

Charity registration number 1083910

Company registration number 03998925 (England and Wales)

HEADWAY EAST LONDON
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

HEADWAY EAST LONDON

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	P Dhoofers S Edwards G Hodgson (Chair) N Keen A Kershberg B Noha A Palluotto P Stanford	(Appointed 9 March 2023) (Appointed 29 September 2022)
Secretary	A McEwen	
Charity number	1083910	
Company number	03998925	
Registered office	Bradbury House Timber Wharf 238-240 Kingsland Road London E2 8AX	
Auditor	Haines Watts High Wycombe Limited Oakingham House Frederick Place High Wycombe Buckinghamshire HP11 1JU	

HEADWAY EAST LONDON

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HEADWAY EAST LONDON

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Why we're here

Hello, we're Headway East London. We're here to support people in our city affected by brain injury.

Each year in the capital, tens of thousands of people are admitted to hospital with a brain injury. This might be the result of an illness like meningitis, stroke, or head trauma.

Brain injury can have a significant impact on the life of the individual and those closest to them. For many, it becomes a long-term condition which requires long-term support.

Headway East London was founded in 1997, and opened its doors to members* one year later. To begin with, we just worked in Hackney, but we've grown significantly and today help people from across 13 London boroughs.

In the year 2022-2023 we supported over 800 brain injury survivors, family members and carers. Over the next five years, we've got ambitions to reach more people than ever before.

*we call people who use our services members

What we do

We combine expertise to do things a little differently.

Brain injury is complicated. It affects people in lots of different ways, and not all of them are visible. In fact, brain injury is often referred to as a hidden disability.

In many cases, people with a brain injury are offered generic support for a physical disability, which makes only a limited difference. This not only represents poor value for money for commissioners, but it can also lead to a deterioration in health, wellbeing and relationships; requiring additional intervention for both survivors and their families.

At Headway East London, we offer services specifically tailored to the needs of people affected by brain injury. Most importantly and uniquely, we always work in partnership with those we support. We know our members are experts in their own injury and needs; that only they can tell us what is most important to them. We combine this expertise with our own, empowering people affected by brain injury to explore new identities; developing new skills and interests along the way.

How we work

We understand and support the whole person.

We believe in the power of connection and creativity to create better futures for those affected by brain injury. Our holistic approach means that projects are co-produced in response to members' needs, desires and ambitions, whilst the breadth of our work reflects the diversity of Headway East London's community.

Our art studio – Submit to Love – provides a means of discovery and expression, whilst our Kitchen Project encourages people to work together on a shared goal. Weekly dance, music, writing and exercise groups provide several ways for members to gain skills, share stories and find agency in their own journey. Meanwhile, partnerships with leading organisations celebrate our members' work and talents on a national stage.

All of this sits alongside our established day services, neurological therapies, community support and casework and advocacy services. We take a responsive approach, so that members can access the support and projects they feel will most benefit and interest them.

Who we are

We are one big team

At Headway East London, members, staff and volunteers talk about feeling part of one community in which every person is valued and respected. We're all equal partners, combining our collective experiences to make a difference.

Members have a feeling of belonging and can be themselves, or find themselves again. Since many of our volunteers have personal experience of brain injury, they also bring invaluable insight to our work. Decisions and ideas are shared, and we place a strong emphasis on peer support in all that we do.

HEADWAY EAST LONDON

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

FOR THE YEAR ENDED 31 MARCH 2023

Each day we come together to discover what's meaningful in life; forging friendships and connections along the way. While we have ambitious plans to grow, we are dedicated to maintaining this philosophy and community. It's what makes us so special.

Why it matters

Our work is important – to people affected by brain injury, their families, and communities they live in.

The impact of brain injury on someone's life can be severe. We help people to not only navigate this unimaginable experience, but move towards a place where they can meet their potential and thrive. At the same time, we also reduce pressure on non-specialist services and ensure public money is spent more effectively. Every person we support should be able to live the life they want, without facing marginalisation and lack of understanding. That doesn't only affect our members: it benefits entire communities and health and social care economies. Together we can discover new ways of looking at the world, and ensuring it is accessible to everyone.

The Future

We've got big plans

We've got ambitious plans for the next five years. We want to be the leading brain injury organisation in London providing high quality, innovative specialist support, and to have a strong voice across the health and social care sector. We also want to create more opportunities for our members to share their contributions and talents, and to interrogate what true collaboration looks like in the process.

There is no shortage of people who would benefit from our help. In 2016/17, the most recent year for which data is publicly available, almost 40,000 people were admitted to a London hospital with an acquired brain injury. That was a 15% increase over the 10 years to that point.

Our aims for 2022-2026 are to:

- **Help more people than ever before;** we want to double the number of people we reach each year across London to 1,500 by 2026.
- Provide **new innovative and creative ways** of supporting brain injury survivors, and different opportunities for people to connect with us.
- Continue to **fight for equity** for brain injury survivors and develop our social justice voice, raising awareness of the impact of brain injury.
- Make sure that everyone at Headway East London enjoys their role and feels they are **contributing towards the same goal**.

Objectives and activities

Our mission

We empower our community of brain injury survivors and their families to imagine new possibilities—ones filled with creativity, embracing diversity and backed by specialist support.

Our vision

A world which is accessible to them, and where their contributions are valued and celebrated.

Our principles

- **Coproduction:** Members are at the centre of everything we do' they are actively involved in designing new projects, developing new ideas and helping to make decisions at all levels.
 - **Equity, diversity and inclusion:** We are committed to valuing every person as an individual and ensuring that our members, staff and volunteers do not experience discrimination at Headway East London. We will continue to work hard and create space for these conversations with everyone involved in the organisation.
 - **Sustainability:** We want to be around for the long term, to support survivors of brain injury now and in the future. To do this we will make sure our systems and processes are efficient and effective to support our work, and work hard to make sure our financial position remains positive. We care about broader sustainability too. That's why we're committed to cutting our carbon footprint, including through reducing our dependence on non-renewable energy sources.
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HEADWAY EAST LONDON

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

A message from our CEO and Chair

We started the year by launching our new co-produced strategy in May 2022 with four ambitious strategic aims to focus on over the next 5 years:

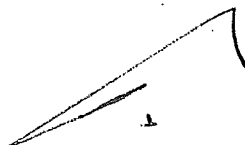
- Help more people than ever before; we want to double the number of people we reach each year across London to 1,500 by 2026
- Provide new innovative and creative ways of supporting brain injury survivors, and different opportunities for people to connect with us
- Continue to fight for equity for brain injury survivors and develop our social justice voice; raising awareness of the impact of brain injury and our work
- Make sure that everyone at Headway East London enjoys their role and feels they are contributing towards the same goal.

After a couple of hard years through the pandemic, Headway East London has had a really good year with lots of positive outcomes despite the cost of living crisis and energy price hikes, which have impacted our operations and continue to challenge our financial sustainability. Despite full cost recovery within our Day Service, and a struggle to achieve this for other service areas and fundraising, which continues to be a challenge, we have retained our financial sustainability. This has resulted in a deficit position at the end of the year. As always our staff are our biggest asset, providing excellent quality support to our members with passion and commitment through difficult times. Many have been greatly affected by the cost of living crisis, and as a result we introduced some new benefits for staff, including free lunches and a health insurance scheme to support staff with additional costs. A successful awareness raising event called "See The Hidden Me" was held for health and social care professionals during Acquired Brain Injury Week, and received great feedback, with attendees saying that they finally understood what it means to live with a brain injury after hearing directly from our members.

We were excited to contribute to the government's Acquired Brain Injury Strategy in a number of ways, including holding a focus group with Department for Health & Social Care officials at our centre, responding to the call for evidence and presenting at an away day for their staff about our Better Together hospital project. We look forward to the launch of the strategy in autumn 2023. Positive changes were made to our operations, including moving our community support workers to permanent contracts to provide more stability for staff and members, and implementing new finance and HR software to help make us more efficient. We carried out an external HR audit to review all job descriptions and benchmark against the wider sector. We looked forward to our 25th Anniversary year in 2023 and set up a birthday committee involving members, volunteers, staff and trustees to plan a year of activities and events. We were delighted to end the year with our Not Just a Gala Dinner event in March 2023, which was a wonderful celebration of food, music and art in true Headway East London style. As ever, we are grateful to our funders, incredible volunteers who give their time and commitment to add so much value to what we do, and our wonderful staff team for all the energy, ideas and positivity they bring every day which help us to provide the best possible support to our members.



Anna McEwen, CEO



Glen Hodgson, Chair

Date:

5/12/23

5 DECEMBER 2023

Date:

HEADWAY EAST LONDON

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

FOR THE YEAR ENDED 31 MARCH 2023

Service Update

The services at Headway East London are going strong and together support over 800 individuals affected by brain injury each year.

Our **Community Support Workers** moved from casual to fixed-term contracts in July 2022, giving these valued members of staff the same rights and rewards as staff from other services. This has been a positive move forward and has increased staff job security, and more consistent support for our members, which we know is essential in supporting people with lived experience of brain injury.

Our **Therapy Team** continues to offer support to members of our Day Service, as well as private therapy sessions and a successful contract with North Central London Integrated Care Board (NCLICB) offering a brain injury specific rehab pathway in Enfield. They also offer clinical support and advice to all our services to ensure the best possible outcomes for our members.

Our **Day Service** continues to thrive and remains the hub of our service on Kingsland Road in Hackney. The service is now in full swing following the pandemic and is offering more activities and support than ever before. **Submit to Love Studios**, the **Kitchen** and **Music Projects** are going from strength to strength, and engage our members in purposeful activity with opportunities for members to receive direct feedback from the public about the skills and talents they put out into the community.

The **Casework Team** has continued to support the important early intervention work through the Better Together Project at the Royal London Hospital – supporting people before discharge to understand their rights and how to navigate systems, such as accessing benefits, housing and ongoing health and social care. Caseworkers also support members of our community with advice, advocacy, and signposting as well as running monthly Support Groups at our base in Hackney and in Romford.

Looking forward...

There are exciting plans to increase the membership of our **Community Support Worker Service** to meet the significant needs in our catchment area. We are working hard to make this service as beneficial as possible for our members and hope to develop a Community Connector role for the service in the future.

We want to expand on what our **Therapy Team** has to offer, and the specialist support they provide to our membership. Over the next year we will be exploring unmet needs in our area and make a plan of how our experienced team can help to meet those needs.

Due to the large waiting list for our **Day Service** and a limit on capacity in our current premises, we are looking to launch an **Evening Service** in the next year, to reach more people and cut down the waiting times for support. This Service will combine the experience we have gathered over 25 years, alongside new exciting ideas put forward by the members.

We have been focusing on fundraising for a new phase for the **Casework Team**, taking what they already do with the Better Together Project and replicating this in more hospitals in our catchment, as well as moving into new areas, such as supporting people in prisons and with experience of domestic abuse.

We are excited for what is to come and will continue to support people with lived experience of brain injury in every way we can.

Financial Overview – Treasurer

After two years of pandemic, we had hoped that our re-emergence into full action this year would have given some financial relief, however the financial year 2022-2023 has provided us with its own challenges, adding inflationary pressure to ongoing limited resources and funding constraints. Despite this, with a focused strategy and careful financial management, the charity has managed to deliver a great number of services and retain its financial sustainability.

Income was down 5.6% on the budgeted income target, with expenditure down 2% on budget. The planned surplus for 2022-2023 was £8,503, but there was an actual deficit of £61,384, down £98,877. However, this figure hides a surplus in unrestricted funds of £13,801, up £51,435. This stands against a £(75,185) deficit in restricted funds, down £150,312, showing how we spent down previously donated funds after project delays due to Covid-19.

HEADWAY EAST LONDON

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

FOR THE YEAR ENDED 31 MARCH 2023

The total income for the charity was £2,005,349 (2021/2022: £1,883,656), which represents a 6.5% increase on the previous year; of this, £397,575 was restricted and £1,607,774 was unrestricted. Total expenditure was £2,066,733 (2021/2022: £1,846,162), an increase of 11.9% on the previous year. Of this, £1,593,973 was unrestricted, and £472,760 was restricted.

Total staff costs were £1,446,797 (2021/2022: £1,414,920), an increase of 2.3%. However, this is still £75,061 or 5% below what was budgeted. The increase in cost is attributable to the formation of a new senior management team, a 3% cost of living increase, and resuming full capacity after the Covid-19 pandemic. The fact that the cost was still lower than budgeted was due to the difficulty of filling all staff positions; we expect this issue to be resolved by the year 2023/2024.

Raising Money

Whilst a large proportion of our income is derived from service incomes, we rely on fundraising from our community and supporters to bridge the gap between fees income and all the services we want to provide for our members. It was another challenging year in the fundraising environment, and we are very grateful for the continued support of our corporate, trust, Headway Friends, and community supporters to see us through, putting us in a strong position for future growth.

Our fundraising streams were split into: Grants £207,698, Corporate £126,974, Individuals £15,841, Art £6,338, Community, £11,808, Supper Club £1,735, Winter Feast £2,670, Merchandise £6,301 and Gift Aid £4,458.

Fundraising Highlights

We are grateful to everyone who supports us through donations and especially our wonderful Friends who make regular gifts. This is so important for us to continue to provide the community, activities and all the support that our members rely upon.

Individual donors and supporters

We were fortunate to benefit from superb efforts during the year from supporters who undertook sponsored challenge events, notably Alex Sensier, who undertook 10 events in memory of his father Alan.

We successfully completed a second year of The Big Give – a match funded fundraising campaign to support the Kitchen Project. Our community generously supported the campaign, increasing our total on 2022 to £5,600.

Events

We kicked off our 25th Birthday celebrations with our Not Just A Gala Dinner, kindly sponsored by Irwin Mitchell solicitors. Held in The Tab centre in Shoreditch, the evening was attended by 120 guests and members, who enjoyed a delicious dinner prepared by members, kitchen staff and volunteer chef Rachel Dick from the Towpath Café. Guests were entertained and moved by inspiring performances from the Headway Band, together with Nordorff and Robbins Community Choir. A Q&A with artist Sam Jevon capped off an unforgettable evening, full of Headway magic. On top of this we made £11,000 to support our work!

Grants

We receive incredible support from trusts and foundations and are especially grateful to:

- Arts Council England's Let's Create funding to deliver an exhibition at Rich Mix
- Garfield Weston Foundation's continued support of our Community Support Worker service
- The long-term support of the Worshipful Company of Fan Makers
- National Heritage Lottery Fund for a programme to document and celebrate 25 years of Headway East London (work to begin in 2023-24)
- Osbornes Law's sponsorship of our new website and translated information leaflets
- BBK's continued support our Better Together project at the Royal London Hospital

Thank you to all our supporters, we are so grateful to you for your generosity!

HEADWAY EAST LONDON

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

FOR THE YEAR ENDED 31 MARCH 2023

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:

P Dhoofers	
S Edwards	(Appointed 9 March 2023)
G Hodgson (Chair)	
N Keen	
A Kershberg	
B Noha	
A Palluotto	
P Stanford	(Appointed 29 September 2022)
S Griggs	(Resigned 8 December 2022)
L Lodwick	(Resigned 16 August 2022)

Supporters

- Arts Council - Let's Create
- BBK
- East End Community Foundation
- Felix Project
- French Connection
- Garfield Weston Foundation
- Golsoncott Trust
- Hospital Saturday Fund
- Irwin Mitchell
- John Lewis
- Joseph Strong Frazer Trust
- LSE Student Union
- RAG M&G PLC
- National Lottery Heritage Fund
- Nordoff & Robbins
- Osbornes Law
- Peter Stebbings Memorial Trust
- Radcliffe Trust
- Rathbones
- Sir Jules Thorn Charitable Trust
- The Big Give / Reed Foundation
- Worshipful Company of Fan Makers

HEADWAY EAST LONDON

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

FOR THE YEAR ENDED 31 MARCH 2023

Additional Information

Structure, Governance & Management

Headway East London is a Charity and Company limited by guarantee. If the Charity must be wound up the Directors of the Company (Trustees of the Charity) would have a maximum liability of £1.

On 31 March 2022 there were 8 Trustees, each with different skills and interests reflecting the needs of the charity. A full skills audit took place during the year. Trustees usually meet four times a year to oversee the running of the charity with an additional meeting for the Annual General Meeting, which took place on 8 December 2022.

The Board was supported by three sub-committees, which meet quarterly online: Finance & Audit, Governance and Creative Committee. A trustee strategy working group also met during the development of our new strategy.

We would like to extend thanks to Sarah Griggs and Leila Lodwick, who stood down as Trustees during the year, for their contribution and input to the work of Headway East London. We welcomed Stephanie Edwards and Paula Stanford, who were appointed as Trustees on the 9th of March 2023 and 29th of September 2022 respectively.

New trustees undergo a comprehensive induction to brief them on the structure and governance of the charity, the organisational strategy, business plan and budget together with recent financial performance, as well as their obligations under the Trustees Code of Conduct. Trustees are also invited to attend in-house training relating to brain injury and to spend time in the Day Service engaging with staff, volunteers and members. Trustees are provided with relevant information from the Charity Commission on a regular basis.

Day to day responsibility for the running of the charity was delegated to the Chief Executive, Anna McEwen, and the senior management team.

Public benefit

The trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit when reviewing the charity's aims and objectives and in planning future activities. As well as improving the lives of people affected by brain injury, Headway East London provides benefits to the wider public by equipping its members to make a positive contribution to society and through its occupational, training, campaigning and awareness raising activities.

Reserves

The trustees' policy is to maintain unrestricted reserves at a level that allows Headway East London to be managed efficiently, to provide a buffer for interrupted services, to provide for future potential relocation and service development and to cover costs in the event of the charity needing to wind down services due to significant loss of income, and or increases in costs.

The charity's approach in the event of significant income reduction and/or cost escalation would be to anticipate this as far as possible, and to respond by modifying services in a planned way to meet the new situation, while at the same time taking steps to seek alternative sources of funding, and thus continue to provide a sustainable and effective service to as many people as possible.

After a review in the year 2021-2022 of the level of funds required to be allocated to a contingency reserve, we had determined that the minimum amount will be set at £369,600 and we have retained that level this year.

Robust contingency plans are in place to enable the charity to respond to possible situations, as identified through the risk management process. For example, steps are being taken to respond to the situation when current high demand services will be affected with the likely end of major grants.

£595,303 of reserves was held, as at 31 March 2023, a decrease from £656,687 as at 31 March 2022. £94,388 of reserves is restricted. £369,600 of unrestricted reserves is held in a contingency reserve; £54,306 of unrestricted reserves is fixed assets. There is £77,009 of available free reserves. The trustees have agreed to set aside the full amount of £77,009 of free reserves as a provision for increased costs and the inflationary headwinds anticipated in 23-24.

Staffing and Volunteers

At the end of the 2022-23 financial year Headway East London had 54 employees with a staff turnover of 31% during the year. We rely heavily on volunteers to provide our services, add value and bring additional skills and experience to enhance our members' experience in all our services.

HEADWAY EAST LONDON

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

FOR THE YEAR ENDED 31 MARCH 2023

During 2022-23 we had a total of 35 volunteers, 14 of whom were brain injury survivors. We also had 1 student therapist placement and 2 therapist volunteers, providing counselling, art therapy and craniosacral therapy as part of our neurological therapy team. All our staff and volunteers continue to be an incredibly dedicated team who work with passion and enthusiasm for the benefit of brain injury survivors and their families.

Risk Management

An updated Risk Register is maintained that identifies potential risks and the impact of those risks. The register details the controls in place to mitigate each risk, together with the associated monitoring processes. The risks, control and monitoring procedures are reviewed and reassessed regularly by the Senior Management Team. Areas of potential improvement are identified and timetables for action implemented. The Risk Matrix can be added to at any time and is reviewed by the Board of Trustees regularly. The Finance and Audit Committee has responsibility for monitoring the financial risk areas, identifying new risks and proposing amendments as necessary. The Governance committee has responsibility for monitoring other governance risks, including issues such as safeguarding, health and safety, and data protection.

Fundraising Statement

Headway East London's fundraising is carried out by in-house employed staff. We do not use third party fundraising organisations and the only fundraising conducted outside our organisation is by individual supporters undertaking sponsored events. We protect potentially vulnerable and at-risk supporters by following our Ethical Fundraising & Acceptance of Donations and Safeguarding policy and procedures, backed up by regular mandatory refresher training. We received no complaints about fundraising during the year.

Trustees' Responsibilities Statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

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

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

HEADWAY EAST LONDON

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

Significant Challenges and Opportunities

Statutory Funding

Local authorities have a statutory duty to provide to people who have an assessed need under the Care Act 2014. There are no other specialist brain injury support providers in our area and so we have a significant waiting list for our services. Trustees made a decision in 2021 that we can no longer subsidise statutory services with charitable funds. In 2021/22, we did some detailed work on our costings for our day service and community support work service so that we can ensure we are charging local authorities the true costs of the services. We have started to charge our Day Service and Community Support Work Service at true cost in the year 2022-2023.

Awareness & Brand Recognition:

We have continued to raise awareness and build our brand as an organisation through our social media presence, developing relationships across the social care and brain injury sectors and getting back out into the world post-Covid with members and finding opportunities for members to tell their stories. The campaign for, and subsequent development of, an ABI strategy has given us opportunity and recognition with the Department of Health and Social Care that we've not had previously. Our new strategy has a big focus on awareness raising over the next five years.

Auditor

Haines Watts High Wycombe Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

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



.....
P Dhofer
Trustee

Date: 5/12/23



.....
G Hodgson (Chair)
Trustee

5/12/23

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HEADWAY EAST LONDON

Opinion

We have audited the financial statements of Headway East London (the 'charity') 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 company's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HEADWAY EAST LONDON

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Explanation as to the extent to which the audit was considered capable of detecting irregularities, including fraud

During the audit we identify and assess the risk of material misstatements of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud and error; and to respond appropriately to those risks.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined that the following laws and regulations were most significant: the Companies Act 2006, the Charities Act 2011, UK GAAP and the Data Protection Act.
- We obtained an understanding of how the charity is complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations.
- We corroborated our enquiries through our review of Board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies and also obtained management representations regarding compliance with applicable laws and regulations.

HEADWAY EAST LONDON

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HEADWAY EAST LONDON

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

- Identifying and assessing the controls, management has in place to prevent and detect fraud, including the existence of supervisory controls;
- Challenging assumptions and judgements made by management in its significant accounting estimates and judgements (in particular in relation to depreciation);
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusions. There is always the unavoidable risk that material misstatements in the financial statements may not be detected despite the audit being properly performed in accordance with UK Auditing standards.

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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Gary A Heywood (Senior Statutory Auditor)
for and on behalf of Haines Watts High Wycombe Limited

15/12/2023.....

Chartered Accountants
Statutory Auditor

Oakingham House
Frederick Place
High Wycombe
Buckinghamshire
HP11 1JU

HEADWAY EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	3	121,578	247,698	369,276	415,518
Charitable activities	4	1,463,101	149,877	1,612,978	1,453,342
Other trading activities	5	20,706	-	20,706	14,764
Investments	6	2,389	-	2,389	32
Total income		1,607,774	397,575	2,005,349	1,883,656
Expenditure on:					
Raising funds	7	133,589	-	133,589	91,885
Charitable activities	8	1,460,384	472,760	1,933,144	1,754,277
Total expenditure		1,593,973	472,760	2,066,733	1,846,162
Net income/(expenditure) for the year/ Net movement in funds		13,801	(75,185)	(61,384)	37,494
Fund balances at 1 April 2022		487,114	169,573	656,687	619,193
Fund balances at 31 March 2023		500,915	94,388	595,303	656,687

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 EAST LONDON

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:				
Donations and legacies	3	111,322	304,196	415,518
Charitable activities	4	1,352,099	101,243	1,453,342
Other trading activities	5	14,764	-	14,764
Investments	6	32	-	32
Total income		1,478,217	405,439	1,883,656
Expenditure on:				
Raising funds	7	91,885	-	91,885
Charitable activities	8	1,423,965	330,312	1,754,277
Total expenditure		1,515,850	330,312	1,846,162
Net (expenditure)/income for the year/ Net movement in funds		(37,633)	75,127	37,494
Fund balances at 1 April 2021		524,747	94,446	619,193
Fund balances at 31 March 2022		487,114	169,573	656,687

HEADWAY EAST LONDON

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		96,001		116,378
Current assets					
Debtors	14	223,175		197,351	
Cash at bank and in hand		391,989		542,296	
		<u>615,164</u>		<u>739,647</u>	
Creditors: amounts falling due within one year	15	<u>(115,862)</u>		<u>(199,338)</u>	
Net current assets			499,302		540,309
Total assets less current liabilities			<u>595,303</u>		<u>656,687</u>
Income funds					
Restricted funds	17		94,388		169,573
Unrestricted funds			500,915		487,114
			<u>595,303</u>		<u>656,687</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 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

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 5 DECEMBER 2023

.....
G Hodgson (Chair)
Trustee

Company registration number 03998925.

HEADWAY EAST LONDON

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	21		(152,696)		(6,538)
Investing activities					
Purchase of tangible fixed assets		-		(16,368)	
Investment income received		2,389		32	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) investing activities			2,389		(16,336)
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net decrease in cash and cash equivalents			(150,307)		(22,874)
Cash and cash equivalents at beginning of year			542,296		565,170
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u> </u> <u> </u>		<u> </u> <u> </u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Headway East London is a private company limited by guarantee incorporated in England and Wales. The registered office is Bradbury House Timber Wharf, 238-240 Kingsland Road, London, E2 8AX.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, 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 charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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 charity.

1.4 Income

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.

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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	Over the life of the lease
Plant and equipment	25% straight line
Fixtures and fittings	25% straight line
Computers	25% straight line

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

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, 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 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.

HEADWAY EAST LONDON

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 charity'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 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.

HEADWAY EAST LONDON

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	51,037	-	51,037	40,274	156,099	196,373
Grants	4,950	247,698	252,648	18,124	148,097	166,221
Sponsorship	-	-	-	3,025	-	3,025
Other	65,591	-	65,591	49,899	-	49,899
	<u>121,578</u>	<u>247,698</u>	<u>369,276</u>	<u>111,322</u>	<u>304,196</u>	<u>415,518</u>

4 Charitable activities

For the year ended 31 March 2023

	Fee income	Transport income	CSW services	Therapies	Total 2023	Total 2022
	2023	2023	2023	2023	2023	2022
	£	£	£	£	£	£
Sales within charitable activities	<u>978,138</u>	<u>189,065</u>	<u>272,475</u>	<u>173,300</u>	<u>1,612,978</u>	<u>1,453,342</u>
Analysis by fund						
Unrestricted funds	978,138	189,065	272,475	23,423	1,463,101	1,352,099
Restricted funds	-	-	-	149,877	149,877	101,243
	<u>978,138</u>	<u>189,065</u>	<u>272,475</u>	<u>173,300</u>	<u>1,612,978</u>	<u>1,453,342</u>

For the year ended 31 March 2022

	Fee income	Transport income	CSW services	Therapies	Total 2022
	£	£	£	£	£
Sales within charitable activities	<u>888,791</u>	<u>159,275</u>	<u>284,952</u>	<u>120,324</u>	<u>1,453,342</u>
Analysis by fund					
Unrestricted funds	888,791	159,275	284,952	19,081	1,352,099
Restricted funds	-	-	-	101,243	101,243
	<u>888,791</u>	<u>159,275</u>	<u>284,952</u>	<u>120,324</u>	<u>1,453,342</u>

HEADWAY EAST LONDON

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	20,706	14,764

6 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	2,389	32

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
<u>Fundraising and publicity</u>		
Membership schemes and social lotteries	41,546	14,897
Staff costs	92,043	76,988
Fundraising and publicity	133,589	91,885

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Charitable activities

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Staff costs	931,585	850,029
Contractors	68,816	-
Premises costs	152,329	129,719
Members' transport	158,478	112,312
Volunteers' expenses	1,102	2,424
Communication expenses	30,161	3,576
Other expenses	25,681	4,846
Bank charges	-	468
Members' activities	32,388	26,249
Depreciation	20,377	12,771
Bad debt provision	-	4,000
	<u>1,420,917</u>	<u>1,146,394</u>
Share of support costs (see note 9)	424,893	524,559
Share of governance costs (see note 9)	87,334	83,324
	<u>1,933,144</u>	<u>1,754,277</u>
Analysis by fund		
Unrestricted funds	1,460,384	1,423,965
Restricted funds	472,760	330,312
	<u>1,933,144</u>	<u>1,754,277</u>

HEADWAY EAST LONDON

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	384,699	38,470	423,169	450,935	36,968	487,903
Depreciation	20,377	-	20,377	6,227	-	6,227
Volunteers' expenses	-	-	-	583	-	583
Communication expenses	-	-	-	2,912	-	2,912
Legal and professional	-	-	-	(1,000)	-	(1,000)
Other expenses	-	-	-	862	-	862
Premises costs	19,817	-	19,817	63,812	-	63,812
Bank charges	-	-	-	228	-	228
Audit fees	-	8,100	8,100	-	10,134	10,134
Legal and professional	-	34,735	34,735	-	30,461	30,461
Depreciation	-	-	-	-	511	511
Premises costs	-	6,029	6,029	-	5,231	5,231
Bank charges	-	-	-	-	19	19
	<u>424,893</u>	<u>87,334</u>	<u>512,227</u>	<u>524,559</u>	<u>83,324</u>	<u>607,883</u>
Analysed between						
Charitable activities	<u>424,893</u>	<u>87,334</u>	<u>512,227</u>	<u>524,559</u>	<u>83,324</u>	<u>607,883</u>

Governance costs includes payments to the auditors of £8,100 (2022 - £10,134) for audit fees.

10 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2023	2022
	£	£
Audit of the charity's annual accounts	<u>8,100</u>	<u>10,134</u>
Non-audit services		
All other non-audit services	<u>6,120</u>	<u>6,360</u>

11 Trustees

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

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Part-time	24	20
Full-time	25	20
Casual	6	16
Total	55	56

Employment costs

	2023 £	2022 £
Wages and salaries	1,199,013	1,271,014
Social security costs	177,599	82,630
Other pension costs	70,185	61,276
Total	1,446,797	1,414,920

The average number of full time equivalent employees for the year was 32 (2022: 32).

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
	1	1

13 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost					
At 1 April 2022	380,876	64,216	12,059	48,496	505,647
At 31 March 2023	380,876	64,216	12,059	48,496	505,647
Depreciation and impairment					
At 1 April 2022	287,097	54,314	11,557	36,301	389,269
Depreciation charged in the year	13,581	2,472	502	3,822	20,377
At 31 March 2023	300,678	56,786	12,059	40,123	409,646
Carrying amount					
At 31 March 2023	80,198	7,430	-	8,373	96,001
At 31 March 2022	93,779	9,902	502	12,195	116,378

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	112,571	80,056
Other debtors	17,519	17,500
Prepayments and accrued income	93,085	99,795
	<u>223,175</u>	<u>197,351</u>

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	24,467	30,048
Trade creditors	74,955	104,975
Other creditors	4,633	18,883
Accruals and deferred income	11,807	45,432
	<u>115,862</u>	<u>199,338</u>

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £70,185 (2022 - £61,276).

HEADWAY EAST LONDON

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:

	Movement in funds		Movement in funds		Movement in funds		Movement in funds	
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £	
Barchester's Charitable Foundation	-	449	(227)	222	-	-	222	
BBK	1,137	35,000	(36,137)	-	35,000	(35,000)	-	
BlackRock	-	3,637	(3,637)	-	-	-	-	
Boshier Hinton Foundation	161	-	(161)	-	-	-	-	
Charities Trust	-	730	(730)	-	-	-	-	
City Bridge Trust	5,469	12,983	(14,545)	3,907	-	(1,563)	2,344	
Clothworkers' Foundation	11,635	-	(3,580)	8,055	-	(1,151)	6,904	
Worshipful Company of Arts Scholars	475	-	-	475	-	(475)	-	
Derek Hill Foundation	-	2,000	(1,620)	380	-	(380)	-	
Disability Arts	-	200	(90)	110	-	(67)	43	
Enfield CCG	-	101,243	(92,388)	8,855	103,268	(112,123)	-	
Estate of Maharaj	-	14,728	(14,728)	-	-	-	-	
Ford Britain Trust	454	-	(237)	217	-	(217)	-	
Gallagher RE	-	730	(730)	-	-	-	-	
Garfield Weston Foundation	-	25,000	(18,750)	6,250	15,000	(21,250)	-	
Greenhall Foundation	996	-	(502)	494	-	(494)	-	
Hackney Parochial Charities	16	-	(16)	-	-	-	-	
Hello Again Hackney Fund	-	7,277	-	7,277	-	(7,277)	-	
Henry Smith Charity	5,725	60,000	(35,725)	30,000	60,000	(90,000)	-	
Hospital Saturday Fund	-	2,000	(2,000)	-	-	-	-	
Independence at Home	199	-	-	199	-	(199)	-	
Northern Trust	545	-	-	545	-	(545)	-	
Osbornes Law	500	13,000	(3,500)	10,000	12,000	(10,190)	11,810	
Samaritan Grant	687	750	(483)	954	-	(277)	677	

HEADWAY EAST LONDON

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

17 Restricted funds							(Continued)
Screwfix Foundation	4,608	-	-	4,608	-	(658)	3,950
Skinner Grant	-	280	(280)	-	-	-	-
Soufer Charitable Trust	-	5,000	(3,021)	1,979	-	(1,979)	-
Sport England	-	5,000	-	5,000	-	(5,000)	-
Tesco Grant	-	1,000	(1,000)	-	500	(500)	-
The Bradbury Foundation	34,522	-	(4,315)	30,207	-	(4,316)	25,891
The February Foundation	-	3,857	(381)	3,476	-	(869)	2,607
The Morrisons Foundation	685	-	(685)	-	-	-	-
The National Lottery Community Fund	26,146	104,975	(90,358)	40,763	95,000	(115,813)	19,950
Workforce Capacity Fund	-	5,600	-	5,600	-	(5,600)	-
Worshipful Company of Fan Makers	578	-	(578)	-	2,500	(2,500)	-
Arts Council England	-	-	-	-	12,550	(12,550)	-
Barbican	-	-	-	-	26,723	(6,733)	19,990
Arts Council England - Let's Create	-	-	-	-	6,898	(6,898)	-
Peter Stebbings Memorial Charity	-	-	-	-	5,000	(5,000)	-
Saturday Social	-	-	-	-	845	(845)	-
M&G Community Fund	-	-	-	-	3,200	(3,200)	-
The Big Give/ The Reed Foundation	-	-	-	-	5,091	(5,091)	-
The Sir Jules Thorn Charitable Trust	-	-	-	-	3,000	(3,000)	-
The Golsoncott Foundation	-	-	-	-	1,000	(1,000)	-
The Radcliffe Trust	-	-	-	-	5,000	(5,000)	-
Irwin Mitchell	-	-	-	-	5,000	(5,000)	-
Misc	(92)	-	92	-	-	-	-
	<u>94,446</u>	<u>405,439</u>	<u>(330,312)</u>	<u>169,573</u>	<u>397,575</u>	<u>(472,760)</u>	<u>94,388</u>

HEADWAY EAST LONDON

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 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:

	2023 £	2022 £
Within one year	90,000	146,046

20 Related party transactions

The charity received donations from its trustees and other related parties during the year which totalled £810 (2022: £3,390)

21 Cash generated from operations

	2023 £	2022 £
(Deficit)/surplus for the year	(61,384)	37,494
Adjustments for:		
Investment income recognised in statement of financial activities	(2,389)	(32)
Depreciation and impairment of tangible fixed assets	40,754	19,509
Movements in working capital:		
Increase in debtors	(25,824)	(646)
Decrease in creditors	(83,476)	(62,863)
Cash absorbed by operations	(132,319)	(6,538)