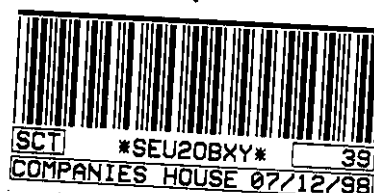


**EDINBURGH HEADWAY GROUP**  
**Annual Report and Financial Statements**  
**For the 5 months ended 31 March 1998**



**Annual Report and Financial Statements**

**For the 5 months ended 31 March 1998**

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**Executive Committee**

**Directors:** Mrs J M Bryden MBE  
J B Armstrong  
D Duncan FCIS  
J S Emslie  
W R Laird  
JDM Urquhart CA

**Co-opted Members:** W Bryden SSC (co-opted 4 June 1997)  
A P H Jeffries (co-opted 4 June 1997)  
B Pentland FRCP (co-opted 4 June 1997)

**Chairman**

Mrs Jean M Bryden MBE

**Secretary**

D Duncan FCIS

**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 5 months ended 31 March 1998**

The Directors have pleasure in presenting their report for the 5 months ended 31 March 1998.

### **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 period were as shown on page 1.

#### **Co-opted Members**

W Bryden, B Pentland and A P H Jeffries were co-opted on 4 June 1997 as members of the committee until the Annual General Meeting. W Bryden, B Pentland and A P H Jeffries 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.

# EDINBURGH HEADWAY GROUP

## Report of the Directors - continued

For the 5 months ended 31 March 1998

### State of affairs

The Group's surplus as disclosed in the Income and Expenditure Account and Statement of Financial Activities amounted to £5,530 [year ended 31 October 1997 - £36,001], which has been transferred to Funds being carried forward.

The Group obtained a new source of funding for a period of 3 years from 1 April 1997 from Unemployed Voluntary Action Fund (UVAF) which enabled it to operate a Volunteer Befriending Project, which has been very successful.

It also continued to operate the scheme, commenced in February 1996 and funded for a period of 3 years by the National Lottery Charities Board which seeks to contact and provide assistance for head injured people in the Lothian area.

During the period under review the Group received two major donations one from St Columba's Church, and the other from the proceeds of the Direct Marketing Association's Ball.

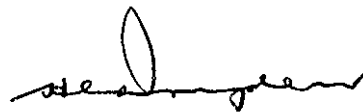
### Activities

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 an Extraordinary General Meeting to be held on 1 December 1998.

By order of the Directors



Secretary  
H Dryden

16<sup>th</sup> NOVEMBER 1998

# EDINBURGH HEADWAY GROUP

## Auditors' Report to the Members

For the 5 months ended 31 March 1998

We have audited the financial statements on pages 5 to 11 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 1998 and of its surplus for the five months ended on that date and have been properly prepared in accordance with the Companies Act 1985.



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

18 November 1998

# EDINBURGH HEADWAY GROUP

## Income & Expenditure Account incorporating Statement of Financial Activities

For the 5 months ended 31 March 1998

	Notes	Unrestricted Funds £	Designated Capital and Development Fund £	Restricted Funds £	1998 £	Year ended 31 October 1997 £
<b>Income &amp; Expenditure</b>						
<b>Incoming resources</b>						
Grants	2	10,293	-	23,636	33,929	78,493
Donations		16,233	-	150	16,383	44,428
Miscellaneous Fund Raising		1,021	-	1,133	2,154	785
Transport contributions		1,343	-	-	1,343	3,200
Sale of Headway goods		226	-	-	226	691
Investment Income		2,793	-	136	2,929	5,882
Subscriptions		244	-	-	244	125
		<u>32,153</u>	<u>-</u>	<u>25,055</u>	<u>57,208</u>	<u>133,604</u>
<b>Resources expended</b>						
Charitable expenditure	4	(22,864)	-	(28,173)	(51,037)	(95,987)
Administration costs	3	(366)	-	(275)	(641)	(1,616)
		<u>(23,230)</u>	<u>-</u>	<u>(28,448)</u>	<u>(51,678)</u>	<u>(97,603)</u>
<b>Net incoming resources before transfers</b>		8,923	-	(3,393)	5,530	36,001
Transfers between funds		-	-	-	-	-
<b>Surplus for period</b>		8,923	-	(3,393)	5,530	36,001
Gains on investments unrealised	6&8	-	12,385	-	12,385	5,700
<b>Net movement in funds</b>	8	8,923	12,385	(3,393)	17,915	41,701
Balances at 1 November		17,429	123,679	15,465	156,573	114,872
Balances at 31 March	8	<u>26,352</u>	<u>136,064</u>	<u>12,072</u>	<u>174,488</u>	<u>156,573</u>

There were no gains other than those disclosed above.

The notes on pages 7 to 11 form part of these financial statements

# EDINBURGH HEADWAY GROUP

## Balance Sheet

As at 31 March 1998

	Notes	1998		As at 31 October 1997	
		£	£	£	£
<b>Fixed assets</b>	5		27,558		30,373
<b>Investments</b>	6		92,841		80,456
			<u>120,399</u>		<u>110,829</u>
<b>Current assets</b>					
Debtors and prepayments		2,037		3,115	
Cash at bank and on deposit		78,988		53,747	
		<u>81,025</u>		<u>56,862</u>	
<b>Creditors : Amounts falling due within one year</b>		<u>(26,656)</u>		<u>(10,638)</u>	
<b>Net current assets</b>			54,369		46,224
<b>Total net assets</b>			<u>174,768</u>		<u>157,053</u>
<b>Funds</b>					
Unrestricted funds	8		26,352		17,429
Designated funds	8		136,064		123,679
Restricted funds	8		12,072		15,465
			<u>174,488</u>		<u>156,573</u>
Capital grant	10		280		480
			<u>174,768</u>		<u>157,053</u>

The accounts have been approved by  
the Committee on 27 December 1998

..... Jean In. Bryden Chairman

The notes on pages 7 to 11 form part of these financial statements

# **EDINBURGH HEADWAY GROUP**

## **Notes to the Financial Statements**

**For the 5 months ended 31 March 1998**

### **1. Accounting policies**

#### **Basis of accounting**

The financial statements have been prepared on the historical cost basis of accounting, are in accordance with applicable Accounting 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 £1,299 (year ended 31 October 1997 - £2,636) in respect of contributions by beneficiaries.

#### **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.



# EDINBURGH HEADWAY GROUP

## Notes to the Financial Statements - continued

For the 5 months ended 31 March 1998

<b>2. Grants</b>		<b>1998</b>	<b>1997</b>
		£	£
National Lottery Charities' Board		10,414	41,236
Lothian Health Board		10,293	24,605
UVAf		13,222	12,652
		<u>33,929</u>	<u>78,493</u>
<b>3. Administration Costs</b>		<b>1998</b>	<b>1997</b>
		£	£
Printing, stationery, postage and telephone		2,606	7,311
Insurance		447	886
Property and equipment costs		148	1,524
Professional Fees		2,343	3,274
Auditors remuneration		500	750
Miscellaneous expenses		422	2,142
		<u>6,466</u>	<u>15,887</u>
Less : Allocated to Charitable expenditure (notes 1 and 4)		<u>(5,825)</u>	<u>(14,271)</u>
		<u>641</u>	<u>1,616</u>
<b>4. Charitable expenditure</b>	<b>Notes</b>	<b>1998</b>	<b>1997</b>
		£	£
Staff costs - Salaries		27,686	55,587
- Social security costs		1,474	3,279
- Superannuation		2,159	2,468
		<u>31,319</u>	<u>61,334</u>
Training		269	1,647
Advertising		146	967
Motor and travelling expenses		2,481	4,414
Therapy costs	1	3,237	6,647
Volunteer expenses		2,507	405
Depreciation	5	5,418	9,415
Capital grant amortisation	10	(200)	(480)
Gain on sale of fixed assets		-	(3,628)
Capital costs		35	995
		<u>45,212</u>	<u>81,716</u>
Allocated costs	3	<u>5,825</u>	<u>14,271</u>
		<u>51,037</u>	<u>95,987</u>

The average weekly number of employees during the period was 6 (1997 - 5).

No remuneration was paid to any member of the Executive Committee during the period (1997 - Nil).

# EDINBURGH HEADWAY GROUP

## Notes to the Financial Statements - continued

For the 5 months ended 31 March 1998

5.	Fixed assets	Minibus £	Equipment £	Total £
	<i>Cost</i>			
	At 1 November 1997	24,116	20,351	44,467
	Disposal during year	-	-	-
	Additions during year	-	2,603	2,603
		<u>24,116</u>	<u>22,954</u>	<u>47,070</u>
	<i>Depreciation</i>			
	At 1 November 1997	4,824	9,270	14,094
	Disposal during year	-	-	-
	Charge for year	2,010	3,408	5,418
		<u>6,834</u>	<u>12,678</u>	<u>19,512</u>
	<i>Net book value</i>			
	At 31 March 1998	<u>17,282</u>	<u>10,276</u>	<u>27,558</u>
	At 31 October 1997	<u>19,292</u>	<u>11,081</u>	<u>30,373</u>
6.	Investments		1998 £	1997 £
	Market value at 1 November		80,456	74,756
	Net unrealised gains		12,385	5,700
	Market value at 31 March		<u>92,841</u>	<u>80,456</u>
	Cost at 31 March		<u>69,567</u>	<u>69,567</u>

### 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 5 months ended 31 March 1998

### 8. Funds

	Unrestricted General Funds	Designated Capital and Development Fund £	Restricted Funds £	1998 Total £	1997 Total £
Balance at 1 November	17,429	123,679	15,465	156,573	114,872
Surplus/(deficit) for period per Income and Expenditure account	8,923	-	(3,393)	5,530	36,001
Unrealised gains for period	-	12,385	-	12,385	5,700
Balance at 31 March/31 October	<u>26,352</u>	<u>136,064</u>	<u>12,072</u>	<u>174,488</u>	<u>156,573</u>

The Capital and Development Fund has been established to provide resources for the acquisition of suitable larger premises at some future date and for the extension of the therapeutic and remedial services already provided by the Group. The Group presently occupies, on an informal year to year basis, premises owned by the Astley Ainslie Hospital which are scheduled for re-development.

### 9. Analysis of net assets between funds

	Unrestricted Funds £	Capital and Development Fund £	Restricted Funds £	Total Funds £
Balances at 31 March 1998	<u>26,352</u>	<u>136,064</u>	<u>12,072</u>	<u>174,488</u>
<b>Represented by:</b>				
Fixed assets	-	27,558	-	27,558
Investments	-	92,841	-	92,841
Net current assets	26,352	15,665	12,072	54,089
	<u>26,352</u>	<u>136,064</u>	<u>12,072</u>	<u>174,488</u>
<b>Unrealised investments gains included above</b>				
Unrealised gains at 31 October 1997	-	10,889	-	10,889
Gains on revaluation at 31 March 1998	-	12,385	-	12,385
Unrealised gains at 31 March 1998	<u>-</u>	<u>23,274</u>	<u>-</u>	<u>23,274</u>

# EDINBURGH HEADWAY GROUP

## Notes to the Financial Statements - continued

For the 5 months ended 31 March 1998

10. Capital grant	1998 £	1997 £
Opening balance	480	960
Less: Transfer to Income and Expenditure account	(200)	(480)
	<u>280</u>	<u>480</u>

### 11. Capital

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

### 12. Pensions

The Group operates a defined benefits pension scheme which provides benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Group in independently administered funds.

Contributions to the scheme are charged to the Income and Expenditure account so as to spread the cost of the pensions over the employees' working lives with the Group. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit credit method. The most recent valuation was at 30 September 1996. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase of salaries and pensions.

The pensions charge for the period was £2,159 (year ended 31 October 1997 - £2,468)

The contributions of the Group and of the employees' were set at 9.4% and 4.2% of earnings respectively.