

Charity Registration No. 1092578

Company Registration No. 04068994 (England and Wales)

HEREFORDSHIRE HEADWAY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

HEREFORDSHIRE HEADWAY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees G.O. Blyth
Dr. P.N. Hawker (Chair)
Dr. M Helme
W. J. Finn
H. Ponting

Secretary G.O. Blyth

Chief Executive Officer H. M. Mapp

Charity number 1092578

Company number 04068994

Registered office and principal address Headway House
Trenchard Avenue
Credenhill
Hereford
Herefordshire
HR4 7DX

Independent examiner Timothy Calder FCA
Kendall Wadley LLP
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Bankers Barclays Bank plc
1-3 Broad Street
Hereford
HR4 9BH

HEREFORDSHIRE HEADWAY

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HEREFORDSHIRE HEADWAY

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

The Trustees present their annual report and financial statements for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association dated 06 September 2000 as amended by a Special Resolution dated 15 November 2001, 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)" (effective 1 January 2019).

Objectives and activities

The Charities Objects are:

- To promote the relief and rehabilitation of persons who have suffered acquired brain injury (the users) and reside in the areas covered by the county of Herefordshire and its immediate environs and the relief and support of the carers of such persons.
- The provision in the interests of social welfare of recreational (including sporting) occupational respite and educational facilities for the users and their carers.
- The provision of support information advice and counselling for the users, their relatives or other persons caring for the users or anyone with an interest in acquired brain injury.
- The promotion of research into the treatment prevention and prevention of deterioration of acquired brain injury on terms that such research is published.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims, objectives and operations. Services have been developed to maximise public benefit. Such services include the provision of a day centre delivering Clinical and Life Style Enablement services, Outreach and mentoring, respite care, local information, awareness raising and support for individuals and professionals.

Services were established 29 years ago since when we have supported many people and their immediate families who have been affected by the devastating effects of acquired brain injury (ABI) by providing relevant and specific support to meet individual needs. We currently support 65 clients and their carers. In order to promote the relief and rehabilitation of those who have suffered an ABI we offer a range of valuable services carefully chosen to aid health and wellbeing.

This has been an extraordinary year when services were suspended due to the Covid-19 pandemic with staff and clients being sent home on the 12th of March 2020. Over the coming months we developed online and telephone services that allowed us to support our beneficiaries while maintaining only essential face to face contact.

Having quickly gained funding in the form of grants from the Community Lottery fund / DCMS, The Herefordshire Community Foundation and the Jordans Foundation, together with the continued support from Herefordshire Council we set up online classes. Our tutors and therapists deliver a range of live online activities that were broadly like those usually available in the centre. In addition, we kept in contact with every beneficiary on our books speaking to all who wanted us to at least once a week.

With a large proportion of our income lost we were forced to take advantage of the government's furlough scheme which proved a lifeline, allowing us to cut our outgoings while keeping our team intact and ready to open up services again when it was safe to do so. As COVID infection began to drop during the summer we were able to look at how we could safely resume face to face services and had to accept that social distancing regulations would lead to smaller group numbers and a significant loss of income for the foreseeable future. At this point we were forced to make three redundancies but were then able to resume day centre and outreach activities as well as to maintain some online activity.

HEREFORDSHIRE HEADWAY

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

Achievements and performance

Our beneficiaries and their families have faced ever changing challenges throughout the year and Herefordshire Headway has adapted with them. Our online support has been a great success and although difficult to achieve the re-launch of our Enablement Centre Services with social distancing and a range of other infection prevention and control measures has allowed us to keep all our provision open and COVID free during the infections winter surge. Outreach services have been in huge demand with on average two new support enquiries each week. Due to the success of this programme we are attracting more new starters than ever before and are working hard to ensure we adapt and introduce services to meet the needs of what is a younger co-hort of people.

Financial review

During the year incoming resources amounted to £394,325 (2020: £281,723) and the resources expended amounted to £353,803 (2020: £280,039). Of the income £41,932 (2020: £60,574) is derived from services provided under contract for the Day Opportunities, and the Outreach Services. This provided the Charity with an overall net surplus for the year of £40,522 (2020: £1,684). At the year end the reserves of the Charity amounted to £416,391 (2020: £375,869), comprising restricted funds of £150,634 (2020: £139,943), designated funds of £56,470 (2020: £36,470) and general funds of £209,287 (2020: £199,456).

The Statement of Financial Activities (SOFA) on page 5 reflects a continuation of last year's positive financial position reflecting an increase in unrestricted charity reserves. Unrestricted Charity reserves (excluding designated funds) not required to support fixed assets now stand at £199,290 and represent approximately one year of unrestricted operating costs. After taking into account all requirements for holding reserves the Trustees regard this level of reserves as both reasonable and prudent.

We are pleased to report that management, fundraising and administration costs remain under control and an improved pricing structure for delivered services is maintaining a stable funding base for continued development of services and facilities in pursuance of our charitable objectives.

The Trustees monitor risk using the risk register which is an integral part of the annual business planning process. Annual planning takes place in January each year the final plan being ratified prior to April and then monitored throughout the year. The Trustees have are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Charity is a company limited by guarantee governed by its Memorandum of Articles of Association dated 6 September 2000 as amended by a Special Resolution dated 15 November 2001. It is registered as a Charity with the Charities Commission, number 1092578, and is exempt from corporation and income tax on its charitable income.

All members of the Board of Trustees exercise their authority in the capacity as Directors under the relevant company legislation and as Trustees of the Charity. Given the company's charitable status the term 'Trustee' rather than 'Director' is used throughout.

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

G.O. Blyth
Dr. P.N. Hawker (Chair)
Dr. M Helme
W. J. Finn
H. Ponting

HEREFORDSHIRE HEADWAY

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

As set out in the Articles of Association one third of the Trustees retire by rotation each year but only if at least two Trustees will remain in office. Any member entitled to vote at a general meeting may propose one member for appointment or reappointment as a Trustee. The number of Trustees shall be at least five and not more than ten all of whom must be members. All the Trustees co-opted under section 3.7 of the Articles of Association serve until the AGM following their appointment when they may seek election as Trustee.

Training is provided as necessary using guidance provided by the Charity Commission and the wider Headway network.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Trustees, which meets regularly, governs the Charity. A Chief Executive is appointed by the Trustees to manage the day to day activities of the Charity. To facilitate effective operations the Chief Executive has delegated authority for these day to day operational matters. Remuneration of staff is approved by the Board having due regard to the tasks undertaken by the relevant members of staff.

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

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



G.O. Blyth

Trustee

Dated: 8 December 2021

HEREFORDSHIRE HEADWAY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF HEREFORDSHIRE HEADWAY

I report to the Trustees on my examination of the financial statements of Herefordshire Headway (the Charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the Trustees of the Charity (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 financial statements of the Charity 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 financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 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 that in any material respect:

- 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 financial statements to be reached.



T C Calder FCA
Kendall Wadley LLP

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Dated: 8 December 2021

HEREFORDSHIRE HEADWAY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	170,333	120,919	291,252	60,418	72,272	132,690
Charitable activities	4	102,785	-	102,785	140,940	-	140,940
Other trading activities	5	-	-	-	7,213	-	7,213
Investments	6	288	-	288	880	-	880
Total income		273,406	120,919	394,325	209,451	72,272	281,723
Expenditure on:							
Raising funds	7	16,023	-	16,023	23,523	-	23,523
Charitable activities	8	219,890	117,890	337,780	181,695	74,821	256,516
Total resources expended		235,913	117,890	353,803	205,218	74,821	280,039
Net incoming resources before transfers		37,493	3,029	40,522	4,233	(2,549)	1,684
Gross transfers between funds	12	(7,662)	7,662	-	-	-	-
Net income for the year/ Net movement in funds		29,831	10,691	40,522	4,233	(2,549)	1,684
Fund balances at 1 April 2020		235,926	139,943	375,869	231,693	142,492	374,185
Fund balances at 31 March 2021		265,757	150,634	416,391	235,926	139,943	375,869

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.

HEREFORDSHIRE HEADWAY

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	13		165,435		147,092
Current assets					
Debtors	14	15,698		19,678	
Cash at bank and in hand		379,982		322,070	
		395,680		341,748	
Creditors: amounts falling due within one year	15	(144,724)		(112,971)	
Net current assets			250,956		228,777
Total assets less current liabilities			416,391		375,869
Income funds					
Restricted funds	17		150,634		139,943
<u>Unrestricted funds</u>					
Designated funds	18	56,470		36,470	
General unrestricted funds		209,287		199,456	
			265,757		235,926
			416,391		375,869


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.

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 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 accounts were approved by the Trustees on 8 December 2021


Dr. P.N. Hawker (Chair)
Trustee

Company Registration No. 04068994

HEREFORDSHIRE HEADWAY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

Herefordshire Headway is a private company limited by guarantee incorporated in England and Wales. The registered office is Headway House, Trenchard Avenue, Credenhill, Hereford, Herefordshire, HR4 7DX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's Memorandum and Articles of Association, 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) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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.

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 Incoming resources

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.

HEREFORDSHIRE HEADWAY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised by the charity where a contractual obligation exists or for goods services received that have not been invoiced.

Resources expended are allocated to funds in accordance with the nature of activity to which that expenditure relates. Staff costs are allocated to the relevant funds on a time spent 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	Nil
Improvements to freehold property	5% Straight Line
Greenhouse and kiln	5% Straight Line
Fixtures, fittings & equipment	10% Straight Line
Computers	33.3% 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 and deposits held at call with banks.

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. Financial assets classified as receivable within one year are not amortised.

HEREFORDSHIRE HEADWAY

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

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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

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.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received

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.

HEREFORDSHIRE HEADWAY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	1,993	-	1,993	11,208
Grants	167,730	120,919	288,649	120,522
Membership fees	610	-	610	960
	<u>170,333</u>	<u>120,919</u>	<u>291,252</u>	<u>132,690</u>
For the year ended 31 March 2020	<u>60,418</u>	<u>72,272</u>		<u>132,690</u>
Donations and gifts				
Other	1,993	-	1,993	11,208
	<u>1,993</u>	<u>-</u>	<u>1,993</u>	<u>11,208</u>
Included above are grants received				
E F Bulmer Benevolent Fund	-	-	-	7,500
The Eveson Charitable Trust	20,000	-	20,000	15,000
Co-op Local Community Fund	-	-	-	6,227
Jordans	15,000	-	15,000	25,000
Big Lottery	-	53,648	53,648	66,045
High Sheriff	-	-	-	750
Herefordshire Council Discretionary	15,612	-	15,612	-
Big Lottery - COVID Liquidity Fund	84,784	-	84,784	-
Tania Millwood Legacy	2,064	-	2,064	-
Covid-19, Job Retention Scheme claims	30,270	-	30,270	-
Lottery - Stay Well/Stay Safe	-	57,094	57,094	-
National Emergency Trust DCMS fund	-	7,177	7,177	-
Sylvia Waddilove Foundation UK	-	3,000	3,000	-
	<u>167,730</u>	<u>120,919</u>	<u>288,649</u>	<u>120,522</u>

HEREFORDSHIRE HEADWAY

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

4 Charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Daily attendance income	3,218	63,023
Services provided under contract	41,932	60,574
Fees in respect of sub-contracted staff	57,635	17,343
	<u>102,785</u>	<u>140,940</u>

5 Other trading activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Fundraising events	-	7,213

6 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	288	880

7 Raising funds

	2021 £	2020 £
<u>Fundraising costs of grants and donations - unrestricted</u>		
Other fundraising costs	-	7,759
Staff costs	16,023	15,764
	<u>16,023</u>	<u>23,523</u>
Fundraising costs of grants and donations - unrestricted		

HEREFORDSHIRE HEADWAY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Charitable activities

	Rehabili- tation projects £	Consult- ancy £	Total 2021 £	Total 2020 £
Staff costs	125,369	10,414	135,783	116,316
Depreciation and impairment	18,375	-	18,375	9,333
Subcontractor fees	43,167	-	43,167	49,790
Running costs	12,253	-	12,253	8,648
Transport	2,361	-	2,361	2,445
Food costs	11	-	11	5,637
Bank charges	169	-	169	408
Sundry	-	-	-	46
	<u>201,705</u>	<u>10,414</u>	<u>212,119</u>	<u>192,623</u>
Share of support costs (see note 9)	113,555	-	113,555	43,679
Share of governance costs (see note 9)	12,106	-	12,106	20,214
	<u>327,366</u>	<u>10,414</u>	<u>337,780</u>	<u>256,516</u>
Analysis by fund				
Unrestricted funds	209,476	10,414	219,890	181,695
Restricted funds	117,890	-	117,890	74,821
	<u>327,366</u>	<u>10,414</u>	<u>337,780</u>	<u>256,516</u>

HEREFORDSHIRE HEADWAY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Staff costs	84,423	6,810	91,233	39,464	Time spent
Printing, postage and stationery	777	-	777	1,039	See 1.5
Heating and lighting	5,850	-	5,850	6,794	""
Insurance	3,748	-	3,748	2,647	""
Water rates	213	-	213	571	""
Telephone	2,533	-	2,533	2,591	""
Repairs and renewals	5,794	-	5,794	816	""
Waste and cleaning	3,073	-	3,073	3,252	""
Computer costs	5,462	-	5,462	1,224	""
Health, safety and training	1,682	-	1,682	1,046	""
Membership and affiliations	-	611	611	951	Governance
Legal and professional costs	-	2,722	2,722	1,701	Governance
Independent examiners fee	-	1,963	1,963	1,797	Governance
	<u>113,555</u>	<u>12,106</u>	<u>125,661</u>	<u>63,893</u>	
Analysed between Charitable activities	<u>113,555</u>	<u>12,106</u>	<u>125,661</u>	<u>63,893</u>	

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or travelling expenses during the year (2020- £Nil).

HEREFORDSHIRE HEADWAY

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

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration and support	4	4
Direct services	11	11
	<u>15</u>	<u>15</u>

Employment costs

	2021 £	2020 £
Wages and salaries	230,109	164,883
Social security costs	11,130	4,972
Other pension costs	1,798	1,691
	<u>243,037</u>	<u>171,546</u>

During the year termination payments comprising redundancy, payments in lieu of notice and holiday pay of £11,226 (2020 - £Nil) were made.

Of the 15 (2020: 15) members of staff employed, 1 is full time (2020: 1) and 14 are part time (2020: 14).

There were no employees whose annual remuneration was £60,000 or more.

12 Transfers

In 2021 a transfer of £7,662 was made from unrestricted funds to restricted funds representing the amount received under the Covid-19 Job Retention Scheme in respect of staff assigned to the Lottery Project that were furloughed. No transfers of funds were made in 2020.

HEREFORDSHIRE HEADWAY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Tangible fixed assets	Freehold Land and buildings		Improvements to freehold property		Greenhouse and kiln		Fixtures, fittings & equipment		Computers		Total	
	£	£	£	£	£	£	£	£	£	£	£	£
Cost												
At 1 April 2020	30,470	138,281	4,800	10,904	8,278	192,733						
Additions	-	1,774	2,181	6,703	26,062	36,720						
At 31 March 2021	30,470	140,055	6,981	17,607	34,340	229,453						
Depreciation and impairment												
At 1 April 2020	-	32,453	1,200	4,861	7,129	45,643						
Depreciation charged in the year	-	7,003	349	1,761	9,262	18,375						
At 31 March 2021	-	39,456	1,549	6,622	16,391	64,018						
Carrying amount												
At 31 March 2021	30,470	100,599	5,432	10,985	17,949	165,435						
At 31 March 2020	30,470	105,828	3,600	6,043	1,150	147,092						

HEREFORDSHIRE HEADWAY

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	10,843	11,093
Other debtors	-	100
Prepayments and accrued income	4,855	8,485
	<u>15,698</u>	<u>19,678</u>

15 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		4,370	2,546
Deferred income	16	129,608	95,937
Trade creditors		6,969	93
Other creditors		-	100
Accruals		3,777	14,295
		<u>144,724</u>	<u>112,971</u>

16 Deferred income

	2021 £	2020 £
Arising from Income in advance of service date	<u>129,608</u>	<u>95,937</u>
Current liabilities	<u>129,608</u>	<u>95,937</u>

The amount deferred represents monies received from the Lottery Fund as yet unspent. The income is released to the Statement of Financial Activities as expenditure is incurred. Monies remaining unspent at the completion of the project are to be returned to the Big Lottery Fund.

HEREFORDSHIRE HEADWAY

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		Balance at 1 April 2020 £	Movement in funds		Transfers	Balance at 31 March 2021 £
		Incoming resources £	Resources expended £		Incoming resources £	Resources expended £	£	
Refurbishment building and equipment	122,899	-	(6,300)	116,599	-	(6,302)	-	110,297
Gardening fund	3,840	-	(240)	3,600	-	(240)	-	3,360
Workshop Tools	280	-	-	280	-	-	-	280
Refurbishment Equipment	3,619	6,227	(1,090)	8,756	-	(1,090)	-	7,666
Groundwork UK Landscaping Fund	11,322	-	(614)	10,708	-	(614)	-	10,094
Lottery Project	532	66,045	(66,577)	-	53,648	(61,310)	7,662	-
Replacement Pottery Kiln	-	-	-	-	3,000	(109)	-	2,891
Lottery 2 - Stay Well/Stay Safe	-	-	-	-	57,094	(45,684)	-	11,410
National Emergency Trust DCMS fund	-	-	-	-	7,177	(2,541)	-	4,636
	142,492	72,272	(74,821)	139,943	120,919	(117,890)	7,662	150,634

HEREFORDSHIRE HEADWAY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Restricted funds

(Continued)

Building Refurbishment - This fund represents grants received from The Bailey Thomas Charitable Fund, Santander Foundation, Sylvia Waddilove, The Sobell Foundation, Novum Law, Clothworkers, Morrisons Foundation and ACT Foundation. The aim of these grants is to assist with the costs of improving our premises. This fund also represents grants received from The Jordans Foundation, who assisted with the workshop refurbishment.

Gardening Fund - This fund represents a grant received from Jules Thorne and Gillian Bulmer. The aim of these grants is to assist with the costs of improving the garden equipment, in particular the greenhouse.

Workshop Tools Fund - This fund represents a grant received from the Co-op Community. The aim of this grant is to assist with the costs of acquiring new tools for the workshop. Incoming resources this year relate to a legacy.

Refurbishment Equipment Fund - This fund represents grants received from the Hedley Foundation, Beatrice Laing, Bernard Sunley and the Childwick Trust. The aim of these grants is to assist with the cost of acquiring equipment for the refurbished therapy suite and day care areas.

Groundwork UK Landscaping Fund - This fund represents grants received from Tesco, and also the Co-op Local Community Fund, with an aim to improve the garden at Headway House.

The Lottery Fund - This fund represents grants received from the National Lottery. The aim of the grant is for development of a home and community support service that allows us to work intensively with individuals, carers, families and communities at home and in their own environments, self reliance and resilience being the core goal.

Replacement Pottery Kiln - This fund represents a grant received from the Sylvia Waddilove Foundation UK. The aim of this grant is to assist with the "Kiln Work" project.

Lottery 2 - Stay Well/Stay Safe, Stay in Touch - a Coronavirus Community Support grant to enable charitable activities to continue in the community during the Covid-19 pandemic.

National Emergency Trust DCMS fund - IT Equipment - This fund represents a grant received via The Herefordshire Community Foundation. The aim of this grant is to provide electronic equipment so activities can be re-delivered to clients at home, necessary as a result of Covid-19 restrictions.

HEREFORDSHIRE HEADWAY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Balance at 1 April 2019	Incoming resources	Balance at 1 April 2020	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Building refurbishment	6,000	-	6,000	-	6,000
Headway House	30,470	-	30,470	-	30,470
Client bursary	-	-	-	20,000	20,000
	<u>36,470</u>	<u>-</u>	<u>36,470</u>	<u>20,000</u>	<u>56,470</u>

Building refurbishment - This fund represents grants received in 2018 from the Masonic Charitable Foundation Community Awards. This has been set aside with the costs of improving our premises.

Headway House - In 2019, Headway House was transferred to a designated fixed asset fund. This has been set aside to more clearly present the free reserves of the charity.

Client Bursary - the trustees have designated £20,000 of the income of the year as a Bursary fund to assist clients who are required to fund their own fees.

HEREFORDSHIRE HEADWAY

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

19 Analysis of net assets between funds

Fund balances at 31 March 2021 are represented by:

Tangible assets

Current assets/(liabilities)

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
	9,997	30,470	124,968	165,435	1,150	30,470	115,472	147,092
	199,290	26,000	25,666	250,956	198,306	6,000	24,471	228,777
	209,287	56,470	150,634	416,391	199,456	36,470	139,943	375,869

HEREFORDSHIRE HEADWAY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 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	1,633	1,633
Between two and five years	2,542	4,175
	<u>4,175</u>	<u>5,808</u>

The operating leases represent leases from third parties for the provision of office equipment and other services. The leases are negotiated over terms of 5 to 7 years and rentals are fixed for the term of the lease. There are no options in place for either party to extend the lease terms.

The charge included in the statement of financial activities in connection with these leases is £1,633 (2020 - £1,633).

21 Related party transactions

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

Remuneration of key management personnel

The remuneration of key management personnel, considered to be 2 employees (2020 - 2) is as follows.

	2021 £	2020 £
Aggregate compensation	<u>56,768</u>	<u>54,876</u>

22 Contingent Asset

At the balance sheet date the Charity was in discussion with their insurance provider regarding a claim for loss of earnings as result of restrictions placed upon them by the Local Authorities as a consequence of the Covid-19 pandemic resulting in forced closure. No provision is recognised in these financial statements as negotiations are on-going and the quantum of the claim is not yet determined.