

**Charity Registration No. 1092578**

**Company Registration No. 04068994 (England and Wales)**

**HEREFORDSHIRE HEADWAY**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**

# HEREFORDSHIRE HEADWAY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	G.O. Blyth R.W. Blackburn Dr. P.N. Hawker (Chair) J. Priestman Dr. M Helme B. Nugent W. J. Finn	(Appointed 7 December 2016) (Appointed 7 December 2016) (Appointed 7 December 2016)
<b>Secretary</b>	G.O. Blyth	
<b>Chief Executive Officer</b>	H. M. Mapp	
<b>Charity number</b>	1092578	
<b>Company number</b>	04068994	
<b>Registered office and principal address</b>	Headway House Trenchard Avenue Credenhill Hereford Herefordshire HR4 7DX	
<b>Independent examiner</b>	Timothy Calder ACA Kendall Wadley LLP 71 Graham Road Malvern Worcestershire	
<b>Bankers</b>	Barclays Bank plc 1-3 Broad Street Hereford HR4 9BH	

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# HEREFORDSHIRE HEADWAY

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# HEREFORDSHIRE HEADWAY

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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The Trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Memorandum of Articles of Association dated 06 September 2000 as amended by a Special Resolution dated 15 November 2001, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

### Objectives and activities

The Charities Objects are:

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

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

Services were established 26 years ago since when we have supported people and their immediate families who have been affected by the devastating effects of acquired brain injury (ABI) by providing relevant and specific support to meet individual needs. We currently support 63 clients and their carers at the Herefordshire Headway day centre. In order to promote the relief and rehabilitation of those who have suffered an ABI we offer a range of valuable services which include:

#### Day Centre

~~The day centre is open from Tuesday to Friday each week. On these days we run a range of activities~~ designed to assist clients to regain, wherever possible, skills lost due to their ABI or to maintain functions which could potentially be lost without continuing development and practice. For many clients it is social interaction, making friends and talking to others who experience the same challenges, that is a key feature of the service. To help facilitate this we run a range of social and lifestyle activities. Maintenance of mental wellbeing is also a valued outcome for many clients.

#### Clinical Therapies

We offer speech, art and music therapies, which are available in either one to one, small closed groups or open groups to suit individual needs. New open groups have been trialled over the last year, these include, the framework for a community choir and open talking groups.

#### Lifestyle Therapies

Lifestyle therapies include cookery, woodwork, fine art, pottery, computer skills, gardening, craft, literacy and numeracy skills, cognitive therapies and domestic living skills. Each client's needs are carefully considered when their individual learning plan is set.

#### Social Therapies

These include a very popular yoga class, group quiz sessions, board and table games and other group activities that encourage social integration and the development of independence skills.

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# HEREFORDSHIRE HEADWAY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### Outreach Service

This is a discreet service which is allowing us to offer very tailored support to a small number of individuals paid for by the Social Care at Home project which has unexpectedly been extended.

### Achievements and performance

The annual client satisfaction surveys, as well as weekly and monthly feedback reflect continuing high levels of satisfaction with the services we provide. Day Service attendance has dropped slightly, now averaging just below 30 at each session. The numbers of service users using the service have been maintained and slightly increased, the drop in sessional attendance reflecting an increase in self funding members not qualifying for Social Care attendance subsidies, these people on average attending less days per week. The increased range of therapies and related support has encouraged new self funding client to use the service which they see as excellent value for money.

Services offered to clients include: Music, Art and Speech therapy, Physiotherapy, Cognitive exercises, Carpentry, IT, Creative Writing, Choir, Pottery, Art, Yoga, Literacy and Numeracy, Gardening and Craft sessions. Carers can access sessions designed specifically for them as well as one to one support.

### Financial review

During the year incoming resources amounted to £269,466 (2016: £304,925) and the resources expended amounted to £228,188 (2016: £236,299). Of the income £108,065 (2016: £130,043) is derived from services provided under contract for the Day Opportunities, Community Learning and Employability, Young Peoples Project and Carer Respite Services. This provided the Charity with an overall net surplus for the year of £41,278 (2016: £68,626). At the year end the reserves of the Charity amounted to £363,710 (2016: £322,432), comprising restricted funds of £149,941 (2016: £139,032) and general funds of £213,769 (2016: £183,400).

The Statement of Financial Activities (SOFA) on page 5 reflects a continuation of last year's positive financial performance which contrasted with a series of significant deficits since 2009 which had depleted reserves by an amount in excess of £180,000. Unrestricted Charity reserves not required to support fixed assets now stand at £180,513 and represent approximately one year of unrestricted operating costs. After taking into account all requirements for holding reserves the Trustees regard this level of reserves as both reasonable and prudent.

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

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

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# HEREFORDSHIRE HEADWAY

## TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### Structure, governance and management

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

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

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

F.J.A. Chambers	(Resigned 30 November 2016)
F. R. Smith	(Resigned 7 December 2016)
G.O. Blyth	
Revd. C.J. Rodgers	(Resigned 15 February 2017)
Dr. C. Jenkins	(Resigned 7 December 2016)
R.W. Blackburn	
Dr. P.N. Hawker (Chair)	
J. Priestman	
Dr. M Helme	(Appointed 7 December 2016)
B. Nugent	(Appointed 7 December 2016)
W. J. Finn	(Appointed 7 December 2016)

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

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

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

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

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

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



G.O. Blyth  
Trustee

Dated: 30 August 2017

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# HEREFORDSHIRE HEADWAY

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF HEREFORDSHIRE HEADWAY

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I report on the accounts of the Charity for the year ended 31 March 2017, which are set out on pages 5 to 21.

#### **Respective responsibilities of Trustees and examiner**

The Trustees, who are also the directors of Herefordshire Headway for the purposes of company law, are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011, the 2011 Act, and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Timothy Calder ACA  
Kendall Wadley LLP

Chartered Accountants  
Granta Lodge  
71 Graham Road  
Malvern  
Worcestershire  
WR14 2JS

Dated: 30 August 2017

# HEREFORDSHIRE HEADWAY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b><u>Income from:</u></b>					
Donations and legacies	3	21,086	60,160	81,246	94,954
Charitable activities	4	180,024	1,000	181,024	199,663
Other trading activities	5	6,565	555	7,120	10,216
Investments	6	76	-	76	92
<b>Total income</b>		<b>207,751</b>	<b>61,715</b>	<b>269,466</b>	<b>304,925</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	14,346	-	14,346	17,703
Charitable activities	8	159,584	54,258	213,842	218,596
<b>Total resources expended</b>		<b>173,930</b>	<b>54,258</b>	<b>228,188</b>	<b>236,299</b>
<b>Net incoming resources before transfers</b>		<b>33,821</b>	<b>7,457</b>	<b>41,278</b>	<b>68,626</b>
Gross transfers between funds	12	(3,452)	3,452	-	-
<b>Net income for the year/ Net movement in funds</b>		<b>30,369</b>	<b>10,909</b>	<b>41,278</b>	<b>68,626</b>
Fund balances at 1 April 2016		183,400	139,032	322,432	253,806
<b>Fund balances at 31 March 2017</b>		<b>213,769</b>	<b>149,941</b>	<b>363,710</b>	<b>322,432</b>

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

All income and expenditure derive from continuing activities.

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



# HEREFORDSHIRE HEADWAY

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		155,676		150,812
<b>Current assets</b>					
Debtors	15	27,102		29,423	
Cash at bank and in hand		199,664		181,139	
		<u>226,766</u>		<u>210,562</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(18,732)</u>		<u>(38,942)</u>	
Net current assets			208,034		171,620
<b>Total assets less current liabilities</b>			<u>363,710</u>		<u>322,432</u>
<b>Income funds</b>					
Restricted funds	18		149,941		139,032
Unrestricted funds			213,769		183,400
			<u>363,710</u>		<u>322,432</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The Trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

The accounts were approved by the Trustees on 30 August 2017

Dr. P.N. Hawker (Chair)  
Trustee



Company Registration No. 04068994

# HEREFORDSHIRE HEADWAY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

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	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	22		32,358		93,636
<b>Investing activities</b>					
Purchase of tangible fixed assets		(13,909)		(124,394)	
Interest received		76		92	
<b>Net cash used in investing activities</b>			(13,833)		(124,302)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			18,525		(30,666)
Cash and cash equivalents at beginning of year			181,139		211,805
<b>Cash and cash equivalents at end of year</b>			<u>199,664</u>		<u>181,139</u>

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# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2017**

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### **1 Accounting policies**

#### **Charity information**

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

#### **1.1 Accounting convention**

The accounts have been prepared in accordance with the Charity's Memorandum of Articles of Association dated 6 September 2000 as amended by a Special Resolution dated 15 November 2001, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Charity is a Public Benefit Entity as defined by FRS 102.

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

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

#### **1.2 Going concern**

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

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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

Unrestricted funds are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

#### **1.4 Incoming resources**

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

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

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

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business.

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

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

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

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

Resources expended are allocated to funds in accordance with the nature of activity to which that expenditure relates. Staff costs are allocated to the relevant funds on a time spent basis.

#### 1.6 Tangible fixed assets

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

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

Freehold Land and buildings	Nil
Improvements to freehold property	5% straight line
Greenhouse	5% straight line
Fixtures, fittings & equipment	10% straight line
Computers	33.3% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

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#### 1.7 Impairment of fixed assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

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# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

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

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

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

##### **Basic financial assets**

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

##### **Basic financial liabilities**

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

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

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

##### **Derecognition of financial liabilities**

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

#### 1.10 Employee benefits

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

#### 1.11 Retirement benefits

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

### 2 Critical accounting estimates and judgements

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

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

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	5,176	2,060	7,236	7,108
Unrestricted grants	15,000	38,000	53,000	80,101
Membership fees	910	-	910	845
Deferred income movement	-	20,100	20,100	6,900
	<u>21,086</u>	<u>60,160</u>	<u>81,246</u>	<u>94,954</u>
<b>For the year ended 31 March 2016</b>	<u>41,695</u>	<u>53,259</u>		<u>94,954</u>
<b>Donations and gifts</b>				
Other	5,176	2,060	7,236	7,108
	<u>5,176</u>	<u>2,060</u>	<u>7,236</u>	<u>7,108</u>
<b>Included above are grants received</b>				
Tudor Trust	-	-	-	25,000
E F Bulmer Benevolent Fund *(a)	-	7,500	7,500	7,500
The Eveson Charitable Trust	-	15,000	15,000	-
Tesco - Groundwork UK	-	7,500	7,500	-
Morrisons	-	8,000	8,000	-
Jordans	15,000	-	15,000	15,000
Clothworkers	-	-	-	15,000
Awards 4 All (a)	-	-	-	9,600
Act Foundation	-	-	-	2,000
D'Oyly Carte (a)	-	-	-	3,000
Other	-	-	-	3,001
	<u>15,000</u>	<u>38,000</u>	<u>53,000</u>	<u>80,101</u>

#### Deferred income

Items marked \* (2016 (a)) have been deferred to the subsequent accounting period.

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 4 Charitable activities

	2017 £	2016 £
Daily attendance income	57,592	48,850
Services provided under contract	108,065	130,043
Ancillary trading income	12,706	12,928
Other income	2,661	7,842
	<u>181,024</u>	<u>199,663</u>
Analysis by fund		
Unrestricted funds	180,024	193,663
Restricted funds	1,000	6,000
	<u>181,024</u>	<u>199,663</u>

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Fundraising events	6,565	555	7,120	10,216
	<u>6,565</u>	<u>555</u>	<u>7,120</u>	<u>10,216</u>
<b>For the year ended 31 March 2016</b>	<u>10,216</u>	<u>-</u>	<u>10,216</u>	<u>10,216</u>

### 6 Investments

	2017 £	2016 £
Interest receivable	76	92
	<u>76</u>	<u>92</u>

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 7 Raising funds

	2017	2016
	£	£
<u>Fundraising costs of grants and donations - unrestricted</u>		
Other fundraising costs	1,199	639
Staff costs	13,147	17,064
	<u>14,346</u>	<u>17,703</u>

### 8 Charitable activities

	2017	2016
	£	£
Staff costs	59,410	83,312
Depreciation and impairment	9,045	8,132
Subcontractor fees	48,972	42,296
Running costs	3,431	6,772
Transport	3,240	4,948
Food costs	5,829	5,692
	<u>129,927</u>	<u>151,152</u>
Share of support costs (see note 9)	68,432	52,138
Share of governance costs (see note 9)	15,483	15,306
	<u>213,842</u>	<u>218,596</u>

#### Analysis by fund

Unrestricted funds	159,584	165,278
Restricted funds	54,258	53,318
	<u>213,842</u>	<u>218,596</u>



# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9 Support costs	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Staff costs	40,482	10,364	50,846	39,006	Time spent
Printing, postage and stationery	2,338	-	2,338	1,919	See 1.5
Heating and lighting	5,529	-	5,529	5,353	""
Insurance	2,047	-	2,047	1,755	""
Water rates	735	-	735	733	""
Telephone	3,199	-	3,199	3,097	""
Repairs and renewals	6,897	-	6,897	4,428	""
Waste and cleaning	3,182	-	3,182	2,780	""
Computer costs	2,052	-	2,052	1,268	""
Health, safety and training	1,971	-	1,971	2,037	""
Membership and affiliations	-	461	461	838	Governance
Legal and professional costs	-	1,682	1,682	1,950	Governance
Independent examiners fee	-	2,976	2,976	2,280	Governance
	<u>68,432</u>	<u>15,483</u>	<u>83,915</u>	<u>67,444</u>	
Analysed between Charitable activities	<u>68,432</u>	<u>15,483</u>	<u>83,915</u>	<u>67,444</u>	

## 10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or travelling expenses during the year (2016-£Nil).

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 11 Employees

#### Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Administration and support	3	3
Direct services	9	14
	<u>12</u>	<u>17</u>
<b>Employment costs</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Wages and salaries	119,932	135,744
Social security costs	3,122	3,638
Other pension costs	349	-
	<u>123,403</u>	<u>139,382</u>

Included in the above is £Nil (2016 - £1,184) in respect of ex gratia payments made in connection with departing staff.

Of the 12 (2016: 17) members of staff employed, 2 are full time (2016: 2) and 10 are part time (2016: 15).

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

### 12 Transfers

A transfer of £3,952 (2016: £21,252) has been made from unrestricted funds to restricted funds to cover the overspend of restricted funding on the service development fund and in 2016 the transfer was for an overspend on the refurbishment and gardening projects.

The transfer of £500 from OTL Training was an administration fee paid in accordance with the terms of the grant.

## HEREFORDSHIRE HEADWAY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

#### 13 Tangible fixed assets

	Freehold Land and buildings	Improvements to freehold property	Greenhouse	Fixtures, fittings & equipment	Computers	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2016	30,470	112,884	4,800	5,780	5,010	158,944
Additions	-	9,572	-	4,337	-	13,909
At 31 March 2017	30,470	122,456	4,800	10,117	5,010	172,853
<b>Depreciation and impairment</b>						
At 1 April 2016	-	5,644	240	578	1,670	8,132
Depreciation charged in the year	-	6,123	240	1,012	1,670	9,045
At 31 March 2017	-	11,767	480	1,590	3,340	17,177
<b>Carrying amount</b>						
At 31 March 2017	30,470	110,689	4,320	8,527	1,670	155,676
At 31 March 2016	30,470	107,240	4,560	5,202	3,340	150,812

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

14 Financial instruments		2017 £	2016 £
<b>Carrying amount of financial assets</b>			
Debt instruments measured at amortised cost		26,002	21,357
<b>Carrying amount of financial liabilities</b>			
Measured at amortised cost		9,946	17,177
<b>15 Debtors</b>			
<b>Amounts falling due within one year:</b>			
		2017 £	2016 £
Trade debtors		26,002	21,357
Prepayments and accrued income		1,100	8,066
		27,102	29,423
<b>16 Creditors: amounts falling due within one year</b>			
	<b>Notes</b>	2017 £	2016 £
Other taxation and social security		1,286	1,665
Deferred income	17	7,500	20,100
Trade creditors		-	3,210
Accruals and deferred income		9,946	13,967
		18,732	38,942
<b>17 Deferred income</b>			

	2017 £	2016 £
Arising from Income in advance of service date	7,500	20,100
Current liabilities	7,500	20,100

As identified in note 3 certain funds are received ahead of the financial period to which the income relates. The full amount deferred at 31 March 2016 was released during the year.

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 18 Restricted funds

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

	Movement in funds				Balance at 31 March 2017 £
	Balance at 1 April 2016 £	Incoming resources £	Resources expended £	Transfers £	
Physiotherapy & Speech Therapy	-	15,000	(10,752)	-	4,248
Art & Music Therapy	2,175	18,000	(17,440)	-	2,735
Building					
Refurbishment	119,935	10,205	(6,542)	-	123,598
Computer Fund	2,625	-	(1,670)	-	955
Gardening Fund	4,560	-	(240)	-	4,320
Service					
Development Fund	795	-	(4,681)	3,886	-
Workshop tools	70	-	-	-	70
Refurbishment equipment	7,281	410	(1,176)	-	6,515
OTL Training	1,591	1,000	(2,091)	(500)	-
Groundwork UK landscaping fund	-	7,500	-	-	7,500
Awards for All	-	9,600	(9,666)	66	-
	<u>139,032</u>	<u>61,715</u>	<u>(54,258)</u>	<u>3,452</u>	<u>149,941</u>

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 18 Restricted funds

(Continued)

Physiotherapy & Speech Therapy - represents grants received from E F Bulmer Benevolent Fund and Garfield Weston to assist with the costs of running physiotherapy and speech therapy courses.

Art & Music Therapy - This fund represents grants received from Eveson Trust and D'Oyly Carte. The aim of these grants is to assist with the costs of both art and music therapy courses.

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

This fund also represents grants received from The Jordans Foundation, who assisted with the workshop refurbishment.

Computer Fund - This fund represents grants received from The Rowlands Trust and Hereford Council Community Investment. The aim of these grants is to assist with the costs of upgrading our computers.

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

Service Development Fund - This fund represents grants received from the Henry Smith Charity and Garfield Weston Foundation. The aim of this grant is to assist with improving the charity's infrastructure.

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

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

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Groundwork UK Landscaping Fund - This fund represents grants received from Tesco with an aim to improve the the garden at Headway House.

Awards for All - This grant was to assist with costs for complimentary therapies including cognitive literacy and numeracy, creative writing and yoga.

OTL Training Fund - this fund represents finance provided to enable training to be provided for observation, teaching and learning processes.

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 19 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:			
Tangible assets	33,256	122,420	155,676
Current assets/(liabilities)	180,513	27,521	208,034
	<u>213,769</u>	<u>149,941</u>	<u>363,710</u>

# HEREFORDSHIRE HEADWAY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 20 Operating lease commitments

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

	2017 £	2016 £
Within one year	2,193	2,594
Between two and five years	3,867	6,501
	<u>6,060</u>	<u>9,095</u>

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

The charge included in the statement of financial activities in connection with these leases is £2,593 (2016 - £2,593).

### 21 Related party transactions

There were no disclosable related party transactions during the year (2016- none).

#### Remuneration of key management personnel

The remuneration of key management personnel, considered to be 2 employees (2016 - 2) is as follows.

	2017 £	2016 £
Aggregate compensation	46,379	46,121

### 22 Cash generated from operations

	2017 £	2016 £
Surplus for the year	41,278	68,626
Adjustments for:		
Investment income recognised in profit or loss	(76)	(92)
Depreciation and impairment of tangible fixed assets	9,045	8,132
Movements in working capital:		
Decrease in debtors	2,321	16,145
(Decrease)/increase in creditors	(7,610)	7,725
(Decrease) in deferred income	(12,600)	(6,900)
<b>Cash generated from operations</b>	<u>32,358</u>	<u>93,636</u>