

Company Registration Number: 06632056
Charity Registration Number: 1125695

Heel and Toe Ltd
Financial Statements
For the Year Ending
31 December 2021

JANE ASCROFT ACCOUNTANCY LIMITED

Chartered Accountants & statutory auditor

Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

Heel and Toe Ltd

Financial Statements

Year Ended 31 December 2021

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Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report)

Year Ended 31 December 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2021.

Chair's report

Welcome to the Heel & Toe Children's Charity Annual Report 2021.

I think we can all agree it has been an extraordinarily challenging 18 months.

At the beginning of the COVID-19 outbreak we were forced to stop

carrying out therapy, close our centres and cease all fundraising activities. This is possibly the single biggest challenge the Charity has ever faced. We have had to adapt and change the way we operate and engage with children and families in order to deliver therapy and operate safely within the government's ever-changing regulations.

Most of our events had to be cancelled and our 2021 events were postponed until later in the year. We have lost £300,000 in revenue since COVID-19. We envisage 2022 will still be a difficult year for fundraising with the continuing concerns over the pandemic so our need for support is more important now than ever before.

The safety and wellbeing of each and every child and family who uses Heel & Toe remains our absolute priority, and my fellow Trustees and I are proud of the hard work and innovation that has taken place in order to maintain our vital services for the children and young people of the North East.

Thank you for your continued support. I hope you will stay with us on our journey to help every young person reach their potential.

Paul Gilsean
Chair

Small steps lead to great things

Our journey since opening in 2008, with four children in a port-a-cabin annex at the rear of the Meadows School in Spennymoor, has been exciting, sometimes exasperating, but always rewarding.

This year we have worked to support over 220 children with disabilities during a period of unprecedented challenge brought on by the COVID-19 pandemic. As we begin to reopen our centres for face-to-face services we remain focused on our long term strategy to bring beneficial therapy to all the children who need it in the North East region.

I would like to extend my thanks to our many supporters who generously continue to fund our work and the hundreds of people who help, volunteer, fundraise, sponsor and donate to Heel & Toe.

Lastly, I would like to thank all the children, parents and carers whose care, dedication and input has been vital to the development of Heel & Toe Children's Charity.

Doug Long
Chief Executive

Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

Objectives and Activities

Our Mission

Heel & Toe supports children and young people with profound physical and neurological disabilities from the North East region to live active, fulfilling, independent lives by the provision of free therapy.

Achieving our Mission

We offer a range of services, led by highly qualified therapists, to children and young people of all ages from 3 months to 24 years (in line with current NHS Children and Young Adult Services criterion). Therapy sessions can be one-to-one or group, depending on the child's needs, and are available from 9.30am to 6.30pm, Monday to Saturday. We liaise with all external organisations concerned with a child's care to aid and assist the NHS, Social Services and the LEA wherever possible and to develop and enhance our service.

Our Vision

Our vision is to support children with disabilities to live full, productive lives where possibilities and opportunities are not constrained by their disabilities. We focus on supporting achievement and building on a child's success. We aim to improve children and young people's quality of life, and that of their families, by supporting them to make real improvements to their physical and emotional health. This in turn improves their level of confidence and self-esteem, motivation and fun. We want children, young people and their families to have the chance to look forward to a more independent and fulfilling future.

Value Statement

We believe that no child or young person should be denied Conductive Education due to a lack of money.

Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

Our Achievements 2008-2021

2008 Heel & Toe was established in June 2008, and was granted charity status on 4 September 2008. The first Centre opened on 4 October 2008. Operating from a port- a-cabin annex, we offered FREE Conductive Education Therapy for any child with Cerebral Palsy from the North East.

2011 Demand for Heel & Toe's services was high and in 2011 the Charity relocated to larger rented premises in a more central location.

2012 The Charity launched additional therapies, including: physiotherapy, occupational therapy and speech and language therapy.

2013 & 2014 As part of its three-year plan, in August 2013 the Charity purchased its first building. After a period of fundraising the building was refurbished. This represented a saving of £40,000 in rent each year and allowed the Charity to recruit additional clinical staff. The Centre comprises four therapy rooms, a sensory room and a fully adapted gym.

2015 Heel & Toe launched intensive weekly block physiotherapy programmes.

2018 In 2018, after a 2-year fundraising campaign, Heel & Toe opened a state-of-the-art Hydrotherapy Pool. It is the only pool in the region providing goal-focused, monitored hydrotherapy led by a fully qualified paediatric therapist, for children and young people.

At 30 square metres it is one of the largest Hydrotherapy pools in the region. It has an automatic track hoist system to lift children safely and quickly and the changing rooms are fully adapted with the most up-to-date changing beds and specialist showers. The pool area is equipped with sensory lighting and music, both above and below the water, which can be changed to suit mood and therapy objectives. There is a projector system to radiate shapes, patterns and colours over the pool's surface.

2020 When the COVID-19 pandemic began our teams quickly adapted to new ways of working. Our fundraising team worked from home, and our clinical team created a new online therapy service delivering therapy to children in their own homes. We worked hard to make our centre 'COVID-secure' for the gradual return of children from the Autumn with staff wearing full PPE and carrying out enhanced hygiene cleaning between each session.

Current Services

We currently support over 220 children and young people, and their families, with a variety of therapies. We focus on supporting achievement and building on individual success.

We provide:

- Conductive Education Therapy
- Hydrotherapy
- Physiotherapy
- Speech and Language therapy
- Occupational Therapy
- Massage Therapy
- Weekly and intensive block sessions
- Remote video assessments and therapy sessions

Families can expect:

- Full professional assessments for children
- Individual learning and therapy plans with clear goals for each child
- Regular review and monitoring of achievements with progression reports
- Home tasks for parents/carers to consolidate children's learning

Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

Additional services include:

- Outreach service in home or school
- Parent support groups and forums
- Parent information, advice and guidance service including leaflets and parent information packs
- A 'signposting' service to guide children, young people, parents/carers to other supporting agencies
- Advocacy service - supporting parents with all aspects of legal and/or welfare benefits issues
- Proactive information service to local schools, GP surgeries, local hospitals and social services within the region

Conductive Education Therapy

Conductive Education is a form of special education and habilitation/rehabilitation for children and adults with motor disorders. It is appropriate for conditions where disease or damage to the central nervous system affects a person's ability to control movement. Conductive Education is an educational approach.

The aim is so that children can learn to overcome problems of movement as a way of enabling them to live more active, independent and fulfilling lives. Goals are regularly reviewed. Children are treated in groups where possible, creating an environment where cooperation, peer encouragement, social interaction and healthy competition is encouraged.

Hydrotherapy

During Hydrotherapy sessions, children complete a series of exercises led by a qualified clinician, including gentle stretching of arms and legs, floating and relaxation exercises, strengthening exercises using the water's natural resistance and movement exercises to mimic walking or running etc.

Hydrotherapy has many physical and emotional benefits for children and young people with disabilities:

- 90% of the child's bodyweight is supported encouraging movement.
- Water provides resistance to help strengthen and improve muscle tone.
- Increases circulation, heart function and breathing control.
- Reduces muscle spasms, joint stress and pain.
- Improves physical function - movement, coordination and posture.
- Improves flexibility, balance and endurance.
- Improves self-confidence and self-esteem - the child is 'free' to move independently and experience success.
- Encourages relaxation, and fun!

Physiotherapy

We offer physiotherapy assessment and treatment of conditions including Cerebral Palsy and other Acquired Brain Injuries, Developmental Delay, Joint or muscle problems, Neurological conditions, post-operative surgery/illness and rehabilitation, Walking anomalies and Pre and Post-operative Selective Dorsal Rhizotomy*.

*Pre and Post-Operative Selective Dorsal Rhizotomy (SDR) Therapy: The NHS have begun funding Selective Dorsal Rhizotomy (SDR) operations in five hospitals in the UK. Nerve fibres running from the muscles back to the spinal cord play a major role in maintaining this muscle stiffness. SDR divides some of these fibres reducing stiffness and improving mobility.

Pre-Operative: children require an intensive programme of therapy to strengthen abdominal and leg muscles. Leeds Hospital will not operate on a child who does not have the required core strength. Post-Operative: children require an intensive two-week programme of therapy, with two daily one-hour sessions, followed by six months of therapy at least three times per week (as recommended by Great Ormond Street Children's Hospital). Therapy continues over the following five years with regular therapy, reviews and progression.

Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

Speech and Language Therapy

Our experienced speech and language therapist works with children of all abilities to develop their speech, language and communication skills to the best of their ability. Our therapist provides a flexible approach to assessment by using a mix of formal (standardised and norm-referenced) and informal assessments to gain an accurate picture of a child's needs. This information is then used to plan effective, accessible and fun therapy for a child.

Some children may need support to develop the building blocks necessary for language development, such as attention, listening, interaction and play skills. Others may be ready to develop their receptive and expressive language skills. Many children struggle to develop clear speech and so are likely to benefit from therapy to learn about sounds in words and how to use these sounds for talking. Some children require additional or alternative means to support their communication, such as signing or a symbol based system. Play and games are often used in therapy sessions to ensure the treatment sessions are fun and engaging for each child.

Occupational Therapy

Occupational Therapy (OT) helps children with different needs develop skills to perform the purposeful activities that make up everyday life. It is useful for a wide range of conditions and problems and aims to help children be as independent as possible. Our Occupational Therapist is trained to assess the component areas involved in the performance of daily activities, which are sensory, motor, cognitive and psychosocial.

OT is helpful for children who are experiencing any difficulty in performing the daily activities expected of them, including self-care, movement and coordination, sensory processing and modulation, play skills, attention and emotional regulation, handwriting and planning and organising skills at home or at school.

Massage and Movement Therapy

Therapeutic massage is the manipulation of soft body tissue, tendons, muscles, ligaments, skin, joints and connective tissues. The particular method used is a combination of 'pure massage' during which connective tissues and muscles are massaged, 'Swedish Massage' which concentrates on circular pressure/kneading/tapping to increase oxygen levels and improve circulation, 'Yoga' with soft movements to strengthen and improve muscle tone, and 'Chinese Reflexology' concentrating on reflex points on soles/tops/sides of feet, hands and face.

Massage Therapy:

- Stimulates digestion and elimination of waste thus helping with colic or constipation. It may also help premature babies absorb food and gain weight more easily
- Stimulates the flow of lymph and elimination of toxins. This will aid the immune system and help resistance to infections
- Encourages muscle co-ordination
- Stimulates the central nervous system. This is important for both neurological and motor development
- Improves skin tone
- Aids recovery from childhood ailments such as asthma, catarrh, sleep problems, teething and earache
- Stimulates release of endorphins (happy hormones) that induce feelings of well-being
- Stimulates awareness
- Promotes trust between parent and child and can help children feel more secure
- Reduces anxiety, is calming and relaxing
- Improves bonding and attachment for parents and child through skin-to-skin contact, increased eye contact and gives parents confidence in caring for their child.

We use massage therapy as a therapy in itself for children with even the most complex disabilities who cannot withstand the rigors of the more demanding therapies we offer. Babies and very small children can also benefit.

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Year Ended 31 December 2021

Intensive Block Therapy

Children typically have between 1-4 hours of different therapies each week. While regular therapy over a sustained timeframe is very beneficial, progress can be slower than desired. In recent years there has been much research to show that intensive, intermittent blocks of daily therapy, followed by a rest period, are highly effective in producing long-term gains more quickly, particularly in children with the most severe impairment.

During an Intensive Block children would have two hours of therapy every day for one or two weeks, followed by a rest period. Children can then return to ordinary weekly therapy, or have another block treatment, or a combination of these. We continue to see excellent results using this method of therapy. We are also able to combine disciplines to 'co- treat', whereby two or more specialist therapists will work together with children towards similar goals.

Remote Video Assessments and Therapy Sessions

During the pandemic we delivered therapy and carried out new child assessments using video call technology. Most children are planning to return to face-to-face therapy as soon as possible, but we understand that some children and families may feel more comfortable continuing to shield from unnecessary travel and interactions. Therefore we are pleased to be able to continue offering video therapy to children and young people, whether they have already attended Heel & Toe or if they are new to the charity, for as long as it is needed. If you are interested in video therapy or a new assessment, please contact either of Heel & Toe's receptions.

Financial Review

Total income for the year was £872,750 (2020 - £1,199,954) and expenditure was £843,602 (2020 - £795,813). There was a surplus of £24,148 (2020 - £524,141). Of this surplus, £36,952 represented restricted grants received but not yet spent with a deficit of £12,804 on unrestricted funds.

At 31st December 2021 net assets were £1,738,060 (2020 - £1,713,912). We owned fixed assets and investment properties valued at £1,393,334 (2020 - £1,158,593) which are partly financed by long term loans of £532,738 (2020 - £374,276). Net current assets totalled £877,464 (2020 - £929,595). Restricted funds were £296,560 (2020 - £259,608) and general funds (reserves) were £580,904 (2020 - £669,987).

We aim to hold reserves equal to between 6 months and 12 months running costs excluding depreciation and fundraising costs which currently equates to between £380,000 and £760,000. Actual reserves at 31st December 2021 were £580,904 so are within the desired range.

Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

Corporate Support

Heel & Toe receives an overwhelming amount of corporate support from many businesses every year. No matter how big or small a company is, there are always ways to support the charity including entering a team into one of our events, sponsoring t-shirts, fundraising in your place of work, volunteering at our events or even monthly donations through pay roll giving. A big thank you to Eco Simplified for donating £200 every month to the charity, and attending our charity ball and volunteering at our Sportsman's dinner.

Many businesses adopt us as their chosen charity, and this is not only good for Heel & Toe but encourages staff to get involved in the community and can boost team spirit. We have many events that are suitable for a business to enter a team, for example for many years Park Electrical Distributors have entered staff into the Total Warrior, and Lowes Financial Management Limited entered a team in the Hadrian's Wall Walk. Co Op Birtley Depot supported Heel & Toe by entering a team into the Golf Day and the Three Peaks challenge. Our special thanks to businesses for getting so involved in supporting Heel & Toe.

Not only can a business get involved with one of our events, but a business can also organise their own event with the help and support from the Fundraising Team. For two years now Brick Services have organised an annual ball to celebrate their relationship with construction companies, but also raise money for Heel & Toe. We thank you for your continued support, and for the introduction to so many other businesses within the North East.

Another way for businesses to support Heel & Toe is through sponsoring our corporate events. A big thank you goes to Irwin Mitchell Solicitors for their partnership with Heel & Toe for many years. Irwin Mitchell have sponsored our annual charity ball and sportsman's dinners and produced charity material at no cost. Their commitment to the charity is appreciated wholeheartedly.

We would like to thank Stanley Travel and The Scott Family for their ongoing support of the charity every year.

If you think your business can support Heel & Toe in any way, please contact the Fundraising Team on 0191 386 8606 or email info@heelandtoe.org.uk We look forward to working with you.

Our Fundraising Events

If you or someone you know would like to get involved with fundraising for Heel & Toe, please contact reception or speak to one of our Fundraisers on (0191) 386 8606, to find out more. We have a huge range of opportunities available with something guaranteed to suit everyone! In 2022, events will include:

- Bingo Goes Bonkers
- Sponsored Bike ride
- Abseil
- Bungee Jump
- Hadrian's Wall sponsored walk
- Annual Golf Day
- An Evening with Paul Merson
- Total Warrior
- Great North Family Mile and 10K
- Superhero Walk
- Back to the 90s Night
- Mad Hatters Afternoon Tea
- Three Peaks
- Skydive
- Mini and Junior Great North Run
- Great North Run
- Zipslide

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

- Annual Charity Ball
- Firewalk
- Christmas Party and Quiz Night
- Children's Christmas Party

Community Support

Heel & Toe relies on support from the community to continue offering our services to so many children. We would like to thank everyone who donates weekly in supermarkets to our volunteers who tin collect and bag pack. We would also like to thank schools and groups who choose to support us through different activities. If you think your school or group can support Heel & Toe in any way, please contact the Fundraising Team on 0191 386 8606 or email info@heelandtoe.org.uk

With Special Thanks

Heel & Toe would not be able to operate without the remarkable generosity of its volunteers, supporters, corporate sponsors and donors. We are immensely grateful to the hundreds of wonderful people who challenge themselves to run, walk, swim or jump out of planes for us each year, taking part in our annual fundraising events programme.

Grants received from charitable trusts and foundations have enabled us to develop our facilities and services in order to meet the needs of the amazing children we serve. In particular, The David Family Foundation generously donated towards our appeal to fund new equipment for the extension at the Hydrotherapy Centre. We are so grateful for their support.

Our biggest "Thank You" of course goes to the inspiring children and families whose wisdom and guidance steers everything we do.

Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

Plans and Ambitions for 2022 and Beyond

We have been fundraising since 2018 for our capital project to construct a wraparound extension at the Hydrotherapy Pool Centre. We have managed to secure most of the build costs but recent hikes in material costs mean we have a little further to go to reach our target. 2022 will see our Fundraising Team working to raise the additional funds needed. The additional space will house a brand-new Therapy Suite and will see the introduction of an innovative new service. The therapy suite extensions will be built as internal open spaces but will include soundproof moveable panels so we can use the space as it is needed, and tailor the space to individual session requirements.

Rebound Therapy

Rebound therapy increases physical health, motivation and confidence and enhances movement skills by using a specialist floor- sunken trampoline. Children and young people are accompanied on the trampoline by one or two therapists, depending on needs. Rebound Therapy:

- Improves movement and balance due to the 'bounce' movement and gravity
- Increases heart/breathing rate and muscle tone
- Improves postural support by strengthening the joints and muscles
- Increases spatial awareness and coordination
- Improves communication skills - the child needs to interact with therapist
- Improves concentration - bouncing encourages the child to think about remaining stable
- Can be used with children with mild to complex disabilities.

Rebound therapy also provides a 'different' therapy for children who have limited access to do anything unusual, interesting and fun whilst still supporting goal-focused outcomes for movement. The cost of the Trampoline and the rollerstand/lift is around £3,000. Our Physiotherapists are qualified to deliver Rebound Therapy and will be aided by our therapy assistants.

Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

Structure, Governance and Management

The charity was incorporated as a company limited by guarantee on 27th June 2008 with company number 06632056. It was registered as a charity on 3rd September 2008 with charity number 1125695. Initially the charity operated under the name Step Forward Together - NE Limited. The name was changed to Heel and Toe Limited on 6th October 2008. The charity is governed by the Memorandum and Articles of Association dated 27th June 2008 as amended upon the change of name on 6th October 2008.

Heel and Toe Limited is governed by its trustee board, which is responsible for setting the strategic direction of the organisation and the policy of the charity. The trustees carry the ultimate responsibility for the conduct of Heel and Toe Limited and for ensuring that the charity satisfies its legal and contractual obligations. The Trustees met a total of six times in the year to discuss and consider matters relating to the Charity.

Public Benefit

Our main activities and who we help are described elsewhere in this report. All our charitable activities are undertaken to further our charitable purposes for the public benefit. The Trustees have had regard to the Charity Commission's guidance on public benefit throughout the year when deciding on the activities of the charity.

Policies & Procedures

We have policies in place which include:

- Child Protection Policy
- Health & Safety
- Fire & Emergency Policy
- Equal Opportunity Policy
- Environmental Policy
- Organisational file
- Staff Induction
- Enhanced DBS (previously CRB)
- Recruitment procedure

Our policies are regularly updated and periodically checked, vetted and authorised.

The major risks facing the charity have been reviewed and systems or procedures have been established to manage those risks.

The remuneration of key management personnel is agreed by the trustee board.

At Heel and Toe we will endeavour to:

- Continue to provide the best support we can for children and families
- Continue to listen and involve children and families in the development of our services
- Continue to adopt and share 'best practice'
- Continue to update our knowledge and skills to reflect in our service provision
- Continue to use our funds effectively for the benefit of the children and families who attend

Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

Reference and Administrative Details

Registered charity name Heel and Toe Ltd
Charity registration number 1125695
Company registration number 06632056
Principal office and registered office 40 Front Street
Pelton
Chester-Le-Street
County Durham
DH2 1DE

The Trustees

Mr P Martinson (Retired 22 October 2021)
Mr P S Gilsenan
Ms A J Kirtley
Miss H E F Hastie
Mr P Bartley
Mr J P Brady
Mr A M Guest
Mr P Monaghan (Retired 22 October 2021)
Ms H Plunkett
Mr M W Ward

Chief Executive Officer Mr D Long

Company Secretary Mr P S Gilsenan

Auditor Jane Ascroft Accountancy Limited
Chartered Accountants & statutory auditor
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

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.

Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year Ended 31 December 2021

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

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

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 2/2/2022 and signed on behalf of the board of trustees by:



Mr P S Gilsenan
Charity Secretary

Heel and Toe Ltd

Independent Auditor's Report to the Members of Heel and Toe Ltd

Year Ended 31 December 2021

Opinion

We have audited the financial statements of Heel and Toe Ltd (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Heel and Toe Ltd

Independent Auditor's Report to the Members of Heel and Toe Ltd (continued)

Year Ended 31 December 2021

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on Other Matters Prescribed by the Companies Act 2006

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

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

Matters on Which We are Required to Report by Exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

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

Heel and Toe Ltd

Independent Auditor's Report to the Members of Heel and Toe Ltd (continued)

Year Ended 31 December 2021

Responsibilities of Trustees

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the charity and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Heel and Toe Ltd

Independent Auditor's Report to the Members of Heel and Toe Ltd *(continued)*

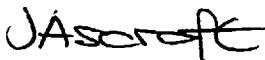
Year Ended 31 December 2021

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of Our Report

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



Jane Ascroft (Senior Statutory Auditor)

For and on behalf of
Jane Ascroft Accountancy Limited
Chartered Accountants & statutory auditor
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XT

Heel and Toe Ltd

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 December 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	122,605	155,268	277,873	549,932
Charitable activities	6	176,170	—	176,170	95,371
Other trading activities	7	230,706	—	230,706	141,659
Investment income	8	79,442	—	79,442	51,814
Other income	9	108,559	—	108,559	361,178
Total income		<u>717,482</u>	<u>155,268</u>	<u>872,750</u>	<u>1,199,954</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	10	73,522	—	73,522	11,239
Expenditure on charitable activities	11,12	651,764	118,316	770,080	784,574
Total expenditure		<u>725,286</u>	<u>118,316</u>	<u>843,602</u>	<u>795,813</u>
Net income		<u>(7,804)</u>	<u>36,952</u>	<u>29,148</u>	<u>404,141</u>
Other recognised gains and losses					
Gains/(losses) on revaluation of investment properties		(5,000)	—	(5,000)	120,000
Net movement in funds		<u>(12,804)</u>	<u>36,952</u>	<u>24,148</u>	<u>524,141</u>
Reconciliation of funds					
Total funds brought forward		1,454,304	259,608	1,713,912	1,189,771
Total funds carried forward		<u>1,441,500</u>	<u>296,560</u>	<u>1,738,060</u>	<u>1,713,912</u>

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

The notes on pages 20 to 34 form part of these financial statements.

Heel and Toe Ltd

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible fixed assets	17	563,334	563,593
Investments	18	830,000	595,000
		<u>1,393,334</u>	<u>1,158,593</u>
Current Assets			
Stocks	19	2,885	2,500
Debtors	20	91,251	120,810
Cash at bank and in hand		848,055	853,395
		<u>942,191</u>	<u>976,705</u>
Creditors: amounts falling due within one year	21	<u>64,727</u>	<u>47,110</u>
Net Current Assets		<u>877,464</u>	<u>929,595</u>
Total Assets Less Current Liabilities		<u>2,270,798</u>	<u>2,088,188</u>
Creditors: amounts falling due after more than one year	22	<u>532,738</u>	<u>374,276</u>
Net Assets		<u>1,738,060</u>	<u>1,713,912</u>
Funds of the Charity			
Restricted funds		296,560	259,608
Unrestricted funds		1,441,500	1,454,304
Total charity funds	24	<u>1,738,060</u>	<u>1,713,912</u>

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 21/2/22, and are signed on behalf of the board by:

Trustee



JACQUELINE TURNER.



PETER BARTLEY

The notes on pages 20 to 34 form part of these financial statements.

Heel and Toe Ltd

Statement of Cash Flows

Year Ended 31 December 2021

	2021 £	2020 £
Cash Flows from Operating Activities		
Net income	29,148	404,141
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	6,211	6,613
Dividends, interest and rents from investments	(79,397)	(51,767)
Other interest receivable and similar income	(45)	(47)
Interest payable and similar charges	16,626	15,700
Accrued expenses/(income)	30,565	(8,386)
<i>Changes in:</i>		
Stocks	(385)	612
Trade and other debtors	(2,327)	10,419
Trade and other creditors	(1,983)	(749)
Cash generated from operations	(1,587)	376,536
Interest paid	(16,626)	(15,700)
Interest received	45	47
Net cash (used in)/from operating activities	<u>(18,168)</u>	<u>360,883</u>
Cash Flows from Investing Activities		
Dividends, interest and rents from investments	79,397	51,767
Purchase of tangible assets	(5,952)	(5,485)
Purchases of other investments	(240,000)	—
Net cash (used in)/from investing activities	<u>(166,555)</u>	<u>46,282</u>
Cash Flows from Financing Activities		
Proceeds from borrowings	179,383	26,252
Net cash from financing activities	<u>179,383</u>	<u>26,252</u>
Net (Decrease)/Increase in Cash and Cash Equivalents	(5,340)	433,417
Cash and Cash Equivalents at Beginning of Year	853,395	419,978
Cash and Cash Equivalents at End of Year	<u>848,055</u>	<u>853,395</u>

The notes on pages 20 to 34 form part of these financial statements.

Heel and Toe Ltd

Notes to the Financial Statements

Year Ended 31 December 2021

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 40 Front Street, Pelton, Chester-Le-Street, County Durham, DH2 1DE.

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 investments measured at fair value through income or expenditure.

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

The entity is a Public Benefit Entity.

Going Concern

There are no material uncertainties about the charity's ability to continue.

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. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the purposes of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Designated funds are unrestricted funds earmarked by the trustees for specific purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

3. Accounting Policies *(continued)*

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donations and legacy income is received by way of donations, legacies, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Where legacies have been notified to the charity but the criteria for income recognition have not been met, the legacy is treated as a contingent asset and disclosed if material. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity, being the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

Investment income is included when receivable.

Income from charitable trading activity is accounted for when earned.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

Tangible Assets

Tangible fixed assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. The costs of minor additions or those costing below £500 are not capitalised.

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

3. Accounting Policies *(continued)*

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	-	Not depreciated
Fixtures, Fittings & Equipment	-	20% reducing balance
Computer Equipment	-	Over 3 years straight line
Therapy & Sensory Equipment	-	20% reducing balance

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Investment Property

Investment property is measured initially at cost and subsequently at fair value at the reporting date. Depreciation is not provided.

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.

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

3. Accounting Policies *(continued)*

Financial Instruments

A financial asset or financial liability is recognised only when the entity 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, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

3. Accounting Policies *(continued)*

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

4. Limited by Guarantee

The company is limited by guarantee. At 31st December 2021 there were 8 members each of whom had undertaken to contribute an amount not exceeding £10 in the event of a winding up.

The company is under the control of the directors as a body and as such is not controlled by any individual.

5. Donations and Legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations from parents	915	—	915
Donations from businesses	40,382	—	40,382
Charity of the Year	—	—	—
Online Pots	4,200	—	4,200
Public donations	4,417	—	4,417
Other donations	9,805	—	9,805
Gift Aid	22,051	—	22,051

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

5. Donations and Legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grants			
Durham County Council - Covid support	40,835	—	40,835
Baily Thomas Charitable Fund	—	4,941	4,941
County Durham Community Foundation	—	4,836	4,836
Barclays Bank	—	—	—
Barbour Foundation	—	5,000	5,000
Social Investment	—	—	—
Global	—	39,474	39,474
Sir John Priestman Trust	—	5,000	5,000
Lord Barnbys Foundation	—	5,000	5,000
The February Foundation	—	—	—
The Webb Family Charitable Trust	—	5,000	5,000
National Lottery Community Fund	—	61,790	61,790
Bernard Sunley Foundation	—	—	—
National Lottery Community Fund - Awards For All	—	9,179	9,179
David Family Foundation	—	5,000	5,000
Garfield Weston	—	—	—
Small grants under £5,000	—	10,048	10,048
	<u>122,605</u>	<u>155,268</u>	<u>277,873</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations from parents	1,190	—	1,190
Donations from businesses	80,294	—	80,294
Charity of the Year	11,311	—	11,311
Online Pots	8,810	—	8,810
Public donations	6,393	—	6,393
Other donations	10,947	—	10,947
Gift Aid	15,335	—	15,335

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2021

5. Donations and Legacies (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Grants			
Durham County Council - Covid support	35,000	—	35,000
Baily Thomas Charitable Fund	—	—	—
County Durham Community Foundation	—	—	—
Barclays Bank	100,000	—	100,000
Barbour Foundation	—	—	—
Social Investment	—	80,000	80,000
Global	—	19,474	19,474
Sir John Priestman Trust	—	—	—
Lord Barnbys Foundation	—	—	—
The February Foundation	—	4,941	4,941
The Webb Family Charitable Trust	—	—	—
National Lottery Community Fund	—	61,568	61,568
Bernard Sunley Foundation	—	10,000	10,000
National Lottery Community Fund - Awards For All	—	9,000	9,000
David Family Foundation	—	—	—
Garfield Weston	—	30,000	30,000
Small grants under £5,000	24,602	41,067	65,669
	<u>293,882</u>	<u>256,050</u>	<u>549,932</u>

6. Charitable Activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Services provided	<u>176,170</u>	<u>176,170</u>	<u>95,371</u>	<u>95,371</u>

7. Other Trading Activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Tin collections and bag packs	9,955	9,955	23,405	23,405
Competition Tickets	—	—	1,038	1,038
Fundraising events	220,476	220,476	116,458	116,458
Other fundraising income	275	275	758	758
	<u>230,706</u>	<u>230,706</u>	<u>141,659</u>	<u>141,659</u>

8. Investment Income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Rental income	79,397	79,397	51,767	51,767
Bank interest receivable	45	45	47	47
	<u>79,442</u>	<u>79,442</u>	<u>51,814</u>	<u>51,814</u>

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2021

9. Other Income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Insurance claim	–	–	24,184	24,184
Case settlement	7,830	7,830	97,958	97,958
Job Retention Scheme	95,791	95,791	236,557	236,557
Other income	4,938	4,938	2,479	2,479
	<u>108,559</u>	<u>108,559</u>	<u>361,178</u>	<u>361,178</u>

10. Costs of Other Trading Activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Fundraising costs	73,522	73,522	11,239	11,239

11. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Expenditure on charitable activities (see page 37)	649,304	118,316	767,620
Support costs	2,460	–	2,460
	<u>651,764</u>	<u>118,316</u>	<u>770,080</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Expenditure on charitable activities (see page 37)	586,446	195,668	782,114
Support costs	2,460	–	2,460
	<u>588,906</u>	<u>195,668</u>	<u>784,574</u>

12. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Expenditure on charitable activities (see page 37)	767,620	–	767,620	782,114
Governance costs	–	2,460	2,460	2,460
	<u>767,620</u>	<u>2,460</u>	<u>770,080</u>	<u>784,574</u>

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

13. Net Income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>6,211</u>	<u>6,613</u>

14. Auditors Remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>2,460</u>	<u>2,460</u>

15. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	480,046	448,530
Social security costs	33,833	36,259
Employer contributions to pension plans	<u>35,788</u>	<u>48,607</u>
	<u>549,667</u>	<u>533,396</u>

The average head count of employees during the year was 24 (2020: 22). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Number of fundraising staff	2	2
Number of administration staff	2	2
Number of management staff	1	1
Number of clinical staff	<u>19</u>	<u>17</u>
	<u>24</u>	<u>22</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £51,496 (2020:£55,018).

16. Trustee Remuneration and Expenses

Fees of £30,778 were paid to Bradley Hall, Chartered Surveyors and Estate Agents for management of the investment properties. Mr P Bartley is a director of Bradley Hall and a trustee of Heel & Toe.

The charity's pension scheme is managed by St James' Place Wealth Management. Mr P Gilsenan is the principal of Paul Gilsenan Wealth Management, a partner practice of St James' Place Wealth Management and he is also a trustee of the charity. No fees were paid by the charity to St James' Place Wealth Management during the year.

Trustees received no expenses during the year (2020 - £nil).

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2021

17. Tangible Fixed Assets

	Freehold property £	Fixtures, Fittings & Equipment £	Computer Equipment £	Therapy & Sensory Equipment £	Total £
Cost					
At 1 January 2021	787,612	36,109	46,619	42,817	913,157
Additions	–	4,410	1,542	–	5,952
At 31 December 2021	787,612	40,519	48,161	42,817	919,109
Depreciation					
At 1 January 2021	242,612	28,678	42,962	35,312	349,564
Charge for the year	–	2,368	2,342	1,501	6,211
At 31 December 2021	242,612	31,046	45,304	36,813	355,775
Carrying amount					
At 31 December 2021	545,000	9,473	2,857	6,004	563,334
At 31 December 2020	545,000	7,431	3,657	7,505	563,593

18. Investments

	Investment properties £
Cost or valuation	
At 1 January 2021	595,000
Additions	240,000
Fair value movements	(5,000)
At 31 December 2021	830,000
Impairment	
At 1 January 2021 and 31 December 2021	
Carrying amount	
At 31 December 2021	830,000
At 31 December 2020	595,000

All investments shown above are held at valuation.

Investment properties

The investment properties are valued annually by Peter Bartley, Trustee who is the Group Director of Bradley Hall, Chartered Surveyors and Estate Agents. Peter Bradley is a Chartered Surveyor (MRICS).

Investments comprise investment properties in Sherburn, Gateshead, Wallsend and Alnwick.

19. Stocks

	2021 £	2020 £
Merchandise stock	2,885	2,500

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

20. Debtors

	2021	2020
	£	£
Trade debtors	(2,880)	(3,817)
Prepayments and accrued income	81,690	111,542
Gift Aid debtor	4,877	3,602
Other debtors	7,564	9,483
	<u>91,251</u>	<u>120,810</u>

21. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	44,669	23,748
Accruals and deferred income	8,346	9,667
Social security and other taxes	9,212	11,195
Other creditors	2,500	2,500
	<u>64,727</u>	<u>47,110</u>

The bank loans are secured by legal charges over 40 Front Street Pelton, 80-84 Park Road Wallsend and the hydrotherapy centre.

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

	2021	2020
	£	£
Bank loans and overdrafts	<u>532,738</u>	<u>374,276</u>

The bank loans are secured by legal charges over 40 Front Street Pelton, 80-84 Park Road Wallsend and the hydrotherapy centre.

Included within creditors: amounts falling due after more than one year is an amount of £359,897 (2020: £229,285) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

The two mortgages are repayable in instalments over 5 and 15 years at varying interest rates of 2.54% and 3.56% above Bank Base Rate.

23. Pensions and Other Post Retirement Benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £35,788 (2020: £48,607).

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2021

24. Analysis of Charitable Funds

Unrestricted funds

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Gains and losses 31 £	At 31 Dec 2021 £
General Funds	669,987	717,482	(719,075)	(87,490)	–	580,904
Capital Fund	1,158,593	–	(6,211)	245,952	(5,000)	1,393,334
Long term liabilities	(374,276)	–	–	(158,462)	–	(532,738)
	<u>1,454,304</u>	<u>717,482</u>	<u>(725,286)</u>	<u>–</u>	<u>(5,000)</u>	<u>1,441,500</u>

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses 31 £	At 31 Dec 2020 £
General Funds	301,049	943,904	(593,532)	18,566	–	669,987
Capital Fund	1,039,721	–	(6,613)	5,485	120,000	1,158,593
Long term liabilities	(350,225)	–	–	(24,051)	–	(374,276)
	<u>990,545</u>	<u>943,904</u>	<u>(600,145)</u>	<u>–</u>	<u>120,000</u>	<u>1,454,304</u>

Restricted funds

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Gains and losses 31 £	At 31 Dec 2021 £
National Lottery Community Fund - Awards For All	–	9,179	–	–	–	9,179
Smaller building grants	3,000	–	–	–	–	3,000
St James' Place	150,000	–	–	–	–	150,000
Equipment grants	1,500	408	–	–	–	1,908
Vardy Foundation	–	–	–	–	–	–
Clothworkers' Foundation	40,000	–	–	–	–	40,000
Global's Make Some Noise	–	39,474	(39,474)	–	–	–
National Lottery Community Fund	–	61,789	(46,342)	–	–	15,447
Garfield Weston	30,000	–	–	–	–	30,000
Bernard Sunley	10,000	–	–	–	–	10,000
Morrison's Foundation	3,936	–	–	–	–	3,936

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2021

24. Analysis of Charitable Funds (continued)

February Foundation	4,941	—	—	—	—	4,941
Sir James Knott Foundation	5,000	—	—	—	—	5,000
Screwfix Foundation	5,000	—	—	—	—	5,000
County Durham Community Foundation	—	4,836	—	—	—	4,836
Hobson Charity	4,981	(4,981)	—	—	—	—
The Webb Family Charitable Trust	—	5,000	(5,000)	—	—	—
David Family Foundation	—	5,000	(5,000)	—	—	—
Barbour Foundation	—	5,000	(5,000)	—	—	—
John Priestman Trust	—	5,000	(5,000)	—	—	—
Baily Thomas Charitable Fund	—	4,941	—	—	—	4,941
Lord Barnbys Foundation	—	5,000	(5,000)	—	—	—
Smaller grants for video therapy	1,250	7,122	—	—	—	8,372
Smaller grants for core costs	—	7,500	(7,500)	—	—	—
	<u>259,608</u>	<u>155,268</u>	<u>(118,316)</u>	<u>—</u>	<u>—</u>	<u>296,560</u>

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses 31 Dec 2020 £	At 31 Dec 2020 £
National Lottery Community Fund - Awards For All	—	9,000	(9,000)	—	—	—
Smaller building grants	3,000	—	—	—	—	3,000
St James' Place	150,000	—	—	—	—	150,000
Equipment grants	6,226	3,400	(8,126)	—	—	1,500
Vardy Foundation	—	3,000	(3,000)	—	—	—
Clothworkers' Foundation	40,000	—	—	—	—	40,000
Global's Make Some Noise	—	19,474	(19,474)	—	—	—
Unltd Social Enterprise	—	80,000	(80,000)	—	—	—
National Lottery Community Fund	—	61,568	(61,568)	—	—	—
Garfield Weston	—	30,000	—	—	—	30,000

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

24. Analysis of Charitable Funds *(continued)*

Bernard Sunley	–	10,000	–	–	–	10,000
Morrison's	–	3,936	–	–	–	3,936
Foundation	–	4,941	–	–	–	4,941
February	–	5,000	–	–	–	5,000
Foundation	–	5,000	–	–	–	5,000
Sir James Knott	–	5,000	(5,000)	–	–	–
Foundation	–	5,000	(5,000)	–	–	–
Screwfix	–	5,000	–	–	–	5,000
Foundation	–	5,000	–	–	–	–
James Tudor	–	5,000	–	–	–	–
Foundation	–	5,000	–	–	–	–
County Durham	–	5,000	–	–	–	–
Community	–	5,000	–	–	–	–
Foundation	–	4,981	–	–	–	4,981
Hobson Charity	–	5,750	(4,500)	–	–	1,250
Smaller grants for	–	5,750	(4,500)	–	–	1,250
video therapy	–	5,750	(4,500)	–	–	1,250
	<u>199,226</u>	<u>256,050</u>	<u>(195,668)</u>	<u>–</u>	<u>–</u>	<u>259,608</u>

The grants from St James' Place, the Clothworkers' Foundation, Garfield Weston, Bernard Sunley, the February Foundation and the Screwfix Foundation are towards the new building. Smaller building grants comprise £1,000 from the Kathleen Laurence Trust and £2,000 from the Mirianog Trust.

Grants from the Morrisons Foundation, Awards For All, Sir James Knott Foundation and the Hobson Charity are towards equipment.

The grant from Global's Make Some Noise is towards hydrotherapists.

The grant from the National Lottery Community Fund is towards remote and face to face therapy.

The grants from the Baily Thomas Charitable Foundation and County Durham Community Foundation are towards new hoists.

The grants from the Webb Family Charitable Trust and the John Priestman Trust are towards a Covid 19 video.

The grants from Lord Bamby's Foundation, the David Family Foundation, the Barbour Foundation, the Elizabeth Mellows Trust, Greatham Hospital and Hadrian Trust are all towards core costs.

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2021

25. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	563,334	–	563,334
Investments	830,000	–	830,000
Current assets	645,631	296,560	942,191
Creditors less than 1 year	(64,727)	–	(64,727)
Creditors greater than 1 year	(532,738)	–	(532,738)
Net assets	1,441,500	296,560	1,738,060

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	563,593	–	563,593
Investments	595,000	–	595,000
Current assets	717,097	259,608	976,705
Creditors less than 1 year	(47,110)	–	(47,110)
Creditors greater than 1 year	(374,276)	–	(374,276)
Net assets	1,454,304	259,608	1,713,912

26. Analysis of Changes in Net Debt

	At 1 Jan 2021 £	Cash flows £	At 31 Dec 2021 £
Cash at bank and in hand	853,395	(5,340)	848,055
Debt due within one year	(23,748)	(20,921)	(44,669)
Debt due after one year	(374,276)	(158,462)	(532,738)
	455,371	(184,723)	270,648

Heel and Toe Ltd
Management Information
Year Ended 31 December 2021

The Following Pages Do Not Form Part of the Financial Statements.

Heel and Toe Ltd

Detailed Statement of Financial Activities

Year Ended 31 December 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations from parents	915	1,190
Donations from businesses	40,382	80,294
Charity of the Year	–	11,311
Online Pots	4,200	8,810
Public donations	4,417	6,393
Other donations	9,805	10,947
Gift Aid	22,051	15,335
Durham County Council - Covid support	40,835	35,000
Baily Thomas Charitable Fund	4,941	–
County Durham Community Foundation	4,836	–
Barclays Bank	–	100,000
Barbour Foundation	5,000	–
Social Investment	–	80,000
Global	39,474	19,474
Sir John Priestman Trust	5,000	–
Lord Barnbys Foundation	5,000	–
The February Foundation	–	4,941
The Webb Family Charitable Trust	5,000	–
National Lottery Community Fund	61,790	61,568
Bernard Sunley Foundation	–	10,000
National Lottery Community Fund - Awards For All	9,179	9,000
David Family Foundation	5,000	–
Garfield Weston	–	30,000
Small grants under £5,000	10,048	65,669
	<u>277,873</u>	<u>549,932</u>
Charitable activities		
Services provided	<u>176,170</u>	<u>95,371</u>
Other trading activities		
Tin collections and bag packs	9,955	23,405
Competition Tickets	–	1,038
Fundraising events	220,476	116,458
Other fundraising income	275	758
	<u>230,706</u>	<u>141,659</u>
Investment income		
Rental income	79,397	51,767
Bank interest receivable	45	47
	<u>79,442</u>	<u>51,814</u>

Heel and Toe Ltd

Detailed Statement of Financial Activities *(continued)*

Year Ended 31 December 2021

	2021 £	2020 £
Other income		
Insurance claim	—	24,184
Case settlement	7,830	97,958
Job Retention Scheme	95,791	236,557
Other income	4,938	2,479
	<u>108,559</u>	<u>361,178</u>
Total income	<u>872,750</u>	<u>1,199,954</u>
Expenditure		
Costs of other trading activities		
Event costs	58,990	8,659
Ball costs	14,532	360
Other fundraising costs	—	2,220
	<u>73,522</u>	<u>11,239</u>
Expenditure on charitable activities		
Wages	480,046	448,530
NIC	33,833	36,259
Pension	35,788	48,607
Insurance	20,261	19,907
Other premises costs	23,124	42,110
Professional fees	65,043	71,794
Telephone	5,470	8,785
Stationery, postage and other office costs	26,962	36,249
Depreciation	6,211	6,613
Loan interest	16,626	15,700
Maintenance, consumables and miscellaneous	28,791	26,812
Marketing and printing	5,548	897
Staff expenses	22,377	22,311
	<u>770,080</u>	<u>784,574</u>
Total expenditure	<u>843,602</u>	<u>795,813</u>
Net income	<u>29,148</u>	<u>404,141</u>