

1544708

CROSSROADS ASSOCIATION

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2003

Registered Number 1544708

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CROSSROADS ASSOCIATION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2003

The Directors present their report and the audited financial statements for the year ended 31 March 2003.

Constitution

The company is limited by guarantee and a registered charity governed by its memorandum and articles of association. Charity number 282102. Company number 1544708.

Principal Objects

Crossroads Association's objects are to relieve the stresses experienced by carers and children and adults who have care needs as a result of disability, illness or age by offering a respite service through the provision of community-based support workers.

Trustees' Report

Strategy

This year we provided 4.3 million Carer Support Hours to 33,000 Carers. Over the past three years we have achieved a 25% increase in service delivery; growth unparalleled in our history. However, we know that the level, pace and complexity of growth have placed major demands on staff and trustees. We want to continue to grow over the next five years but we must ensure that we are sustainable and focus on strengthening our existing services, not just look at more development. In April 2003 the regulation of domiciliary care was introduced in England and all schemes had to register and ensure that the new standards are in place. Over the past twelve months we have supported schemes in preparing for this and are confident that once inspections begin, all our schemes will be able to demonstrate the high quality care provided by Crossroads.

The Vision

Our unique selling point is that we give Carers time to be themselves. That is why we chose a new look this year showing a clock face. We need to ensure that our services are providing real breaks for carers. Information from the General Household Survey revealed that 212,000 Carers have no-one to replace them for a period of up to three hours, showing that we are currently reaching 15.5% of those Carers who may need our support. We owe it to Carers to continue to expand our services and will continue to work towards our target of

- 5 million Care hours provided
- 40,000 Carers supported

CROSSROADS ASSOCIATION

Trustees' Report (continued)

Over the year we consulted widely and have produced a five year strategy which details our seven key objectives:-

1. To ensure the continuing expansion of Crossroads coverage and service development
2. To ensure Crossroads branch schemes are sustainable and have the opportunity to develop
3. To ensure that Crossroads Association (including in-house schemes and projects) is sustainable and has the capability and capacity to develop
4. To create an environment where everyone within Crossroads – trustees, staff and volunteers feel valued and supported
5. To ensure that Carers inform and influence the sustainable development of the organisation at all levels
6. To increase awareness of the vital role Carers and Crossroads fulfil
7. To influence policy makers to ensure that the needs of Carers are met

With our new structure now fully bedded in, we believe we will continue to achieve our goals of providing more support to more carers.

Financial Results

A surplus of incoming resources over total resources used was achieved in the financial year ending 31 March 2003. The receipt of a major legacy during the year considerably influenced the financial results and added to the Association's incoming resources which included an increase of over £1/2million in funds received for specific restricted projects. The maintenance of adequate funding streams to enable the Association to carry out its core activities continues to be difficult and the unexpected strengthening of Association's reserves in the last financial year has enabled a number of designated requirements to be funded which will assist and support the Association's continuing financial stability.

Statement of Financial Activities

The Consolidated Statement of Financial Activities combines the financial results of the Association and its trading subsidiary, Crossroads Enterprises Limited for the financial year ended 31 March 2003 and shows a surplus of incoming resources to expenditure of £356,736 (2002-deficit £79,191). The surplus on unrestricted activities was £405,381, which was reduced by expenditure of designated funds created in previous years of £92,698. The balance in the overall surplus related to the timing of expenditure on restricted projects.

CROSSROADS ASSOCIATION

Trustees' Report (continued)

Statement of Financial Activities (continued)

Consolidated incoming resources were £4,115,160 for the year (2002-£2,967,779). Income for unrestricted funds was £1,328,253 (2002 - £811,354) and included Trust funding and general donations including legacies of £672,145 (2002 - £156,769). Expenditure on unrestricted funds was £922,872 (2002 - £812,882) and included direct costs for generating funds of £71,409 (2002 - £37,809).

The consolidated income for restricted activities was £2,786,907 (2002 - £2,156,425) and included £561,736 for direct care provided by nine schemes in England and one in Wales, which were operated on an in-house basis. The consolidated restricted income also included the balance of funds (£121,065) for two schemes transferred to in-house operation during the financial year. Grants received in the financial year for specific restricted projects were £1,830,350 (2002 - £1,311,656).

Direct Charitable Expenditure for the year was £2,923,007 (2002 - £2,311,085) and included salaries expenditure of £2,101,140 (2002 - £1,824,444) of which £1,801,903 (2002 - £1,543,247) was incurred in support of the in-house schemes and other restricted fund projects as listed in note 18 to the accounts together with costs incurred on designated funds.

Administration costs as detailed in Note 6 to the accounts were £746,947 for the year (2002 - £689,375)

Balance Sheet

The net incoming resources for the year of £356,736 adjusted by an unrealised reduction in the value of investments of £75,801 provides an increase in the consolidated net asset value at 31 March 2003 of £280,935 to £1,787,967.

Current Assets included cash and cash equivalents held by the group at the 31 March 2003 of £1,402,126 (2002 - £1,220,527). This sum included a number of cash balances which were held in interest bearing accounts in support of restricted projects including individual accounts for each of the directly managed schemes listed in Note 18. Cash specifically held in restricted fund bank accounts was £752,779 at 31 March 2003. Approximately £125,000 was added during the year to the value of the long-term investment portfolio but because of the continuing uncertain stock market trading conditions the majority of the remaining cash balance was retained in high interest bearing accounts.

Note 13 to the accounts details the increase in creditors to £390,179 at 31 March 2003 (2002 - £302,236), which relates to accruals made for expenditure committed in the financial year.

CROSSROADS ASSOCIATION

Trustees' Report (continued)

Reserves

The Reserves of the Group increased by £280,935 over the financial year and totalled £1,787,967 at 31 March 2003 as detailed in Note 16 to the Accounts. The surplus achieved for the financial year on unrestricted funds of £405,381 is reduced by the market value adjustment on investments and by the transfer of £250,229 to specific designated funds, leaving the sum of £541,739 in the General Reserve Fund held at 31 March 2003 (2002 - £462,388). This balance maintains the established Board policy that the General Reserve Fund should be approximately equal to six months forecasted unrestricted expenditure and that funds in excess of this level should be used to assist the Association's development. Careful financial management will continue to be maintained. Expenditure on designated funds will be continually measured against the receipt of funds required to support the Association's core activities.

The balance of the Consolidated Restricted funds reserve increased by £44,053 over the financial year to £905,313 (2002 - £861,260).

Expenditure on designated funds established in previous financial years was £92,698, which resulted in the balance at 31 March 2003 increasing to £340,915 (2002 - £183,384), after the transfer from unrestricted funds of £250,229.

Crossroads Enterprises Limited

A summary of the trading results for Crossroads Enterprises Limited is shown in Note 7 to the Accounts.

A reduction in salaries expenditure compared with the previous financial year enabled a small surplus of £6,879 to be transferred by deed of covenant to the Association (2002 - nil). Despite the decision not to maintain the full time post of Director, when external funding for the post ceased, the trading activities of Crossroads Enterprises are being continued.

Risk Review

The Board of Trustees has a working party to conduct a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions. External risks have been identified and where appropriate, actions have been taken to minimise those risks. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

CROSSROADS ASSOCIATION

Legal and Administrative Information

Registered Office	10 Regent Place Rugby Warwickshire CV21 2PN	
Company Secretary	Carolyn Robb	
Treasurer	David Bowler	
Auditors	Murphy Salisbury 15 Warwick Road Stratford Upon Avon Warwickshire CV37 6YW	
Solicitors	Reed Smith Warner Cranston Park House Station Square Coventry CV1 2FL	
Bankers	Barclays Bank Plc PO Box 11 North Street Rugby Warwickshire CV21 2AN	Co-operative bank PO Box 101 1 Balloon Street Manchester M60 4EP
	HSBC 37 The Thoroughfare Woodbridge Suffolk IP12 1AH	
Investment Advisors	Barclays Personal Investment Management Eagle Court Lynch Wood Peterborough PE2 6WY	

Investment Powers

Barclays Personal Investment Management has the discretion to trade on behalf of the Association. However, at any time the Association can remove this discretion and specify the purchase and sale of shares and gilts.

CROSSROADS ASSOCIATION

DIRECTORS

The directors of the company who served during the year ended 31 March 2003 are listed as follows:-

Ezrald Bennett
Margaret Hardman (Chair)
Graham Bradshaw (Vice Chair)
Peter Gallant
Rita Godwin
Peter Senker
Ann Miller
Ann Gill (Resigned 08.05.03)
David Bowler (Treasurer)
Pauline Adams
William Carmen (Resigned 25.03.03)
Patricia Collinson
Geoffrey McDonald (Resigned 31.10.02)
Sheila Hyde
David Gawne
Raewyn Petherick
David Wright (Appointed 18.03.03)

Insurance of Directors

The company maintains insurance for the directors in respect of their duties as directors of the company.

	2003 £	2002 £
Insurance cost	827	551

CROSSROADS ASSOCIATION

Directors' Responsibilities

The directors are required by UK law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the financial activities of the company and of the group for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 March 2003. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis, and in accordance with the Companies Act 1985.

The directors are responsible for keeping proper records, for safeguarding the assets of the company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint the auditors, Murphy Salisbury will be proposed at the annual general meeting.

By order of the board



Carolyn Robb
Company Secretary
15th July 2003

CROSSROADS ASSOCIATION

Report of the auditors to members of Crossroads Association

We have audited the financial statements on pages 9 to 29 in accordance with the accounting policies set out on page 18.

Respective responsibilities of directors and auditors

As described on page 7, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and report our opinion to you.

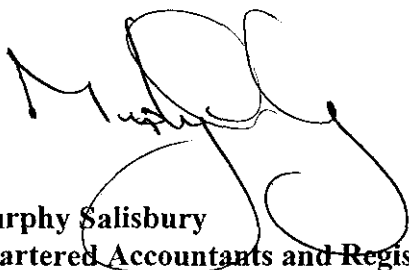
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes 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 and performed 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 evaluate 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 affairs of the company and the group at 31 March 2003 and of the incoming resources and application of resources of the company and the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Murphy Salisbury
Chartered Accountants and Registered Auditors

15th July 2003

CROSSROADS ASSOCIATION**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED**
31 MARCH 2003**INCOMING RESOURCES**

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds 31.03.03 £	Total Funds 31.03.02 £
Activities to further the charity's objects					
Trust Funding and					
General Donations	672,145	118,870	-	791,015	237,663
Corporate Funding	48,260	-	-	48,260	75,963
Merchandising	36,206	-	-	36,206	35,505
Grants	95,529	1,830,350	-	1,925,879	1,393,800
Lottery Funding	-	74,248	-	74,248	69,098
Membership Fees	356,778	46,327	-	403,105	378,044
Dividends	17,308	-	-	17,308	21,963
Interest	11,495	28,189	-	39,684	42,699
Publications	365	-	-	365	1,052
Training	2,620	5,622	-	8,242	10,713
Sundry Income	-	-	-	-	16,745
Management Fees	87,547	500	-	88,047	77,669
Direct Care Provided	-	561,736	-	561,736	606,865
Directly managed schemes funds transferred	-	121,065	-	121,065	-
Total incoming resources	1,328,253	2,786,907	-	4,115,160	2,967,779

RESOURCES USED**Costs of Generating Funds**

Fundraising and PR	44,688	17,061	-	61,749	25,282
Merchandising	26,721	-	-	26,721	21,228
	71,409	17,061	-	88,470	46,510

Direct Charitable Expenditure

Special Projects	5,720	341,195	1,007	347,922	76,340
Salaries	299,237	1,749,249	52,654	2,101,140	1,824,444
Travel and Subsistence	42,323	243,091	13,702	299,116	244,724
Recruitment	4,096	23,945	-	28,041	24,501
Telephone	11,527	33,228	264	45,019	38,299
Stationery	10,755	33,105	909	44,769	36,267
Training	4,260	37,556	3,575	45,391	59,077
Meetings and Forums	7,736	2,390	1,483	11,609	7,433
	385,654	2,463,759	73,594	2,923,007	2,311,085

CROSSROADS ASSOCIATION

Other Expenditure (consolidated)

	Note	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds 31.03.03 £	Total Funds 31.03.02 £
Administration	6	465,809	262,034	19,104	746,947	689,375
Total resources used		922,872	2,742,854	92,698	3,758,424	3,046,970
<u>Net incoming resources for the year</u>		405,381	44,053	(92,698)	356,736	(79,191)
Transfers		(250,229)	-	250,229	-	-
<u>Gains and losses on investment assets</u>						
Unrealised		(75,801)	-	-	(75,801)	(14,615)
Net movements in funds		79,351	44,053	157,531	280,935	(93,806)
Balances brought forward 1 April 2002		462,388	861,260	183,384	1,507,032	1,600,838
Balances carried forward 31 March 2003		541,739	905,313	340,915	1,787,967	1,507,032

The notes on pages 18 to 29 form part of these accounts.

CROSSROADS ASSOCIATION

**CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE
YEAR ENDED 31 MARCH 2003**

	Note	2003 £	2002 £
Total income of continuing activities		4,075,476	2,925,080
Total expenditure of continuing activities		3,758,424	3,046,970
Operating surplus/(deficit)		<u>317,052</u>	<u>(121,890)</u>
Interest receivable		39,684	42,699
Surplus/(deficit) on ordinary activities before taxation		<u>356,736</u>	<u>(79,191)</u>
Taxation	14	-	-
Retained surplus/(deficit) for the year		<u><u>356,736</u></u>	<u><u>(79,191)</u></u>

Total income of continuing activities comprises £1,316,758 for unrestricted funds and £2,758,718 for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities.

Turnover of non-charitable trading activities amounted to £458,037. A detailed analysis is shown in note 7.

Detailed analyses of the expenditure are provided in the Statement of Financial Activities and note 6.

The Summary of Income and Expenditure account is derived from the Statement of Financial Activities on pages 9 and 10 which together with the notes to the accounts on pages 18 to 29 provides full information on the movements during the year on all the funds of the group.

CROSSROADS ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2003

INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds 31.03.03 £	Total Funds 31.03.02 £
Activities to further the charity's objects					
Trust Funding and					
General Donations	672,145	118,870	-	791,015	237,663
Corporate Funding	38,926	-	-	38,926	47,963
Grants	95,529	1,830,350	-	1,925,879	1,393,800
Lottery Funding	-	74,248	-	74,248	69,098
Membership Fees	332,181	46,327	-	378,508	351,381
Dividends	17,308	-	-	17,308	21,963
Interest	11,495	28,189	-	39,684	42,699
Publications	365	-	-	365	1,052
Training	2,620	5,622	-	8,242	10,713
Subsidiary Income	11,159	-	-	11,159	4,280
Sundry Income	648	-	-	648	16,745
Management Fees	87,547	500	-	88,047	77,669
Direct Care Provided	-	561,736	-	561,736	606,865
Directly managed schemes funds transferred	-	121,065	-	121,065	-
Total incoming resources	1,269,923	2,786,907	-	4,056,830	2,881,891

RESOURCES USED

Costs of Generating Funds

Fundraising and PR	44,688	17,061	-	61,749	25,282
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Direct Charitable Expenditure

Special Projects	5,720	341,195	1,007	347,922	76,340
Salaries	299,237	1,749,249	52,654	2,101,140	1,824,444
Travel and Subsistence	42,323	243,091	13,702	299,116	244,724
Recruitment	4,096	23,945	-	28,041	24,501
Telephone	11,527	33,228	264	45,019	38,299
Stationery	10,755	33,105	909	44,769	36,267
Training	4,260	37,556	3,575	45,391	59,077
Meetings and Forums	7,736	2,390	1,483	11,609	7,433
	385,654	2,463,759	73,594	2,923,007	2,311,085

CROSSROADS ASSOCIATION

Other Expenditure

	Note	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds 31.03.03 £	Total Funds 31.03.02 £
Administration	6	434,200	262,034	19,104	715,338	624,715
Total resources used		864,542	2,742,854	92,698	3,700,094	2,961,082
<u>Net incoming resources for the year</u>		405,381	44,053	(92,698)	356,736	(79,191)
Transfers		(250,229)	-	250,229	-	-
<u>Gains and losses on investment assets</u>						
Unrealised		(75,801)	-	-	(75,801)	(14,615)
Net movements in funds		79,351	44,053	157,531	280,935	(93,806)
Balances brought forward 1 April 2002		455,251	861,260	183,384	1,499,895	1,593,701
Balances carried forward 31 March 2003		534,602	905,313	340,915	1,780,830	1,499,895

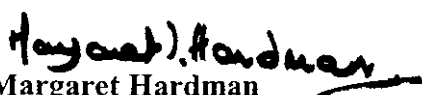
The notes on pages 18 to 29 form part of these accounts.

CROSSROADS ASSOCIATION

CONSOLIDATED BALANCE SHEET AT 31 MARCH 2003

	Note	2003 £	2002 £
<u>Fixed Assets</u>			
Tangible fixed assets	9	80,798	76,769
Investments – listed	10	538,322	412,679
		<u>619,120</u>	<u>489,448</u>
<u>Current Assets</u>			
Stocks		9,377	9,219
Debtors	12	147,523	90,074
Cash at bank and in hand		1,402,126	1,220,527
		<u>1,559,026</u>	<u>1,319,820</u>
<u>Creditors:</u> amounts falling due within one year	13	390,179	302,236
		<u>1,168,847</u>	<u>1,017,584</u>
<u>Net Current Assets</u>			
		<u>1,787,967</u>	<u>1,507,032</u>
<u>Net Assets</u>			
		<u><u>1,787,967</u></u>	<u><u>1,507,032</u></u>
<u>Funds</u>			
Unrestricted:			
General reserve	16	541,739	462,388
Designated reserve	16	340,915	183,384
Restricted reserve	16	905,313	861,260
		<u>1,787,967</u>	<u>1,507,032</u>

The financial statements were approved by the board on 15th July 2003 and were signed on its behalf by:


Margaret Hardman
Chair

CROSSROADS ASSOCIATION

BALANCE SHEET AT 31 MARCH 2003

	Note	2003 £	2002 £
<u>Fixed Assets</u>			
Tangible fixed assets	9	80,798	76,769
Investments – listed	10	538,322	412,679
Investments – unlisted		1	1
		<u>619,121</u>	<u>489,449</u>
<u>Current Assets</u>			
Debtors	12	155,481	82,547
Cash at bank and in hand		1,389,980	1,208,685
		<u>1,545,461</u>	<u>1,291,232</u>
<u>Creditors:</u> amounts falling due within one year	13	383,752	280,786
		<u>1,161,709</u>	<u>1,010,446</u>
<u>Net Current Assets</u>			
<u>Net Assets</u>		<u>1,780,830</u>	<u>1,499,895</u>
<u>Funds</u>			
Unrestricted:			
General reserve	17	534,602	455,251
Designated reserve	17	340,915	183,384
Restricted reserve	17	905,313	861,260
		<u>1,780,830</u>	<u>1,499,895</u>

The financial statements were approved by the board on 15th July 2003 and were signed on its behalf by:


Margaret Hardman
Chair

CROSSROADS ASSOCIATION

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

	Note	2003		2002
		£	£	£
Net cash inflow from operating activities	1		400,274	58,191
Investing activities				
Purchase of tangible fixed assets		(12,336)	(9,229)	
Proceeds from sale of tangible fixed assets		995	2,571	
Purchase of investments		(454,177)	(179,041)	
Proceeds from sale of investments		246,843	192,203	
Net cash (outflow)/inflow from investing activities			(218,675)	6,504
Increase in cash and cash equivalents	2		181,599	64,695
Cash and cash equivalents at 31 March 2002			1,220,527	1,155,832
Cash and Cash Equivalents at 31 March 2003			1,402,126	1,220,527

Notes to the Cashflow Statement

1 Reconciliation of Changes in Resources to Net Cash Inflow from Operating Activities

Changes in resources before revaluations	356,736	(79,191)
Depreciation	8,307	7,720
Gain on disposal of tangible fixed assets	(995)	(13)
Loss on disposal of investments	5,890	1,562
Increase in stocks	(158)	(119)
(Increase)/Decrease in debtors	(57,449)	7,469
Increase in creditors	87,943	120,763
	400,274	58,191

2 Analysis of Changes in Cash and Cash Equivalents during the Year

	2003	2002	Change in year
	£	£	£
Cash at bank and in hand	1,402,126	1,220,527	181,599

CROSSROADS ASSOCIATION

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2003

	Note	2003 £	2002 £
Net cash inflow from operating activities	1	399,970	63,158
Investing activities			
Purchase of tangible fixed assets		(12,336)	(9,229)
Proceeds from sale of tangible fixed assets		995	2,571
Purchase of investments		(454,177)	(179,041)
Proceeds from sale of investments		246,843	192,203
Net cash (outflow)/inflow from investing activities		(218,675)	6,504
Increase in cash and cash equivalents	2	181,295	69,662
Cash and cash equivalents at 31 March 2002		1,208,685	1,139,023
Cash and Cash Equivalents at 31 March 2003		1,389,980	1,208,685

Notes to the Cashflow Statement

1 Reconciliation of Changes in Resources to Net Cash Inflow from Operating Activities

Changes in resources before revaluations	356,736	(79,191)
Depreciation	8,307	7,720
Gain on disposal of tangible fixed assets	(995)	(13)
Loss/ (Profit) on disposal of investments	5,890	1,562
Decrease in debtors	(72,934)	13,735
Increase/ (Decrease) in creditors	102,966	119,345
	399,970	63,158

2 Analysis of Changes in Cash and Cash Equivalents during the Year

	2003 £	2002 £	Change in year £
Cash at bank and in hand	1,389,980	1,208,685	181,295

CROSSROADS ASSOCIATION

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as follows:-

b) Tangible Fixed Assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:-

	%
Freehold buildings	2.5
Motor vehicles	25
Fixtures and fittings	25

c) Investments

Investments are stated at their market value as determined by our investment advisors.

d) Stock

Stock is stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis. Where necessary provision is made for obsolete, slow moving and defective stock.

e) Pension and Retirement Benefits

The company operates a defined contribution pension scheme for employees. The company funds pension liabilities by payments to a separately managed pension fund. Payments made to the fund are charged in the financial statements in the period to which they relate.

f) Donations, Grants and other Voluntary Income

Voluntary income is accounted for when received. Donations and grants that are given for a specific purpose are treated as income in the year of receipt.

CROSSROADS ASSOCIATION

2. DIRECTORS' EMOLUMENTS

	2003 £	2002 £
Directors remuneration	11,321	34,878
Total expenses paid	929	4,643

3. TRUSTEES' REMUNERATION

The trustees neither received nor waived any emoluments during the year (2002:£nil)

Out of pocket expenses were reimbursed to trustees as follows.

	2003 Number	2002 Number	2003 £	2002 £
Travel and Subsistence	15	16	6,431	8,703
Postage and Stationery	15	16	89	18
Telecommunications	15	16	30	-

4. OVERHEAD COSTS

a) Direct Charitable Expenditure

Under this heading are the costs for the in house schemes and projects and the area offices. These are the costs that relate directly to the charitable activities of the company.

b) Administration

Included under this heading are central office costs, appeals department and in house schemes, project and area offices administration costs.

CROSSROADS ASSOCIATION

5. TOTAL STAFF COSTS

	Group 2003 £	Company 2003 £	Group 2002 £	Company 2002 £
Wages and Salaries	2,154,036	2,131,220	1,870,766	1,824,362
Social Security Costs	141,245	139,438	131,313	126,817
Pension Costs	67,393	66,019	42,269	38,830
	2,362,674	2,336,677	2,044,348	1,990,009

No employee earned more than £50,000 p.a.

Pension and Retirement Benefits

The cost of a defined contribution scheme is equal to the contributions payable to the scheme in the accounting period. The pension costs are allocated across the relevant resources expended categories of the SOFA.

The average monthly number of employees during the year was:-

Central Structure (central office, appeals & area staff)	27	26	34	31
In House projects & schemes	232	232	186	186
Total	259	258	220	217

CROSSROADS ASSOCIATION

6. ADMINISTRATION

	Group			Company		Group			Company	
	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds 31.03.03 £	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds 31.03.03 £	Total Funds 31.03.02 £	Total Funds 31.03.02 £
Salaries	261,534	-	-	261,534	235,537	-	-	235,537	219,904	165,565
Travel and Subsistence	17,780	-	-	17,780	16,746	-	-	16,746	9,719	4,593
Recruitment	178	-	-	178	178	-	-	178	10,971	10,971
Rent and Rates	51,490	40,576	-	92,066	51,490	40,576	-	92,066	97,083	97,083
Insurance	16,143	25,448	2,477	44,068	16,143	25,448	2,477	44,068	27,938	27,938
Light and Heat	3,342	2,812	-	6,154	3,342	2,812	-	6,154	10,410	10,410
Repairs and Maintenance	12,714	43,465	16,055	72,234	12,714	43,465	16,055	72,234	71,394	71,394
Telephone	6,479	-	-	6,479	6,358	-	-	6,358	5,584	5,311
Postage	11,014	12,172	572	23,758	9,377	12,172	572	22,121	21,612	19,655
Stationery	7,135	-	-	7,135	6,758	-	-	6,758	8,310	7,799
Meetings and Forums	3,784	-	-	3,784	3,784	-	-	3,784	1,680	1,680
Legal and Professional	8,643	7,861	-	16,504	8,643	7,861	-	16,504	18,362	18,362
Audit Fees	9,500	-	-	9,500	8,000	-	-	8,000	10,550	9,050
Training	199	-	-	199	199	-	-	199	1,006	1,006
Subscriptions	4,449	2,785	-	7,234	3,699	2,785	-	6,484	7,046	6,296
Bank Charges	266	1,270	-	1,536	88	1,270	-	1,358	790	746
AGM and Annual Review	12,654	-	-	12,654	12,654	-	-	12,654	16,723	16,723

6. ADMINISTRATION (CONT.)

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7. NET INCOME FROM SUBSIDIARY TRADING ACTIVITIES

The Charity has one wholly owned trading subsidiary Crossroads Enterprises Limited which operates as a general commercial company selling merchandise. A summary of its trading results is shown below. Audited accounts will be filed with the Registrar of Companies.

<u>Profit and Loss Account</u>	<u>Crossroads Enterprises Limited</u>	
	2003	2002
	£	£
Turnover	458,037	403,803
Cost of Sales	414,622	334,863
Gross Profit	43,415	68,940
Administrative Costs	43,415	68,940
Net Profit	-	-
Taxation	-	-
Retained in Subsidiary	-	-

8. GRANTS

The following material grants were received in the year:-

£

Welsh Assembly Government S64	122,811
Welsh Assembly Government S26	39,963
Department of Health	50,000
Department of Health	43,750
Herefordshire Council	45,000
Hertfordshire County Council	252,197
Norfolk County Council	299,385
Leicester City Council	205,514
Essex County Council	40,500
Suffolk County Council	62,089
Blackburn with Darwen Borough Council	71,888
Cheshire County Council	68,063
Northampton PCT	28,915
Milton Keynes Council	172,833
Gwynedd Council	50,189

CROSSROADS ASSOCIATION

9. TANGIBLE FIXED ASSETS

Group and Company

	Freehold land & buildings £	Motor Vehicles £	Fixtures & Fittings £	Total £
<u>Cost or Valuation</u>				
At 1 April 2002	75,000	23,939	31,658	130,597
Additions	-	10,995	1,341	12,336
Disposals	-	(7,995)	-	(7,995)
At 31 March 2003	75,000	26,939	32,999	134,938
<u>Depreciation</u>				
At 1 April 2002	13,125	11,801	28,902	53,828
Charge for the year	1,875	4,882	1,550	8,307
Add back on disposals	-	(7,995)	-	(7,995)
At 31 March 2003	15,000	8,688	30,452	54,140
<u>Net Book Value</u>				
At 31 March 2003	60,000	18,251	2,547	80,798
At 31 March 2002	61,875	12,138	2,756	76,769

Any gifts of assets have not been capitalised on the basis that they are not material.

CROSSROADS ASSOCIATION

10. INVESTMENTS

Group and Company

	2003	2002
	£	£
Market Value at 1 April 2002	412,679	444,575
Less: Disposals at opening book value	(252,733)	(196,322)
Add: Acquisitions at cost	454,177	179,041
Add: Net losses on revaluations at 31 March 2003	(75,801)	(14,615)
Market Value at 31 March 2003	<u>538,322</u>	<u>412,679</u>
Historical cost at 31 March 2003	<u>601,492</u>	<u>417,729</u>

The investments are classified as fixed assets as it is the intention to retain them for the continuing benefit of the charity, in the form of income and capital appreciation.

The investments comprise 50% Fixed Interest Investments and 50% in Equities and Unit Trusts that are listed on a recognised stock exchange. The market values of material investments at 31 March 2003 are listed below:

	£
Treasury 5% STK 7/6/2004	56,061

The charity's investments at the balance sheet date in the share capital of unlisted companies comprise a 100% holding of the share capital of Crossroads Enterprises Limited, a company who carry on the business of a general commercial company and whose profits are covenanted in full to support the work of Crossroads Association. The aggregate capital and reserves of Crossroads Enterprises Limited at 31 March 2003 were £7,137 (2002 - £7,137).

11. COMMUNITY FUND

The following monies were received in the year:-

	£
Community Fund	74,248

CROSSROADS ASSOCIATION

12. DEBTORS

	Group 2003 £	Company 2003 £	Group 2002 £	Company 2002 £
Trade debtors	85,677	83,175	64,250	58,107
Other debtors	49,321	59,781	12,880	11,496
Prepayments	12,525	12,525	12,944	12,944
	147,523	155,481	90,074	82,547

13. CREDITORS: amounts falling due within one year

Trade creditors	81,009	80,045	80,993	74,760
Social security and other taxation	49,482	48,810	51,829	48,748
Accruals	243,762	238,971	169,414	155,685
Other Creditors	15,926	15,926	-	1,593
	390,179	383,752	302,236	280,786

14. TAXATION

There is no liability to taxation

15. CAPITAL COMMITMENTS

There are no capital commitments at the year end (2002- nil)

CROSSROADS ASSOCIATION

16. RESERVES FOR THE GROUP

	General Fund £	Restricted Funds £	Designated Fund £	Total £
At 1 April 2002	462,388	861,260	183,384	1,507,032
Incoming/ (outgoing) resources for the year	405,381	44,053	(92,698)	356,736
Revaluation loss on investments	(75,801)	-	-	(75,801)
Transfers	(250,229)	-	250,229	-
At 31 March 2003	541,739	905,313	340,915	1,787,967

Assets specifically held for use within the restricted funds are:

	£
Cash held in restricted funds bank accounts	752,779
Cash at bank	152,534
	<u>905,313</u>

17. RESERVES FOR THE COMPANY

	General Fund £	Restricted Funds £	Designated Fund £	Total £
At 1 April 2002	455,251	861,260	183,384	1,499,895
Incoming/ (outgoing) resources for the year	405,381	44,053	(92,698)	356,736
Revaluation loss on Investments	(75,801)	-	-	(75,801)
Transfers	(250,229)	-	250,229	-
At 31 March 2003	534,602	905,313	340,915	1,780,830

Assets specifically held for use within the restricted funds are:

	£
Cash held in restricted fund bank accounts	752,779
Cash at bank	152,534
	<u>905,313</u>

CROSSROADS ASSOCIATION

18. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

	Balance 1 April 2002 £	Net movement in funds £	Balance 31 March 2003 £
East Herts Scheme	110,405	(20,219)	90,186
Wales	38,980	14,697	53,677
Young Carer Projects	14,569	-	14,569
Other Projects	2,351	-	2,351
Norfolk Projects	143,411	(14,829)	128,582
Leicester City Scheme	76,215	(10,656)	65,559
Epping Forest Scheme	101,503	22,409	123,912
Suffolk Coastal Scheme	99,174	(55,701)	43,473
Blackburn with Darwen Scheme	27,041	(13,632)	13,409
Cheshire Project	14,513	(147)	14,366
North & North West Herts Scheme	96,619	18,040	114,659
Northampton Scheme	45,848	10,562	56,410
Milton Keynes Scheme	76,207	(4,686)	71,521
Gwynedd Scheme	1,566	14,044	15,610
Community Fund (Wales)	1,500	(1,500)	-
Community Fund	11,124	6,434	17,558
Training Monies	234	(234)	-
Basildon Scheme	-	47,463	47,463
Kidz Out Funding	-	3,770	3,770
TOPPS Funding	-	895	895
Community Fund	-	3,052	3,052
Community Fund	-	(6,708)	(6,708)
Herefordshire Scheme	-	22,918	22,918
Hertfordshire Money	-	3,081	3,081
Isle of Wight Scheme	-	5,000	5,000
	861,260	44,053	905,313

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19. RELATED PARTIES

During the year the company provided services to Crossroads Enterprises Limited, a wholly owned subsidiary, on normal commercial terms, in the sum of £4,280 (2002 - £4,722) and received services, on normal commercial terms in the sum of £43,813 (2002 - £27,702). The net balance receivable from Crossroads Enterprises Limited at 31 March 2003 was £11,333 (2002 - £4,993 payable). A total amount of £75,763 (2002 – nil) was loaned to Crossroads Enterprises Limited during the year, on normal commercial terms. This amount had been repaid in full prior to the year end. During the year, Crossroads Enterprises Limited covenanted £6,879 (2002 – nil) to Crossroads Association.

D Bowler is also a director of Crossroads Enterprises Limited.