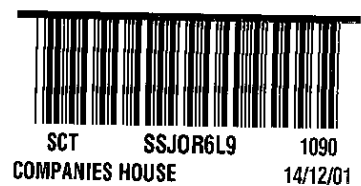


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EDINBURGH HEADWAY GROUP
Annual Report and Financial Statements
For the year ended 31 March 2001

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EDINBURGH HEADWAY GROUP

Annual Report and Financial Statements

For the year ended 31 March 2001

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Executive Committee

Directors:	Mrs J M Bryden MBE J B Armstrong H Dryden (resigned – 31 October 2000) J S Emslie (resigned – 31 October 2000) JDM Urquhart CA W Bryden MA, LLB, SSC Mrs M S Miller (appointed – 31 October 2000) T R Campbell (appointed – 31 October 2000)
Co-opted Members:	B Pentland FRCP (co-opted - 31 October 2000) Mrs P Watt (co-opted - 31 October 2000) Mrs D Wallace (co opted - 31 October 2000)

Chairman

Mrs Jean M Bryden MBE

Secretary

T R Campbell CA

Treasurer

JDM Urquhart CA

Auditor

A B Dobson & Co CA

Bankers

Bank of Scotland

Solicitors

Balfour & Manson

Registered office

Headway House
Astley Ainslie Hospital
Canaan Lane
Edinburgh
EH9 2HL

Registered Number: 138081

Registered Charity: SC006528

EDINBURGH HEADWAY GROUP

Report of the Directors

For the year ended 31 March 2001

The Directors have pleasure in presenting their report for the year ended 31 March 2001.

Constitution

Edinburgh Headway Group was incorporated in April 1992 as a company limited by guarantee and on 26 May 1992 acquired the net assets of the Edinburgh Headway Group, a trust which had been formed in 1982. It has received permission from the Registrar of Companies to omit the word "limited" from the company name.

Executive Committee

Directors

The directors during the year were as shown on page 1.

Co-opted Members

B Pentland, Mrs P Watt and Mrs D Wallace were co-opted on 31 October 2000 as members of the committee until the Annual General Meeting and are eligible for re-appointment by the Board of Directors to the Executive Committee.

Statement of Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit for that period. In preparing those financial statements, the directors are required to:-

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

State of affairs

The Group's surplus as disclosed in the Income and Expenditure Account and Statement of Financial Activities amounted to £24,377 (2000 – £25,503). £35,000 has been transferred to the Capital and Development Fund and the balance of £24,373 has been carried forward in the General Fund.

During the year under review the Group benefited from a donation of £15,000 from Lloyds TSB foundation, a grant from the City of Edinburgh Council of £9,635 and a further major donation from a function organised by Henderson Boyd Jackson.

EDINBURGH HEADWAY GROUP

Report of the Directors - continued

For the year ended 31 March 2001

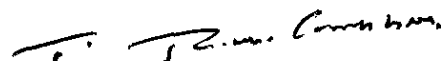
Activities

It is the intention of the Group to carry on the rehabilitation of persons who have suffered traumatic head injuries and to provide care and support for such persons, their relatives and carers. To carry out this work and that of the above projects the Group will continue to provide a full programme of activities and therapy sessions.

Auditor

A resolution to re-appoint A B Dobson & Co CA as Auditor of the Group will be submitted to the members at the Annual General Meeting to be held on 30 October 2001.

By order of the Directors



Secretary
T R Campbell CA

1st September 2001

EDINBURGH HEADWAY GROUP

Auditors' Report to the Members

For the year ended 31 March 2001

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of director and auditors

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board.

An audit includes the examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2001 and of its surplus for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.

A B Dobson & Co CA.

A B Dobson & Co CA
Chartered Accountant and Registered Auditor
Edinburgh

12 September 2001

EDINBURGH HEADWAY GROUP

Income & Expenditure Account incorporating Statement of Financial Activities

For the year ended 31 March 2001

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	2001 £	2000 £
Income & Expenditure						
Incoming resources						
Grants	2	26,903	-	8,915	34,818	51,080
Donations		52,330	-	15,000	67,330	44,854
Friends of Headway		5,994	-	-	5,994	5,543
Investment Income		8,793	-	-	8,793	8,415
Miscellaneous Fund Raising		929	-	-	929	3,186
Transport contributions		4,058	-	-	4,058	3,370
Subscriptions		217	-	-	217	170
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		99,224	-	23,915	123,139	116,618
Resources expended						
Charitable expenditure	4	62,684	-	29,532	92,216	87,905
Administrative costs	3	6,546	-	-	6,546	3,210
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		69,230	-	29,532	98,762	91,115
Net incoming resources						
Before transfers		29,994	-	(5,617)	24,377	25,503
Transfers between funds	8	(37,054)	35,000	2,054	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Surplus/(deficit) for year		(7,060)	35,000	(3,563)	24,377	25,503
Investment gains/(losses) - Realised		-	2,517	-	2,517	(638)
- Unrealised	6&8	-	(11,080)	-	(11,080)	(5,267)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds	8	(7,060)	26,437	(3,563)	15,814	19,598
Balances at 1 April	8	31,433	148,586	3,563	183,582	163,984
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balances at 31 March	8 & 9	24,373	175,023	-	199,396	183,582
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

All activities relate to continuing operations.

There are no recognised gains and losses other than those included above.

The notes on pages 7 to 12 form part of these financial statements

EDINBURGH HEADWAY GROUP

Balance Sheet

As at 31 March 2001

	Notes	2001 £	2000 £
Fixed assets	5	6,108	11,368
Investments	6	152,588	121,491
		<hr/>	<hr/>
		158,696	132,859
Current assets			
Debtors and prepayments		2,527	2,023
Cash at bank and on deposit		47,572	55,466
		<hr/>	<hr/>
		50,099	57,489
Creditors: Amounts falling due within one year		(9,399)	(6,766)
		<hr/>	<hr/>
Net current assets		40,700	50,723
		<hr/>	<hr/>
Total net assets		199,396	183,582
		<hr/>	<hr/>
Funds			
Designated funds	8a	175,023	148,586
Restricted funds	8b	-	3,563
Unrestricted funds	8c	24,373	31,433
		<hr/>	<hr/>
		199,396	183,582
		<hr/>	<hr/>

The Financial Statements were approved by
the Committee on 29 May 2001

 Chairman
Jean M Bryden MBE

The notes on pages 7 to 12 form part of these financial statements

EDINBURGH HEADWAY GROUP

Notes to the Financial Statements

For the year ended 31 March 2001

1. Accounting policies

Basis of accounting

The financial statements have been prepared on the historical cost basis of accounting, are in accordance with applicable Financial Reporting Standards in the United Kingdom and comply with the Statement of Recommended Practice for Accounting by Charities.

As allowed by paragraph 3 (3) of schedule 4 to the 1985 Companies Act the directors have, due to the special nature of the company's business, adapted the prescribed format of the Profit and Loss Account.

Depreciation

Depreciation is provided on all fixed assets at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life as follows:-

Minibus	5 years
Equipment	3 to 5 years

Investment income

Income from investments is credited gross to the Income and Expenditure Account in the year in which it is received.

Therapy costs

Therapy costs are shown after deduction of £2,218 (2000 - £2,526) in respect of contributions by beneficiaries.

Pensions

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in independently administered funds.

VAT

Edinburgh Headway Group is not registered for VAT and expenditure includes VAT where applicable.

Charitable activities

Expenditure has been allocated between administration and the services of the Group to reflect the value derived by each activity.

2. Grants

	2001 £	2000 £
Lothian Health Board	26,903	26,056
UVAF	(720)	25,024
City of Edinburgh	9,635	-
	<hr/>	<hr/>
	35,818	51,080
	<hr/>	<hr/>

EDINBURGH HEADWAY GROUP

Notes to the Financial Statements - continued

For the year ended 31 March 2001

3. Administrative Costs	2001 £	2000 £
Printing, stationery, postage and telephone	4,522	3,616
Insurance	1,544	1,381
Property and equipment costs	947	1,939
Professional fees	10,531	8,508
Auditors remuneration	550	550
Miscellaneous expenses	1,146	761
	<hr/>	<hr/>
	19,240	16,755
Less : Allocated to Charitable expenditure (notes 1 and 4)	(12,694)	(13,545)
	<hr/>	<hr/>
	6,546	3,210
	<hr/>	<hr/>

The basis for the allocation of costs between management and charitable expenditure has been reviewed and the comparatives have been restated on the same basis.

4. Charitable expenditure	Notes	2001 £	2000 £
Staff costs			
- Salaries		49,807	47,365
- Social security costs		2,773	2,521
- Superannuation		1,820	1,480
		<hr/>	<hr/>
		54,400	51,366
Therapy costs	1	8,082	7,744
Training		1,116	1,374
Advertising		376	951
Motor and travelling expenses		4,894	4,309
Volunteer expenses		2,033	1,693
Project monitoring costs		1,750	-
Depreciation	5	6,871	7,956
Gain on sale of fixed assets		-	(1,033)
		<hr/>	<hr/>
		79,522	74,360
Allocated costs	3	12,694	13,545
		<hr/>	<hr/>
		92,216	87,905
		<hr/>	<hr/>

The basis for the allocation of costs between management and charitable expenditure has been reviewed and the comparatives have been restated on the same basis.

The average weekly number of employees during the year was 7 (2000 - 6).

No remuneration was paid to any member of the Executive Committee during the period (2000 - Nil).

EDINBURGH HEADWAY GROUP

Notes to the Financial Statements - continued

For the year ended 31 March 2001

5.	Fixed assets	Minibus £	Equipment £	Total £
	<i>Cost</i>			
	At 1 April 2000	24,116	25,043	49,159
	Additions during year	-	1,611	1,611
		<hr/>	<hr/>	<hr/>
		24,116	26,654	50,770
		<hr/>	<hr/>	<hr/>
	<i>Depreciation</i>			
	At 1 April 2000	16,480	21,311	37,791
	Charge for year	4,823	2,048	6,871
		<hr/>	<hr/>	<hr/>
		21,303	23,359	44,662
		<hr/>	<hr/>	<hr/>
	<i>Net book value</i>			
	At 31 March 2001	2,813	3,295	6,108
		<hr/>	<hr/>	<hr/>
	At 31 March 2000	7,636	3,732	11,368
		<hr/>	<hr/>	<hr/>
6.	Investments		2001 £	2000 £
	Market value at 1 April		121,491	86,635
	Disposal at opening Market Value		(17,012)	(7,461)
	Additions at cost		59,189	47,584
	Unrealised (losses)		(11,080)	(5,267)
			<hr/>	<hr/>
	Market value at 31 March		152,588	121,491
			<hr/>	<hr/>
	Cost at 31 March		151,114	109,057
			<hr/>	<hr/>
7.	Taxation			

Edinburgh Headway Group is a charity and is recognised as such by the Inland Revenue for taxation purposes. As a result there is no liability to taxation on any of its income.

EDINBURGH HEADWAY GROUP

Notes to the Financial Statements - continued

For the year ended 31 March 2001

8. Funds

a. Designated Funds

	Capital & Development Fund £	Befriending Project Fund £	Total 2001 £	Total 2000 £
Balance at 1 April	124,586	24,000	148,586	130,491
Investment losses - Realised	2,517	-	2,517	(638)
- Unrealised	(11,080)	-	(11,080)	(5,267)
Transfer between funds	24,000	(24,000)	-	-
Transfer from General Fund	35,000	-	35,000	24,000
Balance at 31 March	175,023	-	175,023	148,586

The amount transferred to the Befriending Project Fund was not required during the year ended 31 March 2001 and has been transferred to Capital and Development Fund.

The Capital and Development Fund has been established to provide resources for the acquisition of premises when the scheduled re-development of the Astley Ainslie Hospital takes place. The existing premises are presently supplied by the Hospital on an informal year-to-year basis. The current indications of the probable cost of suitable replacement premises has been professionally estimated at £175,000.

The Fund may not normally be applied for the purposes of revenue expenditure.

b. Restricted Funds

	2001 £	2000 £
Balance at 1 April	3,563	3,135
Incoming/(Outgoing) resources per Income & Expenditure Account	(3,563)	428
Balance at 31 March	-	3,563

EDINBURGH HEADWAY GROUP

Notes to the Financial Statements - continued

For the year ended 31 March 2001

8. Funds – continued

c. Unrestricted General Funds

	2001 £	2000 £
Balance at 1 April	31,433	30,358
Surplus for year per Income and Expenditure Account	27,940	25,075
Transfer to Designated Funds		
- Befriending Project Fund	-	(24,000)
- Capital and Development Fund	(35,000)	-
	<u>24,373</u>	<u>31,433</u>

9. Analysis of net assets between funds

	Designated Funds £	Restricted Funds £	Unrestricted Funds £	Total Funds £
Balances at 31 March 2001	175,373	-	24,373	199,396
Represented by:				
Fixed assets	6,108	-	-	6,108
Investments	152,588	-	-	152,588
Net current assets/liabilities	16,677	-	24,373	40,700
	<u>175,373</u>	<u>-</u>	<u>24,373</u>	<u>199,396</u>
Unrealised investments gains included above				
Unrealised gains at 31 March 2000	12,434	-	-	12,434
Losses on revaluation at 31 March 2001	(11,080)	-	-	(11,080)
	<u>1,354</u>	<u>-</u>	<u>-</u>	<u>1,354</u>

EDINBURGH HEADWAY GROUP

Notes to the Financial Statements - continued

For the year ended 31 March 2001

10. Capital

The Group has no Share Capital as it is a company limited by guarantee.

11. Pensions

Defined contribution scheme

The pension cost charged for this scheme amounted to £1,820 (31 March 2000 - £1,480)

12. Contingent Liabilities

The Group are currently engaged in proceedings against a former member of staff. Provision has been made for all known legal expenses incurred to 31 March 2001.