

# Headway Essex

Providing brain injury care and support



Registered Charity No. 100880  
Company Number 2674755

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26/09/2014

COMPANIES HOUSE

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**Annual Report and Financial Statements  
For the year ending 31<sup>st</sup> March 2014**

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## BACKGROUND

Headway Essex provides community support and specialist day care services to people living with acquired brain injury (ABI) and their families and their carers in Essex.

- The Headway Centre in Colchester provides specialist day services to people living in north east and mid Essex.
- The Community Support Service provides advice, information and emotional support to people with ABI and their carers and families in Essex.

## MISSION STATEMENT

***Everyone living with the effects of acquired brain injury has the opportunity to lead a fulfilling life.***

## VISION

Through the work of Headway Essex:

- ❖ people with acquired brain injury will fulfil their potential
- ❖ families and carers will be better able to cope with their caring role
- ❖ the wider community will understand the causes and effects of acquired brain injury

## CORE VALUES

Headway Essex believes in:

- ❖ Working together;
- ❖ Consultation;
- ❖ Valuing the individual;
- ❖ Maximising opportunities;

... in all situations.

## ACQUIRED BRAIN INJURY

Headway Essex follows the UK Acquired Brain Injury Forum (UKABIF) definition of acquired brain injury:

*“Acquired Brain Injury (ABI) is defined as a non-degenerative injury to the brain occurring since birth. It can be caused by external physical force or by metabolic derangement. The term ‘acquired brain injury’ includes traumatic brain injury, such as open or closed head injuries, non-traumatic brain injuries such as those caused by strokes and other vascular accidents, tumours, infectious diseases, hypoxia, metabolic disorders (e.g. liver and kidney diseases or diabetic coma), and toxic products taken into the body through inhalation or ingestion.”*

### THE CAUSE

Brain injuries are happening all the time and will occur generally as a result of road traffic accidents, sporting injuries, disease, strokes/brain tumours, alcohol or drug abuse and violence. Often the effect will be loss of employment, breakdown of the family unit, loss of partner, physical and psychological disability, and social isolation.

Traumatic brain injury is a well-documented, growing national problem due to the increases in survival rate following severe brain injuries. *“Brain injury is the foremost cause of death and disability in young people”* found the House of Commons Health Select Committee Enquiry into Head Injury. Improved medical techniques means a greater survival rate for people who have suffered a brain injury and, in turn, are likely to require long-term rehabilitation to live in society with a normal life expectancy.

### THE SCALE OF THE PROBLEM IN THE COMMUNITY

It is estimated that at least 1 million people in the UK have persistent disabilities as a result of acquired brain injury (*United Kingdom Acquired Brain Injury Forum (2012) Life after Brain Injury: A Way Forward*). However, in all likelihood, this is a conservative estimate. The lack of accumulated data in the UK means it is not possible to quantify the exact number of people with ABI in each area.

Research on hospital admission data has shown clearly that the problem is a large and growing one.

Approximately 215,000 people in the UK were admitted to hospital with a head injury in 2011-12 and overall, accounting for ABI related conditions such as stroke, anoxia, meningitis, encephalitis, hydrocephalus, tumours, abscess and others, over 350,000 people are admitted to hospital each year in the UK (*NHS Information Centre for Health and Social Care, 2013*).

Accounting for the conditions described above, approximately 8,500 Essex residents are admitted to hospital per year (*NHS Information Centre for Health and Social Care, 2013*). A large proportion of these people and their families will require help and support for at least a short time after injury and many will require long-term support. Headway Essex has a vital role to play in helping these people.

Impairments may range from subtle to severe, although the consequences may all be serious. Some people may be physically disabled, but the large majority have ‘hidden’ disabilities which are less easy to observe and, as a result, lead to misunderstanding, loss of employment, relationship breakdown and social isolation. The cost of these problems to society is difficult to quantify but research has shown that 40% of people with traumatic brain injuries fail to return to employment (*Radford et al, 2013*). It has been widely reported that over 50% of the prison population has a history of traumatic brain injury and that failure to identify and manage this leads to repeat offending (*Williams et al, 2010*).

## **FACILITIES FOR REHABILITATION**

Statutory provision for rehabilitation is very limited and tends to only be offered to those who are severely affected. It is often aimed at the physical problems and is usually situated within regional, rather than local, hospitals. When severe behavioural problems exist the person is often sent to one of only a few private behaviour modification units, which are spread around the country. The cost of these can be as much as several thousand pounds a week and treatment is usually funded by the Health services or compensation claims. In practice this only tends to happen where the behaviour is extreme, or where it is thought the person will only need a short time there. When rehabilitation is not provided a lack of motivation and continuous inactivity at home can place an impossible strain on families.

Evidence suggests that early, co-ordinated and intense rehabilitation can generate savings to the NHS of between £0.7 million and £1.6 million per patient over their lifetime (*Hawe et al, 2013*). Headway Groups and Branch services can make a significant contribution to these savings.

## **EFFECT**

Rehabilitation following acquired brain injury is a long-term process requiring active participation. Following discharge from acute care in hospital, life can be very problematic, both for the survivor and their families and friends.

There may be obvious physical disabilities such as:

- One-sided weakness
- Poor mobility
- Loss of balance
- Reduced vision
- Speech problems
- Extreme tiredness

But it is the cognitive, emotional and psychological problems that create the most havoc with people's lives.

Impaired cognitive functions include:

- Memory
- Information processing
- Concentration
- Organisational skills
- Planning

Emotional issues include:

- Inability to show emotions
- Laughing or crying inappropriately
- Inability to show affection
- Inappropriate behaviour

Psychological problems can include:

- Depression
- Aggression and violence
- Loss of impulse control
- Mood swings
- Lack of motivation
- Lethargy

The long-term disabilities may not correspond to the physical severity of the original injury, and can become apparent some time, even years, after the cause. A person can appear to make a good recovery but may be difficult to live with and become unemployable because of the above problems. The personality changes can be the most difficult for close family to accept and this causes many families or relationships to break up: 'she is not the person I fell in love with and married'; 'he's the third child I never wanted'.

## **CHAIRMAN'S REPORT**

Headway has completed another year and our outstanding team of staff have made significant changes to ensure we can continue to provide the best possible services for the survivors of brain injuries, their carers and families around the county.

In my last report I spoke of future challenges as a result of changes in Public Sector Finance where there has been a switch from grant provision to commissioning, as Primary Care Trusts are replaced with Clinical Commissioning Groups and County Councils restructure to save funds. As a result of this we have been advised that we are facing statutory cuts amounting to £85,000 during 2014/15 which will cut deeply and with this in mind, we have worked to improve our services, have maximised efficiencies and streamlined the staffing of the organisation - reducing overheads without cutting services. That has enabled us to end the financial year with £50,000 in reserves which will help to lessen the impact of the loss in statutory funding in the short term and provide some time to establish sustainable funding from potential commissioning opportunities which we will know more about later in 2014.

We know that there are few statutory services available to survivors of brain injury after the acute medical stage and will be making that point at every possible opportunity and highlighting the fact that Headway is a niche organisation focussed on brain injury rehabilitation and condition specific support for carers. We do however need to continue to work with many other organisations to ensure a seamless service for our clients and ensure that we do not duplicate work done by others.

We realise only too clearly that brain injury is difficult to understand. The issues for survivors are extremely varied and complex, often misunderstood by those around them sometimes leading to social isolation or breakdown of family relationships. Therefore even in this changing environment where there is often a call for a change of priorities, we are clear that this must not in any way dilute the care we currently provide to this group of people who are already disadvantaged by a lack of service provision.

However we realise that our service is more valued than ever. The day centre offers 82 places each week, the community support service has made hundreds of contacts around the county, whether by telephone, home visits or group meetings. Through our monitoring and feedback we are also most encouraged by the appreciation and gratitude we regularly receive from people with brain injuries and their carers.

My thanks must go to our fundraising supporters in the community who help us in so many ways; they have been invaluable in making this year a successful one. Thanks must also go to our fundraising team who with creativity and determination, come up with more innovative ideas to encourage the public to support us. This area of our work is becoming more critical to ensure we sustain our service provision.

I began by outlining the challenges – but every challenge brings with it an opportunity and that has not stopped us from making plans for the future. We want to develop services across the county to meet the demands of our client group. This will require a measured approach, but one I am confident we can achieve.

Finally we are indeed fortunate to have an experienced and dedicated staff team providing this unique service, supported by many wonderful and skilled volunteers who are so often the unsung heroes and without whom we would be seriously depleted. Our Chief Executive Officer Jo Wright has just completed her first year and in often difficult times has inspired her team to provide their special care while she coordinates the strategy to meet the challenging future.

Finally I should like to take this opportunity to thank the Trustees for their continuing support and advice and to all those in the community who support our work.

***Christopher White-Thomson***

## REFERENCE DETAILS

### REGISTERED OFFICE

The Headway Centre  
2 Boxted Road  
Mile End  
Colchester  
Essex CO4 5JD

### BOARD OF TRUSTEES

Chris White-Thomson	Chair
David Parkins	Treasurer
Bob Juniper	
Chris Humbles RN	
Fiona Dorey	
Jean Livingstone	
Paul Metcalfe	
Peter Macdonald	
Alan Bacon	
Sean Attwood	

**CHIEF EXECUTIVE OFFICER:** Joanna Wright

**FINANCE MANAGER & COMPANY SECRETARY:** Louise Allen Appointed 23 January 2014  
Sally Barrs Resigned 23 January 2014

### SERVICE MANAGERS

Andrew Plowright	-	Headway Centre
Angie O'Toole	-	Community Support Service

### ADVISORS

**Auditors** - Griffin Chapman  
4&5 The Cedars, Apex 12, Old Ipswich Road, Colchester, Essex CO7 7QR.

**Bankers** - CAF Bank Ltd  
25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ  
Lloyds Bank PLC  
27 High Street, Colchester, CO1 1DU

## **REPORT OF THE TRUSTEES**

The board presents its annual report and accounts for the year ended 31<sup>st</sup> March 2014.

The Annual Report and Financial Statements are produced in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP revised 2005).

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 and objectives and in planning future activities.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **LEGAL STATUS**

Headway Essex is a Company Limited by Guarantee (Company No. 2674755) and a Registered Charity (Charity No. 1008807).

Copies of the Memorandum and Articles of Association can be obtained by writing to: Louise Allen, Company Secretary, Headway Town Office, 58b Head Street, Colchester CO1 1PB.

The liability of the Members in the event of Headway Essex being wound up is limited to a sum not exceeding £1. At 31<sup>st</sup> March 2014 there were 58 company members.

### **BOARD OF TRUSTEES**

Members of the Board of Trustees are elected from the membership of the Company and are subject to re-election following a term of office not exceeding three years.

The Company is managed and controlled by a Board of Trustees whose names are given on page 6. For the purposes of the Companies Act 2006 the Members of the Board are placed in the same position as a Board of Directors.

The Board has a strategic role and meets at least four times a year. It has responsibility for determining the direction of the Charity within the framework set out in the Memorandum and Articles of Association. This includes: ensuring financial viability and achievement of its aims; planning for the future; monitoring activities and outcomes against objectives; risk management; and ensuring legal requirements are met.

The Board have delegated certain responsibilities to the Executive Committee, which comprises:

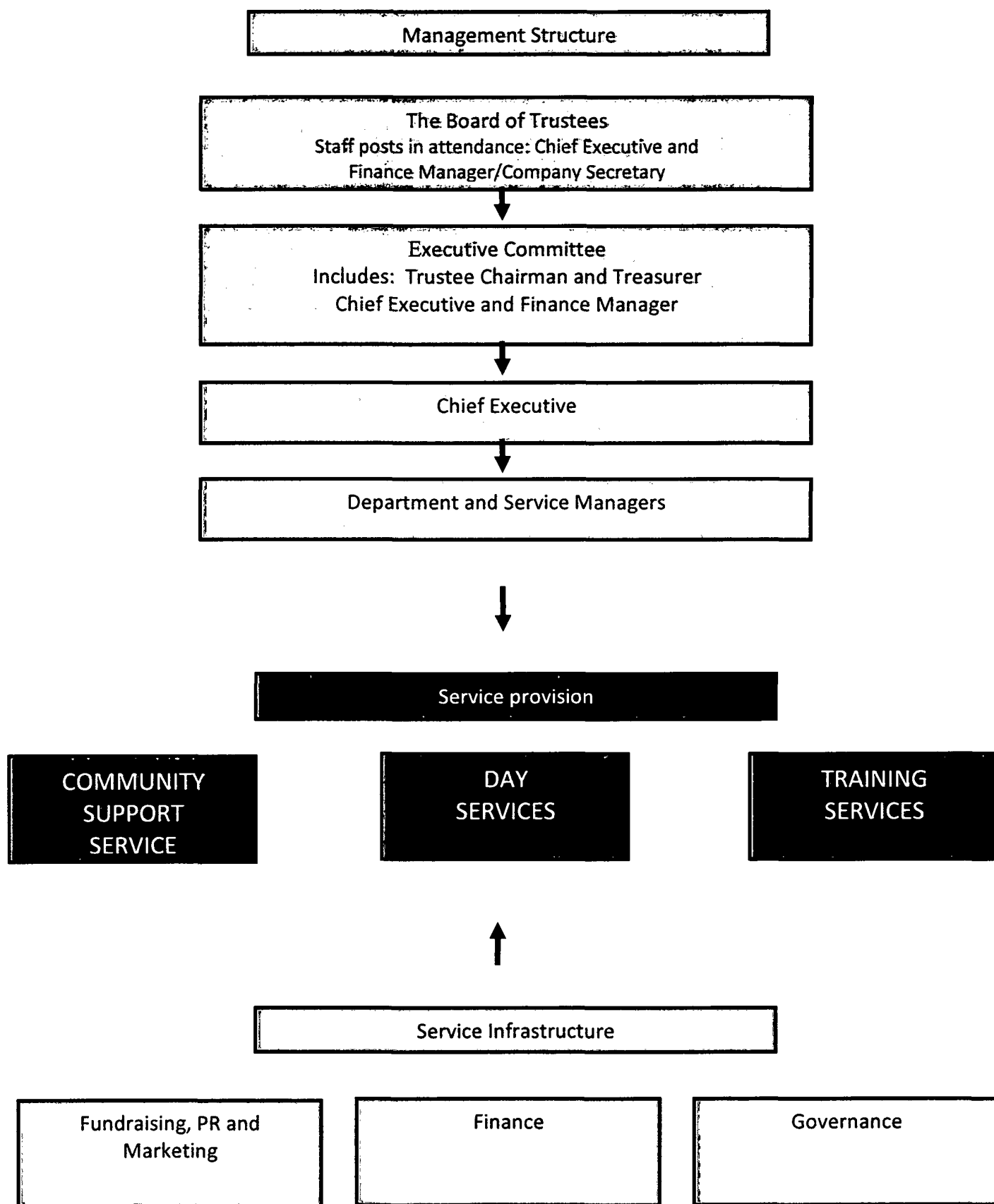
Treasurer  
Chairman  
Chief Executive Officer  
Finance Manager/Company Secretary

It meets bi-weekly and covers all the general work of the organisation including service delivery and development, funding and fundraising, personnel and premises. It reports directly to the Board of Trustees.

Each new Trustee is given a personalised induction programme and receives copies of the Company documents, details of policies and procedures, job description and code of conduct. Trustees are encouraged to attend the Headway Centre and appropriate external training events where these facilitate the undertaking of their role.



## HEADWAY ESSEX ORGANISATIONAL CHART



**SENIOR MANAGEMENT**

The Chief Executive Officer has overall responsibility for all aspects of service delivery and development. The key tasks are:

- To undertake overall responsibility for, and to manage, all existing service provision and future development of services;
- To be responsible for the organisation's financial health and ensure expenditure is controlled in line with budget as approved by the board of trustees;
- To negotiate funding, service level agreements and contracts with statutory bodies. To maximise other income generation, enabling fulfilment of the aims and objectives of the organisation;
- To be responsible for all aspects of human resource management;
- To be aware of legislative requirements and good practice, and ensure all relevant policies and procedures are in place;
- To promote the organisation and increase awareness of the effects of brain injury.

The Finance Manager and Company Secretary is responsible for all aspects of finance and accounting. The key tasks are:

- To maintain appropriate and accurate financial records;
- To produce monthly management reports and annual financial statements;
- To ensure the organisation meets all relevant company legislation.

**SERVICE MANAGERS**

The Headway Centre Manager is responsible for the delivery of the day care service. The key tasks are:

- Management of the specialist day service at The Headway Centre in Colchester;
- To provide leadership and support for the care staff;
- Ensuring relevant legislative requirements are met.

The Community Support Manager is responsible for the delivery of the community service. The key tasks are:

- Management of the community service across the county;
- To provide leadership and support for the service team.

**RISK AND INTERNAL CONTROL**

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees acknowledge their responsibility for the Charity's system of internal control and for reviewing its effectiveness. The Trustees recognise that such a system is designed to manage (but not eliminate) risk of failure to achieve the Charity's objectives, and can only provide reasonable (not absolute) reassurance against material misstatement or loss.

The Board of Trustees delegates powers to the Executive Committee, as detailed above. Systems of control designed to mitigate risk include a three year strategic plan, an annual budget, regular consideration by the Trustees of actual results compared to budget, forecasts and monitoring of reserve levels.

A Risk Register is maintained that identifies potential risks and impact of those risks to each part of the Charity. 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. Areas of

potential improvement are identified and timetables for action implemented. The Risk Register may be added to at any time and will be reviewed by the Board of Trustees annually.

Risks involving the Charity's client group are dealt with within the control procedures of each department.

## RESERVES

The Trustees feel it is appropriate to provide for short-term commitments and ongoing programmes and feels that a minimum level of unrestricted general reserves to be held is an amount equal to at least three months' average unrestricted expenditure. However, the three-month policy represents the minimum and the aim is to keep reserves at a level to cover at least six months expenditure. This will ensure that we have sufficient funds to cover any late arrivals of funding from statutory bodies and cover the fluctuations in fundraising income through the year. The Trustees recognise that certain aspects of the Charity's finances offer increased risk and the Board will designate specific amounts from free reserves to help mitigate these risks. Furthermore the Trustees may designate funds from reserves to assist in future development plans. The current reserves position is detailed on page 19.

## VOLUNTEERS

In all aspects of our work volunteers play a vital role. The board is grateful to everyone who has volunteered their time in furthering the work of Headway Essex and it is recognised that the donation of time is every bit as important as money or gifts. We estimate that during the year to 31<sup>st</sup> March 2014 volunteers donated their time in the following areas:

Day Service	5,017	hours
Community Support	300	hours
Fundraising	1,358	hours
Total	6,675	hours
Full time equivalent number of staff	3.5	

## CHARITABLE ACTIVITIES

### SPECIALIST DAY SERVICE

The Headway Centre in Colchester is open five days a week and operates a specialist day service for people with acquired brain injury from 10.00am to 3.30pm Monday to Friday. The lively Centre offers a range of activities, both in-house and in the community, to enable each person with brain injury to achieve their potential in a safe environment, secure in the knowledge that the experienced staff and volunteers understand the difficulties they are facing. Attending the Centre can help a survivor improve personal health and self care, increase understanding of how their brain injury has affected them and those around them, improve self-esteem and self-confidence, increase independence, improve life skills and reduce isolation. Some people will only need Headway's help for a few months while others may attend for a number of years, particularly where respite is required for the carer.

## OBJECTIVES

- ❖ To provide support, information and advice to people with acquired brain injury.
- ❖ To provide respite for carers.
- ❖ To improve the health and well-being of people with acquired brain injury.
- ❖ To increase self-awareness and understanding of brain injury and its effects.
- ❖ To increase independence.
- ❖ To reduce social isolation.

## ACHIEVEMENTS DURING 2013/14

- ❖ Reassessed the day centre capacity and increasing available places from 72 to 82.
- ❖ 13 new people started attending the Headway centre during the year filling 15 places.
- ❖ A total of 69 places are occupied across 5 days.
- ❖ 14 Places were vacated during the year and 13 individuals moved on, 1 person went back into employment and 2 went onto pursue college/volunteering opportunities.
- ❖ Ran a successful Cognitive Behavioural Therapy course.
- ❖ 45 volunteers have offered their time, expertise and life skills at the Headway centre.
- ❖ Developed links with other organisations to promote partnership working.
- ❖ We continue to meet 100% of Headway UK Minimum Standards for Headway Houses. These standards ensure the organisation is run properly and effectively, all statutory requirements are met and that the service provision is of the highest standard possible within the resources available. They were developed in consultation with the then Commission for Social Care Inspection.
- ❖ Increased attendance and income
- ❖ Implemented a Management Information System.

## FUTURE PLANS

- ❖ To optimise attendance income.
- ❖ To develop focused rehabilitation activities which meet identified needs.
- ❖ To establish day services in the South of the county.

## COMMUNITY SUPPORT SERVICE

The Service provides information, advice and emotional support to people with acquired brain injury and their families and carers in the community. Community support workers make home and hospital visits, run support group meetings across the county and signpost people to other agencies when appropriate.

### OBJECTIVES

- ❖ To increase awareness, knowledge and understanding of acquired brain injury.
- ❖ To improve carers' coping abilities.
- ❖ To improve the skills of people with acquired brain injury.
- ❖ To empower people to become independent.
- ❖ To increase access to appropriate services.

### ACHIEVEMENTS DURING 2013/14

- ❖ A complete review of the Community Support Service
- ❖ Introduced a telephone support service
- ❖ Now offering client visits at our office in Benfleet and Colchester
- ❖ Introduced a new outcomes system across all services
- ❖ Introduced a Management Information System to streamline monitoring and evaluation data.
- ❖ Ran a successful training service providing training to professionals, staff and volunteer.
- ❖ Converted all staff positions to service provision by introducing a first line support worker role to manage the helpline
- ❖ Completed three 10 week modules of the "Life After Brain Injury Group" in South Essex.
- ❖ 454 individuals from 308 families were supported during the year, including 265 survivors and 189 carers.
- ❖ 154 new referrals received.
- ❖ There were 833 attendances at Support Group Meetings around the county.

### FUTURE PLANS

- ❖ To work with commissioners to ensure funding of the service.
- ❖ To introduce a charging system into the service.
- ❖ To develop the Life After Brain Injury Group into another geographical area.
- ❖ To identify the needs and requirements for an outreach service.

## PROMOTION & FUNDRAISING

Fundraising income remains a crucial element to making up Headway Essex's total income budget. The team approach Trust Funds, run events and promote other fundraising initiatives to meet the funding demands of the Charity as well as maintaining the charity's profile throughout Essex.

### OBJECTIVES

- ❖ To increase awareness of the organisation to a wider community.
- ❖ To secure funding to sustain and develop the services of Headway Essex.

### ACHIEVEMENTS DURING 2013/14

- ❖ Developed new corporate and commercial relationships.
- ❖ Held first mass participation event the Colour5k
- ❖ Held town centre based Christmas Market
- ❖ Maintained a high level of press publicity
- ❖ Actively used social networking as a resource to promote Headway Essex and as a result increased its online profile and support achieving over 2100 followers on Twitter (an increase in 25% on last year) and nearly 700 Facebook friends
- ❖ Introduced an easy to use online events calendar and individual events pages to make it easier to use and promote events
- ❖ Introduced a new management information system
- ❖ Won a grant from Google to use free Google AdWords (pay per click) to promote Headway and its events.
- ❖ Produced promotional material in house

### FUTURE PLANS

- ❖ Increase trust and grant activity
- ❖ Maximise the use of the new Management Information System
- ❖ Further develop corporate support.
- ❖ Develop ongoing events including Colour5k
- ❖ Develop new income streams and explore and secure potential commissioning contracts
- ❖ Develop Google AdWords and online activity

## FINANCIAL REVIEW

The results for the year are shown in the Statement of Financial Activities on page 18 and the financial position is shown in the Balance Sheet on page 19.

The year under review produced an increase in total reserves of £51,636 although total reserves at 31<sup>st</sup> March 2014 are £722,706 a high proportion of this amount is restricted, designated or held in tangible assets, leaving only £313,458 in Unrestricted Assets, as detailed below:

	£
Restricted Fixed Assets	149,861
Restricted Current Assets	-
Designated Current Assets	245,000
Unrestricted Fixed Assets	14,387
Unrestricted Assets	<u>313,458</u>
 Total Reserves	 <u><b>722,706</b></u>

Expenditure of restricted funds is higher than the restricted income due to continuing depreciation relating to restricted fixed assets.

## FUNDING SOURCES

The total incoming resources during the year were £664,924 (2013: £661,353).

	2014		2013	
Made up as follows:				
Grants and service contract income from				
Essex Primary Care Trusts	154,457	23.2%	156,374	23.6%
Attendance, training and Transport Income	<u>192,692</u>	<u>29.0%</u>	<u>170,126</u>	<u>25.8%</u>
	347,149	52.2%	325,500	49.4%
Fundraising Income:				
Trust and Council grants	173,779		175,061	
Company/personal donations	36,848		69,076	
Gift Aid Reclaimed	9,028		8,305	
Legacy Income	7,128		-	
Events	72,789		64,451	
Trading	<u>14,025</u>		<u>11,211</u>	
	313,597	47.2%	328,104	49.6%
Investment/Other Income	<u>4,178</u>	0.6%	<u>6,749</u>	1.0%
	<u><b>664,924</b></u>		<u><b>661,353</b></u>	

## **FUTURE PLANS**

The year to 31<sup>st</sup> March 2014 saw funding from the local health bodies and Essex County Council continue at previous levels, however the picture has changed as PCTs were replaced by Clinical Commissioning Groups (CCGs) from April 2013. The result, for 2014/15, is that cost pressures within the NHS and government austerity measures have reduced the amount of money available generally; and we are one of many organisations that have sustained cuts in our statutory income from both Essex County Council and North Essex CCG.

c

The management team, armed with the knowledge of impending funding problems, have attacked this year in terms of cost saving to create the surplus to buffer future years. This will go partway towards solving the problems that may arise out of the further future possible income losses, and provide some time to establish sustainable funding from potential commissioning opportunities.

Precise income flows become difficult to forecast with great accuracy in these changing times and so the Trustees will take a prudent approach to the future plans outlined on pages 11 to 13.

## **RESERVES**

As at 31<sup>st</sup> March 2014, the Unrestricted Free Reserves, after deduction of Designated Funds and fixed assets from the total reserves, were £313,458. This represents the equivalent of 6 months of unrestricted expenditure compared to a minimum policy requirement of three months. The Trustees consider the additional reserves appropriate as the three-month policy represents a bare minimum only. Reserves are expected to keep to at least six months during the year.

In accordance with the Reserves policy detailed on page 10, the Trustees have identified areas of highlighted risk or future development and have designated funds from reserves as follows:

£25,000	South Essex Day Care - The Trustees have designated funds to support the introduction of specialist Day Care services in South Essex.
£220,000	Property – The Trustees have designated funds to establish a long-term solution to the question of accommodation before the current lease of the Headway Centre expires in 2023.

## **LEGACY**

The Charity was named as a beneficiary of an estate in 2006, which distributed funds of £7,128 (2013: Nil) in the year. The will was subject to a legal challenge and although this was resolved in our favour and the majority of costs awarded against the challenger. Further distributions are unlikely, with the balance of the estate being retained to cover potential future costs to recover the past legal challenge costs, which have been agreed as recoverable.



## STATEMENT OF TRUSTEE RESPONSIBILITIES

The trustees 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 company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

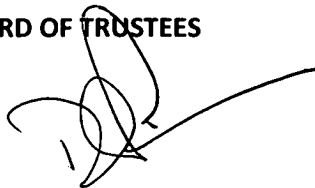
### Statement as to Disclosure of Information to Auditors

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

### Auditors

The auditors, Griffin Chapman, will be proposed for re-appointment at the forthcoming Annual General Meeting.

### BY ORDER OF THE BOARD OF TRUSTEES



David Parkins : Trustee

Dated: 7<sup>th</sup> August 2014

**Independent Auditor's Report to the members of Headway Essex**

We have audited the financial statements of Headway Essex for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

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 2014, 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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.



**G H Tarr (Senior Statutory Auditor)**

For and on behalf of Griffin Chapman, Statutory Auditor  
4&5 The Cedars  
Old Ipswich Road  
Colchester  
CO7 7QR

Date.....<sup>13</sup> August 2014.....

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED 31ST MARCH 2014**

	Notes	Unrestricted funds £	Restricted funds £	2014 Total Funds £	2013 Total Funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	63,073	54,842	117,915	132,442
Activities for generating funds	3	86,814	-	86,814	75,662
Investment income	4	3,932	-	3,932	3,157
<b>Incoming resources from charitable activities</b>					
Day Care	5	179,678	82,118	261,796	246,976
Community Support Service		13,014	181,207	194,221	199,524
Other incoming resources		<u>246</u>	<u>-</u>	<u>246</u>	<u>3,592</u>
<b>Total incoming resources</b>		<b>346,757</b>	<b>318,167</b>	<b>664,924</b>	<b>661,353</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds</b>					
Costs of activities for generating funds and voluntary income	6	125,950	-	125,950	136,960
Fundraising trading costs	7	2,798	-	2,798	4,383
<b>Charitable activities</b>					
Day Care	8	113,435	135,090	248,525	268,095
Community Support Service		1,251	201,875	203,126	206,688
Governance costs	10	<u>32,889</u>	<u>-</u>	<u>32,889</u>	<u>30,230</u>
<b>Total resources expended</b>		<b>276,323</b>	<b>336,965</b>	<b>613,288</b>	<b>646,356</b>
<b>NET (OUTGOING)/ INCOMING RESOURCES</b>					
		<b>70,434</b>	<b>(18,798)</b>	<b>51,636</b>	<b>14,997</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>502,411</b>	<b>168,659</b>	<b>671,070</b>	<b>656,074</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>572,845</u></b>	<b><u>149,861</u></b>	<b><u>722,706</u></b>	<b><u>671,071</u></b>

**CONTINUING OPERATIONS**

All incoming resources and resources expended arise from continuing activities.

**BALANCE SHEET**  
**AT 31ST MARCH 2014**

	Notes	Unrestricted funds £	Restricted funds £	2014 Total funds £	2013 Total Funds £
<b>FIXED ASSETS</b>					
Tangible assets	14	<u>14,387</u>	<u>149,861</u>	<u>164,248</u>	<u>173,552</u>
<b>CURRENT ASSETS</b>					
Stocks	15	2,021	-	2,021	1,242
Debtors: amounts falling due within one year	16	32,104	-	32,104	34,519
Cash at bank and in hand		<u>565,144</u>	<u>4,917</u>	<u>570,061</u>	<u>533,703</u>
		599,269	4,917	604,186	569,464
<b>CREDITORS</b>					
Amounts falling due within one year	17	(36,611)	(4,917)	(41,528)	(67,007)
<b>NET CURRENT ASSETS</b>		<u>562,658</u>	<u>-</u>	<u>562,658</u>	<u>502,457</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		577,045	149,861	726,906	676,009
<b>CREDITORS</b>					
Amounts falling due after more than one year	19	(4,200)	-	(4,200)	(4,938)
<b>NET ASSETS</b>		<u>572,845</u>	<u>149,861</u>	<u>722,706</u>	<u>671,071</u>
<b>FUNDS</b>					
Unrestricted funds	23			572,845	502,412
Restricted funds				<u>149,861</u>	<u>168,659</u>
<b>TOTAL FUNDS</b>				<u>722,706</u>	<u>671,071</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 7 August 2014 and were signed on its behalf by:

Fiona Dorey

Trustee

David Parkins

Trustee

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 2014****1. ACCOUNTING POLICIES****Accounting convention**

The financial statements have been prepared under the historical cost convention, the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

**Financial Reporting Standard Number 1**

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company.

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Grants**

Grants are recognised in full in the statement of financial activities in the year in which they are receivable, unless these relate to a specific future period in which case they are deferred.

**Volunteers and donated services**

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Volunteer time is not included in the financial statements.

**Resources expended**

Resources expended include VAT which cannot be recovered. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. The main basis is staff time.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Short leasehold	-	Period of lease
Fixtures and fittings	-	3 to 4 years
Motor vehicles	-	4 years (new) and 3 years (second-hand)

Individual Fixed Assets costing, or donated assets valued, at £750 or more are capitalised.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2014**

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

**Legacies**

Legacies are recognised when the Charity is entitled to the money and the amount known. Entitlement is the earlier of estate account being finalised or cash received.

**2. VOLUNTARY INCOME**

	2014	2013
	£	£
Donations	43,976	69,076
Gift aid	9,028	8,305
Grants	64,911	55,061
	<u>117,915</u>	<u>132,442</u>

Grants received, included in the above, are as follows:

	2014	2013
	£	£
Other Trusts' grants	<u>64,911</u>	<u>55,061</u>

**3. ACTIVITIES FOR GENERATING FUNDS**

	2014	2013
	£	£
Fundraising events	72,789	64,451
Trading	<u>14,025</u>	<u>11,211</u>
	<u>86,814</u>	<u>75,662</u>

**4. INVESTMENT INCOME**

	2014	2013
	£	£
Bank interest	<u>3,932</u>	<u>3,157</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2014**

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

		2014 £	2013 £
Grants and other service contract income	Day Care	82,118	81,990
Attendance	Day Care	178,763	164,225
Minibus income	Day Care	915	731
Grants and other service contract income	Community Support Service	181,207	194,384
Training	Community Support Service	11,980	5,000
Attendance	Community Support Service	1,034	140
		<u>456,017</u>	<u>446,500</u>

**6. COSTS OF GENERATING VOLUNTARY INCOME**

	2014 £	2013 £
Staff costs	85,964	85,674
Other personnel expenses	834	1,645
Premises expenses	9,050	12,180
Other overheads	526	979
Service expenses	363	505
Office expenses	12,324	17,723
Fundraising promotion costs	1,842	2,231
Fundraising events	12,559	13,448
Other expenses	866	879
Depreciation	1,622	1,696
	<u>125,950</u>	<u>136,960</u>

**7. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS**

	2014 £	2013 £
Purchases	<u>2,798</u>	<u>4,383</u>

**8. CHARITABLE ACTIVITIES COSTS**

	Direct costs (See note 9) £	Totals £
Day Care	248,525	268,095
Community Support Service	<u>203,126</u>	<u>206,688</u>
	<u>451,651</u>	<u>474,783</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2014**

**9. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2014	2013
	£	£
Staff costs	322,311	320,324
Other personnel expenses	8,148	6,790
Premises expenses	29,042	32,182
Other overheads	209	1,649
Sundry fixed assets	-	90
Service expenses	38,101	42,425
Transport expenses	8,979	12,712
Office expenses	17,517	33,068
Other expenses	5,464	1,123
Loss on disposal of fixed asset	-	2,179
Bad debts	50	-
Depreciation	21,830	22,241
	<u>451,651</u>	<u>474,783</u>

**10. GOVERNANCE COSTS**

	2014	2013
	£	£
Staff costs	20,790	20,618
Auditors' remuneration	4,320	4,080
Other personnel expenses	3,453	224
Premises expenses	398	323
Other overheads	857	238
Sundry fixed assets	-	598
Service expenses	268	298
Office expenses	1,993	3,443
Other expenses	-	-
Depreciation	810	408
	<u>32,889</u>	<u>30,230</u>

**11. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/ (crediting):

	2014	2013
	£	£
Auditors' remuneration	4,320	4,080
Depreciation - owned assets	6,270	6,004
Depreciation - assets on hire purchase contracts and finance leases	625	836
Loss on disposal of asset	-	2,179
Property rentals under Operating Leases	<u>23,608</u>	<u>23,608</u>



**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2014**

**12. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st March 2014 nor for the year ended 31st March 2013.

**Trustees' Expenses**

	<b>2014</b>	2013
	<b>£</b>	£
Trustees' expenses	<u>-</u>	<u>-</u>

**13. STAFF COSTS**

	<b>2014</b>	2013
	<b>£</b>	£
Wages and salaries	<b>394,450</b>	391,853
Social security costs	<b><u>34,701</u></b>	<u>34,763</u>
	<b><u>429,151</u></b>	<u>426,616</u>

The average monthly number of employees during the year was as follows:

	<b>2014</b>	2013
Day Care	<b>8</b>	8
Community Support Service	<b>7</b>	7
Fund-raising and Publicity	<b>5</b>	4
Governance of the Charity	<b><u>1</u></b>	<u>1</u>
	<b><u>21</u></b>	<u>20</u>

The average number of employees, calculated on a full time equivalent basis, during the year was as follows:

	<b>2014</b>	2013
Day Care	<b>7</b>	7
Community Support Service	<b>5</b>	6
Fund-raising and Publicity	<b>4</b>	3
Governance of the Charity	<b><u>1</u></b>	<u>1</u>
	<b><u>17</u></b>	<u>17</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2014**

**14. TANGIBLE FIXED ASSETS**

	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>				
At 1st April 2013	361,233	102,426	37,310	500,969
Additions	-	14,943	-	14,943
Disposals	-	(4,020)	-	(4,020)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 2014	<u>361,233</u>	<u>113,349</u>	<u>37,310</u>	<u>511,892</u>
 <b>DEPRECIATION</b>				
At 1st April 2013	193,204	96,903	37,310	327,417
Charge for year	17,352	6,895	-	24,247
Disposals	-	(4,020)	-	(4,020)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31st March 2014	<u>210,556</u>	<u>99,778</u>	<u>37,310</u>	<u>347,644</u>
 <b>NET BOOK VALUE</b>				
At 31st March 2014	<u>150,677</u>	<u>13,571</u>	<u>-</u>	<u>164,248</u>
At 31st March 2013	<u>168,029</u>	<u>5,523</u>	<u>-</u>	<u>173,552</u>

Fixed assets included in the above that are held under finance leases are as follows:

	Fixtures and fittings £
<b>COST</b>	
At 1st April 2013	-
Additions	6,000
	<hr/>
At 31st March 2014	<u>6,000</u>
 <b>DEPRECIATION</b>	
At 1st April 2013	-
Charge for year	625
	<hr/>
At 31st March 2014	<u>625</u>
 <b>NET BOOK VALUE</b>	
At 31st March 2014	<u>5,375</u>
At 31st March 2013	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2014**

**15. STOCKS**

	2014	2013
	£	£
Stocks	<u>2,021</u>	<u>1,242</u>

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Other debtors	11,807	14,664
Prepayments	17,337	10,371
Accrued income	2,960	9,484
	<u>32,104</u>	<u>34,519</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014	2013
	£	£
Finance leases (see note 20)	6,138	7,347
Social security and other taxes	8,168	9,055
Other creditors	14,137	15,481
Accrued expenses	6,778	7,656
Deferred income	<u>6,307</u>	<u>27,468</u>
	<u>41,528</u>	<u>67,007</u>

**18. DEFERRED INCOME**

	£
Balance as at 1 <sup>st</sup> April 2013	27,468
Amount released to incoming resources	(27,468)
Amount deferred in year	<u>6,307</u>
Balance as at 31st March 2014	<u>6,307</u>

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2014	2013
	£	£
Finance leases (see note 20)	6,138	4,938

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2014**

**20. OBLIGATIONS UNDER LEASING AGREEMENTS**

	<b>Finance leases</b>	
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Gross obligations repayable:		
Within one year	<b>6,437</b>	825
Between one and five years	<b><u>5,248</u></b>	<u>-</u>
	<b><u>11,685</u></b>	<u>825</u>
Finance charges repayable:		
Within one year	<b>299</b>	63
Between one and five years	<b><u>1,048</u></b>	<u>-</u>
	<b><u>1,347</u></b>	<u>63</u>
Net obligations repayable:		
Within one year	<b>6,138</b>	762
Between one and five years	<b><u>4,200</u></b>	<u>-</u>
	<b><u>10,338</u></b>	<u>762</u>

The following operating lease payments are committed to be paid within one year:

	<b>Land and buildings</b>	
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within one year	<b>8,508</b>	14,833
Between one and five years	<b>8,500</b>	-
In more than five years	<b><u>6,600</u></b>	<u>6,600</u>
	<b><u>23,608</u></b>	<u>21,483</u>

	<b>Other finance lease payments</b>	
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within one year	-	-
Between one and five years	<b><u>1,200</u></b>	<u>-</u>
	<b><u>1,200</u></b>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31ST MARCH 2014**

**21. CAPITAL COMMITMENTS**

The following capital commitments have been made at 31 March 2014:

	<b>Computer Equipment</b>	
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Expiring:		
Within one year	<u>-</u>	<u>9,525</u>
	<u>-</u>	<u>9,525</u>

**22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Restricted funds</b>	<b>Designated funds</b>	<b>General funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	149,861	-	14,387	164,248
Stock	-	-	2,021	2,021
Cash	4,917	245,000	320,144	570,061
Net debtors less creditors	(4,917)	-	(8,707)	(13,624)
	<u>149,861</u>	<u>245,000</u>	<u>327,845</u>	<u>722,706</u>
Net assets as at 31st March 2014	<u>149,861</u>	<u>245,000</u>	<u>327,845</u>	<u>722,706</u>

**23. MOVEMENT IN FUNDS**

	<b>At 1.4.13</b>	<b>Net movement in funds</b>	<b>At 31.3.14</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General fund	344,411	(16,566)	327,845
Designated fund	158,000	87,000	245,000
	<u>502,411</u>	<u>70,434</u>	<u>572,845</u>
<b>Restricted funds</b>			
Extension – various	40,737	(4,456)	36,281
Extension - Big lottery fund	125,455	(13,094)	112,361
Specific grants / donations	2,467	(1,248)	1,219
	<u>168,659</u>	<u>(18,798)</u>	<u>149,861</u>
<b>TOTAL FUNDS</b>	<u>671,070</u>	<u>51,636</u>	<u>722,706</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31ST MARCH 2014**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	346,757	(276,323)	70,434
<b>Restricted funds</b>			
Extension - Big lottery fund	-	(13,094)	(13,094)
Specific grants / donations	318,167	(319,415)	(1,248)
Extension – various	-	(4,456)	(4,456)
	318,167	(336,965)	(18,798)
<b>TOTAL FUNDS</b>	<b>664,924</b>	<b>(613,288)</b>	<b>51,636</b>

**RESTRICTED FUNDS**

**Extension Funds - Various**

The extension to the day centre was completed in November 2006. The balance remaining in these funds at 31st March 2014 represents the net asset value of the improvements.

**Extension Funds - Big Lottery Fund**

The extension to the day centre was completed in November 2006. The balance remaining in this fund at 31st March 2014 represents the net asset value of the improvements.

**Specific Grants / Donations Fund**

These are accumulated amounts given for the purchase of specific items or other specific purposes. The balance of the fund at 31st March 2014 represents amounts received not yet expended, or the net book value of assets held.

**DESIGNATED FUNDS**

The Trustees have identified areas of highlighted risk or future development and have designated funds from reserves as follows:

£25,000 South Essex Day Care - The Trustees have designated funds to support the introduction of Day Care services in South Essex.

£220,000 Property - The Trustees have designated funds to establish a long-term solution to the question of accommodation before the current lease of the Headway Centre expires in 2023.

**24. RELATED PARTY DISCLOSURES**

During the year under review there were no related party transactions. In 2013 work amounting to £1,435 was undertaken by Tey Electrical Services, of which £nil remained outstanding as at the end of the year end. The business is owned by the husband of Gill White, a former senior director of the charity. All transactions were approved by Trustees and took place at arm's length and at current market value.

**25. MATERIAL LEGACY**

The Charity was named as a beneficiary of an estate in 2006, which distributed funds of £7,152 (2012: £Nil) in the year. The will was subject to a legal challenge and although this has now been resolved in our favour with the majority of costs awarded against the challenger. It is not possible to predict either the value or timing of any further distributions from the estate as the residual estate is to be held to cover possible future litigation fees to recover past costs.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST MARCH 2014**

	2014 £	2013 £
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Donations	36,848	69,076
Gift aid	9,028	8,305
Legacies	7,128	-
<b>Grants</b>	64,911	175,061
	<hr/>	<hr/>
	117,915	252,442
<b>Activities for generating funds</b>		
Fundraising events	72,789	64,451
Trading	14,025	11,211
	<hr/>	<hr/>
	86,814	75,662
<b>Investment income</b>		
Bank interest	3,932	3,157
<b>Incoming resources from charitable activities</b>		
<b>Grants and other service contract income</b>	263,325	161,374
Attendance	179,797	164,395
Minibus income	915	731
	<hr/>	<hr/>
	444,037	326,500
<b>Other incoming resources</b>		
Other income	12,226	3,592
	<hr/>	<hr/>
<b>Total incoming resources</b>	664,924	661,353
<b>RESOURCES EXPENDED</b>		
<b>Costs of generating voluntary income</b>		
Wages	79,010	78,629
Social security	6,954	7,045
Other personnel expenses	834	1,645
Premises and insurance expenses	9,050	12,180
Other overheads	527	979
Service expenses	363	505
Office expenses	12,325	17,723
Fundraising promotion costs	1,842	2,231
Fundraising events	12,558	13,448
Other expenses	865	879
Depreciation of tangible fixed assets	1,622	1,696
	<hr/>	<hr/>
	125,950	136,960
<b>Fundraising trading: cost of goods sold and other costs</b>		
Purchases	2,798	4,383

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST MARCH 2014**

	2014 £	2013 £
<b>Charitable activities</b>		
Wages	296,563	394,504
Social security	25,835	25,820
Other personnel expenses	8,148	6,790
Premises and insurance expenses	29,042	32,182
Other overheads	209	1,649
Sundry fixed assets	-	90
Service expenses	38,014	42,425
Transport expenses	8,979	12,712
Office expenses	17,517	33,068
Other expenses	5,464	1,123
Loss on disposal of fixed asset	-	2,179
Bad debts	50	-
Depreciation of tangible fixed assets	21,830	22,241
	<hr/>	<hr/>
	451,651	474,783
<b>Governance costs</b>		
Trustees' expenses	-	-
Wages	18,877	18,720
Social security	1,912	1,898
Auditors' remuneration	4,320	4,080
Other personnel expenses	3,453	224
Premises and insurance expenses	398	323
Other overheads	857	238
Sundry fixed assets	-	598
Service expenses	268	298
Office expenses	1,994	3,443
Other expenses	-	-
Depreciation of tangible fixed assets	810	408
	<hr/>	<hr/>
	32,889	30,230
<b>Total resources expended</b>	613,288	646,356
	<hr/>	<hr/>
<b>Net (outgoings)/income</b>	<u>51,636</u>	<u>14,997</u>