

**COMPANIES HOUSE
EDINBURGH**

05 OCT 2018

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EDINBURGH HEADWAY GROUP

Registered Number: SC138081

Registered Charity: SC006528

Annual Report and Financial Statements

For the year ended 31 March 2018

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COMPANIES HOUSE

EDINBURGH HEADWAY GROUP
Annual Report and Financial Statements
For the year ended 31 March 2018

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EDINBURGH HEADWAY GROUP

Report of the Directors

For the year ended 31 March 2018

The Directors are pleased to present their annual Directors' report together with the financial statements of the charity for the year ended 31 March 2018 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006(as amended), the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102).

Chairman's Report

I am pleased to introduce our report, which details what we have achieved over the past twelve months and our future plans.

I am extremely proud to report that the charity is progressing well due to the hard work and co-operation of all our supporters and staff and volunteers. After years of hard work involving many discussions, researching, considering, preparing and finally approving, I am pleased to announce that a new home for Edinburgh Headway Group has been found in Craigmillar, Edinburgh. Although initially the charity had hoped to purchase a property, it proved to be too difficult due to the space that was required to run our much needed day services and the price of commercial properties in Edinburgh. As a result our new premises will be leased to us with a tenure agreed of 20 years and rent and operational costs will be the responsibility of the charity.

There is still much work to be done to ensure our new home is just right but we are extremely pleased that we have secured a property, which provides huge potential for us to grow and develop our services. Our day support programme and physical rehabilitation projects will continue, as we appreciate that these services are very much valued by our members and their families. Furthermore, we hope to have improved facilities as we are designing and creating a multi-functional space which has the capacity to offer quiet zones and distinct work areas for group and/or individual rehabilitation (unlike our current home which has limited space to do this).

Refurbishment work will commence in July 2018 and we anticipate that we will be in a position to leave Headway House and move to our new home by the end of October 2018. We would like to thank NHS Lothian for the provision of Headway House at Astley Ainslie over many years.

This year also saw the introduction of member fees for our day service and this has been implemented successfully. Support from corporate sponsors Addleshaw Goddard, via their annual Sportsquest event, Crudens and Baillie Gifford has enabled us to continue to run our services and make a difference to many more individuals with an Acquired Brain Injury (ABI) and their carers. We are extremely grateful for all their support.

I thank our Chief Executive, Directors, staff, volunteers, and supporters of Edinburgh Headway Group for delivering our aims and objectives effectively and efficiently.

*Andrew Ley
Acting Chairman*

Aims, objectives and activities

The principal objectives of Edinburgh Headway Group continue to be to:

- Provide rehabilitative services and support for adults who have suffered certain forms of brain injury which were sudden in onset and occurred after birth;
- Deliver support for such persons, their relatives and carers;
- Advance the education of the public in all aspects of head injury and the consequences thereof.

Those affected by brain injury can be left with a range of physical, cognitive and emotional/behavioural problems which, due to damage in the brain, can be lifelong.

Edinburgh Headway Group is the specialist organisation in Edinburgh which supports the needs of people with a brain injury when they have returned to the community after discharge from hospital. We work closely with the Scottish Brain

EDINBURGH HEADWAY GROUP

Report of the Directors

For the year ended 31 March 2018

Injury Rehabilitation Unit, the Robert Fergusson Unit (at the Royal Edinburgh Hospital), other Edinburgh hospitals, GPs and social workers to identify those individuals and families who need the charity's support to help reduce their social isolation and encourage their re-integration back into society.

We provide a range of specialist services in our **Rehabilitation Day Service**, which are specifically tailored to meet the individual needs of those who have suffered a brain injury and their carers, with a clear focus on improving everyday functioning. Our projects include:

- Independent living skills e.g. cookery classes, managing money, computer skills;
- Physical activity fitness classes e.g. Zumba, Tai Chi;
- One to one gym programmes to provide personalised rehabilitative exercise programmes;
- Art, Music and Creative Writing Therapy to offer the opportunity for expression and communication;
- Social opportunities to develop social and cognitive skills;
- Complementary Therapies to reduce stress, tension and anxiety;
- Respite services for carers to provide a valuable short break from caring;
- Matching service offering a one to one service for adults with an ABI to be assisted in the community with the aid of trained and matched volunteers.

Our **Carers Programme** continues to provide support to carers via monthly social events, peer groups and our training and information service. Our day service also continues to provide valuable respite, which is essential for carers to maintain their caring role.

Our **Edinburgh Brain Injury Carers Project** matches adults with an acquired brain injury with a trained volunteer. This one to one service enables individuals with an acquired brain injury to be supported and encouraged to take part in social activities in the community, thereby reducing social isolation, increasing independence as well as offering flexible respite for Carers.

Staff and Volunteers

The Executive Committee wish to thank all staff and volunteers for their valued contribution throughout the year. With a staff complement of 2 full time and 8 part time staff, the charity would not be able to provide such a comprehensive range of services without its extensive bank of volunteers.

Two George Heriot's Sixth Formers each attended as volunteers a half day per week on a rota basis over two terms in accordance with what is now a well-established and valued arrangement.

Activities, Achievements and Performance

Rehabilitation Day Service

Our Rehabilitation Day Service continues to provide a crucial part of our rehabilitation work enriching the quality of life for our service users (members) whose opportunities to get out of their homes may be very restricted and many activities inaccessible. Our day service programme is designed to be physical and mentally stimulating, offer companionship and encouragement making life more interesting and worth participating in.

Over the year, the day service has worked directly with 120 brain-injured individuals and helped them improve their outcomes to return to community living, access social opportunities and participate in different activities independent of their carers. We continue to have strong links with health and social care professionals and our Rehabilitation Team works closely with social workers, speech and language therapists, physiotherapists, neuropsychologists, occupational therapists and general practitioners to ensure that people with a brain injury access services to aid their rehabilitation at an early stage. Information is also collected on local services to enable our members and their families to access other day services, outpatient services, advocacy, welfare, foodbanks and housing services.

We provide our staff and volunteers with extensive internal and external training on brain injury, how this affects individuals and the best approaches for rehabilitation. The knowledge gained from this directly translates into better outcomes for our members.

Our Rehabilitation Team at Edinburgh Headway Group provide an excellent person-centred rehabilitation service to all who require our support.

EDINBURGH HEADWAY GROUP

Report of the Directors

For the year ended 31 March 2018

Carers

Our Carers Projects, ably led by our Carers Co-ordinator, successfully achieved the following:

- Provided ABI training, group, learning opportunities and social events for 50 carers of adults with an acquired brain injury.
- Offered flexible individual and specialised 1:1 respite opportunities benefitting 15 adults with an acquired brain injury.
- Arranged monthly social group outings for 53 carers and 62 adults with an acquired brain injury enabling them to participate in community led activities for 3-4 hours per week x 11 months of the year.
- Provided intensive 1:1 information / emotional support directly to 91 carers.
- Made early contact with 36 new carers of adults with a brain injury by sharing information with local hospitals, the NHS Lothian Brain Injury Outreach Nurse, local authority health and social care departments and other external partners.

Volunteering

Our Volunteer Co-ordinator worked with staff to provide support to 81 volunteers throughout the year: Carers Project - 16; Day Service - 58; Directors - 7.

48 individuals from Volunteer Centre Edinburgh, Lloyds Banking Group, Scottish Widows and Baillie Gifford provided a total of 245 voluntary hours to the charity as part of their respective employers' corporate social responsibility policies.

Over the year, our valued volunteers delivered an impressive 3,729 voluntary hours enabling us to fully support a varied rehabilitation programme.

Rehabilitation Day Service Fees

An extensive review of the needs of our service users and a comparison exercise with other voluntary day service organisations was carried out from January 2017 to March 2017. Following this review, the Directors concluded that a contribution towards costs for individuals accessing the day service at Headway House should be applied. Consultations held with our members and their families at this time resulted in a day service fee of £12.00 per day being successfully implemented in June 2017.

EHG Actual costs (exc. costs for premises)	in comparison with	EHG Agreed Daily Charge (exc. costs for premises)
£68.01 per day		£12.00 per day
£11.34 per hour		£2.00 per hour

New Premises

Our new premises will be located at Pepper Place in Craigmillar, which is an area of re-generation and has many opportunities for our charity. It is located near local social work headquarters, the Royal Infirmary of Edinburgh and has good road and public transport links serving the city and surrounding areas. It is also home to many other well established and reputable city-wide charities. Thus, we welcome the opportunity to extend our partnership working with health and social care professionals and charity colleagues operating in this area, which will further enhance our services.

Awards / Attainments

In June 2017, we welcomed a Spirit of the Community Award from the Yorkshire & Clydesdale Bank Foundation and a donation of £5,000 towards our Independent Living Skills project.

EDINBURGH HEADWAY GROUP

Report of the Directors

For the year ended 31 March 2018

In November 2017, our new video entitled 'Nothing Short of a Lifeline' scooped first prize at the prestigious UKABIF short film award ceremony held in London. Our poignant video, kindly produced by Baillie Gifford, was created using the powerful voices from brain injury survivors, carers and their loved ones, and sheds light on just how lives and futures can be altered in an instant as a result of sustaining a brain injury. To view the video please visit: <https://www.youtube.com/watch?v=AU26UqAGHOY>

In January 2018, following a successful evaluation of our Edinburgh Brain Injury Carers Project which matches adults with an acquired brain injury with a trained volunteer, we were awarded the Quality in Befriending Award (QiB) from Befriending Networks.

"Achieving QiB is no mean feat. It means that a project has systematically investigated its own practice in order to compile its application. It means that the project has internal procedures in place and in practice to ensure that its work provides the best experience for everyone involved in the relationships it initiates. And it means that the project has been able to produce evidence of all of this for assessors and verifiers to clearly see that standards of good practice have been met."

External Verifier

With the support of Baillie Gifford, our first Cookery Book, which includes a collection of tasty recipes made by our members in their weekly cookery classes, was published for sale.

With funds from the Schuh Trust and The Saturday Hospital Fund, a wonderful booklet entitled 'Inspired Creations' was published for sale showcasing our members' stories and poems created in their weekly Creative Writing sessions.

Awareness

In May 2017, we were delighted to work with Digby Brown to inform a programme for the first ever Head Injury Information Day in Edinburgh. Our Chief Executive Officer presented the charity's award winning video and promoted the work of Edinburgh Headway Group to over 200 people who attended this inaugural event. There was an impressive programme of speakers and an array of stands full of helpful information. Feedback was extremely positive.

"So glad to have a local event"

"Very well organised and a great display. All stalls were staffed and very helpful"

"Absolutely brilliant day, very informative excellent presentations"

"Really great day. Learned so much about a vast range of issues surrounding head injury"

We continued to actively contribute to relevant strategic meetings, liaising with key professionals to share innovative appropriate and research findings for individuals with ABI and carers.

Key partnerships include Scottish Acquired Brain Injury Network, Scottish Head Injury Forum, Edinburgh Carers Network, Edinburgh Carers Strategic Partnership Meetings, Befriending Network, Out of Hospital Cardiac Arrest Steering Group and the Headway UK in Scotland Development Committee.

Training

67 staff, volunteers and professionals from other organisations were provided with our in-house training which included Brain Injury Awareness, Epilepsy Awareness, National Care Standards, Protection of Vulnerable Adults, Health and Safety, Confidentiality, Boundaries, First Aid and Policies and Procedures.

EDINBURGH HEADWAY GROUP

Report of the Directors

For the year ended 31 March 2018

Financial Review

We welcomed grants and donations from many sources during the year under review. Support continued from the City of Edinburgh Council and NHS Lothian. Amongst the many donations and grants gratefully received, substantial awards were received from Addleshaw Goddard, Baillie Gifford, the Cruden Foundation, R S Macdonald, the Schuh Trust, Yorkshire and Clydesdale Bank, Stafford Trust and the Anderson Anderson & Brown Charitable Initiative.

The deficit for the year was (£18,966) (2017: surplus £94,578) as disclosed in the Income and Expenditure Account and Statement of Financial Activities on page 12. This deficit includes unrealised losses of (£29,335) (2017: unrealised gains £57,550). The balances of £151,783, £703,990 and £26,713 have been carried forward in the General Fund, Designated Fund and Restricted Funds respectively, giving total funds of £882,486 (2017: £901,452).

Reserves Policy

The Directors have reviewed the financial requirements of the charity and have concluded that, in view of the imminent move to leased premises the target funds to be held by the charity are as follows:

Unrestricted General Fund	£150,000
Property Relocation and Refurbishment Fund	£200,000
Property Lease and Working Capital Fund	£500,000

The annual anticipated operating expenditure (following relocation) is budgeted to be approximately £300,000 pa and the target general reserve is six months of operating costs.

The Property Relocation and Refurbishment Fund is to meet the anticipated costs of relocating and refitting new premises fit for future purpose.

The Property Lease and Working Capital Fund is to underwrite the estimated rent cost over the 20-year lease term and effectively guarantee working capital shortfalls and operations of the charity in an environment of unpredictable income streams from donations, grants & fundraising.

Investment Policy

Under its Memorandum and Articles of Association, the charity has power to make any investment which the Directors see fit. The investment advisers, Brewin Dolphin, hold a discretionary authority to manage the investment portfolio on behalf of the charity.

Stock market capital values have decreased in the year ending 31.3.18, resulting in a fall in the value of investments from £699,742 in 2017 to £663,766 in 2018. The Investment Portfolio produced £24,114 of net investment income during the year.

Plans for Future Periods

The charity plans to carry out the following:

- Ensure that the move from Headway House to new premises in Craigmillar is successful;
- Increase the number of individuals with an ABI partaking in our rehabilitation projects;
- Establish a young persons' social club to meet the needs of those aged between 18 – 25 years of age;
- Continue to develop effective partnerships with others to increase collaborative working across the city and beyond;
- Diversify and expand our income streams to allow us to develop and continue to improve our programme of rehabilitation projects to enable those with a brain injury, and their families and carers, to attain the highest possible quality of life;
- Continue to recruit and retain high quality staff and volunteers;
- Re-appoint our professional fundraiser to work with the Chief Executive in raising additional funds to support the work of the charity;
- Remain committed to promoting understanding and awareness of acquired brain injury in the wider community through collaborative partnerships.

EDINBURGH HEADWAY GROUP
Report of the Directors
For the year ended 31 March 2018

Reference and administrative information

Registered Number: SC138081

Registered Charity: SC006528

Registered office

Headway House
Astley Ainslie Hospital
Canaan Lane
Edinburgh EH9 2HL

Senior Statutory Auditor

Ingela Louise Presslie

Independent Auditor

Whitelaw Wells, Chartered Accountants and Statutory Auditors, 9 Ainslie Place, Edinburgh, EH3 6AT

Bankers

Royal Bank of Scotland, 17 Comiston Road, Edinburgh, EH10 6AA
Virgin Money plc, 9 – 11 Castle Street, Edinburgh EH2 3AH

Investment advisers

Brewin Dolphin, 6th Floor, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX

Solicitors

Addleshaw Goddard LLP, 19 Canning Street, Edinburgh, EH3 8EH

Honorary Patron: The Right Hon. Lord Emslie

Honorary Presidents: Mrs J M Bryden MBE
Mr W Bryden MA, LLB

The Directors of the charity serving during the year and since the year end were as follows:

Executive Committee:

Directors: A Ley (Chairman)
D Williamson CA
F Watt
R Matheson CA (Treasurer)
A J Fitzgerald
N Khan-Juhoor
L Allen

Secretary: M Keenan

Chief Executive: M Keenan

Structure, governance and management

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. It is a charity recognised by HM Revenue and Customs and registered with OSCR.

The Executive Committee is made up of the Directors and is responsible for the policy and direction of the charity.

EDINBURGH HEADWAY GROUP
Report of the Directors
For the year ended 31 March 2018

A Chief Executive is appointed to manage the day to day activities of the charity. To facilitate effective operations the Chief Executive has delegated authority, within the terms of the delegation approved by the Directors, for operational matters including finance, employment and provision of services.

The Sub-Committee (Operations) Board has a remit to deal with administrative and operational matters and All Sub-Committees have a duty to report back to the Executive Committee any recommendations and/or decisions made, thus remaining the responsibility of the Executive Committee.

EHG Corporate Structure Diagram



In this reporting year:

The Executive Committee met 9 times;

The Sub-Committee (Operations) met 6 times;

All our Directors bring to the Committee a range of skills and expertise, such as: neurological rehabilitation, legal, property, investments and accounting experience. Representation is also made from a survivor of an ABI and a carer. A partner of Addleshaw Goddard is also a Director on the Executive Committee. This firm over the years has organised, at no cost to the charity, annual events which has produced substantial donations for the charity.

Induction and training

New Directors of the Executive Committee undergo a comprehensive induction to brief them on their legal obligations under charity law, the content of the Memorandum and Articles of Association, the structure and governance of the charity as well as policies and procedures, their obligations under the Trustees' Code of Conduct, the business plan and budget together with recent financial performance. In an effort to maintain a broad skill mix, Directors are requested to provide a list of their skills and, in the event of particular skills being lost due to retirements, individuals are approached to offer themselves for election to the Executive Committee.

Existing Directors are familiar with the work of the charity and have been briefed on their duties and responsibilities under the Charities and Trustee Investment (Scotland) Act 2005. If there are any areas where additional training is required, this is discussed at a board meeting and a solution identified and implemented. Directors, staff and volunteers attend training courses as appropriate.

Pay Policy for Staff

Staff salaries are reviewed annually and generally an inflationary increase is applied. This is dependent upon the financial success of the charity, performance levels and also increases being offered in similar charities. In 2017/18, a 2% pay increase was awarded to staff who had been employed in the organisation for a minimum of one year. In addition, three staff members received increases to meet the changes made to the National Minimum Wage Pay Rates.

The charity as required by law has a workplace pension scheme in place that meets auto-enrolment pension rules

EDINBURGH HEADWAY GROUP
Report of the Directors
For the year ended 31 March 2018

Risk Management

The Directors have assessed and documented the major risks to which the charity is exposed and have taken steps to mitigate those risks. The major risk affecting the charity is the ongoing need to ensure financial sustainability for the future.

Responsibilities of the Board of Directors

Company law requires the Board of Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Board of Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board of Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Directors 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

- As far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- Each Director has taken all the steps he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditor

A resolution to re-appoint Whitelaw Wells CA as Auditors of the charity will be submitted to the members at the Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

By order of the Directors:


A Ley (Acting Chair)
Edinburgh Headway Group
Registered No: SC006528

Date: 2 October 2018

EDINBURGH HEADWAY GROUP
INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS AND MEMBERS
FOR THE YEAR ENDED 31 MARCH 2018

We have audited the financial statements of Edinburgh Headway Group for the year ended 31 March 2018, which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

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, and the trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Opinion

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 2018 and of its net income or 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

EDINBURGH HEADWAY GROUP
INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS AND MEMBERS
FOR THE YEAR ENDED 31 MARCH 2018

Other information

The Directors are responsible for the other information. The other information comprises the information in the Report of the Directors but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 8, the directors 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 directors determine 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 directors are responsible for assessing the charitable company'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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**EDINBURGH HEADWAY GROUP
INDEPENDENT AUDITORS' REPORT
TO THE DIRECTORS AND MEMBERS
FOR THE YEAR ENDED 31 MARCH 2018**

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Ingela Presslie

Ingela Louise Presslie (Senior Statutory Auditor)
for and on behalf of Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
Midlothian
EH3 6AS

2 October 2018

EDINBURGH HEADWAY GROUP

Statement of Financial Activities incorporating the Income & Expenditure Account

For the year ended 31 March 2018

	<u>Note</u>	<u>General Funds</u> £	<u>Designated Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2018</u> £	<u>Total 2017</u> £
Income and endowments from:						
Donations		104,166	-	8,000	112,166	161,375
Charitable activities:	2					
Specialist services for those affected by brain injuries		64,308	-	50,550	114,858	77,681
Investment income		24,114	-	-	24,114	24,029
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		192,588	-	58,550	251,138	263,085
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on:						
Raising funds:						
Investment manager's fees		6,228	-	-	6,228	5,856
Fundraising costs		21,465	-	-	21,465	19,589
Charitable activities:						
Specialist services for those affected by brain injuries	4	117,959	5,039	89,533	212,531	207,907
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure		145,652	5,039	89,533	240,224	233,352
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure) before investment Gains/(losses)		46,936	(5,039)	(30,983)	10,914	29,733
Unrealised (losses)/gains on investments	7	-	(29,335)	-	(29,335)	57,550
Realised (losses)/gains on investments		-	(545)	-	(545)	7,295
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net income/(expenditure)		46,936	(34,919)	(30,983)	(18,966)	94,578
Transfers between funds	11	(53,438)	36,748	16,690	-	-
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		(6,502)	1,829	(14,293)	(18,966)	94,578
Funds brought forward		158,285	702,161	41,006	901,452	806,874
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Funds carried forward		151,783	703,990	26,713	882,486	901,452
		<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 14 to 22 form part of these financial statements

EDINBURGH HEADWAY GROUP

Balance Sheet

As at 31 March 2018

	Notes	£	2018	£	2017	£
Fixed assets	6			6,033		5,145
Investments	7			663,766		699,742
				<hr/>		<hr/>
				669,799		704,887
Current assets						
Debtors and prepayments	9	26,599			44,624	
Cash at bank and on deposit		202,362			163,480	
		<hr/>			<hr/>	
Creditors: Amounts falling due within one year	10	228,961 (16,274)			208,104 (11,539)	
		<hr/>			<hr/>	
Net current assets				212,687		196,565
				<hr/>		<hr/>
Total net assets				882,486		901,452
				<hr/>		<hr/>
Funds						
Restricted funds	11			26,713		41,006
Unrestricted funds	11			151,783		158,285
Designated funds	11			703,990		702,161
				<hr/>		<hr/>
				882,486		901,452
				<hr/>		<hr/>

The Directors have prepared the accounts in accordance with section 398 of the Companies Act 2006 and section 44 of the Charities and Trustee Investment (Scotland) Act 2005. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The Financial Statements were approved by the Committee on 2 October 2018

..... Chairman
A Ley

Registered number: SC138081

Company number SC006528

The notes on pages 14 to 22 form part of these financial statements

EDINBURGH HEADWAY GROUP
Notes to the Financial Statements
For the year ended 31 March 2018

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The accounts have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) – Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Edinburgh Headway Group meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated in the relevant accounting policy note(s).

b) Preparation of the accounts on a going concern basis

The Directors are of the view that the immediate future of the Trust for the next 12 to 18 months is secure and that on this basis, the assessment of the Directors is that the charity is a going concern.

c) Cash flow exemption

The charity has taken advantage of the exemption from the requirement to prepare a Statement of Cash Flows as permitted under FRS102 and the Charities FRS102 SORP.

Income recognition

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Grants

Revenue grants are credited to the Statement of Financial Activities when the charity is unconditionally entitled to the funds. Any income which is specified by the funder for a period out with the one under review is treated as deferred.

Fundraising, donations and legacies

Fundraising, donations and legacy income is normally credited in the year in which it is receivable.

Donated assets

Donated assets have been included in the accounts at cost equivalent, where this figure can be reliably estimated. All asset donations are included under designated funds to be included in the fixed asset fund.

Investments and investment income

Investments have been included in the balance sheet at fair value which is considered to be the same as market value. Realised and unrealised gains and losses are recognised in Statement of Financial Activities in the period to which they relate.

Income from investments is credited to the income and expenditure account in the year in which it is receivable.

Financial Instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the charity becomes a party to contractual provisions of the instrument. They are classified as “basic” in accordance with FRS102 and are accounted for at the settlement amount due, which equates to the cost. Financial assets comprise cash and other debtors. Financial liabilities comprise other creditors.

EDINBURGH HEADWAY GROUP
Notes to the Financial Statements
For the year ended 31 March 2018

1. Accounting policies (continued)

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Cost of raising funds includes all costs associated with generating income from all sources other than from undertaking charitable activities i.e. general donations, membership and fundraising activities;
- Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Edinburgh Headway Group is not registered for VAT and expenditure includes VAT where applicable.

Allocation of support costs

Where possible, expenditure has been charged directly to charitable expenditure. Where this is not possible the expenditure has been allocated on the basis of time spent by staff on each activity.

Fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The cost of minor additions costing less than £500 is not capitalised.

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:

Equipment	3 to 5 years
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Pensions

The Group operates a stakeholder pension scheme available to all employees.

EDINBURGH HEADWAY GROUP
Notes to the Financial Statements
For the year ended 31 March 2018

2. Income from Charitable Activities

	Unrestricted £	Designated £	Restricted £	2018 £	2017 £
Grants					
NHS Lothian	19,648	-	-	19,648	19,648
Community Food & Health (Scotland)	-	-	-	-	1,700
City of Edinburgh Council	-	-	24,998	24,998	24,998
Spirit of Community Award	-	-	5,000	5,000	-
Bank of Scotland Foundation	-	-	-	-	12,916
Hospital Saturday Fund	-	-	-	-	3,000
Creative Breaks	-	-	-	-	5,000
Schuh Trust	-	-	5,000	5,000	-
Edinburgh Airport Community	-	-	-	-	2,500
Stafford Trust	-	-	4,948	4,948	-
R S MacDonald	-	-	10,500	10,500	-
Grants < £2,500	6,000	-	-	6,000	1,000
Other income					
Day service fees	34,616	-	-	34,616	-
Training & catering income	4,044	-	104	4,148	6,919
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	64,308	-	50,550	114,858	77,681
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Income from charitable activities was £114,858 (2017: £77,681) of which £64,308 was unrestricted (2017: £27,224) and £50,550 (2017: £50,457) was restricted.

3. Staff costs

The aggregate staff costs were:

	2018 £	2017 £
Salaries	155,465	153,324
Social security costs	7,768	7,216
Pension costs	922	141
	<hr/>	<hr/>
	164,155	160,681
	<hr/>	<hr/>

The average number of employees, during the year was 10 (2017 – 10).

No employee received emoluments in excess of £60,000 in the current or previous year.

EDINBURGH HEADWAY GROUP
Notes to the Financial Statements
For the year ended 31 March 2018

4. Analysis of Expenditure on Charitable Activities	Core Activities	Volunteer Project	Group Activities	Rehabilitation Project	FA/Gym Equip' Fund	Relocation Fund	Total 2018	Total 2017
	£	£	£	£	£	£	£	£
Direct Costs								
Salaries and wages (note 3)	93,156	11,110	37,581	22,308	-	-	164,155	160,681
Recruitment	1,290	-	-	-	-	-	1,290	1,862
Training	1,739	-	250	-	-	-	1,989	2,084
Therapy and activity costs	1,288	-	12,118	-	-	-	13,406	12,213
Transport costs	2,008	-	155	-	-	-	2,163	583
Volunteer expenses	2,916	-	1,384	-	-	-	4,300	4,319
Care Inspectorate	1,711	-	-	-	-	-	1,711	1,711
Support Costs								
Property and equipment costs	1,014	-	625	-	-	-	1,639	5,509
Insurance	1,915	-	952	-	-	-	2,867	4,364
Depreciation inc loss on disposal (Note 6)	-	-	1,955	-	1,024	-	2,979	2,604
Printing, stationery, Postage and Telephone	2,091	-	1,020	-	-	-	3,111	2,740
Miscellaneous expenses	853	-	75	-	-	-	928	1,696
Professional fees	3,975	-	-	-	-	4,015	7,990	3,628
Governance Costs								
Directors' expenses	103	-	-	-	-	-	103	13
Professional fees	1,200	-	-	-	-	-	1,200	1,200
Auditors' remuneration – audit fees	2,700	-	-	-	-	-	2,700	2,700
	117,959	11,110	56,115	22,308	1,024	4,015	212,531	207,907

Expenditure on charitable activities was £212,531 (2017: £207,907) of which £122,998 was unrestricted (2017: £126,694) and £89,533 (2017: £81,213) was restricted. The charity identifies its support and governance costs and allocates these to charitable activities based on invoiced costs or on the basis of time spent by staff on each activity. No remuneration was paid to any member of the Executive Committee during the year (2017 - £Nil). Travel reimbursements amounting to £103 were requested by the Directors (2017 - £13).

EDINBURGH HEADWAY GROUP
Notes to the Financial Statements - continued
For the year ended 31 March 2018

5. Summary analysis of expenditure and related income for charitable activities

	Core	Volunteer	Group	Rehab'	Gym/	Relocation	TOTAL
	Activities	Project	Activities	Project	Equip	Fund	
	£	£	£	£	£	£	£
Costs (note 4)	(117,959)	(11,110)	(56,115)	(22,308)	(1,024)	(4,015)	(212,531)
Direct grant/donation support	25,648	-	39,946	10,500	-	-	76,094
Service fees, training and activity							
Income	38,660	-	104	-	-	-	38,764
Net (cost funded from other income)/surplus carried forward	<u>(53,651)</u>	<u>(11,110)</u>	<u>(16,065)</u>	<u>(11,808)</u>	<u>(1,024)</u>	<u>(4,015)</u>	<u>(97,673)</u>

6. Fixed assets

	Equipment
	£
Cost	
At 1 April 2017	41,642
Additions	3,867
	<hr/>
At 31 March 2018	45,509
	<hr/>
Depreciation	
At 1 April 2017	36,497
Charge for year	2,979
	<hr/>
At 31 March 2018	39,476
	<hr/>
Net book value	
At 31 March 2018	6,033
	<hr/>
At 31 March 2017	5,145
	<hr/>

EDINBURGH HEADWAY GROUP
Notes to the Financial Statements - continued
For the year ended 31 March 2018

7. Investments	2018	2017
	£	£
Fair value at 1 April 2017	690,286	629,322
Disposals at opening Market Value	(12,252)	(76,042)
Additions at cost	11,246	79,456
Unrealised (losses)/ gains	(29,335)	57,550
	<hr/>	<hr/>
Fair value at 31 March 2018	659,945	690,286
Cash held as part of portfolio	3,821	9,456
	<hr/>	<hr/>
	663,766	699,742
	<hr/>	<hr/>
Cost at 31 March 2018	618,466	619,679
	<hr/>	<hr/>

All investments are listed on the UK stock exchange.

8. Taxation

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

9. Debtors	2018	2017
	£	£
Other debtors	25,713	42,585
Prepayments	886	2,039
	<hr/>	<hr/>
	26,599	44,624
	<hr/>	<hr/>

10. Creditors: amount falling due within one year	2018	2017
	£	£
Other creditors	13,477	8,724
Social security and other taxes	2,797	2,815
	<hr/>	<hr/>
	16,274	11,539
	<hr/>	<hr/>

EDINBURGH HEADWAY GROUP
Notes to the Financial Statements - continued
For the year ended 31 March 2018

11. Funds

	As at 1 April 2017 £	Income £	Expenditure £	Transfers £	Unrealised gains/ (losses)	As at 31 Mar 2018 £
Restricted Funds						
Volunteer Co-ordination	12,916	-	(11,110)	-	-	1,806
Rehabilitation project	-	10,500	(22,308)	11,808	-	-
Group Activities	23,518	45,050	(54,159)	7,882	-	22,291
Equipment fund	4,572	3,000	(1,956)	(3,000)	-	2,616
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	41,006	58,550	(89,533)	16,690	-	26,713
Unrestricted Funds						
General funds	158,285	192,588	(145,652)	(53,438)	-	151,783
Designated Project funds						
Capital & Development Fund	701,014	-	(4,015)	(667,119)	(29,880)	-
Property Re-Location/ Refurbishment Fund	-	-	-	200,000	-	200,000
Property Lease Fund	-	-	-	500,000	-	500,000
Fixed Asset Fund	1,147	-	(1,024)	3,867	-	3,990
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total designated funds	702,161	-	(5,039)	36,748	(29,880)	703,990
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	901,452	251,138	(240,224)	-	(29,880)	882,486
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Restricted Funds

The City of Edinburgh Council provide a grant towards the Carers' Project (part of Group Activities) which supports carers of brain injured people and also provides respite for family and carers.

A Service Level Agreement is held with NHS Lothian to help fund a seamless rehabilitation pathway for patients with an acquired brain injury once discharged from hospital.

Continuation funding from R S Macdonald to part-fund the Support Services Manager post was received in the year.

The Bank of Scotland Foundation has awarded funding to support the salary costs of the Volunteer Co-ordinator in 17/18. These funds were received in 16/17.

General Fund

The general fund is to be used for general purposes aimed at the furtherance of the charity's objectives.

Designated Funds

The directors have agreed to re-designate the Capital and Development Fund following the successful completion of a 20-year lease agreement for new premises in Craigmillar (due to the necessity to relocate from Headway House as a result of the re-development of the Royal Edinburgh and Astley Ainslie Hospitals). Two new designated funds have been agreed, a Property Re-Location and Refurbishment fund to cover new premises fit out, installation of a disability-accessible kitchen and all other relocation costs; and a Property Lease and Working Capital Fund to underwrite the lease rentals for the 20-year lease term.

EDINBURGH HEADWAY GROUP
Notes to the Financial Statements - continued
For the year ended 31 March 2018

11. Funds (cont'd)

The fixed asset fund represents the net book value of unrestricted fixed assets.

Transfer between funds

Capital & development fund

The Capital & Development Fund has been re-designated to the Property Re-Location and Refurbishment Fund and the Property Lease and Working Capital Fund. The shortfall on the new designated funds has been met with a transfer of £32,881 from general funds.

Restricted Funds

£19,690 was transferred from general funds to meet the shortfall of income on the Rehabilitation and Carers' projects.

Fixed Asset Fund

£3,867 was transferred from the Equipment Fund and General Fund representing the cost of fixed assets acquired in the year.

Funds Note Comparison from previous financial year:

	As at 1 April 2016 £	Income £	Expenditure £	Transfers £	Unrealised gains/ (losses)	As at 31 Mar 2017 £
Restricted Funds						
Volunteer Co-ordination	-	13,916	(1,000)	-	-	12,916
Rehabilitation project	-	10,500	(22,853)	12,353	-	-
Group Activities	30,536	39,546	(54,936)	8,372	-	23,518
Equipment fund	2,496	4,500	(2,424)	-	-	4,572
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	33,032	68,462	(81,213)	20,725	-	41,006
Unrestricted Funds						
General funds	130,792	194,623	(150,852)	(16,278)	-	158,285
Designated Project funds						
Capital & Development Fund	641,716	-	-	(5,547)	64,845	701,014
Fixed Asset Fund	1,334	-	(1,287)	1,100	-	1,147
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total designated funds	643,050	-	(1,287)	(4,447)	64,845	702,161
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	806,874	263,085	(233,352)	-	64,845	901,452
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

EDINBURGH HEADWAY GROUP
Notes to the Financial Statements - continued
For the year ended 31 March 2018

12. Analysis of net assets between funds	Restricted Funds £	Unrestricted Fund £	Designated Fund £	Total Funds £
Balances at 31 March 2018	26,713	151,783	703,990	882,486
Represented by:				
Fixed assets	2,043	-	3,990	6,033
Investments	-	-	663,766	663,766
Net current assets	24,670	151,783	36,234	212,687
	26,713	151,783	703,990	882,486

Analysis of net assets between funds as at 31 March 2017:

	Restricted Funds £	Unrestricted Fund £	Designated Fund £	Total Funds £
Balances at 31 March 2017	41,006	158,285	702,161	901,452
Represented by:				
Fixed assets	3,998	-	1,147	5,145
Investments	-	-	699,742	699,742
Net current assets	37,008	158,285	1,272	196,565
	41,006	158,285	702,161	901,452

13. Capital

The Group has no Share Capital as it is a company limited by guarantee. Each Director has agreed to contribute up to £1 in the event of the company being wound up. At the Balance Sheet date there were 7 members (2017: 8).

14. Indemnity Insurance

The Group arranged indemnity insurance cover in respect of the Directors, employees and volunteers at a cost of £320 (2017- £425).