



**DIRECTORS
REPORT
2022 -23**

Reg. Charity No. 1008798

Company No. 2686647

Charity registration number 1008798

Company registration number 02686647 (England and Wales)

**HEADWAY BIRMINGHAM & SOLIHULL
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

HEADWAY BIRMINGHAM & SOLIHULL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs J E Campbell Mr J Cassidy Mr D Chater Mr P Durham Mrs R Kinning Mr R Langton
Secretary	Mr R Langton
Charity number	1008798
Company number	02686647
Registered office	Leighton House 20 Chapel Rise Rednal Birmingham West Midlands B45 9SN
Auditor	BK Plus Audit Limited 2 Highlands Court Cranmore Avenue Solihull West Midlands B90 4LE
Patron	Professor Toni Belli
Chief Executive	Sue Tyler

HEADWAY BIRMINGHAM & SOLIHULL

CONTENTS

	Page
Trustees' report	1 - 9
Independent auditor's report	10 - 12
Consolidated Statement of financial activities	13
Consolidated Balance Sheet	14
Consolidated Statement of cash flows	15
Notes to the financial statements	16 - 34

HEADWAY BIRMINGHAM & SOLIHULL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charitable group's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Our Mission is "to promote greater understanding of all aspects of brain injury and provide support, information and services for people who have sustained brain injury, their families and carers".

Our Objectives are to:

- Promote awareness of brain injury & its consequences and actively seek to reduce potential incidents.
- Make services known to newly brain injured people/families at the earliest stage and throughout the whole journey
- Provide information, advice and support services for people with brain injuries, their families, carers and concerned professional people
- Provide specialised rehabilitative activities to assist people with brain injury to regain independence, continued recovery and re-integration into the community
- Develop links with appropriate agencies & establish working partnerships
- Maintain good governance, management and staff ratios

Code of Ethics

Headway Birmingham & Solihull have a set of six core values that will flow through our culture and behaviour and to which all employees, volunteers and Trustees are committed to. Every day, we do our best to put our values into action through our work and our relationships with our users, business partners, communities and one another.

HEADWAY BIRMINGHAM & SOLIHULL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

The six core values are:

- Putting 'People First'

We support & care for our clients as we would like to be treated ourselves. Users will be treated with dignity and respect and we will always act in their best interest. We value all individuals and celebrate diversity.

- Being 'Safe'

Every client, person who works for or comes into contact with, Headway Birmingham & Solihull should be treated with dignity and respect and feel that they are in a safe and supportive environment.

- Being open, honest & accountable

We are open and honest with others and ourselves. We ensure that our interactions with people are above reproach and we maintain the confidentiality of those we work with. We accept constructive criticism. We accept responsibility & hold ourselves accountable for our work, actions and our results.

- Striving for Excellence

We strive to deliver a service we are proud of through continuous improvements and are dedicated to providing the highest quality across all services. All staff should be passionate about the cause and be willing to give a bit more than '9 to 4' when the work requires this. We want Staff to be proud of their work and uphold our good name.

- Being professional & ethical

The charity and all who work for us shall always uphold the highest levels of institutional integrity and personal conduct. People work cohesively across all departments for the good of the whole of Headway BS and recognise and respect the value and strengths of each other.

- Doing 'more with less'

We use resources to the full, waste nothing and do only what we can do best as specialists. We strive to maintain our principles by the ability to organize all our assets - physical, financial and human - for maximum productivity. In this way, our services will be delivered with the highest quality and efficiency at the least possible cost providing excellent 'value for money'.

Public benefit

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. They believe the provision of the range and services listed in this report enables Headway Birmingham & Solihull to meet its obligation to provide public benefit.

Volunteers

Headway Birmingham & Solihull greatly benefit from the support of volunteers where appropriate and is extremely grateful for the contribution they make to the work of the charity. The number of volunteers fluctuates and since Covid we have continued to struggle to recruit new volunteers. But are continuing to look at ways to attract new people and are grateful to those who have been with us since Covid.

HEADWAY BIRMINGHAM & SOLIHULL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

How do we measure success?

As part of the wider 5-Year Strategy for the charity, we are committed to achieving results to meet our overall company objectives. We have many systems for monitoring results to ensure we keep evidence of our results in a clear and accessible format. Every department works towards set performance targets each year which are based on the aims, objectives and their performance indicators for each service. These target indicators are set in line with the Strategy and play a major part in the overall development of the charity and framework for future planning. Each Service Manager also identifies each of the targets that are relevant to specific staff and these are monitored on their quarterly staff review, so that everyone is involved.

The results give us a true indication of what we are achieving, or not, as well as identifying ways to improve. These measures also provide crucial outcomes which tell us if we are making a difference to people who have received our services. Each year following completion of the results the relevant managers update and add to the measures to ensure they remain appropriate and meet the changing needs of our users and services.

Overall Review

We had anticipated that in our second-year post Covid-19, we would be getting back to some kind of normality. Whilst all our services were maintained, we continued to struggle. Firstly, despite the highest demand ever for services, we could not achieve the budget targets for placements and had a further deficit. This was due to new clients starting being offset by many clients finishing. Whilst people 'moving on' is good thing, it consequently made it difficult to achieve the numbers to meet targets in order to generate the required income.

Our second biggest problem was with recruiting new staff, and this remained difficult all year. This created difficulties across all services and delayed the process of starting new clients. We trust that the new salaries agreed from April 2023 will make a difference to our recruitment, allowing us then to better meet the demand and increase income generated through services.

On a positive note, the lift at Sutton House was completed this year – allowing access to all upstairs areas in line with the Therapy Suite and Counselling space.

We are pleased to announce that by the year end we had been successful in certain bids for additional funding and thanks to the Big Lottery and the other Trusts, we look forward to starting our new programmes from April 2023. These will include our Wellbeing/Therapy services, the Vocational Assistance Programme and the re-start of our Services for All (SFA) in the community. The latter being for the whole family. We also have a new Minibus on order thanks to funding raised throughout the year, which will allow more community activities.

We feel positive as we move into 2023/24, as we believe our new services will meet many gaps and help to address the changing needs of clients. We are getting more referrals from those earlier in the brain injury journey (post hospital) and also younger people and those with milder brain injuries. The future may present with many changes as we adapt to these needs and develop new programmes.

HEADWAY BIRMINGHAM & SOLIHULL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Services for people with Acquired Brain Injury (ABI)

We continued to recover through the impact of Covid-19 for this year. For some of the clients this was difficult to comprehend as they still had to abide by some council-imposed restrictions. The majority of the existing staff team has remained steadfast in 2022, but serious ill health has seen us lose some staff while others are on long term sick.

Sutton House was also awarded a substantial grant to launch Daily Living Skill sessions upstairs at the hub. The purchase of the equipment and adaptations have been completed and will be starting Spring 2023. As stated previously, Client numbers continued to fluctuate throughout the year – despite huge demand we are now seeing more people move on. This is not for any negative reasons but indicates that we are getting more varying levels of severity, thus some move on sooner and others are not always able to attend regularly due to early recovery stage.

We started to slowly introduce trips and outings again last year – as we were aware that some clients still had a degree of anxiety over the pandemic. The first ABI Christmas party since lockdown was reintroduced this year –and proved to be a great success. Some new partnerships were formed this year – Shencare, Cerebral Palsy Midlands and Yoga.

Family & Carer Services

The team continued to work hard to meet the many needs of our carers and families, many new to the caring role and the brain injury journey.

We were pleased to agree a working partnership with Headway Black Country and Worcestershire, in a collaboration funded by a Panel of Solicitor firms - CFG, Higgs and Slater & Gordon. This means we now have a joint Brain Injury Link Worker to go into the QE Neuro wards every week. Unfortunately, there was a delay post Covid-19 until we were allowed back on the wards, but we are now starting to see a rise in the number of people given information at the hospital stage. The Forward Carers Hub bid was successful, and we look forward to being a specialist partner for the next 5 years. The Carer groups and lunch clubs also started up again and are proving very popular.

Our long-standing manager finished during the year and was replaced with Ajit Matharu who has been working as a Support Worker with the team for many years. She is already making her mark and bringing new ideas to the service.

Lifestyle Services

Lifestyles continued to prove really essential to supporting brain injured people in the community and even more so since Covid-19. We actually had over 60 referrals, but due to not being able to recruit enough new staff, we had to close the referrals for part of the year. This recruitment problem continued for most of the year, which meant we could not start people on the waiting list.

We started to introduce many changes aimed at attracting and retaining staff, including working with the maximum of 2 people a day and contributions to car usage. We also evaluated Bank Holiday and evening working and made many changes. By the year end, we had been successful in recruiting more people and expect further improvements once the new wage increases (in line with the Living Wage) are introduced from April 2023. All staff are now having monthly updates, spot checks and quarterly face to face meeting, and report feeling more like a team.

HEADWAY BIRMINGHAM & SOLIHULL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Fundraising, Publicity and Partnerships

The last year continued to be another very difficult time for our fundraising department and even though some of the face to face events took place, people attending outside events had dropped considerably. However, despite these difficulties, we still did better than the previous year and exceeded the set target amount.

- Successful with grant of £7,397 from Birmingham Food Legends Fund for Daily Living Sessions at Sutton House
- Received several grants towards the purchase of a new minibus for Sutton House (£5k from Albert Hunt Trust; £3k from GJW Turner Trust; £2k from Arnold Clark & others)
- Received several grants towards core/running costs (£5k R & D Turner Trust, £3k Sir Jules Thorn & others)
- Received several grants towards the heating improvement work at Leighton House (£2k from Michael March & others)
- Raised £2k from the Easter Fun Run 2022, despite lower numbers than in previous years
- The grand Christmas raffle raised £2,400 this year – our best yet
- Extended Social Media reach to 1,358 followers on Facebook & 968 on Twitter- a steady increase on last year & 4 press articles in the year
- Over 67 applications made to Trusts across the year and over £38k received.
- Over £3,795 raised by individuals who fundraised & over £5k raised through fundraising events.

Charity Shops

We continued to see excellent trading since Covid-19, but the biggest problem continued to be finding new volunteers. These are crucial to the running of our shops and leave the staff very short, without extra help each day. However, the staff did manage to keep them running, whilst ensuring the shops were clean, tidy, and rewarding window displays. We are very fortunate to have great teams of staff and volunteers at all our shops.

- We had aimed to increase the turnover at Headway Homes and achieved a profit of £25K donated to the charity. Great Barr Fashion also increased profit to over £31k. Rubery profit remained about the same at £10k. We have 3.3% of turnover that is Gift Aid. Overall turnover was our highest to date.
- 2 clients moved onto volunteering in our shops.
- We managed to retain most shop staff.
- We received over 10 positive comments about the shops, from our customers.

Our Headway shops, whilst providing much needed financial support to our services, greatly raise the name and profile of Headway across our local area and give opportunities for our carers and clients to move into volunteering roles. We very much hope that 2024 will be the year we can locate a suitable shop to add to our growing retail outlets.

Quality

Lifestyle Services continued to meet the standards required of the Care Quality Commission and currently hold a GOOD rating. We continue to assess against our internal standards but have no formal external audit yet for any service other than Lifestyles.

We have a plan to review all our Quality tools during 2023-24 and introduce new systems.

HEADWAY BIRMINGHAM & SOLIHULL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Operations/Buildings

The year continued to be about managing Covid-19 as the situation and guidelines were one of constant change. The team did a proactive job of keeping on top of all the requirements and informing departments. We were really pleased to be able to welcome clients back knowing that we would be doing our utmost to keep them safe with tests, screens, PPE, deep cleaning and much more. The pandemic did afford us time to work through some of our larger tasks, such as the lift installation in Sutton House and various refurbishments.

- New payment buttons on the Website
- New Back Up systems for electronic files
- Improvements made to the Leighton House heating systems.
- Headway House received a refurb with new blinds and a complete repaint.
- New digital phone systems installed across Leighton House and we invested in a new fibre line to improve connectivity at Headway House.
- Introduced Digital Pay slips for staff.
- Cyber Essentials qualification for Head of Operations - Cyber Essentials Certificate
- We were able to offer some work experience placements to students at Selly Oak Trust School, a specialist science college for people with special educational needs.

Personnel Matters

As noted, the year 2022-23 continued to be a constant struggle with recruiting new staff. In terms of people seeking employment a high percentage only wanted to work part time. We introduced a new Working Practices Policy to ensure that we look at where it is possible to be more flexible with working practices and meet the 'work life balance' that most people now seem to want. We introduced several more benefits to help with staff retention and have plans for further improvements for the new year such as Introduction Rewards, Special Birthday Leave and Duvet Days. We have already noticed an increase in staff retention.

Getting new volunteers had also been a constant difficulty since Covid-19 and we are still down on our target/pre-Covid-19 numbers. Despite this we have over 100 paid staff and volunteers, and are lucky to have some amazing, committed and hard-working people.

Future Plans

In the second year post-Covid-19, we continued to face many challenges, especially financially. We had to agree a further deficit, knowing that we could withstand this through our reserves, thus giving us a further 12 months to try and increase income generated through services. The main aim is to increase all our placements and hours sold to a manageable level. We had anticipated that we would reach our budget target numbers by the year end. However, due to the time taken to fund new places and the fact that we had as many leave, as start, we were still very low at the year end.

We also continued to struggle to recruit staff during the year, despite many efforts to improve benefits and attract new people. Since COVID there has apparently been a huge shift in people's attitude to work with the Care Sector finding it particularly difficult to recruit staff. Due to many suitable candidates referring to work part time, we recruit 2 people for every post, creating double the work for Personnel, Finance and management.

We still have exciting new plans in the pipeline and hope that we can be successful with funding applications to support this in 2024 onwards. It is also anticipated that the new programmes/services will not only meet the changing needs of our beneficiaries, but also shape future services.

HEADWAY BIRMINGHAM & SOLIHULL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Financial review

The results for the year are shown on page 13.

Our clients are funded by a combination of Local Authorities, personal independence payments (PIP's) and self-funding. For the first time in many years, the local council agreed an uplift of 5.45% for Birmingham clients, enabling us to increase our daily fees charged for existing clients and new one. We still have a number of clients paying much less than the basic rate and we continue to work through trying to get this resolved.

We are extremely grateful for the various grants and donations from Companies together with other income, that help subsidise our rates and the various services of supporting individuals and families of people with ABI. The Charity continues to have an ongoing professional structure able to support the delivery of our services and help towards securing the future, thanks to the support of volunteers and staff, and sound financial management.

Financial and risk management objectives and policies

The Executive Board having looked at the main risks to the organisation, for example, not receiving any grant funding, or a possible fall in number of clients due to the financial restraints of Authorities, has established a policy whereby we should maintain unrestricted funds to cover between 3 and 6 months of expenditure.

The Governance Code requires the Trustees and CEO to assess and report on the prospects of the Charity and whether the business is a going concern. In considering this requirement, the Directors have taken into account the Charity's forecast cash flows, liquidity and expected operational activities.

The Management Committee have reviewed, risk-assessed and advised the Board of the Charity's going concern having considered continued impact on services since Covid-19 and the latest Cost of Living Crisis. Having due regard to these matters the Directors have a reasonable expectation the Charity has adequate resources to remain a going concern.

Reserves policy

The budget for 2023/24 anticipates expenditure of £2.4 million during the year, indicating that unrestricted reserves should be in the range of £600,000 to £1.2M. Unrestricted funds at 31 March 2023 were £776,528.

Events since the year end

Information relating to events since the end of the year is given in the notes to the financial statements.

Structure, governance and management

Governing document

The Charitable group is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs J E Campbell

Mr J Cassidy

Mr D Chater

Mr P Durham

Mrs R Kinning

Mr R Langton

Recruitment and appointment of new trustees

When selecting individuals for appointment as trustees, emphasis is placed on the prospective trustees' skills, knowledge and experience needed for effective administration of the charity.

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.

HEADWAY BIRMINGHAM & SOLIHULL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

Qualifying third party indemnity provisions

The Charity has Indemnity Insurance in place in respect of the Officers of the Charity at a cost of £227 per annum.

Trustee directors

In accordance with our Articles of Association directors are elected by company members at the Annual General Meeting. In addition, the Executive Board has powers to fill any vacancies by co-option during the year. Due to the Coronavirus Pandemic and the various restrictions, it was not possible to hold normal Board Meetings throughout the year. The disciplines of monthly progress reports and Key Performance Indicators were maintained and circulated to all the Directors. Regular contact between the Chair of Trustees and the Chief Executive ensured strict monitoring of overall performance. In addition Board Meetings were held by video conference to discuss and approve key decisions. Following agreement of the Strategic Plan the proposed Budget for the following year is formally approved by the Executive Board. Quarterly reconciliations of Income and Expenditure are produced during the year to monitor progress against this agreed Budget. This was of key importance during this year as the full implications of the Pandemic unfolded.

Organisational structure

A carers' group for the relatives of head-injured persons in the West Midlands was formally established in 1983 and first registered as a charity in 1987. As activities expanded a more formal organisational structure was required and hence Headway (West Midlands) Ltd was constituted in 1992. On 21st March 2016, the Charity passed a special resolution changing its name to Headway Birmingham & Solihull from Headway (West Midlands) Ltd. It is a private company, limited by guarantee, registered at Cardiff, No. 2686647 and a registered charity, No. 1008798. Our principal aims concern the relief of suffering from the effects of brain injury. The Memorandum and Articles of Association impose no unusual restrictions on the way in which the company may operate nor lay down specific investment powers. We are affiliated to Headway UK - the Brain Injury Association, based at Nottingham.

Induction and training of new trustees

Trustees must make available to each new trustee on their first appointment: a copy of the Memorandum and any amendments made to it, a copy of the Charity's latest Annual Report and statement of accounts. Headway Birmingham & Solihull should emphasise the responsibilities of the Trustees detailed in the report.

Key management remuneration

The trustees consider the board of directors, who are also the Charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All trustees give their time freely and no trustee received remuneration in the year ending 31 March 2023. The remuneration paid to the Charity's employees is reviewed annually and a performance related increase is made where appropriate. The pay is benchmarked against pay levels for other roles with similar responsibilities elsewhere within the sector.

Related parties

Headway Birmingham & Solihull Trading Limited derives its income from Headway Birmingham & Solihull's charity shop outlets. Any profits generated by the Charity's subsidiary company are donated to the charity.

HEADWAY BIRMINGHAM & SOLIHULL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Statement of trustees' responsibilities

The trustees, who are also the directors of Headway Birmingham & Solihull for the purpose 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charitable group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable group will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable group 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 Charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that BK Plus Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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


Mr D Chater
Trustee

18 September 2023

HEADWAY BIRMINGHAM & SOLIHULL

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HEADWAY BIRMINGHAM & SOLIHULL

Opinion

We have audited the financial statements of Headway Birmingham & Solihull (the 'Charitable group') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable group's affairs as at 31 March 2023 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; and
- 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 Charitable group 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 Charitable group'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.

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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

HEADWAY BIRMINGHAM & SOLIHULL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HEADWAY BIRMINGHAM & SOLIHULL

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable group and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the Charitable group for the purpose 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 Charitable group'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Performing audit work over the risk of understatement of income including substantive testing and obtaining corroborated explanations from Management.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

HEADWAY BIRMINGHAM & SOLIHULL

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HEADWAY BIRMINGHAM & SOLIHULL

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BK Plus Audit Limited

Paul Mannion FCCA, FCA (Senior Statutory Auditor)
for and on behalf of BK Plus Audit Limited

18 September 2023

Chartered Certified Accountants
Statutory Auditor

2 Highlands Court
Cranmore Avenue
Solihull
West Midlands
B90 4LE

HEADWAY BIRMINGHAM & SOLIHULL

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	34,176	31,208	65,384	32,178	18,609	50,787
Charitable activities							
ABIP	4	830,882	-	830,882	653,856	-	653,856
Lifestyle services	4	408,264	-	408,264	405,330	-	405,330
F & C services	4	-	140,420	140,420	-	90,943	90,943
Government grants	4	-	-	-	116,263	-	116,263
Other trading activities	5	223,857	-	223,857	209,390	-	209,390
Investments	6	990	-	990	60	-	60
Total income		1,498,169	171,628	1,669,797	1,417,077	109,552	1,526,629
Expenditure on:							
Raising funds	7	164,286	-	164,286	140,062	-	140,062
Charitable activities	8	1,380,280	190,982	1,571,262	1,317,103	132,410	1,449,513
Total expenditure		1,544,566	190,982	1,735,548	1,457,165	132,410	1,589,575
Gross transfers between funds		-	-	-	(13,164)	13,164	-
Net expenditure for the year/							
Net movement in funds		(46,397)	(19,354)	(65,751)	(53,252)	(9,694)	(62,946)
Fund balances at 1 April 2022		822,925	386,662	1,209,587	876,177	396,356	1,272,533
Fund balances at 31 March 2023		776,528	367,308	1,143,836	822,925	386,662	1,209,587

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.

HEADWAY BIRMINGHAM & SOLIHULL

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	Group 2023 £	2022 £	Charity 2023 £	2022 £
Fixed assets					
Tangible assets	13	714,902	741,017	713,821	741,017
Investments	14	-	-	100	100
		<u>714,902</u>	<u>741,017</u>	<u>713,921</u>	<u>741,117</u>
Current assets					
Debtors	15	132,844	177,224	168,357	229,286
Cash at bank and in hand		391,494	357,392	346,007	300,964
		<u>524,338</u>	<u>534,616</u>	<u>514,364</u>	<u>530,250</u>
Creditors: amounts falling due within one year	16	(95,404)	(66,046)	(84,449)	(61,780)
Net current assets		<u>428,934</u>	<u>468,570</u>	<u>429,915</u>	<u>468,470</u>
Total assets less current liabilities		<u>1,143,836</u>	<u>1,209,587</u>	<u>1,143,836</u>	<u>1,209,587</u>
Income funds					
Restricted funds	17	367,308	386,662	367,308	386,662
<u>Unrestricted funds</u>					
Designated funds	18	24,000	16,000	24,000	16,000
General unrestricted funds	19	752,528	806,925	752,528	806,925
		<u>776,528</u>	<u>822,925</u>	<u>776,528</u>	<u>822,925</u>
		<u>1,143,836</u>	<u>1,209,587</u>	<u>1,143,836</u>	<u>1,209,587</u>

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

The financial statements were approved by the Trustees on 18 September 2023

Mr D Chater
Trustee

Company registration number 02686647

HEADWAY BIRMINGHAM & SOLIHULL

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	25		55,566		31,458
Investing activities					
Purchase of tangible fixed assets		(22,454)		(61,849)	
Investment income received		990		60	
Net cash used in investing activities			(21,464)		(61,789)
Financing activities					
Interest paid		-		(3,387)	
Net cash used in financing activities			-		(3,387)
Net increase/(decrease) in cash and cash equivalents			34,102		(33,718)
Cash and cash equivalents at beginning of year			357,392		391,110
Cash and cash equivalents at end of year			<u>391,494</u>		<u>357,392</u>

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity Information

Headway Birmingham & Solihull is a private company limited by guarantee incorporated in England and Wales. The registered office is Leighton House, 20 Chapel Rise, Rednal, Birmingham, West Midlands, B45 9SN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charitable group's Constitution, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charitable group is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements consolidate the results of the charity and its wholly owned subsidiary Headway Birmingham & Solihull Trading Limited. The results of the subsidiary are consolidated within the statement of Financial Activities (SOFA) on a line by line basis.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charitable group has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular 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 financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charitable group.

1.4 Income

Income is recognised when the Charitable group 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 Charitable group 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 Charitable group 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.

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Assets for distribution are recognised only when distributed. Assets given for use by the Charitable group are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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	2% on costs
Leasehold improvements	Straight line over the life of the lease
Fixtures and fittings	50% on cost and 25% on cost
Motor vehicles	20% on cost
Craft equipment	100% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial Instruments

The Charitable group 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 Charitable group's balance sheet when the Charitable group 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.

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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 Charitable group's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.11 Retirement benefits

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

1.12 Stock

The Charity receives donated goods which are sold in its subsidiary's Charity shops. Donated goods are not recognised as stock as it is impractical to reliably measure the fair value of donated goods.

2 Critical accounting estimates and judgements

In the application of the Charitable group'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.

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Donations and gifts	20,783	-	20,783	12,178	-	12,178
Grants	13,393	31,208	44,601	20,000	18,609	38,609
	<u>34,176</u>	<u>31,208</u>	<u>65,384</u>	<u>32,178</u>	<u>18,609</u>	<u>50,787</u>
Grants receivable for core activities						
Birmingham City Council Grant	13,393	-	13,393	-	-	-
Leighton House - Heating Grants	-	5,550	5,550	-	-	-
Minibus Grants	-	13,750	13,750	-	-	-
Sutton House - DLS Grant	-	7,398	7,398	-	-	-
Sutton House - Gym Grant	-	350	350	-	-	-
Activities Grants	-	4,160	4,160	-	-	-
IT Equipment Grants	-	-	-	-	5,109	5,109
Sutton House - Lift	-	-	-	-	12,500	12,500
Eveson Charitable Trust Grant	-	-	-	20,000	-	20,000
Other	-	-	-	-	1,000	1,000
	<u>13,393</u>	<u>31,208</u>	<u>44,601</u>	<u>20,000</u>	<u>18,609</u>	<u>38,609</u>

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities	ABIP	Lifestyle F & C services		Total	ABIP	Lifestyle F & C services		Total	Government grants	Total
		2023	2023			2022	2022			
	£	£	£	£	£	£	£	£	£	£
Income generating charitable activities:	830,882	408,264	140,420	1,379,566	653,856	405,330	90,943	-	1,150,129	
Government grants	-	-	-	-	-	-	-	116,263	116,263	
	830,882	408,264	140,420	1,379,566	653,856	405,330	90,943	116,263	1,266,392	
Analysis by fund										
Unrestricted funds	830,882	408,264	-	1,239,146	653,856	405,330	-	116,263	1,175,449	
Restricted funds	-	-	140,420	140,420	-	-	90,943	-	90,943	
	830,882	408,264	140,420	1,379,566	653,856	405,330	90,943	116,263	1,266,392	

ABIP- Acquired Brain Injury Programme
F & C services-Family and Carer Services

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising events	18,383	13,512
Charity shop income	205,474	187,367
Trading activity income: other	-	8,511
	<u>223,857</u>	<u>209,390</u>
Other trading activities	<u>223,857</u>	<u>209,390</u>

6 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	990	60
	<u>990</u>	<u>60</u>

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Trading costs</u>		
Staff costs	70,537	60,289
Support costs	93,749	79,773
	<u>164,286</u>	<u>140,062</u>
Trading costs	<u>164,286</u>	<u>140,062</u>

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities	ABIP	Lifestyle services	F and C Services	Total 2023	ABIP	Lifestyle services	F and C Services	Total 2022	Total 2022
	2023	2023	2023	2023	2022	2022	2022	2022	2022
	£	£	£	£	£	£	£	£	£
Staff costs	505,010	396,240	83,690	984,940	416,132	390,713	69,753	876,598	
Depreciation and impairment	40,475	6,151	1,092	47,718	20,432	5,719	31	26,182	
Premises	117,761	-	-	117,761	119,536	-	7	119,543	
Communication and IT costs	9,308	6,165	1,122	16,595	8,764	7,618	948	17,330	
Motor and travel costs	8,961	16,732	2,886	28,579	7,997	18,567	408	26,972	
Sundry expenses	10,327	3,584	337	14,248	3,810	3,257	326	7,393	
Legal and professional fees	2,914	5,623	1,848	10,385	2,640	5,568	336	8,544	
Activities and associated costs	14,826	430	591	15,847	11,764	(66)	62	11,760	
Client service and placement funding	-	-	-	-	8,717	10,874	-	19,591	
	709,582	434,925	91,566	1,236,073	599,792	442,250	71,871	1,113,913	
Share of support costs (see note 9)	208,977	65,087	49,122	323,186	218,726	75,248	30,955	324,929	
Share of governance costs (see note 9)	7,914	2,506	1,583	12,003	8,508	1,641	522	10,671	
	926,473	502,518	142,271	1,571,262	827,026	519,139	103,348	1,449,513	
Analysis by fund									
Unrestricted funds	882,423	497,134	723	1,380,280	803,345	513,758	-	1,317,103	
Restricted funds	44,050	5,384	141,548	190,982	23,681	5,381	103,348	132,410	
	926,473	502,518	142,271	1,571,262	827,026	519,139	103,348	1,449,513	

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	244,139	-	244,139	250,088	-	250,088
Depreciation	851	-	851	3,894	-	3,894
Premises Costs	95,871	-	95,871	77,212	-	77,212
Communication and IT	23,266	-	23,266	21,585	-	21,585
Motor and Travel	3,515	-	3,515	2,764	-	2,764
Sundry Expenses	14,697	-	14,697	11,769	-	11,769
Legal and Professional	9,128	-	9,128	16,354	-	16,354
Activities and Associated	16,925	-	16,925	14,432	-	14,432
Interest Payable	4,253	-	4,253	3,387	-	3,387
Audit fees	-	16,293	16,293	-	13,888	13,888
	<u>412,645</u>	<u>16,293</u>	<u>428,938</u>	<u>401,485</u>	<u>13,888</u>	<u>415,373</u>
Analysed between						
Trading	89,459	4,290	93,749	76,556	3,217	79,773
Charitable activities	323,186	12,003	335,189	324,929	10,671	335,600
	<u>412,645</u>	<u>16,293</u>	<u>428,938</u>	<u>401,485</u>	<u>13,888</u>	<u>415,373</u>

Governance costs Includes payments to the auditors of £16,293 (2022- £13,888) for audit fees.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Charitable group during the year.

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charity staff	73	69
Trading company staff	7	6
Total	<u>80</u>	<u>75</u>

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11	Employees	(Continued)	
	Employment costs	2023	2022
		£	£
	Wages and salaries	1,204,911	1,105,990
	Social security costs	76,029	64,608
	Other pension costs	18,676	16,377
		<u>1,299,616</u>	<u>1,186,975</u>

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

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Tangible fixed assets

Group

	Freehold land and buildings	Leasehold improvements	Fixtures and Motor vehicles fittings	Craft equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2022	814,300	46,909	100,775	5,092	1,068,658
Additions	-	16,902	5,552	-	22,454
At 31 March 2023	814,300	63,811	106,327	5,092	1,091,112
Depreciation and impairment					
At 1 April 2022	145,797	1,189	88,604	5,092	327,641
Depreciation charged in the year	11,958	21,885	8,459	-	48,569
At 31 March 2023	157,755	23,074	97,063	5,092	376,210
Carrying amount					
At 31 March 2023	656,545	40,737	9,264	-	714,902
At 31 March 2022	668,503	45,720	12,171	-	741,017

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Tangible fixed assets

(Continued)

Charity

Cost

At 1 April 2022

Additions

At 31 March 2023

Depreciation and impairment

At 1 April 2022

Depreciation charged in the year

At 31 March 2023

Carrying amount

At 31 March 2023

At 31 March 2022

Freehold land and buildings	Leasehold improvements	Fixtures and Motor vehicles fittings	Craft equipment	Total
£	£	£	£	£
808,845	46,909	94,649	5,092	1,057,077
-	16,902	4,382	-	21,284
808,845	63,811	99,031	5,092	1,078,361
140,342	1,189	82,478	5,092	316,060
11,958	21,885	8,370	-	48,480
152,300	23,074	90,848	5,092	364,540
656,545	40,737	8,183	-	713,821
668,503	45,720	12,171	-	741,017

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Tangible fixed assets (Continued)

The carrying value of land included in land and buildings comprises:

	2023 £	2022 £
Freehold	656,545	668,503
Short leasehold	40,737	45,720
	<u>697,282</u>	<u>714,223</u>

14 Investments

The investment comprises of a 100% holding of the ordinary share capital of Headway Birmingham & Solihull Trading Limited, a company registered in England and Wales.

The principle activity of Headway Birmingham & Solihull Trading Limited is that of operating charity shops.

The profits earned by the subsidiary are donated to the charity. A summary of the subsidiary's results are shown below.

	2023 £	2022 £
Turnover	205,474	187,367
Government grants (Covid)	-	8,511
Direct costs and administration costs	<u>(164,286)</u>	<u>(140,062)</u>
Net Profit	41,188	55,816
Amount donated to the charity	<u>(41,188)</u>	<u>(55,816)</u>
	<u>-</u>	<u>-</u>

The assets and liabilities of the subsidiary were:

	2023 £	2022 £
Fixed assets	1,081	-
Current assets	53,834	63,331
Current liabilities	<u>(54,815)</u>	<u>(63,231)</u>
Total net assets	<u>100</u>	<u>100</u>
Aggregate share capital and reserves	<u>100</u>	<u>100</u>

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Debtors

	2023	2022
Group	£	£
Trade debtors	111,466	150,706
Other debtors	4,633	3,599
Prepayments and accrued income	16,745	22,919
	<u>132,844</u>	<u>177,224</u>

	2023	2022
Charity	£	£
Trade debtors	110,882	150,085
Other debtors	791	3,094
Prepayments and accrued income	12,826	17,143
Amounts owed by subsidiary undertakings	43,858	58,964
Total debtors	<u>168,357</u>	<u>229,286</u>

16 Creditors: amounts falling due within one year

	2023	2022
Group	£	£
Trade creditors	16,820	20,351
Other creditors	20,290	15,680
Accruals and deferred income	58,294	30,015
	<u>95,404</u>	<u>66,046</u>

	2023	2022
Charity	£	£
Trade creditors	11,500	19,852
Other creditors	18,649	14,690
Accruals and deferred income	54,300	27,238
	<u>84,449</u>	<u>61,780</u>

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2023**

17 Restricted funds

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

	Balance at 1 April 2021 £	Movement in funds		Transfers	Balance at 1 April 2022 £	Movement in funds		Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	£		Incoming resources £	Resources expended £	
Carer's Services Fund	-	90,943	(103,348)	13,164	759	140,420	(141,179)	-
Leighton House Building Fund-Capital	319,614	-	(11,958)	-	307,656	-	(11,958)	295,698
Minibus Fund-Capital	19,555	-	(6,267)	-	13,288	-	(6,267)	7,021
IT Equipment Fund-Capital	1,219	1,000	(92)	-	2,127	-	(1,110)	1,017
Stained Glass repairs	2,000	-	-	-	2,000	-	-	2,000
Sutton House Lift Fund -Capital	31,550	12,500	-	-	44,050	-	(17,184)	26,866
Activities Fund	8,470	5,109	(10,538)	-	3,041	4,160	(2,894)	4,307
Sutton House Gym and Wellbeing Fund-Capital	13,948	-	(207)	-	13,741	350	(3,662)	10,429
Leighton House Heating Fund	-	-	-	-	-	5,550	(5,550)	-
Sutton House Kitchen/DLS	-	-	-	-	-	7,398	(1,178)	6,220
Minibus Fund (2023)-Capital	-	-	-	-	-	13,750	-	13,750
	396,356	109,552	(132,410)	13,164	386,662	171,628	(190,982)	367,308

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds	(Continued)
Family and Carer Services Fund This carer services work includes care carried out by Community Outreach workers and carer support and training co-ordinators.	
Leighton House Building Fund-Capital This restricted fund relates to the purchase and development of Leighton House in Birmingham. Leighton House is used for social rehabilitation activities for brain injured people. Grants and donations were received to fund the original property purchase and development in July 2007. During subsequent years further grants were received to facilitate the building an annex and a foyer to provide much needed accommodation. The annexe was completed during the year ended 31 March 2017 and the foyer was complete in the year ended 31 March 2020. The property is subject to depreciation charge in accordance with the charity's accounting policies. A first legal charge is held on this property by the Lottery Board in respect of grant monies paid to the Charity in order to fund the property's original purchase.	
Minibus Fund-Capital This grant was received to fund the purchase of the minibus which the Charity will use in order to transport staff, carers and clients.	
IT Equipment Fund-Capital This grant was received to purchase a new computer for use by clients and staff.	
Stained Glass Repairs Fund This grant was raised to repair the damaged stained glass window.	
Sutton House Lift Fund-Capital This fund has been raised to provide a lift for the new premises in Sutton Coldfield which will be used for social rehabilitation activities for brain injured people.	
Sutton House Gym and wellbeing Fund-Capital This fund has been raised to provide a gym and equipment for the new premises in Sutton Coldfield which will be used for social rehabilitation activities for brain injured people.	
Activities Fund This fund has been received to assist carers on the charity's premises with the provision of the social rehabilitation activities for brain injured people.	
Minibus Fund (2023)-Capital The grants have been received to fund the purchase of a minibus which the Charity will use in order to transport staff, carers and clients.	

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Restricted funds	(Continued)
Leighton House Heating Fund This fund was raised to repair the heating system at Leighton House.	
Sutton House Kitchen / DLS This grant was received to re-fit a Kitchen for the DLS (Daily Living Sessions) which assist brain injured people to learn/re-learn how to plan, prepare and cook which helps them understand the impact of nutrition on their wellbeing and also boost their self -confidence.	

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Designated funds

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

	Balance at 1 April 2021 £	Transfers £	Balance at 1 April 2022 £	Transfers £	Balance at 31 March 2023 £
Motor vehicle	8,000	8,000	16,000	8,000	24,000
	<u>8,000</u>	<u>8,000</u>	<u>16,000</u>	<u>8,000</u>	<u>24,000</u>

Designated Fund- Motor vehicle-Capital

This designated fund has been set aside by the trustees to provide an additional or replacement motor vehicle in future years.

19 Analysis of net assets between funds

Group

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:					
Tangible assets	372,380	342,522	714,902	376,055	741,017
Current assets/(liabilities)	404,148	24,786	428,934	21,700	468,570
	<u>776,528</u>	<u>367,308</u>	<u>1,143,836</u>	<u>386,662</u>	<u>1,209,587</u>

Charity

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:					
Tangible assets	371,299	342,522	713,821	376,055	741,017
Investments	100	-	100	100	100
Current assets/(liabilities)	405,129	24,786	429,915	21,700	468,470
	<u>776,528</u>	<u>367,308</u>	<u>1,143,836</u>	<u>386,662</u>	<u>1,209,587</u>

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Operating lease commitments

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

Group

	2023 £	2022 £
Within one year	85,700	76,500
Between two and five years	62,483	128,499
	<u>148,183</u>	<u>204,999</u>

Charity

	2023 £	2022 £
Within one year	65,000	65,000
Between two and five years	27,083	92,083
	<u>92,083</u>	<u>157,083</u>

21 Capital commitments

At 31 March 2023 the Charitable group had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	<u>50,875</u>	<u>3,834</u>
--	---------------	--------------

22 Events after the reporting date

The sector that Headway Birmingham & Solihull and its subsidiary operates in is still experiencing the effects of Covid -19. There has been a continued impact on the number of placements and hours sold in our services. The Trustees and staff are working hard to increase the placements and overcome the difficulties with staff recruitment.

In addition, the trustees have taken steps to mitigate the effect of the worsening UK economy and increased inflation on the Charity and its subsidiary's future costs. Although the the trustees consider that an accurate estimate of the possible future impact cannot be made.

The trustees confirm that they have considered the effect of any further uncertainties as known at date of signing associated to the impact of Covid-19 and the worsening UK economy when considering the group's going concern position.

HEADWAY BIRMINGHAM & SOLIHULL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate remuneration	125,584	184,074

24 Parent Company's Statement of Financial Activities

The Parent Company has taken advantage of the exemption permitted by Section 408 of the Companies Act 2006 and has not published its own Statement of Financial Activities. The total comprehensive income attributable to the parent company, was a deficit of £65,751 (2022: £62,946).

25 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(65,751)	(62,946)
Adjustments for:		
Investment income recognised in statement of financial activities	(990)	(60)
Interest paid	-	3,387
Depreciation and impairment of tangible fixed assets	48,569	30,076
Movements in working capital:		
Decrease in debtors	44,380	67,037
Increase/(decrease) in creditors	29,358	(6,036)
Cash generated from operations	55,566	31,458

26 Analysis of changes in net funds

The Charitable group had no debt during the year.

Headway Birmingham & Solihull

Services 2022/23

We provide a range of services to thousands of brain injured people and their carers/families. The numbers below give some indication of the work we provide.

1,358

Followers on Facebook
968 on Twitter

1,129 new users
across the year

21 safeguarding
issues raised

85% of ABI users
reported that they had
made an improvement
in at least one of their
goal areas through
attending Headway

80 new
carers
registered
& over

62 carers
had a case
worker

Over
117
people
received
Lifestyle
services

85 changes/
improvements made
following user requests/
suggestions

Over **28,000** hours
of support delivered

77
written
positive
feedback
from users

2 Negative

123 new ABI referrals

95 placements 'Moved
on'

150 active at year end

249 placements filled

84%
of users
supported
within 6
mths - 2
years post
injury

95% of client
requests were able to
be met

Over **43** families
received 1 to 1 counselling
sessions

66 families supported
with financial matters and
over £20k won at tribunal

HEADWAY BRMINGHAM & SOLIHULL WOULD LIKE TO THANK THE FOLLOWING ORGANISATIONS FOR THEIR SUPPORT DURING 2022/23

SOLICITORS/SPONSORS

- CFG LAW
- FRENKEL TOPPING
- HIGGS LLP
- JEFFERIES SOLICITORS
- SLATER & GORDON LAWYERS
- THOMPSONS SOLICITORS

PARTNERS

- FORWARD CARERS

LARGER GRANTS AWARDED

- BIRMINGHAM CITY COUNCIL - BIRMINGHAM FOOD LEGENDS FUND



- THE HENRY SMITH CHARITY



- THE NATIONAL LOTTERY



- PROVINCIAL GRAND LODGE OF WARWICKSHIRE

