

Crossroads Association

Registered Number 1544708

Report and Financial Statements

Year Ended 31 March 2009

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BDO Stoy Hayward
Chartered Accountants

Crossroads Association

Annual report and financial statements for the year ended 31 March 2009

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Crossroads Association

Trustees' report for the year ended 31 March 2009

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2009.

Reference and administrative details

Charity number	282102
Company number	1544708
Principal address	10 Regent Place, Rugby, Warwickshire, CV21 2PN

Directors and trustees

The directors of the charitable company are its trustees for the purpose of charity law.

The directors of the company who served during the year ended 31 March 2009 are listed as follows:

Esrald Bennett
Ralph Cartwright (Treasurer)
Robin Foster
Patrick Healy
Peter Mayer
Merfyn Roberts
John Oldham (Vice Chair)
David Stone
David Wright (Chair)

There were no appointments since the year-end.

Chief Executive Officer	Anne Roberts
Company Secretary	Carolyn Robb
Auditors;	BDO Stoy Hayward LLP, 125 Colmore Row, Birmingham West Midlands. B3 3SD
Solicitors;	Hill Hofstetter LLP, Trigen House, Central Boulevard, Blythe Valley Park, Solihull. B90 8AB
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
Investment Advisors:	Barclays Personal Investment Management Eagle Court, Lynch Wood, Peterborough. PE2 6WY

Structure, Governance, and Management

Governing Document

Crossroads Association, a company limited by guarantee, is a registered charity governed by its Memorandum and Articles of Association adopted on 3 November 1999, amended by special resolution on 5 November 2003, and 14 November 2006.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

Appointment of Trustees

The Memorandum and Articles of Association of Crossroads Association set out the conditions under which Trustees are appointed and prescribe the election process. These include:

- The Board determines the number of trustees, which shall be not less than five and not more than seventeen. It is currently nine.
- At every Annual General Meeting, one third of the Board of Trustees, or the number nearest to a third, who have been the longest in office, shall retire.
- The Electoral reform Society conducts the process for electing trustees.
- Retiring trustees can be re-elected unless at the date of reappointment they would have served as a Trustee for a continuous period of six years.
- The Board of Trustees annually appoints unremunerated executive officers (Chair, Vice-Chair and Treasurer); these trustees are not subject to retirement by rotation.
- The Board may appoint a person to fill a casual vacancy or as an additional trustee if specific skills are required. Such appointments run until the next Annual General Meeting.

The charity maintains insurance for the Trustees in respect of their duties as Trustees of the charity.

	2009 £	2008 £
Insurance cost	364	364

Trustee induction and training

New trustees undergo an orientation day to brief them on:

- Their legal obligations under charity and company law.
- The content of the Memorandum and Articles of Association.
- The committee and decision making processes.
- The business plan and recent financial performance of the charity.

During the induction day they will meet key employees and other trustees. Trustees are encouraged to attend appropriate external and internal training events where these will facilitate the undertaking of their role.

Organisation

Overview

The Board of Trustees administers the charity. The Board meets at least quarterly and during the year there have been sub-committees to cover:

- Finance and general purposes
- Policy performance and membership
- Wales
- Strategy

The Chief Executive is appointed by the Trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, from the Trustees, for operational matters including care provision, fundraising, finance and employment.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

The Board

The Board is collectively responsible for setting of the Association's objectives and business plans, providing effective leadership, setting an effective framework of prudent controls to enable risk within the business to be managed, and reviewing on an ongoing basis the performance of the Association.

The Board reserves the making of certain decisions to itself and in other cases delegates the power to sub committees or to the decision of the Chief Executive and executive management. The areas the board has reserved to itself include:

- Corporate governance
- Approval of strategy
- Approval of the budget and business plan
- Approval of major capital expenditure contracts
- Approval of accounting policies particularly policies on reserves and investments
- Approving the senior management establishment levels
- Authority to amend the salary scale
- Approval of other employment terms and conditions
- Authority to terminate contracts of employment for the Chief Executive and senior management
- Approval of the annual accounts
- Managing risk

The board sub committees report to the Board on their activities as appropriate during the year.

The Board held five meetings during the year. Details of attendance by directors at Board and board sub committees are set out as below:

	Total all meetings		Board		Finance and General Purposes	
	Actual	Possible	Actual	Possible	Actual	Possible
E Bennett	8	9	5	5		
R Cartwright	9	9	5	5	4	4
R Foster	9	9	5	5	4	4
P Healy	8	9	4	5		
P Mayer	11	13	4	5	3	4
M Roberts	9	11	4	5		
J Oldham	15	15	5	5		
D Stone	6	9	3	5		
D Wright	5	5	5	5		

	Policy Performance & Membership		Wales		Strategy	
	Actual	Possible	Actual	Possible	Actual	Possible
E Bennett	3	4				
R Cartwright						
R Foster						
P Healy					4	4
P Mayer					4	4
M Roberts	3	4	2	2		
J Oldham	4	4	2	2	4	4
D Stone	3	4				
D Wright						

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

In addition to attending Board and sub committee meetings the Trustees also make themselves available between the scheduled meetings to attend other meetings and to provide guidance and advice as appropriate in relation to the business activities of the Association. The contribution of individual Trustees should not therefore be assessed solely by reference to the number of meetings attended. When Trustees were unable to attend meetings because of business or personal commitments they had the opportunity to review the papers beforehand and raise issues or questions with the Chair or sub committee chair as appropriate.

Board sub committees

Four sub committees have worked in the year to assist decision making and internal governance. Their respective main responsibilities are:

Finance and General Purposes

- Recommend the annual budget for the Association and changes to it.
- Monitor all aspects of financial performance and make appropriate recommendations to the Board.
- Agree procedures for financial controls.
- Agree senior management levels and recommend levels of remuneration.
- Produce a risk register for the Board and deal with matters of Health & Safety.
- Act as the Audit Committee.

Policy, Performance and Membership

- Deal with membership issues, including the production of a Member Scheme Agreement for approval by the Board.
- Sponsor and support the development and delivery of policies, in accordance with the Policy Framework, and recommend to the Board for approval.
- Sponsor and support the development of the Quality Assurance System, including the audit programme, and consider CROQUET audit reports on behalf of the Board.

Wales

- Advise the Board on the distinctive features of Welsh legislation and recommend strategies for the work of Crossroads Association in Wales.
- Ensure compliance with Welsh Assembly Government funding conditions.

Strategy

- Sponsor and provide oversight of the Strategic Review.
- Determine how the Review shall be taken forward.
- Provide oversight of the Project Team.
- Oversee implementation of the results of the Review.

Directors' team (DT)

The purpose of this senior team is to assist the Chief Executive in the exercise of her responsibilities in respect of the Association. The DT comprises the Chief Executive, Support Services Director, Business Development Director, Director for Wales and the Chief Executive's Executive Assistant. The DT meets on a monthly basis to review business activities and take decisions on all significant business issues that are not reserved to the Board. The DT assists in the formulation of strategy for the Association and provides an additional level of monitoring on business performance.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

Board and sub committee evaluation

The Board has developed and agreed a comprehensive appraisal system for the Board and individual Trustees, which is now in operation.

In order to ensure that the Board attracts and maintains trustees with the appropriate range of skills an audit was conducted to map the existing skill base and identify gaps that would then determine the basis of future elections to the Board.

The sub-committee structure is kept under review to ensure that it meets current needs. A Strategy Sub – Committee has been established to push forward a review, involving the whole network, and develop a shared strategy for Crossroads' future.

Related parties

The delivery of services for carers and the people they support must take account of the external environment and respond to government policy initiatives and regulatory requirements. Crossroads Association participates in a range of statutory and voluntary initiatives at a national level in England and Wales in order to raise awareness of the needs of carers and to contribute to the development of policy that affects both carers and Crossroads as a provider of community based services.

A strategic priority remains the identification of appropriate partnerships and the promotion of effective relationships with other organisations in the health and social care sector.

The Association continues to promote the need for a sustainable network of Crossroads schemes in the changing external environment and has initiated a Strategic Review with the network of Crossroads schemes in order to identify a shared vision for the future and growth in support for carers.

The charity's wholly owned subsidiary, Crossroads Enterprises Limited, was established to operate the commercial activities including provision of insurance cover for Crossroads carer support workers and general merchandising. The surplus arising is transferred by deed of covenant to the charity (see note 6 to the accounts). Additional resources have been created within Crossroads Enterprises to develop the range of products offered in order to increase the surplus and make a greater contribution to the income base of the Association.

Risk management

The risk management strategy developed by the Board comprises:

- An annual review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified in the plan
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise,

Objectives and activities

Aims

Crossroads – Caring for Carers aims to provide a range of high quality services that respond to the needs of carers and the people they support. The core provision enables carers to take a much needed break from their caring responsibilities.

The services are delivered through a network of local Crossroads schemes and as the umbrella organisation for the network the Association provides a range of support to facilitate both delivery and development.

The Association also works at a national level in England and Wales to raise awareness of the contribution made by carers and to influence the policy and legislative framework that impacts both on carers and on Crossroads as a service provider.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

Principal objects

Crossroads Association's objects are to relieve the stresses experienced by carers and beneficiaries, and to promote the efficiency and effectiveness of charities, which operate for the care, and support of carers and beneficiaries.

Summary of the main activities undertaken for the public benefit in relation to these objectives

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Association's aims and objectives and in planning future support activities.

The Association carries out the above objectives by offering affiliated schemes a wide range of support services in order to enable them to deliver quality services to carers and to expand the range of those services in both volume and scope. These services include:

- creating and co-ordinating a network of charities which will operate under a common 'Crossroads' branding,
- providing a forum for exchange of information between member charities,
- providing advice and information relevant to the attainment of such charities' objectives,
- providing policies and guidelines relevant to such charities operations, reflecting the legislative environment in which such charities operate,
- providing direct support to the network to enable it to expand its services to carers
- representing the range of views of such charities and their ultimate beneficiaries to policy makers,
- working for the continuity and increase of Crossroads service provision throughout England and Wales.

In addition to the above Crossroads Association directly operates a number of projects, which provide a direct service to carers.

How these activities have delivered public benefit

Crossroads Association has commenced a strategic review during the year. The purpose of this review is to clarify and enhance the work of the network and the umbrella body with a view to developing and extending the services provided to all carers throughout England and Wales. The review aims to clarify the mission and associated charitable purposes more clearly within the emerging context of the development of statutory services in the direction of individualised care.

Quite apart from the overall objective of expanding and developing services to carers the strategic review has highlighted the following:

- the need to rely less on statutory funding and expand services to self funders,
- the need to develop charitable activities to attempt to reach those who are not served by current statutory provision nor can afford to pay privately,
- look to expand services to minority and ethnic groups who may not be well served by the current pattern of service provision.
- augment signposting services so that anyone who approaches Crossroads will receive a minimum service.

The normal activities of Crossroads Association are also directed towards the support of schemes who deliver services to carers to enable them to expand and develop. In more specific terms these activities during the year have included:

- a series of workshops on the implications of self directed care,
- contacts with a number of condition specific charities with a view to collaborative working,
- specific support to numerous schemes in the network to enable them to deliver more services to carers,
- providing fora and other mechanisms to enable the recognition and dissemination of best practice throughout the network,
- actively participating in a number of government working parties designed to improve both recognition of all carers and to assist in the development of appropriate services in the context of current government policy.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (*Continued*)

Achievements and performance

Service delivery

Statistical information for the previous year is gathered on an annual basis from the network and an analysis of activities for April 2007 – March 2008 show an increase in the number of beneficiaries supported from 35,755 to 37,224 carers. A Crossroads service is of double value: information, emotional support and an opportunity for a break for carers, and a high quality and appropriate support service to the person they are caring for. That support service could be personal care for someone with physical disabilities or social support for someone with dementia. Therefore in addition to the 37,224 carers a similar number of people supported by those carers – people with a range of different disabilities and conditions – also benefit from the services provided by Crossroads.

Income for the network grew to £68,921,335 an increase of 4.8%. The breakdown of income streams showed an increase in the number of individual purchasers of services. This is positive and in line with the government's emphasis on direct payments and choice for individuals using services. Statistics for the period April 2008 to March 2009 are being collated and should be completed by October 2009. A new collation form has been created for the year 1 April 2009 to 31 March 2010 as part of a review of the statistics collected by Crossroads and how these can be utilised more.

Structure of the Network

Through *Foundation for the Future* the Association has continued to press for sustainable structures in local schemes in order to expand services for carers. We continue to see scheme mergers within the network and improved collaboration with other organisations. The formation of two regional structures – in the East Midlands and the South West are notable achievements. In East Midlands 8 of the 11 schemes have already, or are in the process of joining the regional scheme. Local service delivery will remain but under the direction of one trustee board and one management team. The new team is already taking forward developments in Lincolnshire – an area where there are currently no Crossroads services. In the South West a regional scheme has been set up with the specific aim of supporting new service developments.

Across other parts of the network new organisations are being formed - examples of which are Surrey – one county scheme from 6 individual schemes and Birmingham – one from 3. We believe these new structures are essential if the network is to survive some of the inevitable impact of market development associated with the personalisation agenda and as March 2009 there were 107 schemes.

Emphasis on the quality of service provision remains a high priority and with the emphasis on personal services and individual budgets our ability to demonstrate that quality will become increasingly important. In order to help local schemes to get to grips with the personalisation agenda a specific guide was produced by the Association for every scheme and supported by a series of workshops to facilitate further debate.

Collaboration with other organisations

During the year the Association has further developed collaborative working with the Princess Royal Trust for Carers and there are now three joint posts working across both organisations. Two of these focus on parliamentary and policy work – one in England and one in Wales. The third post is associated with a joint project, funded by the Department of Health which is designed to achieve better service provision for carers.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (*Continued*)

This project harnesses the combined resources and experience of PRTC and Crossroads to achieve some measureable outcomes for carers as set out below:

1. Better understanding of the types of services needed to meet the aims of the National Carers Strategy, especially for diverse groups of carers across England.
2. Increased skills and knowledge within staff responsible for the delivery and commissioning of local carers' support services as well as amongst other professionals involved with carers e.g. social and health workers.
3. Improvements in services to carers in England from a range of voluntary and statutory providers, based on evidence from the project of what works well.
4. Targeted and appropriate support to previously "hidden" carers e.g. BME/carers of mentally ill.
5. Greater partnership working between voluntary/statutory bodies working with carers.

The development of specialist work with condition specific organisations has continued and expanded during the year and a number of new contacts have been made; it is expected that some of these contacts will ultimately develop into full blown joint working arrangements to augment service provision in the particular areas concerned and this work will be given added impetus by the project. In specific terms detailed discussions have been held with the Motor Neurone Disease Association, the Stroke Association, For Dementia and a number of others, all with a view to either piloting work, some of which is already underway, or extending or supplementing the provision of services to the affected groups using the local Crossroads as the delivery mechanism.

The work with ethnic and excluded groups will begin as part of the main project.

The identification of new ways of offering carers choice and control, particularly in the context of the emerging personalisation agenda, will be helped by the intelligence gathering exercise mentioned above which will give a background to the emerging context for publicly funded social care. In addition we are in the process of gathering information on self funded care in order to inform this stage of the project.

The Strategic Review

The aims of the strategic review

Everyone associated with Crossroads, in a scheme or the Association, volunteer or paid worker, is committed to providing excellent services to carers. The Carers Strategy provides a clear vision for carers and therefore it is appropriate for Crossroads to consider what it should do to contribute to achieving that vision for carers as well as ensuring that the people they support benefit from the services we provide.

The services provided by Crossroads as a whole are many and varied, and funded in a range of different ways. Each scheme, quite rightly, has its own strategic priorities and objectives, based on assessment of local need and opportunity. Similarly, the Association has developed strategic priorities that reflect its role in the network as a whole.

However, if Crossroads services are to grow, develop and spread we believe that the whole network, including the Association, has to work together towards the same clearly expressed and agreed aims. Stage 1 of the review has focussed on a series of discussion topics based on what Crossroads should be seeking to achieve for carers over the next 5 years and what the respective roles are of local schemes and the Association in doing this.

The second stage of the review has now commenced with consultation taking place on high level strategic objectives. The review will report progress to the Annual Conference in November 2009.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

Awareness and Influencing

The Association has remained active at government level in England and Wales. Representation on the Cross Government Programme Board overseeing the implementation of the Carers Strategy in England, together with a place on the Project Board for Caring with Confidence – the government funded training programme for carers – ensures that we can actively contribute to the ongoing work of the Strategy. We have also participated in the national stakeholder group linked to the development of the Green Paper on Care and Support. In Wales Crossroads has maintained its significant profile with the Assembly Government contributing to a wide range of initiatives.

Putting people first without putting carers second

In response to the personalisation agenda Crossroads, jointly with PRTC and in partnership with a number of agencies published a report - "Putting People first without putting carers second". The report is being widely disseminated and has already helped to generate discussion about the role of carers in personalised services. It showcases innovative examples of carers' services designed to provide choice and control both for service users and their carers.

The report was launched at a Parliamentary Reception hosted by Barbara Keelley MP on the 26th February 2009 at Portcullis House. This was attended by 105 people including 20 MPs, Carers Centre staff, representatives of voluntary and statutory sector colleagues, and was addressed by the Minister Phil Hope MP who spoke about the value of the work in improving the focus on carers' services.

PRTC and Crossroads also held a Policy Round Table event with James Parnell MP, Minister for Work and Pensions on the 3rd December 2008 and attended by 35 key representatives from the sector.

Both of these events have helped raise awareness of carers' issues, promoted innovative approaches to support for carers, and encouraged debate amongst key statutory and voluntary sector colleagues about how the commitments made in the National Strategy can be rolled out effectively across England.

Our quarterly newsletter, New Directions, has also provided an opportunity to provide regular updates about the Carers Strategy, and other appropriate policy issues. The circulation to local trustees, managers, frontline care workers and carers has now reached over 20,000.

Developing a New Brand

As part of the Strategic Review a significant consultation has been undertaken with the network about a new brand which will enable Crossroads to promote a clearer and more consistent message about how we are able to help carers and the people they support.

A questionnaire on the subject initiated a huge response from the network with over 700 replies from trustees, managers and care staff. The outcome of this will lead to the launch of a new brand in summer 2009.

Trustees and senior staff at all schemes have received monthly information mailings intended to ensure they have the appropriate range of information to enable them to effectively govern and manage their schemes. The Association has continued to report on the external environment with special focus on the emphasis on the provision of services through individual budgets and direct payments. Specialist advice has been provided in areas such as human resources, charity law and children's services and training sessions on good governance, sustainability and marketing, tendering and self-directed care have also been provided.

The Association has continued to survey Crossroads schemes on a half-yearly basis to gain their feedback on the services and support provided by the Association.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

Direct services to carers

The Association has continued to operate a number of projects including Norfolk Crossroads Young Carers Project, funded by Norfolk County Council's Carers Grant to give help and support to young carers.

In the North East development work has taken place to develop a new model of support "dedicated care" which will respond to personalisation.

Financial review

Within the Consolidated Statement of Financial Activities, the incomes and costs are analysed into three sub divisions:

- Unrestricted – containing the core activities of the Association in supporting the network
- Designated – where the Board has allocated unrestricted resources to fund specific projects
- Restricted – where funding has been provided for specific projects or activities

Summary

There was a total deficit of £49,693 (2008 - surplus £91,216) of consolidated incoming resources over resources used in the financial year ending 31 March 2009. An analysis of the deficit is shown below:

	2009 £	2008 £
Unrestricted surplus	121,437	144,369
Designated deficit	(140,569)	(27,366)
Restricted (deficit) surplus	(30,561)	230,125
Discontinued activities (in-House) deficit	-	(255,912)
Total (deficit) surplus	(49,693)	91,216

The prior year unrestricted surplus of £144,369 is shown after restatement of £84,200 for the 2007/08 element of the prior year adjustment referred to below.

After last year's restated unrestricted surplus of £144,369 a balanced budget was planned for 2008/09 whilst the actual surplus was £121,437. The single largest reason for the improvement is membership fees within income from charitable activities being around £120,000 better than budget, partly because of increasing scheme incomes and also as a result of a change in the tax status of the fees.

Designated fund expenditure totalled £140,569 during the financial year (2008 - £27,366) with £112,845 of the total being spent in support of the network. There were two major projects:

	£
Strategic review and re – branding	72,508
Marketing tool kit for schemes	36,610

The restricted deficit of £30,561 (2008 – surplus £230,125) is analysed by project in note 14 to the accounts. In the year two projects ran into deficit, which required a transfer of £28,234 from unrestricted funds.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

Restatement of prior year

During the year it became apparent that income for one of the ex in house schemes had been overstated over a three year period ended 31 March 2008. This problem arose because service hours charged to a Local Authority were significantly in excess of the hours delivered. When the problem was identified, the Local Authority was advised and the Association reached a settlement to repay £188,000. This sum was repaid in early 2009/10. The Board is satisfied from external and internal investigations undertaken that the Association has not been subject to fraud. In making the payment of £188,000 we have ensured that the income incorrectly claimed has been repaid leaving the Association in no worse position than before the overcharging commenced.

The opening unrestricted reserves have been reduced by £188,000 from that reported in last year's accounts. As a result our reserves are weaker than we originally believed and this will affect our future plans.

The 2008 comparatives have been adjusted to reflect the above. Further details are shown in note 21 to the accounts.

Statement of financial activities

Total Income

The income available to the Association is analysed into two broad categories:

- Income from generated funds, which arises from voluntary sources, commercial activities and investment income
- Income from charitable activities, includes membership fees and funds provided by Local Authorities, other charities and grant making bodies for either the provision of support to carers or the network

Consolidated incoming resources from generated funds were £918,120 for the year (2008 - £1,478,241), whilst income resources from charitable activities reduced to £1,806,372 (2008 - £2,496,515) reflecting the elimination of In House income from ceasing that activity.

Unrestricted income

Income from generated funds for unrestricted activities was £883,910 (2008 - £1,306,471) with the reduction arising in voluntary income. Voluntary income fell by £420,752 to £334,547. For the third year running there was a fall in trusts and corporate donors to £63,589 (2008 - £115,294 and 2007 - £217,549 and 2006 - £272,039). Last year there was a single legacy of over £100,000, which was not repeated this year, causing a drop in this source of income of £104,489 to £32,812. The prior year also benefited from a "one off" grant for core funding from the DOH of £215,004.

Income from charitable activities comprises membership fees. Income from these fees showed a 31% increase at £549,807 (2008 - £417,537). This increase arises from:

- The benefit of the change in tax status of membership fees and the Association retaining this benefit in a way that did not increase the costs of the schemes.
- The removal last year of the membership fee cap together with the growth in schemes individual incomes.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

Restricted income

Within restricted activities, income from generated funds reduced by £132,840 to £34,210 with most of the reduction occurring from trusts and corporate donors. The prior year included funding from Man Group for young carers of £49,606 and training of £40,200. At the same time Lottery funding reduced by £25,201 to zero.

Income from charitable activities fell by £231,922 to £1,256,565. The single largest change was the cessation of the "Hertfordshire Monies" project that accounted for a reduction of £391,696.

Expenditure

Total expenditure on charitable activities

In total the resources expended on charitable activities reduced by £936,415 to £2,166,877.

Total resources expended on supporting the network were £1,362,660 (2008 - £1,217,170). Designated expenditure increased by £102,845 mainly due to the strategic review and re-branding together with the production of a marketing tool kit for scheme use. An increase occurred in restricted activities of £54,988 reflecting the mix and activity of levels of the projects.

Total resources expended on carers were £804,217 (2008 - £1,886,122). The reduction is largely due to the discontinued activity of the In house schemes amounting to £922,841.

Total expenditure within unrestricted activities for the Association itself, rather than the group was £863,886 net of management fee income of £128,893 (2008 - £1,066,445).

Balance sheet

The consolidated net outgoing resources for the year of £49,693 (2008 – incoming £91,216) was adjusted by a reduction in the market value of investments of £143,919 and an increase in market valuation of freehold property of £20,000. This provides a total consolidated net asset value for the Association at 31 March 2009 of £1,640,783 (2008 - £1,814,395) see Note 12.

Current Assets included cash and cash equivalents held by the group at 31 March 2009 of £1,151,269 (2008 - £1,208,822). This sum included a number of cash balances, which were held in interest bearing accounts in support of restricted projects listed in Note 14. Short-term deposits have been placed with Bank of Scotland of £288,000 and Charities Aid Foundation – Birmingham Midshires of £200,000. Sums in bank accounts have been spread between Barclays and Co-Operative Banks.

Reserves

The reserves of the Group reduced by £173,612 over the financial year and totalled £1,640,783 at 31 March 2009 as described in note 12 to the Accounts.

Following last year's discontinuance of the in house schemes activity the Board has reconsidered its policy on the General Reserve Fund.

The previous policy was that the General Reserve Fund should be approximately equal to six months of the Association's forecasted unrestricted expenditure excluding the unrestricted expenditure of the In House schemes.

The Board has decided that the policy should now be changed so that the General Reserve Fund as shown in note 12, should be approximately equal to six months of the Association's forecasted unrestricted expenditure.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

Transfers between the reserve categories are shown in note 17 to the Accounts

- Transfer from unrestricted to restricted to absorb deficits on the Training and Business Development London restricted projects of £28,234.
- Re-designation of designated reserves allowing a release from designated reserves to unrestricted to maintain the Board's General reserve Fund policy.

The designated reserve fund now stands at £106,255 and has been designated as below:

	£000
Strategic review	33
Network support	48
• PR and communications	
• Pilotlight pilot	
Fundraising and marketing	25
• Marketing structure	
• Consultancy support	

Investment policy and performance

Cash resources that are not required to support the Association in the short to medium term are invested through the Association's appointed Investment advisors. The advisors have the following investment guidelines approved by the Association's Board of Trustees:

- At least 50% of the investments should be in gilts or other fixed interest securities. The remainder should be invested in equities of medium to low risk nature and generally should be FTSE 100.
- Although growth is an objective, annual income is essential.
- Any individual equity holding should not be more than 5% of the total portfolio and multiple holdings in an individual market sector should not exceed 10% of the investment.

The fund managers are not required to consider social, environmental, or ethical matters in stock selection.

Market value of investments reduced by 22% (2008 - 10% reduction) during the financial year. Investment income was £22,376 (2008 £25,644) providing a 4% return on the capital invested as at 31 March 2009. As a result there was a total negative return of 18% due entirely to turbulent stock market conditions. Over the last two years the market value of the investments has reduced by £216,675.

Crossroads Association

Trustees' report for the year ended 31 March 2009 (Continued)

Reserve movements for the current year's reduction in market value of £143,919 are shown below:

	Reserves	
	Unrestricted	Revaluation
	£	£
Reduction from market value at 2008 to original cost		13,151
Reduction from original cost to market value at 2009	130,768	

Utilising unrestricted reserves for the fall in market values of investments temporarily reduces reserves available for current operations. When investment values rise again there will be an increase in unrestricted reserves which will then be available to fund day to day operations.

Your Board continues to review the situation at each Board meeting. We are of the view that we are unlikely to need to liquidate these investments in the medium term and can take a longer term of view of these market conditions. Historically stock market investment has provided a better return than cash deposits. Trustees have a duty to balance the interests of current and future beneficiaries and holding some equity investments helps the Board to meet this duty.

Crossroads Enterprises Limited

A summary of the trading results for Crossroads Enterprises Limited is shown in Note 6 to the accounts.

A surplus of £47,741 was transferred by deed of covenant to the Association (2008 - £39,364). The improved level of surplus includes the start of expanding activities beyond the provision of insurance cover for Crossroads carer support, merchandising, and CRB checks for network schemes. During the year significant progress has been achieved in providing CRB checks for bodies external to Crossroads. It is intended to steadily expand the products and services offered to both Crossroads schemes and external bodies to build on this sustainable funding.

Plans for the future

The Strategic Review will remain a key focus in 2009/10. We anticipate that by November 2009 we will reach an agreement on an updated vision, mission and set of values and high level strategic objectives for Crossroads as a whole.

Those objectives are grouped under the following headings:

- Provide services
- Influence policy
- Grow
- Raise awareness

During 2009/10 we will identify the key functions that need to support those objectives and the allocation of activities and resources nationally and locally.

Marketing is an increasingly important activity and we will seek to align this with a new fundraising strategy.

We will continue to be engaged with the Department of Health and other Government departments to support the implementation of the recommendations contained in the Carers Strategy. We will work with the Welsh Assembly Government to support the development of policy and practice.

Crossroads Association

Trustees' responsibilities for the year ended 31 March 2009 (Continued)

We will work to embed and maximise the impact of the new brand in order to raise awareness of the issues facing carers and the work of Crossroads. We will continue to invest in PR and Communications developing the newsletter and increasing its circulation so that more people are aware of the role of Crossroads and how we can provide impartial support to carers and the people they support.

We will maintain our focus on collaborative work with national charities that have an interest in supporting carers and will encourage such collaborations at a local level.

Trustees' responsibilities

Under the Companies Act 1985, the Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the financial year and of the incoming resources and application of resources in the year. In preparing the statement the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will continue its operations.

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

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware.
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that BDO Stoy Hayward LLP be re-appointed as auditors for the ensuing year.

By order of the board



Ralph Cartwright
29 July 2009

Crossroads Association

Report of the independent auditors on the audited financial statements

We have audited the financial statements of Crossroads Association Limited for the year ended 31 March 2009 which comprise the consolidated and charity statement of financial activities, the consolidated income and expenditure account, the consolidated and charity balance sheets, the consolidated and charity cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of Trustees and auditors

The Trustees' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity'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 evaluated the overall adequacy of the presentation of information in the financial statements.

Crossroads Association

Report of the independent auditors on the audited financial statements (*Continued*)

Opinion

In our opinion:

- the group financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity and the group at 31 March 2009, and of the group's and charity's incoming resources and resources expended, including its income and expenditure, for the year then ended;
- the group financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

BDO Stoy Hayward LLP

BDO STOY HAYWARD LLP
Chartered Accountants
and Registered Auditors
Birmingham

Date

10 August 2009

Crossroads Association

Consolidated statement of financial activities for the year ended 31 March 2009

	Note	Un- restricted funds £	Un- Restricted Designated Funds £	Restricted funds £	Total funds 2009 £	As restated 2008 £
Incoming resources						
<i>Incoming resources from generated funds</i>						
Voluntary income						
Funding from trusts and corporate donors		63,589	-	5,000	68,589	206,675
General donations including committed giving and other sundry income (inc Gift Aid)		170,958	-	13,996	184,954	378,858
National Gardens Scheme		100,000	-	-	100,000	65,000
Grants for core funding		-	-	-	-	215,004
Lottery funding		-	-	-	-	25,201
Gifts in kind		-	-	-	-	25,000
		<u>334,547</u>	<u>-</u>	<u>18,996</u>	<u>353,543</u>	<u>915,738</u>
Activities for generating funds						
Income from training and publications		-	-	15,214	15,214	11,480
Merchandising		18,004	-	-	18,004	13,871
Insurance		462,358	-	-	462,358	459,643
		<u>480,362</u>	<u>-</u>	<u>15,214</u>	<u>495,576</u>	<u>484,994</u>
Investment income						
Dividends		22,376	-	-	22,376	25,644
Interest		46,625	-	-	46,625	51,865
		<u>69,001</u>	<u>-</u>	<u>-</u>	<u>69,001</u>	<u>77,509</u>
Total incoming resources from generated funds		<u>883,910</u>	<u>-</u>	<u>34,210</u>	<u>918,120</u>	<u>1,478,241</u>

Crossroads Association

Consolidated statement of financial activities for the year ended 31 March 2009 (Continued)

	Note	Un- restricted funds £	Un- restricted designated Funds £	Restricted funds £	Total funds 2009 £	As restated 2008 £
Incoming resources from charitable activities						
Income to support the network	15	549,807	-	492,936	1,042,743	780,769
Income to support carers	16	-	-	763,629	763,629	1,715,746
Total incoming resources from charitable activities		549,807	-	1,256,565	1,806,372	2,496,515
Less:						
Costs of generating funds	5	508,561	27,724	-	536,285	697,078
Governance costs	5	71,023	-	-	71,023	83,170
Total incoming resources available for charitable Application		854,133	(27,724)	1,290,775	2,117,184	3,194,508
Total incoming resources		1,433,717	-	1,290,775	2,724,492	3,974,756
Resources expended on charitable activities						
Costs to support the network	5	732,696	112,845	517,119	1,362,660	1,217,170
Costs to support carers	5	-	-	804,217	804,217	1,886,122
		732,696	112,845	1,321,336	2,166,877	3,103,292
Total resources expended	5	1,312,280	140,569	1,321,336	2,774,185	3,883,540
Net incoming/ (outgoing) resources before transfers	2	121,437	(140,569)	(30,561)	(49,693)	91,216
Gross transfers between funds	17	199,823	(228,057)	28,234	-	-
Net incoming/ (outgoing) resources before other recognised gains and losses		321,260	(368,626)	(2,327)	(49,693)	91,216

Crossroads Association

Consolidated statement of financial activities for the year ended 31 March 2009 (Continued)

	Note	Un- restricted funds £	Un- restricted designated Funds £	Restricted funds £	Total funds 2009 £	As restated 2008 £
Other recognised gains (losses)						
Gains on revaluation of fixed assets for charities own use	8	20,000	-	-	20,000	-
Gains (losses) on investments	9	(143,919)	-	-	(143,919)	(72,756)
Net movement in Funds		197,341	(368,626)	(2,327)	(173,612)	18,460
Reconciliation of funds						
Total funds brought forward		509,749	474,881	829,765	1,814,395	1,899,735
Prior year adjustment	21	-	-	-	-	(103,800)
Total funds carried forward		707,090	106,255	827,438	1,640,783	1,814,395

The notes on pages 31 to 43 form part of these financial statements.

Crossroads Association

Consolidated summary income and expenditure account for the year ended 31 March 2009

	2009 £	As restated 2008 £
Total income	2,677,867	3,922,891
Total expenditure	2,774,185	3,883,540
Operating surplus (deficit)	(96,318)	39,351
Interest receivable	46,625	51,865
Surplus (deficit) on ordinary activities before Taxation	(49,693)	91,216
Taxation	-	-
Retained surplus (deficit) for the year	(49,693)	91,216

The Consolidated summary of Income and Expenditure account is derived from the Consolidated Statement of Financial Activities on pages 18 to 20, which together with the notes to the accounts on pages 31 to 43 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 2009

	Note				
		Un- restricted funds £	Un- restricted designated funds £	Restricted funds £	Total funds 2009 £
					As restated 2008 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income					
Funding from trusts and corporate donors		63,589	-	5,000	68,589
General donations including committed giving and other					
sundry income (inc Gift Aid)		163,168	-	13,996	177,164
National Gardens Scheme		100,000	-	-	100,000
Grants for core funding		-	-	-	-
Lottery funding		-	-	-	-
Gifts in kind		-	-	-	-
		326,757	-	18,996	345,753
Activities for generating funds					
Income from training and publications		-	-	15,214	15,214
Merchandising		175	-	-	175
		175	-	15,214	15,389
Investment income					
Subsidiary income		47,741	-	-	47,741
Dividends		22,376	-	-	22,376
Interest		38,467	-	-	38,467
		108,584	-	-	108,584
Total incoming resources from generated funds		435,516	-	34,210	469,726

Crossroads Association

Statement of financial activities for the year ended 31 March 2009 *(Continued)*

	Note	Un- restricted funds £	Un- restricted designated funds £	Restricted funds £	Total funds 2009 £	As restated 2008 £
Incoming resources from charitable activities						
Income to support the network	15	549,807	-	492,936	1,042,743	864,969
Income to support carers	16	-	-	763,629	763,629	1,631,546
Total incoming resources from charitable activities		549,807	-	1,256,565	1,806,372	2,496,515
Less:						
Costs of generating funds	5	12,425	27,724	-	40,149	216,238
Governance costs	5	71,023	-	-	71,023	83,170
Total incoming resources available for charitable application		901,875	(27,724)	1,290,775	2,164,926	3,233,872
Total incoming resources		985,323	-	1,290,775	2,276,098	3,533,280
Resources expended on charitable activities						
Costs to support the network	5	780,438	112,845	517,119	1,410,402	1,256,534
Costs to support cares	5	-	-	804,217	804,217	1,886,122
		780,438	112,845	1,321,336	2,214,619	3,142,656
Total resources expended	5	863,886	140,569	1,321,336	2,325,791	3,442,064
Net incoming/ (outgoing) resources before transfers						
	2	121,437	(140,569)	(30,561)	(49,693)	91,216
Gross transfers between funds	17	199,823	(228,057)	28,234	-	-
Net incoming/ (outgoing) resources before other recognised gains and losses		321,260	(368,626)	(2,327)	(49,693)	91,216

Crossroads Association

Statement of financial activities for the year ended 31 March 2009 (Continued)

	Note	Un- restricted funds £	Un- restricted designated funds £	Restricted funds £	Total funds 2009 £	As restated 2008 £
Other recognised gains (losses)						
Gains on revaluation of fixed assets for charities own use	8	20,000	-	-	20,000	
Gains (losses) on Investments	9	(143,919)	-	-	(143,919)	(72,756)
Net movement in funds		197,341	(368,626)	(2,327)	(173,612)	18,460
Reconciliation of funds						
Total funds brought forward		502,613	474,881	829,765	1,807,259	1,892,599
Prior year adjustment		-	-	-	-	(103,800)
Total funds carried forward		699,954	106,255	827,438	1,633,647	1,807,259

The notes on pages 31 to 43 form part of these financial statements.

Crossroads Association

Consolidated balance sheet 31 March 2009

	Note	2009 £	2009 £	As restated 2008 £	As restated 2008 £
Fixed assets					
Tangible assets	8		209,093		193,852
Investments					
Investments	9		507,159		651,078
Total fixed assets			716,252		844,930
Current assets					
Stock and work in progress		4,029		6,256	
Debtors	10	161,405		151,847	
Short term deposits		487,748		669,172	
Cash at bank and in hand		663,521		539,650	
			1,316,703	1,366,925	
Creditors – amounts falling due within one year	11	392,172		397,460	
Net current assets			924,531		969,465
Net assets			1,640,783		1,814,395
Funds					
Restricted income funds	14		827,438		829,765
Unrestricted income funds					
General reserve	12		602,150		392,907
Designated reserve	12		106,255		474,881
Revaluation reserve	12		104,940		116,842
Total unrestricted income funds			813,345		984,630
			1,640,783		1,814,395

Approved by the board of Trustees on 29 July 2009
and signed on its behalf by:



D WRIGHT
Chair

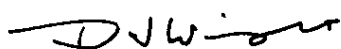
The notes on pages 31 to 43 form part of these financial statements.

Crossroads Association

Balance sheet
31 March 2009

	Note	2009 £	2009 £	As restated 2008 £	As restated 2008 £
Fixed assets					
Tangible assets	8		209,093		193,852
Investments					
Investments	9		507,160		651,079
Total fixed assets			716,253		844,931
Current assets					
Debtors	10	210,780		220,875	
Short term deposits		487,748		669,172	
Cash at bank and in hand		598,852		460,319	
			1,297,380	1,350,366	
Creditors – amounts falling due within one year	11	379,986		388,038	
Net current assets			917,394		962,328
Net assets			1,633,647		1,807,259
Funds					
Restricted income funds	14		827,438		829,765
Unrestricted income funds					
General reserve	13		595,014		385,771
Designated reserve	13		106,255		474,881
Revaluation reserve	13		104,940		116,842
Total unrestricted income funds			806,209		977,494
			1,633,647		1,807,259

Approved by the board of Trustees on 29 July 2009
and signed on its behalf by:



D WRIGHT
Chair

The notes on pages 31 to 43 form part of these financial statements.

Crossroads Association

Consolidated cashflow statement for the year ended 31 March 2009

	Note	2009 £	2009 £	As restated 2008 £	As restated 2008 £
Net cash (inflow) outflow from Operating activities	(1 below)		(117,062)		214,335
Returns on investment and the servicing of finance					
Dividends		22,376		25,644	
Interest		46,625		51,865	
			69,001		77,509
Investing activities					
Purchase of tangible fixed assets		(9,492)		(8,936)	
Proceeds from sale of tangible fixed assets		-		4,355	
Net cash (outflow) inflow from investing activities			(9,492)		(4,581)
Increase (decrease) in cash and cash equivalent	(2 below)		(57,553)		287,263
Cash and cash equivalents at 31 March 2008			1,208,822		921,559
Cash and cash equivalents at 31 March 2009			1,151,269		1,208,822

1 Reconciliation of changes in resources to net cash outflow from operating activities

	2009 £	As restated 2008 £
Change in resources before revaluation	(49,693)	91,216
Depreciation	13,415	15,990
(Gain) loss from sale of tangible fixed assets	836	2,432
(Increase) decrease in stocks	2,227	(506)
(Increase) decrease in debtors	(9,558)	294,524
(Decrease) increase in creditors	(5,288)	(111,812)
Dividends	(22,376)	(25,644)
Interest	(46,625)	(51,865)
	(117,062)	214,335

Crossroads Association

Consolidated cashflow statement for the year ended 31 March 2009 (*Continued*)

2 Analysis of changes in cash and cash equivalents during the year

	2009 £	As restated 2008 £
Cash at bank and in hand	<u>1,151,269</u>	<u>1,208,822</u>

Crossroads Association

Cashflow statement for the year ended 31 March 2009

	Note	2009 £	2009 £	As restated 2008 £	As restated 2008 £
Net cash inflow (outflow) from operating activities	(1 below)		(141,983)		114,415
Returns on investment and the servicing of finance					
Subsidiary		47,741		39,364	
Dividends		22,376		25,644	
Interest		38,467		44,394	
			108,584		109,402
Investing activities					
Purchase of tangible fixed assets		(9,492)		(8,936)	
Proceeds from sale of tangible fixed assets		-		4,355	
Net cash (outflow) inflow from investing activities			(9,492)		(4,581)
(Increase) decrease in cash and cash equivalent	(2 below)		(42,891)		219,236
Cash and cash equivalents at 31 March 2008			1,129,491		910,255
Cash and cash equivalents at 31 March 2009			1,086,600		1,129,491

1 Reconciliation of changes in resources to net cash inflow (outflow) from operating activities

	2009 £	As restated 2008 £
Change in resources before revaluation	(49,693)	91,216
Depreciation	13,415	15,990
(Gain) loss from sale of tangible fixed assets	836	2,432
Decrease (increase) in debtors	10,095	232,414
(Decrease) increase in creditors	(8,052)	(118,235)
Subsidiary income	(47,741)	(39,364)
Dividends	(22,376)	(25,644)
Interest	(38,467)	(44,394)
	(141,983)	114,415

Crossroads Association

Cashflow statement for the year ended 31 March 2009 (*Continued*)

2 Analysis of changes in cash and cash equivalents during the year

	2009 £	As restated 2008 £
Cash at bank and in hand	<u>1,086,600</u>	<u>1,129,491</u>

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments and freehold property which are included at market value, and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities published in March 2005, applicable accounting standards and the Companies Act 1985. The consolidated financial statements incorporate the full results of the charity's trading subsidiary.

Tangible fixed assets

Individual tangible fixed assets costing £100 or more are capitalised at 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 net assets concerned. The principal annual rates used for this purpose are:

Freehold land and buildings	- 2.5% (excluding land)
Motor vehicles	- 25%
Fixtures and fittings	- 10 – 33.3%

Gifted assets are not capitalised unless they have a material value.

Freehold land and buildings are shown in the balance sheet at valuation rather than historical cost. The company has chosen a policy of revaluation in accordance with FRS 15.

Investments

Quoted investments are stated at their market value as determined by our investment advisors. Any gain or loss is taken to the Statement of Financial Activities.

Investments in subsidiary undertakings are stated at cost.

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.

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.

Incoming resources

Incoming resources are accounted for on an invoiced basis by the company, net of Value Added Tax. Donations and legacies are included in incoming resources when they are receivable. The income from any fundraising activities is shown gross, with associated costs included in costs of generating funds. Grants are accounted for on an accruals basis.

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

1 Accounting policies (Continued)

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, exclusive of any Value Added Tax. Expenditure is recognised when a liability is incurred either explicitly or constructively.

- Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.
- Charitable expenditure is divided into that spending which supports the network of affiliated schemes and that which provides support to carers directly, through projects which are based on direct support to carers.
- Governance costs include direct spending on expenses for Trustees and also an appropriate proportion of the costs of departments which support the governance of the charity.
- Support costs include central functions which have been allocated to activities on the basis of the use of resources.

Operating leases

Rentals payable under operating leases are charged in the Statement of Financial Activities as incurred.

Taxation

Crossroads Association is registered with the Charity Commission and under the provisions of Section 505, Income and Corporation Taxes Act 1988, is exempt from liability to taxation.

Fund accounting

The Charity's funds comprise:

- | | |
|--------------------|--|
| Unrestricted funds | - these are funds that can be used in accordance with the Charity's objects at the discretion of the Trustees. |
| Restricted funds | - these are funds received under a specific trust and can only be used for the specific purposes determined by the donors. |
| Designated funds | - these are unrestricted funds that can be used in accordance with the Charity's objects which have been specifically allocated by the Trustees. |

Valuation of donated services

Where goods and services have been donated to the Charity, the Trustees value these on a deemed market value basis.

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

2 Operating results

	2009 Group £	2009 Company £	As restated 2008 Group £	As restated 2008 Company £
The results are stated after charging:				
Depreciation of tangible fixed assets	13,415	13,415	15,990	15,990
Auditors' remuneration				
- Audit fees	15,600	15,600	15,600	15,600
- Other services	3,400	3,400	3,400	3,400
Operating lease rentals:				
- Land and buildings	50,855	50,855	114,924	114,924
- Other	4,829	4,829	7,763	7,763
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

3 Trustees' remuneration

The trustees neither received nor waived any emoluments during the year (2008 - £nil).

Out of pocket expenses were reimbursed to the Trustees as follows:

	2009 Number	As restated 2008 Number	2009 £	As restated 2008 £
	9	9	5,021	6,047
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4 Staff costs

	Group 2009 £	Company 2009 £	As restated Group 2008 £	As restated Company 2008 £
Wages, salaries and redundancy costs	1,107,858	1,098,606	1,621,938	1,613,927
Social security costs	107,422	105,775	155,256	153,609
Pension costs	35,418	34,460	53,630	52,672
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	1,250,698	1,238,841	1,830,824	1,820,208
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Note: redundancy costs included in the above amount to £8,475 (2008 - £16,986).

No employee earned more than £60,000.

The average monthly number of employees during the year was:

	Group 2009	Company 2009	As restated Group 2008	As restated Company 2008
Central structure (central office, appeals and area staff)	19	18	23	22
In-house projects and schemes	29	29	106	106
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	48	47	129	128
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Crossroads Association

Notes to the financial statements
for the year ended 31 March 2009 (Continued)

5 Resources expended

	Company					Total 2009 £	As restated Total 2008 £
	Employ- ment costs including training £	Facility and services costs £	Comp- liance costs £	Fund- raising and PR costs £	Other costs inc project costs £		
Costs of generating funds	-	10,498	-	29,651	-	40,149	216,238
Governance costs	35,816	19,627	14,000	112	1,468	71,023	83,170
Charitable activities							
Support to network	791,729	308,006	-	57,377	253,290	1,410,402	1,256,534
Support to carers	423,573	181,765	-	3,848	195,031	804,217	1,886,122
Total charitable activities	1,215,302	489,771	-	61,225	448,321	2,214,619	3,142,656
Total resources expended	1,251,118	519,896	14,000	90,988	449,789	2,325,791	3,442,064
	Group					Total 2009 £	As restated Total 2008 £
	Employ- ment costs including training £	Facility and services costs £	Comp- liance costs £	Fund- raising and PR costs £	Other costs inc project costs £		
Costs of generating funds	12,604	442,404	3,885	29,651	47,741	536,285	697,078
Governance costs	35,816	19,627	14,000	112	1,468	71,023	83,170
Charitable activities							
Support to network	791,729	308,006	-	57,377	205,548	1,362,660	1,217,170
Support to carers	423,573	181,765	-	3,848	195,031	804,217	1,886,122
Total charitable activities	1,215,302	489,771	-	61,225	400,579	2,166,877	3,103,292
Total resources expended	1,263,722	951,802	17,885	90,988	449,788	2,774,185	3,883,540

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

5 Resources expended (Continued)

Support costs consist of the following:

	2009 £	As restated 2008 £
Staff costs	279,601	312,130
Office costs	130,179	100,152
Fundraising costs	-	446
Other costs	38,662	36,334
	<u>448,442</u>	<u>449,062</u>

The gross support costs are derived on the basis of an individual analysis of costs in relevant departments in the unrestricted activity and apportioned in accordance with that analysis to the relevant expenditure heading in the Statement of Financial Activities.

6 Net income from subsidiary undertakings

The Charity has one wholly owned trading subsidiary, Crossroads Enterprises Limited, which operates as general trading commercial company selling merchandise. A summary of its trading results is shown below. Audited financial statements are available from Companies House.

	2009 £	As restated 2008 £
Turnover	487,979	473,370
Cost of sales	393,494	399,445
	<u>94,485</u>	<u>73,925</u>
Gross profit		
Administrative costs	102,643	81,396
	<u>(8,158)</u>	<u>(7,471)</u>
Operating loss		
Interest receivable and similar income	8,158	7,471
	<u>-</u>	<u>-</u>
Net profit before taxation		
Taxation		
	<u>-</u>	<u>-</u>
Retained in subsidiary		

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

7 Grants received

	2009 £	As restated 2008 £
The following material grants were received in the year:		
Welsh Assembly Government S64	212,800	194,400
Hertfordshire County Council (care grants)	-	361,696
Hertfordshire County Council (Herts Officer)	-	25,500
Norfolk County Council	430,546	348,527
Leicester City Council	-	87,820
Leicester PCT (Mental outreach project)	112,272	112,272
Essex County Council	-	22,000
Blackburn with Darwen Council	-	18,868
Cheshire County Council	-	83,461
Gwynedd council	-	19,777
Northamptonshire County Council	-	601
Anonymous donor (North East project)	62,500	62,500
MAN Group-Young Carer research	-	49,606
Department of Health – Carer consultation	-	35,000
Department of Health – Capacity building in conjunction with PRTC	213,699	-
City Bridge Trust	22,815	-
ITV through The Princess Royal Trust	45,000	-
Macmillan	49,815	78,165
National Lottery - RG/1010086137 – Research project – Carers for people: with mental health problems	28,580	25,201
Lloyds TSB – Training manager	-	40,200
Future builders	14,367	21,020

8 Tangible fixed assets

Group and company	Freehold land and buildings £	Fixtures And Fittings £	Total £
Cost			
At 1 April 2008	170,000	70,677	240,677
Additions	-	9,492	9,492
Disposals/retirements	-	(4,450)	(4,450)
Revaluations	20,000	-	20,000
At 31 March 2009	190,000	75,719	265,719
Depreciation			
At 1 April 2008	-	46,825	46,825
Disposals/retirements	-	(3,614)	(3,614)
Charge for the year	-	13,415	13,415
At 31 March 2009	-	56,626	56,626
Net book value			
At 31 March 2008	170,000	23,852	193,852
At 31 March 2009	190,000	19,093	209,093

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

8 Tangible fixed assets (Continued)

The freehold land and buildings were revalued on 18 May 2009 at £190,000, by the external estate agents Hawkins Chartered Surveyors, members of RICS. The basis of the valuation is at market value with vacant possession. The historical cost of this asset is £85,060.

9 Investments

	2009 £	As restated 2008 £
Group and company		
Market value at 1 April 2008	651,078	723,834
Less: Disposals at opening book value		
Add: Acquisitions at cost		-
Add: Net gain (loss) on revaluations at 31 March 2009	(143,919)	(72,756)
	<u>507,159</u>	<u>651,078</u>
Market value at 31 March 2009	507,159	651,078
	<u>637,927</u>	<u>637,927</u>
Historical cost at 31 March 2009	637,927	637,927
Total gains and losses on investments		
Realised gains (losses)	-	-
Unrealised gains (losses) as above	(143,919)	(72,756)
	<u>(143,919)</u>	<u>(72,756)</u>

The valuation shown above on 31 March 2009 consists of the following:

	2009 £	As restated 2008 £
Barclays UK Balanced Portfolio	446,659	573,099
Barclays Income Portfolio	48,000	59,729
Eurovestech	12,500	18,250
	<u>507,159</u>	<u>651,078</u>

Company

The historical cost of investments includes £1 representing a 100% holding in Crossroads Enterprises Limited, a company which carries on the business of a general commercial company, whose profits are covenanted in full to support the work of Crossroads Association. The aggregate capital and reserves of Crossroads Enterprises limited was £7,137 (2008 - £7,137). Total investments of the charitable company at 31 March 2009 amounted to £507,160 (2008 - £651,079).

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

10 Debtors	Group 2009 £	Company 2009 £	As restated Group 2008 £	As restated Company 2008 £
Trade debtors	93,484	93,326	65,362	62,999
Other debtors	13,245	13,245	52,656	52,656
Prepayments	54,676	54,676	33,829	28,701
Amounts due from group undertakings	-	49,533	-	76,519
	161,405	210,780	151,847	220,875
11 Creditors	Group 2009 £	Company 2009 £	As restated Group 2008 £	As restated Company 2008 £
Trade creditors	70,035	59,848	77,763	70,341
Social security and other taxation	62,883	62,883	38,750	38,750
Accruals and deferred income	254,589	252,590	276,555	274,555
Other creditors	4,665	4,665	4,392	4,392
	392,172	379,986	397,460	388,038

Included in other creditors is an amount of £4,665 (Company) and £4,665 (Group) due in respect of pension contributions.

12 Reserves for the group	General fund £	Designated funds £	Restricted funds £	Revaluation reserve £	Total £
At 1 April 2008	580,907	474,881	829,765	116,842	2,002,395
Prior year adjustment	(188,000)	-	-	-	(188,000)
As restated	392,907	474,881	829,765	116,842	1,814,395
Incoming/(Outgoing) resources for the year	121,437	(140,569)	(30,561)	-	(49,693)
Revaluation gains/(losses) on fixed assets	-	-	-	20,000	20,000
Revaluation gains/(losses) on investments	-	-	-	(143,919)	(143,919)
Transfer re revaluation reserve	(112,017)	-	-	112,017	-
Transfers	199,823	(228,057)	28,234	-	-
At 31 March 2009	602,150	106,255	827,438	104,940	1,640,783

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

13 Reserves for the company

	General fund £	Designated funds £	Restricted funds £	Revaluation reserve £	Total £
At 1 April 2008	573,771	474,881	829,765	116,842	1,995,259
Prior year adjustment	(188,000)	-	-	-	(188,000)
As restated	385,771	474,881	829,765	116,842	1,807,259
Incoming/(outgoing) resources for the year	121,437	(140,569)	(30,561)	-	(49,693)
Revaluation of fixed assets	-	-	-	20,000	20,000
Revaluation gains/(losses) on investments	-	-	-	(143,919)	(143,919)
Transfer re revaluation reserve	(112,017)	-	-	112,017	-
Transfers	199,823	(228,057)	28,234	-	-
At 31 March 2009	595,014	106,255	827,438	104,940	1,633,647

14 Restricted funds

	Balance at 1.4.2008 £	Net movement in funds £	Transfer from un- restricted funds £	Balance 31.3.2009 £
Wales (including Wales Committee)	173,162	42,262	-	215,424
Wales policy post	-	39,894	-	39,894
Young carer projects	14,568	-	-	14,568
Other projects	2,351	-	-	2,351
Norfolk projects	254,511	(28,406)	-	226,105
Cheshire project	23,319	84	-	23,403
Kidz Out Funding	1,464	-	-	1,464
Hertfordshire carers money	29,934	(29,891)	-	43
Wales Lottery Project	56,356	2,155	-	58,511
Playscheme	9,915	-	-	9,915
Time Please Project	4,528	-	-	4,528
Black and ethnic worker	20,648	-	-	20,648
Carers panels	6,775	(3,000)	-	3,775
Macmillan project	26,834	(1,792)	-	25,042
Hertfordshire County Officer	13,263	(7,353)	-	5,910
North East Project	65,070	6,708	-	71,778
Dept of Health (carer consultation)	30,948	(26,102)	-	4,846
Dept of Health-joint project with PRTC	-	54,746	-	54,746
Futurebuilders	-	4,359	-	4,359
Training	14,079	(41,474)	27,395	-
Leicester Mental Health Outreach	22,236	1,136	-	23,372
MAN Group Young Carers research	49,606	(43,048)	-	6,558
Bridge Trust – Business Development London	-	(839)	839	-
Others	10,198	-	-	10,198
	829,765	(30,561)	28,234	827,438

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 *(Continued)*

14 Restricted funds *(Continued)*

Wales

Crossroads Wales is in part funded by the Welsh Government for its contribution to facilitate Assembly policy objectives, in its work in the Social Sector for development and delivery of services to carers in Wales.

Hertfordshire County Officer

A new post in 2005, funded by Hertfordshire Adult Care Services, the role is to work with the four Crossroads schemes across the county, exploring ways of them collaborating and working ever more closely to benefit Carers living in Hertfordshire. This is achieved by working closely with the Trustees and staff of the four member schemes and also our partners in adult care and other voluntary organisations. The schemes are working with the County Officer to achieve a higher profile for Crossroads in the area and improved services to Carers as a result.

Norfolk Young Carers Project

Crossroads Young Carers project started in 2000 and is funded by the Carers' Grant.

The aim is to provide a holistic approach to young carers' work. The project offers support to the families where there are young carers by listening to their needs and co-ordinating services to make life easier for all family members. The Project provides advocacy, emotional and practical support to young carers on all aspects of daily living affected by their caring responsibilities. We also enable young carers to have a break from their caring tasks by enjoying leisure and cultural pursuits.

In addition the Project raises awareness about young carers and the issues they face thereby enabling other agencies to identify them and develop suitable services.

Norfolk County Officer and 24 hour helpline

The Norfolk County Officer for Crossroads post is funded for 25 hours per week by Norfolk County Council to 2007. The project mainly funds the postholder to manage the 24 hour helpline which provides information and emotional support over the telephone to carers of people who live in Norfolk and to assist Norfolk schemes to reconfigure into more sustainable units by providing both information and assistance.

Norfolk Crossroads Workforce Development Officer

The postholder's role has been to assess the training needs of the Norfolk Crossroads staff and to arrange a training programme.

Macmillan Partnership Officer

The Crossroads/Macmillan Partnership Project supports Crossroads schemes to develop services for the carers of people living with cancer and form a major element of Macmillan's social care programme. The schemes are adopting Macmillan's 'Total Care' approach in the delivery of services which places the needs of service users (in this case, carers and cancer patients) at the centre, and attempts to support access to all other sources of support available in the cancer services area.

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

14 Restricted funds (Continued)

Cheshire Carers Development Initiative

The Cheshire Carers Development Initiative promotes and supports the development of better services for all carers in Cheshire. It assists Cheshire County Council in implementing its Carers Strategy, focusing on promoting flexibility of services with increased control for carers.

Black & Ethnic Community Outreach Development Officer for Basildon, Harlow and Epping

This project is concerned with developing links with ethnic communities and carers in Epping Forest District, Basildon and Harlow, identifying the needs of carers in these communities and helping them access information, support and breaks.

North East Project

Crossroads have received funding from an anonymous donor for a three year project to develop Crossroads services in the North East of England.

Leicester Mental Health Outreach

This service, funded by Leicester City PCT, was originally part of Leicester City Crossroads, one of the in-house schemes. Although the Scheme became financially unviable, this service was sustainable, and is being managed as an Association Project for the time being. It provides emotional support, information, signposting, and peer support to carers of people with mental health problems.

Department of health-joint project with PRTC

The Association has been awarded substantial three year funding for a joint project with the Princess Royal Trust for Carers. The main purpose of the project is to develop a better understanding of the type of services needed by carers, the development of new types of services, increased knowledge and skills of both commissioners and providers, targeting of support to "hidden" carers and developing services to the BME sector.

15 Income to support the network	Unrestricted funds £	Restricted Funds £
Statutory grants	-	212,800
Other support grants	-	214,947
Membership fees	549,807	65,189
	549,807	492,936

16 Income to support carers

	Restricted Funds £
Statutory grants	213,699
Grants for direct care and support	549,930
	763,629

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

17 Transfer of funds

	Unrestricted funds £	Designated funds £	Restricted funds £
Transfers of deficits from restricted funds:			
BUSLON (Bridge Trust – Business Development London)	(839)		839
LOT (Training)	(27,395)		27,395
Transfers between unrestricted and designated funds	228,057	(228,057)	-
	199,823	(228,057)	28,234

Transfers from unrestricted to restricted funds are in respect of deficits on BUSLON and LOT projects during the year.

Transfers between unrestricted and designated funds represent a transfer to maintain the reserve requirement of the Association.

18 Analysis of net assets between funds

Company				
	Unrestricted funds inc revaluation reserves	Designated funds £	Restricted funds £	Total £
Fixed assets	209,093	-	-	209,093
Investments	507,160	-	-	507,160
Net current assets	(16,299)	106,255	827,438	917,394
	699,954	106,255	827,438	1,633,647
Group				
	Unrestricted funds inc revaluation reserves	Designated funds £	Restricted funds £	Total £
Fixed assets	209,093	-	-	209,093
Investments	507,159	-	-	507,159
Net current assets	(9,162)	106,255	827,438	924,531
	707,090	106,255	827,438	1,640,783

Crossroads Association

Notes to the financial statements for the year ended 31 March 2009 (Continued)

19 Operating lease commitments

The group and company have the following annual commitments under non cancellable operating leases:

	Land and buildings 2009 £	Other 2009 £	Land and buildings 2008 £	Other 2008 £
Expiring:				
Within one year			14,688	-
In two to five years			-	9,767
Over five years	26,013	3,566	8,367	-
	<u>26,013</u>	<u>3,566</u>	<u>8,367</u>	<u>-</u>

20 Gifts in kind

Group and company

Gifts in kind represent the Trustees' valuation of rent and services of the London office, being £nil and £25,000 respectively for both the current and previous period.

21 Prior year adjustment

The result of the previous year have been restated to reflect the repayment of over claimed income amounting to £188,000. This affect the results reported previously as follows:

	£
2008	(84,200)
2007	(103,800)
	<u>(188,000)</u>

The matter is explained in more detail on page 11 of these financial statements.

22 Corresponding figures

The analysis between continuing and discontinued operations for the year ended 31 March 2008 is shown below:

	Unrestricted funds £	Unrestricted designated funds £	Restricted funds £	Unrestricted discontinued activities £	As restated Total £
Total incoming resources	1,652,290	-	1,655,537	666,929	3,974,756
Total resources expended	(1,507,921)	(27,366)	(1,425,412)	(922,841)	(3,883,540)
Net incoming/(outgoing) resources before transfers	144,369	(27,366)	230,125	(255,912)	91,216
Gross transfers between funds	(293,760)	383,862	37,899	(128,001)	-
Net incoming/(outgoing) resources before other recognised gains and losses	(149,391)	356,496	268,024	(383,913)	91,216