance

Impairment of fixed assets

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

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Headway Sussex Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st March 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

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

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

Headway Sussex Ltd is a private company limited by guarantee.

5. Donations and legacies

	Total Funds 2022 £	Total Funds 2021 £
Donations and grants		
Unrestricted	24,677	42,131
Restricted	179,151	105,954
	<u>203,828</u>	<u>148,085</u>

Headway Sussex Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st March 2022

6. Charitable activities

	Total Funds 2022 £	Total Funds 2021 £
Services provided under contract	<u>253,420</u>	<u>228,661</u>

7. Investment income

	Total Funds 2022 £	Total Funds 2021 £
Rental income	217	214
Interest receivable	<u>15</u>	<u>11</u>
	<u>232</u>	<u>225</u>

8. Other income

	Total Funds 2022 £	Total Funds 2021 £
Covid support government grant income	–	126,344
Headway West Sussex amalgamation	<u>–</u>	<u>12,812</u>
	<u>–</u>	<u>139,156</u>

9. Costs of raising donations and legacies

	Total Funds 2022 £	Total Funds 2021 £
Staging fundraising events	4,043	413
Advertising and grant commission	<u>9,459</u>	<u>15,150</u>
	<u>13,502</u>	<u>15,563</u>

Headway Sussex Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st March 2022

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Total funds 2022 £	Total fund 2021 £
Staff costs		332,238	346,583
Premises		47,478	69,480
Transport		8,278	6,935
Professional fees		-	481
Printing, stationery and advertising		2,696	1,074
Other expenses		38,866	26,030
Depreciation		14,240	16,751
Bad debts		-	6,683
Governance costs		5,220	5,220
Staff training and recruitment		3,286	364
Staff and volunteers expenses		806	5,728
Day care food etc.		601	103
Therapy and care		25,923	13,925
Finance costs		2,468	1,441
		<u>482,100</u>	<u>500,798</u>

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	<u>14,240</u>	<u>16,751</u>

12. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements (2021 :audit)	<u>5,220</u>	<u>5,220</u>

13. Staff costs

The average head count of employees during the year was 22 (2021: 21).

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

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

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Headway Sussex Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st March 2022

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1st April 2021 and 31st March 2022	<u>613,793</u>	<u>224,960</u>	<u>34,220</u>	<u>872,973</u>
Depreciation				
At 1st April 2021	69,987	211,154	25,874	307,015
Charge for the year	9,368	2,786	2,086	14,240
At 31st March 2022	<u>79,355</u>	<u>213,940</u>	<u>27,960</u>	<u>321,255</u>
Carrying amount				
At 31st March 2022	<u>534,438</u>	<u>11,020</u>	<u>6,260</u>	<u>551,718</u>
At 31st March 2021	<u>543,806</u>	<u>13,806</u>	<u>8,346</u>	<u>565,958</u>

The land and buildings at Jackies Lane, Newick, are used for the charitable activities of the company. A charge dated 6 September 2002 is registered over the land. The charge expires in September 2022. Buildings of £472,770 are shown at cost less depreciation. Land and buildings of £61,668 are shown at the market value at the date of endowment less a downward revaluation. The trustees are of the opinion that the net carrying amount for land and buildings fairly represents its value in use for the current purpose of charitable activities. The Trustees may alter the use of the land and property in the future. Initial consultations shown valuations for the land and property of £1.2-£1.8million with no planning permission.

16. Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u>1,679</u>	<u>1,679</u>

17. Debtors

	2022 £	2021 £
Trade debtors	89,513	64,624
Prepayments and accrued income	22,357	12,801
Other debtors	9,970	374
	<u>121,840</u>	<u>77,799</u>

18. Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	6,430	7,824
Trade creditors	24,637	19,213
Accruals and deferred income	74,410	129,344
Social security and other taxes	7,331	6,568
Other creditors	674	88
	<u>113,482</u>	<u>163,037</u>

Headway Sussex Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st March 2022

19. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	81,016	82,177

Bank loans represent a £40,000 loan drawn down from a £150,000 facility provided by Charity Bank. The availability of the drawdown is until 30 September 2022 unless extended at the discretion of the lender. Capital repayments will commence from October 2022 for thirteen years. The loan is secured on the assets of the charity. Interest is charged at 3.5% above the base rate. The charity undertakes to maintain a minimum cash holding of £35,000 or available undrawn facility. Bank loans also represent a £50,000 covid support Bounce Back loan to be repaid over 10 years with repayments starting in June 2021, with a holiday between October 2021 and March 2022. Interest is charged at 2.5%.

20. Analysis of charitable funds

Unrestricted funds

	At 1st April 2021	Income	Expenditure	Transfers	At 31st March 2022
	£	£	£	£	£
General funds	30,487	278,329	(303,752)	5,000	10,064

Restricted funds

	At 1st April 2021	Income	Expenditure	Transfers	At 31st March 2022
	£	£	£	£	£
Advice and Support Services	2,560	160,426	(162,986)	-	-
Chalk Cliff Trust	311	-	(311)	-	-
Tesco	-	10,000	(10,000)	-	-
Arthur & Doreen Green	-	5,000	(5,000)	-	-
Sussex Community	-	3,725	(3,725)	-	-
Sundry Grants	460	-	(460)	-	-
Headway West Sussex	1,783	-	-	-	1,783
	5,114	179,151	(182,482)	-	1,783

Advice and Support Services - grants and donations received from The National Lottery, Uckfield and District Lions, Percy Bilton, Hirchal and The Henry Smith Charity for provision of community support workers and counselling and reaching communities.

Chalk Cliff Trust - grant for cookery at Chailey Heritage School.

Sussex Community Foundation Crisis Fund - for a client database system.

Headway West Sussex - relates to the amalgamation of reserves.

Headway Sussex Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31st March 2022

20. Analysis of charitable funds

Endowment funds

	At 1st April 2021	Income	Expenditure	Transfers	At 31st March 2022
	£	£	£	£	£
Freehold Property	<u>548,806</u>	<u>-</u>	<u>(9,368)</u>	<u>(5,000)</u>	<u>534,438</u>

The transfer relates to sales proceeds for a small section of land sold in 2020 released to general funds.

21. Registered Charges

There is a deed of covenant and charge dated 2 September 2002 over the land and property described in note 15 in favour of The Leonard Cheshire Foundation. This expires in September 2022.

There is a fixed charge and negative pledge over the freehold property owned by the charity in favour of the Charity Bank limited dated 16 December 2019.

There is a fixed and floating charge and negative pledge over all other freehold property and current assets of the charity in the favour of The Charity Bank Limited dated 16 December 2019.

The value of the facility provided by the Charity Bank Limited is up to £150,000.



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