

Company Registration Number: 06632056
Charity Registration Number: 1125695

Heel and Toe Ltd
Financial Statements
For the Year Ending
31 December 2022

ALLEN SYKES LTD
Chartered Accountants & statutory auditor
5 Henson Close
South Church Enterprise Park
Bishop Auckland
County Durham
DL14 6WA

Heel and Toe Ltd

Financial Statements

Year Ended 31 December 2022

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Heel and Toe Ltd

Trustees' Annual Report (Incorporating the Directors' Report)

Year Ended 31 December 2022

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 2022.

Chair's report

Welcome to the Heel & Toe Children's Charity Annual Report 2022.

It has been an exciting year for Heel & Toe with the completion of our Hydrotherapy centre wraparound extension.

The additional space will house a brand-new therapy suite and will see the introduction of Rebound Therapy in 2023. The extension will allow us to go on and help more children and young people than ever before.

It was also an exciting year for Heel & Toe as we piloted a new project Hippotherapy - the use of horse riding as a therapeutic or rehabilitative treatment. We found positive results in all three target groups, and we aim to have the project fully funded to offer it to our families for free.

My fellow Trustees and I are proud to serve the children and young people of the North East and hope you will stay with us on our journey to support every young person to reach their potential, regardless of their disability.

Thank you for your continued support.

Paul Gilsenan
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.

In 2022 we saw the Fundraising Team working hard to raise lost funds from the last two years, but also raise the additional funds needed for our wraparound extension.

The new services we aim to deliver in 2023 will be exciting and innovative for the families we help at Heel & Toe. We are excited to see the results, and help more families across the North East.

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 2022

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 and subsidised 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 19 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 6.00pm, Monday to Friday. 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. After a period of fundraising the wraparound extension was nearing completion by the end of the year and due to open early 2023. The new therapy suite will allow more land-based therapy. In 2022 Heel & Toe piloted a new project - hippotherapy, with the aim of having the project fully funded.

Heel and Toe Ltd

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

Year Ended 31 December 2022

Achievements and Performance

New Services - Rebound Therapy and Hippotherapy

We have been fundraising to construct the wraparound extension at the Hydrotherapy Pool Centre. The additional space houses a brand-new Therapy Suite with the introduction of an innovative new service.

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.

- 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 bespoke sunken trampoline, with a floor cover and XY hoist will be £37,000. Our Physiotherapists are qualified to deliver Rebound Therapy and will be aided by our therapy assistants.

Hippotherapy

In late 2021 we were awarded £10,000 from Awards for All to pilot the Hippotherapy project in 2022. Hippotherapy is the use of horse riding as a therapeutic or rehabilitative treatment. The goal is to improve function, gait, and balance. The horse's multidimensional movement and shape simulates a walking motion in the legs of the child riding the horse which helps to increase blood flow and muscle stimulation.

The nature of the horse's movement helps to strengthen the child's legs as they work, consciously and subconsciously, to maintain their position and balance on the horse. This increased strength helps in other therapies and in some cases can support the ability to walk and to achieve other independence milestones such as normal posture and unaided sitting.

Children with cerebral palsy suffer from problems with controlled functional movement caused by muscle spasticity, loss of depth perception and balance, involuntary movements, and combinations of these problems. Muscles and joints can be very tight, or spastic, unable to be relaxed, or poor muscle tone can lead to floppiness. The results we have seen from the pilot have been incredible.

Now that the pilot has ended, we would like to continue the therapy as a project at Heel & Toe so that more children can benefit. We hope to secure funding going forward; demand for this therapy is so high. We know from research and our own experience that the earlier we see children, the better chance they have of making a real difference to their range of movement and stamina.

If you think you can help with any of our new projects, then please contact us on 0191 386 8606 or email info@heelandtoe.org.uk

Heel and Toe Ltd

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

Year Ended 31 December 2022

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
- 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

Additional services include:

- Outreach service at 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

Heel and Toe Ltd

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

Year Ended 31 December 2022

Conductive Education

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

Our Physiotherapists are highly qualified in treating children and have done a great deal of specialist post graduate training. The treatments we can offer are:

- Education on posture
- Postural management
- Specialist seating advice
- Orthotic advice
- Gait analysis
- Advice and education to school staff (we are happy to liaise with support and teaching staff on matters such as Moving and Handling of the child, Postural advice, exercise etc.)
- Advice on home exercise
- Letter and report writing for other staff
- Land based exercise prescription
- Bobath
- Hydrotherapy
- Advice on swimming
- Constraint Induced Movement Therapy
- Treadmill training
- Gym based programmes
- Rebound Therapy
- Advice on Riding Therapy

Our staff deliver a client centered approach where we ensure that the treatment programmes we devise are integrated into the child's daily routine and your family life. We can visit home, education settings or offer appointments at the centre at your convenience. We are happy to advise and teach family members how to best deliver therapy and ensure that this can be fun through play and social interaction in order to maximise the potential for the child.

Heel and Toe Ltd

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

Year Ended 31 December 2022

Our therapists are all highly qualified with many years' experiences working with children. We have Bobath trained therapists and strive to continually update our professional knowledge to provide the most comprehensive assessment and treatments for your child.

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 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

Heel and Toe Ltd

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

Year Ended 31 December 2022

- 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.

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 any of our services, please contact us on 0191 386 8606 or info@heelandtoe.org.uk

Financial Review

Total income for the year was £864,372 (2021 - £872,750) and expenditure was £909,615 (2021 - £843,602). There was a deficit of £44,243 (2021 - surplus of £24,148). Of this deficit, £256,560 represented the spend of restricted grants received on previous years with a surplus of £212,317 on unrestricted funds.

At 31st December 2022 net assets were £1,693,817 (2021 - £1,738,060). We owned fixed assets and investment properties valued at £1,401,280 (2021 - £1,393,334) which are partly financed by long term loans of £357,293 (2021 - £532,738). Net current assets totalled £649,830 (2021 - £877,464). Restricted funds were £40,000 (2021 - £296,560) and general funds (reserves) were £620,640 (2021 - £580,904).

We aim to hold reserves equal to between 9 months and 15 months running costs excluding depreciation and fundraising costs which currently equates to between £700,000 and £1,200,000. Unrestricted free reserves at 31st December 2022 were £620,640 so are within the desired range.

Heel and Toe Ltd

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

Year Ended 31 December 2022

Future Plans

With the completion of our hydrotherapy centre wraparound extension, the additional space has housed a brand-new therapy suite and will see the introduction of Rebound Therapy. We hope to pilot this project late 2023 to offer to the families for free. We also hope to launch an additional new service known as hippotherapy, after a successful pilot project was completed late 2022. The fundraising team will work hard to secure funding so that this can also be offered to the families for free.

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 2022

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 S Gilsenan	
Ms A J Kirtley	
Miss H E F Hastie	
Mr P Bartley	
Mr J P Brady	
Mr A M Guest	
Ms H Plunkett	
Mr M W Ward	
Mr M Clasper	(Appointed 1 May 2022)
Ms J Turner	(Appointed 7 October 2022)

Chief Executive Officer Mr D Long

Company Secretary Mr P S Gilsenan

Auditor Allen Sykes Ltd
Chartered Accountants & statutory auditor
5 Henson Close
South Church Enterprise Park
Bishop Auckland
County Durham
DL14 6WA

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 2022

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 20/06/2023 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 2022

Opinion

We have audited the financial statements of Heel and Toe Ltd (the 'charity') for the year ended 31 December 2022 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 2022 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 2022

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 2022

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.

Heel and Toe Ltd

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

Year Ended 31 December 2022

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind any identified significant or unusual transactions.

Heel and Toe Ltd

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

Year Ended 31 December 2022

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.
- 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.

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

This description forms part of our auditor's report.

Heel and Toe Ltd

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

Year Ended 31 December 2022

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.



Mr P W Lamb (Senior Statutory Auditor)

For and on behalf of
Allen Sykes Ltd
Chartered Accountants & statutory auditor
5 Henson Close
South Church Enterprise Park
Bishop Auckland
County Durham
DL14 6WA

22nd June 2023

Heel and Toe Ltd

Statement of Financial Activities (including income and expenditure account)

Year Ended 31 December 2022

			2022		2021
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	5	144,321	36,000	180,321	277,873
Charitable activities	6	199,995	—	199,995	176,170
Other trading activities	7	420,173	—	420,173	230,706
Investment income	8	60,794	—	60,794	79,442
Other income	9	3,089	—	3,089	108,559
Total income		<u>828,372</u>	<u>36,000</u>	<u>864,372</u>	<u>872,750</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	10	99,828	—	99,828	73,522
Expenditure on charitable activities	11,12	774,968	34,819	809,787	770,080
Total expenditure		<u>874,796</u>	<u>34,819</u>	<u>909,615</u>	<u>843,602</u>
Net gains on investments	13	1,000	—	1,000	—
Net (expenditure)/income		<u>(45,424)</u>	<u>1,181</u>	<u>(44,243)</u>	<u>29,148</u>
Transfers between funds		257,741	(257,741)	—	—
Other recognised gains and losses					
Gains/(losses) on revaluation of investment properties		—	—	—	(5,000)
Net movement in funds		<u>212,317</u>	<u>(256,560)</u>	<u>(44,243)</u>	<u>24,148</u>
Reconciliation of funds					
Total funds brought forward		1,441,500	296,560	1,738,060	1,713,912
Total funds carried forward		<u>1,653,817</u>	<u>40,000</u>	<u>1,693,817</u>	<u>1,738,060</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 36 form part of these financial statements.


Heel and Toe Ltd

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible fixed assets	19	821,280	563,334
Investments	20	580,000	830,000
		<u>1,401,280</u>	<u>1,393,334</u>
Current Assets			
Stocks	21	2,000	2,885
Debtors	22	26,922	91,251
Cash at bank and in hand		690,504	848,055
		<u>719,426</u>	<u>942,191</u>
Creditors: amounts falling due within one year	23	<u>69,596</u>	<u>64,727</u>
Net Current Assets		<u>649,830</u>	<u>877,464</u>
Total Assets Less Current Liabilities		<u>2,051,110</u>	<u>2,270,798</u>
Creditors: amounts falling due after more than one year	24	<u>357,293</u>	<u>532,738</u>
Net Assets		<u>1,693,817</u>	<u>1,738,060</u>
Funds of the Charity			
Restricted funds		40,000	296,560
Unrestricted funds		1,653,817	1,441,500
Total charity funds	26	<u>1,693,817</u>	<u>1,738,060</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  and are signed on behalf of the board by:

Miss H E F Hastie
Trustee



The notes on pages 20 to 36 form part of these financial statements.

Heel and Toe Ltd

Statement of Cash Flows

Year Ended 31 December 2022

	2022 £	2021 £
Cash Flows from Operating Activities		
Net (expenditure)/income	(44,243)	29,148
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	5,438	6,211
Net gains on investments	(1,000)	—
Dividends, interest and rents from investments	(60,615)	(79,397)
Other interest receivable and similar income	(179)	(45)
Interest payable and similar charges	18,542	16,626
Accrued expenses	45,130	30,565
<i>Changes in:</i>		
Stocks	885	(385)
Trade and other debtors	13,253	(2,327)
Trade and other creditors	10,427	(1,983)
Cash generated from operations	(12,362)	(1,587)
Interest paid	(18,542)	(16,626)
Interest received	179	45
Net cash used in operating activities	(30,725)	(18,168)
Cash Flows from Investing Activities		
Dividends, interest and rents from investments	79,137	79,397
Purchase of tangible assets	(263,384)	(5,952)
Purchases of other investments	—	(240,000)
Proceeds from sale of other investments	252,000	—
Net cash from/(used in) investing activities	67,753	(166,555)
Cash Flows from Financing Activities		
Proceeds from borrowings	—	179,383
Repayments of borrowings	(193,579)	—
Net cash (used in)/from financing activities	(193,579)	179,383
Net Decrease in Cash and Cash Equivalents	(156,551)	(5,340)
Cash and Cash Equivalents at Beginning of Year	848,055	853,395
Cash and Cash Equivalents at End of Year	691,504	848,055

The notes on pages 20 to 36 form part of these financial statements.

Heel and Toe Ltd

Notes to the Financial Statements

Year Ended 31 December 2022

1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 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 2022

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 2022

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	-	1% straight line
Fixtures, Fittings & Equipment	-	20% reducing balance
Computer Equipment	-	Over 3 years straight line
Therapy & Sensory Equipment	-	20% reducing balance

Depreciation on freehold property has not been provided for as it is considered to be immaterial.

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.

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 2022

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 2022

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 2022 there were 10 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 2022 £
Donations			
Donations from parents	2,045	—	2,045
Donations from businesses	69,020	—	69,020
Online Pots	10,350	—	10,350
Public donations	2,933	—	2,933
Other donations	3,477	—	3,477
Gift Aid	18,778	—	18,778

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2022

5. Donations and Legacies (continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Grants			
Durham County Council - Covid support	—	—	—
The William Leech Foundation	5,000	—	5,000
Sir James Knott Foundation	5,000	—	5,000
The Catherine Cookson Charitable Trust	—	5,000	5,000
James Tudor Trust	—	5,000	5,000
Beatrice Lang	—	5,000	5,000
Sir John Priestman Trust	—	5,000	5,000
The Edward Gostling Trust	—	15,000	15,000
1989 Willan Charitable Trust	5,000	—	5,000
Small grants under £5,000	22,718	1,000	23,718
	<u>144,321</u>	<u>36,000</u>	<u>180,321</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations from parents	915	—	915
Donations from businesses	40,382	—	40,382
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 2022

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
Barbour Foundation	—	5,000	5,000
Global	—	39,474	39,474
Sir John Priestman Trust	—	5,000	5,000
Lord Barnbys Foundation	—	5,000	5,000
The Webb Family Charitable Trust	—	5,000	5,000
National Lottery Community Fund	—	61,790	61,790
National Lottery Community Fund - Awards For All	—	9,179	9,179
David Family Foundation	—	5,000	5,000
Small grants under £5,000	—	10,048	10,048
	<u>122,605</u>	<u>155,268</u>	<u>277,873</u>

6. Charitable Activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Hydrotherapy	86,037	86,037	72,833	72,833
Speech & language	35,395	35,395	29,802	29,802
Physiotherapy	60,508	60,508	50,827	50,827
Occupational Therapy	14,146	14,146	18,516	18,516
Other services	3,909	3,909	4,192	4,192
	<u>199,995</u>	<u>199,995</u>	<u>176,170</u>	<u>176,170</u>

7. Other Trading Activities

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Tin collections and bag packs	12,739	12,739	9,955	9,955
Charity Ball	66,376	66,376	42,799	42,799
Other fundraising events	182,872	182,872	99,712	99,712
Great North Run	65,664	65,664	64,053	64,053
Brick Services Ball	50,508	50,508	14,187	14,187
Bradley Hall	42,014	42,014	—	—
	<u>420,173</u>	<u>420,173</u>	<u>230,706</u>	<u>230,706</u>

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2022

8. Investment Income

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Rental income	60,615	60,615	79,397	79,397
Bank interest receivable	179	179	45	45
	<u>60,794</u>	<u>60,794</u>	<u>79,442</u>	<u>79,442</u>

9. Other Income

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Case settlement	—	—	7,830	7,830
Job Retention Scheme	—	—	95,791	95,791
Other income	3,089	3,089	4,938	4,938
	<u>3,089</u>	<u>3,089</u>	<u>108,559</u>	<u>108,559</u>

10. Costs of Other Trading Activities

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Fundraising costs	99,828	99,828	73,522	73,522

11. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Expenditure on charitable activities (see page 40)	772,388	34,819	807,207
Support costs	2,580	—	2,580
	<u>774,968</u>	<u>34,819</u>	<u>809,787</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Expenditure on charitable activities (see page 40)	649,304	118,316	767,620
Support costs	2,460	—	2,460
	<u>651,764</u>	<u>118,316</u>	<u>770,080</u>

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2022

12. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly	Support costs	Total funds 2022	Total funds 2021
	£	£	£	£
Expenditure on charitable activities (see page 40)	807,207	–	807,207	767,620
Governance costs	–	2,580	2,580	2,460
	<u>807,207</u>	<u>2,580</u>	<u>809,787</u>	<u>770,080</u>

13. Net Gains on Investments

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Gains/(losses) on investment property	<u>1,000</u>	<u>1,000</u>	<u>–</u>	<u>–</u>

14. Net (Expenditure)/Income

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

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>5,438</u>	<u>6,211</u>

15. Auditors Remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	<u>2,580</u>	<u>2,460</u>

16. Staff Costs

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

	2022	2021
	£	£
Wages and salaries	534,699	480,046
Social security costs	41,060	33,833
Employer contributions to pension plans	27,873	35,788
	<u>603,632</u>	<u>549,667</u>

The average head count of employees during the year was 25 (2021: 24). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	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>20</u>	<u>19</u>
	<u>25</u>	<u>24</u>

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2022

16. Staff Costs (continued)

No employee received employee benefits of more than £60,000 during the year (2021: 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 £61,266 (2021:£51,496).

17. Trustee Remuneration and Expenses

Trustees received no remuneration or expenses during the current or previous year.

18. Transfers Between Funds

During the year £257,741 was transferred from restricted to unrestricted funds. This represented restricted grants spent on capital items including the new building and equipment.

19. Tangible Fixed Assets

	Freehold property £	Fixtures, Fittings & Equipment £	Computer Equipment £	Therapy & Sensory Equipment £	Total £
Cost					
At 1 January 2022	787,612	40,519	48,161	42,817	919,109
Additions	263,384	—	—	—	263,384
At 31 December 2022	1,050,996	40,519	48,161	42,817	1,182,493
Depreciation					
At 1 January 2022	242,612	31,046	45,304	36,813	355,775
Charge for the year	—	1,895	2,342	1,201	5,438
At 31 December 2022	242,612	32,941	47,646	38,014	361,213
Carrying amount					
At 31 December 2022	808,384	7,578	515	4,803	821,280
At 31 December 2021	545,000	9,473	2,857	6,004	563,334

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2022

20. Investments

	Investment properties £
Cost or valuation	
At 1 January 2022	830,000
Additions	—
Disposals	(251,000)
Fair value movements	1,000
At 31 December 2022	580,000
Impairment	
At 1 January 2022 and 31 December 2022	
Carrying amount	
At 31 December 2022	580,000
At 31 December 2021	830,000

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.

21. Stocks

	2022 £	2021 £
Merchandise stock	2,000	2,885

22. Debtors

	2022 £	2021 £
Trade debtors	14,719	(2,880)
Prepayments and accrued income	8,144	81,690
Gift Aid debtor	4,059	4,877
Other debtors	—	7,564
	26,922	91,251

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2022

23. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	45,057	44,669
Accruals and deferred income	2,400	8,346
Social security and other taxes	19,639	9,212
Other creditors	2,500	2,500
	<u>69,596</u>	<u>64,727</u>

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

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

	2022	2021
	£	£
Bank loans and overdrafts	<u>357,293</u>	<u>532,738</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 £192,896 (2021: £359,897) 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.

25. 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 £27,873 (2021: £35,788).

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2022

26. Analysis of Charitable Funds

Unrestricted funds

	At 1 Jan 2022	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2022
	£	£	£	£	£	£
General Funds	580,904	828,372	(869,358)	80,722	—	620,640
Capital Fund	1,393,334	—	(5,438)	(355,719)	1,000	1,033,177
Long term liabilities	(532,738)	—	—	532,738	—	—
	<u>1,441,500</u>	<u>828,372</u>	<u>(874,796)</u>	<u>257,741</u>	<u>1,000</u>	<u>1,653,817</u>

	At 1 Jan 2021	Income	Expenditure	Transfers	Gains and losses	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>

The capital fund is the value of assets held offset by loans held with security against those assets.

Restricted funds

	At 1 Jan 2022	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2022
	£	£	£	£	£	£
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	1,908	—	—	(1,908)	—	—
Clothworkers' Foundation	40,000	—	—	—	—	40,000
National Lottery Community Fund	15,447	—	(15,447)	—	—	—
Garfield Weston	30,000	—	—	(30,000)	—	—
Bernard Sunley	10,000	—	—	(10,000)	—	—
Morrison's Foundation	3,936	—	—	(3,936)	—	—
February Foundation	4,941	—	—	(4,941)	—	—

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2022

26. Analysis of Charitable Funds (continued)

Sir James Knott Foundation	5,000	—	—	(5,000)	—	—
Screwfix Foundation	5,000	—	—	(5,000)	—	—
County Durham Community Foundation	4,836	—	—	(4,836)	—	—
Baily Thomas Charitable Fund	4,941	—	—	(4,941)	—	—
Beatrice Lang	—	5,000	—	(5,000)	—	—
James Tudor Trust	—	5,000	(5,000)	—	—	—
The Catherine Cookson Charitable Trust	—	5,000	—	(5,000)	—	—
John Priestman Trust	—	5,000	(5,000)	—	—	—
Grace Trust	—	1,000	(1,000)	—	—	—
The Edward Gostling Trust	—	15,000	—	(15,000)	—	—
Smaller grants for video therapy	8,372	—	(8,372)	—	—	—
	<u>296,560</u>	<u>36,000</u>	<u>(34,819)</u>	<u>(257,741)</u>	<u>—</u>	<u>40,000</u>

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	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
Clothworkers' Foundation	40,000	—	—	—	—	40,000

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2022

26. Analysis of Charitable Funds (continued)

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
Morrisons						
Foundation	3,936	—	—	—	—	3,936
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>

Heel and Toe Ltd

Notes to the Financial Statements (continued)

Year Ended 31 December 2022

26. Analysis of Charitable Funds (continued)

The grants from St James' Place, the Clothworkers' Foundation, Garfield Weston, Bernard Sunley, the February Foundation, the Screwfix Foundation, Beatrice Lang, the Catherine Cookson Charitable trust and the Edward Gostling Trust are towards the new building.

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

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 James Tudor Trust, John Priestman Trust and the Grace Trust are towards Massage Therapy and the grant from Clifford Chance Foundation is towards video therapy.

27. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	821,280	—	821,280
Investments	580,000	—	580,000
Current assets	679,426	40,000	719,426
Creditors less than 1 year	(69,596)	—	(69,596)
Creditors greater than 1 year	(357,293)	—	(357,293)
Net assets	1,653,817	40,000	1,693,817

	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

28. Analysis of Changes in Net Debt

	At 1 Jan 2022 £	Cash flows £	At 31 Dec 2022 £
Cash at bank and in hand	848,055	(157,551)	690,504

Heel and Toe Ltd

Notes to the Financial Statements *(continued)*

Year Ended 31 December 2022

29. Related Parties

Fees of £13,416 (2021 - £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.

Heel and Toe Ltd
Management Information
Year Ended 31 December 2022

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

Heel and Toe Ltd

Detailed Statement of Financial Activities

Year Ended 31 December 2022

	2022 £	2021 £
Income and endowments		
Donations and legacies		
Donations from parents	2,045	915
Donations from businesses	69,020	40,382
Online Pots	10,350	4,200
Public donations	2,933	4,417
Other donations	3,477	9,805
Gift Aid	18,778	22,051
Durham County Council - Covid support	—	40,835
The William Leech Foundation	5,000	—
Sir James Knott Foundation	5,000	—
Baily Thomas Charitable Fund	—	4,941
County Durham Community Foundation	—	4,836
The Catherine Cookson Charitable Trust	5,000	—
James Tudor Trust	5,000	—
Barbour Foundation	—	5,000
Beatrice Lang	5,000	—
Global	—	39,474
Sir John Priestman Trust	5,000	5,000
Lord Barnbys Foundation	—	5,000
The Edward Gostling Trust	15,000	—
The Webb Family Charitable Trust	—	5,000
National Lottery Community Fund	—	61,790
National Lottery Community Fund - Awards For All	—	9,179
David Family Foundation	—	5,000
1989 Willan Charitable Trust	5,000	—
Small grants under £5,000	23,718	10,048
	<u>180,321</u>	<u>277,873</u>
Charitable activities		
Hydrotherapy	86,037	72,833
Speech & language	35,395	29,802
Physiotherapy	60,508	50,827
Occupational Therapy	14,146	18,516
Other services	3,909	4,192
	<u>199,995</u>	<u>176,170</u>

Heel and Toe Ltd

Detailed Statement of Financial Activities *(continued)*

Year Ended 31 December 2022

	2022 £	2021 £
Other trading activities		
Tin collections and bag packs	12,739	9,955
Charity Ball	66,376	42,799
Other fundraising events	182,872	99,712
Great North Run	65,664	64,053
Brick Services Ball	50,508	14,187
Bradley Hall	42,014	—
	<u>420,173</u>	<u>230,706</u>
Investment income		
Rental income	60,615	79,397
Bank interest receivable	179	45
	<u>60,794</u>	<u>79,442</u>
Other income		
Case settlement	—	7,830
Job Retention Scheme	—	95,791
Other income	3,089	4,938
	<u>3,089</u>	<u>108,559</u>
Total income	<u>864,372</u>	<u>872,750</u>

Heel and Toe Ltd

Detailed Statement of Financial Activities (continued)

Year Ended 31 December 2022

	2022 £	2021 £
Expenditure		
Costs of other trading activities		
Event costs	78,586	58,990
Ball costs	21,242	14,532
	<u>99,828</u>	<u>73,522</u>
Expenditure on charitable activities		
Wages	534,699	480,046
NIC	41,060	33,833
Pension	27,873	35,788
Insurance	17,717	20,261
Other premises costs	23,416	23,124
Professional fees	29,505	62,583
Telephone	5,285	5,470
Stationery, postage and other office costs	36,398	26,962
Depreciation	5,438	6,211
Loan interest	18,542	16,626
Maintenance, consumables and miscellaneous	29,533	28,791
Marketing and printing	12,049	5,548
Staff expenses	25,692	22,377
	<u>807,207</u>	<u>767,620</u>
Governance costs		
Governance costs - audit fees	2,580	2,460
	<u>809,787</u>	<u>770,080</u>
Expenditure on charitable activities		
	<u>809,787</u>	<u>770,080</u>
Total expenditure	<u>909,615</u>	<u>843,602</u>
Net gains on investments		
Gains/(losses) on investment property	1,000	—
	<u>(44,243)</u>	<u>29,148</u>
Net (expenditure)/income		