

COMPANIES HOUSE COPY

Crossroads Association

Registered Number 1544708

Report and Financial Statements

Year Ended 31 March 2012



Crossroads Association

Annual report and financial statements for the year ended 31 March 2012

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Crossroads Association

Trustees' report for the year ended 31 March 2012

The Trustees present their annual report and the audited financial statements for the year ended 31 March 2012

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 2011 are listed as follows

Esrald Bennett
Mark Currie (Treasurer to 12 December 2011)
Elin Fitzpatrick
Robin Foster
Patrick Healy (Chair)
Peter Mayer (resigned 12 December 2011)
Sohail Rasul (Vice chair throughout the year and Treasurer from 12 December 2011)
Hannah Robins (from 22 November 2011)
David Stone
Joyce Wilcock

As a result of the merger with The Princess Royal Trust for Carers which created the new charity Carers Trust on 1 April 2012, most of the Board members listed above resigned with effect from 31 March 2012. The directors since that date have been

Mark Currie
Tania Fitzgerald
Sohail Rasul

Chief Executive Officer Anne Roberts
Auditors, BDO LLP, 125 Colmore Row, Birmingham West Midlands B3 3SD
Solicitors, Hill Hofstetter LLP, Tngen 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, 14 November 2006, 5 May 2011 and 15 March 2012

Crossroads Association and its Member Schemes are collectively referred to as Crossroads Care

Crossroads Association

Trustees' report for the year ended 31 March 2012 (Continued)

Merger with the Princess Royal Trust for Carers

As a result of the merger of Crossroads Care with the Princess Royal Trust for Carers, which became effective on 1 April 2012 through the creation of the new charity Carers Trust, Crossroads Care became a subsidiary company of Carers Trust and consequently the commentary relating to the governance of the charity refers to the period up to 31 March 2012. Carers Trust took over the operations, assets and liabilities of Crossroads Care with effect from 1 April 2012.

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, by ordinary resolution, the number of trustees, which shall be not less than five and not more than seventeen.
- 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 in which case they may only be appointed by special resolution of the Board.
- 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.

	2012 £	2011 £
Insurance cost	724	724

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.

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Trustees' report for the year ended 31 March 2012 (Continued)

Organisation

Overview

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

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 on-going 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.

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.

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Trustees' report for the year ended 31 March 2012 (Continued)

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, Marketing 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.

Board and sub committee evaluation

The Board had in place a comprehensive appraisal system for the Board and individual Trustees.

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.

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Trustees' report for the year ended 31 March 2012 (Continued)

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 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 7 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

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.

Vision and Mission

Crossroads Care wants every carer to be recognised, supported and offered services to help them maintain their own health and well-being. We aim to achieve this vision through

- providing services that respond to the needs of carers and the people they support, offering them peace of mind and understanding, and
- working with carers and other stakeholders to influence service innovation and growth

As a result of the Strategic Review we have agreed a set of strategic objectives with the network of Crossroads Care schemes throughout England and Wales. The agreed strategic objectives are as follows:

Crossroads Association

Trustees' report for the year ended 31 March 2012 (Continued)

To provide services for carers

To provide a range of services for carers and the people they support which

- enable carers to have a life of their own outside caring
- enhance the health and wellbeing of both carers and the people they support
- are flexible, high quality and tailored to meet the particular needs of individual carers, the people they support and the wider family unit where there is one

To encourage, and contribute to the development of, comprehensive carers' services that are both available and accessible in each local area

To review the extent to which Crossroads Care services are fully accessible to minority groups and implement appropriate activity to increase accessibility

To maintain a comprehensive local knowledge of the services available for carers in order to be able to effectively signpost carers to other providers if Crossroads Care cannot assist

To influence policy

To raise and maintain awareness of carers' issues (with a particular focus on service requirements) amongst politicians, policy makers and commissioners at both national and local level

To grow and develop

To achieve sustainable growth so that more Crossroads Care services are available to more carers in more places without loss of service quality. Indicators of this growth will be increases in

- the number of carers supported by Crossroads Care services
- the number of care and support hours (including assessments) provided
- the range of services provided
- the number of areas where Crossroads Care services are available
- the total income of the network of Crossroads Care organisations

To increase the proportion of Crossroads Care's funding that comes from sources other than statutory sources, with a particular focus on increasing the proportion of funds generated to spend on charitable activity

To explore and develop an appropriate means to measure improvements in outcomes for carers and the people they support, at national, local and individual levels

To provide more charitable activities to meet needs of carers and the people they support that are not being satisfactorily met via statutory or private funding

To raise awareness

To achieve increased awareness of the Crossroads Care 'brand' amongst carers, the people they support, potential supporters, commissioners, funders and the general public

To increase Crossroads Care's ability to attract and retain a committed and highly competent workforce comprising paid staff and volunteers, including trustees

To develop and publicise an organisation wide 'employer brand' with a view to being recognised as the social care sector 'employer of choice'

Crossroads Association

Trustees' report for the year ended 31 March 2012 (Continued)

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 Care' brand,
- 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

We have impacted the lives of many carers across England and Wales. Statistical information for the previous year is gathered on an annual basis from the network and an analysis of activities for April 2010 – March 2011 shows that we provided direct support to over 43,000 carers an increase of 2,000 from the previous year. A Crossroads Care 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 43,000 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 over £81 million an increase of 3.5% from £78.3 million in 2009/10.

In addition to our strategic objectives, we have agreed with the network of Crossroads Care schemes that Crossroads Care organisations will work to provide, or ensure the provision of, a service which, as a minimum

- is responsive to local need
- supports carers and the people they care for of all ages (including children and young people)
- provides both a break and emotional support for the carer
- offers a breaks service which is available 24 hours a day, seven days a week, 52 weeks a year
- supports people with a range of needs from the simple to the complex
- supports people with a range of disabilities or health conditions (no disability or health condition will be excluded per se)
- provides some element of continuing support after caring ends, and
- signposts carers and the people they support to other Crossroads Care organisations when appropriate and to other organisations where Crossroads Care is unable to assist

This will ensure that more carers obtain the support they need to maintain their own health and well-being

Crossroads Association

Trustees' report for the year ended 31 March 2012 (*Continued*)

Achievements and performance

The Board set five key operational objectives for the year 2011/12 and we set out below the performance against those objectives

To take forward the change agenda in order to ensure a sustainable network with effective governance at all levels, able to support, develop and deliver services to carers

A key focus for The Association has continued to be the provision of support to Crossroads Care schemes to enable them to be sustainable in an increasingly volatile external environment. The thrust of the programme has been to enable mergers and to support schemes to deliver the minimum level of service provision to carers and the people they support described earlier. The Association Board will ensure that this focus is retained within Carers Trust.

Statistical information gathered about scheme performance in 2010/11 shows that the 10 largest schemes in terms of turnover have grown their hours of care by an average of 39%.

The work has been taken forward by a dedicated team and a wide range of support tools have been provided to aid local mergers and organisational development. These include:

- Legal and Due diligence toolkits
- Organisational design
- Financial modelling tool
- HR kit to support TUPE transfers approved by insurers
- Transition planning advice and templates
- Stakeholder engagement and communication
- Pay and grading model
- Outline board skills template and subsidised board skills assessment package via Reach

To deliver effective support to the Crossroads Care network in order to stimulate service development and delivery for carers

The operational policy framework developed and reviewed by The Association enables all network members to deliver flexible and responsive services to carers and the people they care for and to meet internal and external standards. This framework (care practice, employment practice, H&S), has been reviewed and updated for compliance with new regulation in England (CQC), and appropriate new material added. Importantly a comprehensive review of basic, specialised and prohibited personal care tasks has been undertaken to enable schemes to tender for a wider range of carer support services in keeping with trends in social care environment.

A new directorate - Marketing and Communications - was created at the beginning of the year. This directorate took on the responsibility for delivering the weekly information mailings to the network, and the externally facing New Directors which is designed to promote the work of the network to external stakeholders and supporters.

New work included the development of a marketing strategy toolkit designed to help local organisations deal with the development of a personalised social care market where more individuals would directly purchase services and to support this. The Association carried out a mystery shopper exercise to test scheme response to individual enquiries about their services - feedback to schemes was valuable and supported both existing good practice and areas for improvement. In addition an outcomes framework has been designed by the New Economics Foundation and tested with 3 pilot schemes. The next step is to develop a Social Return on Investment tool for the whole network.

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Trustees' report for the year ended 31 March 2011 (Continued)

To develop national partnerships that will benefit carers and the network

We have continued to forge partnerships with a wide range of organisations supporting people with dementia, stroke, learning disabilities and young carers. A new partnership has been created with Bright Horizons whereby staff in a range of private organisations can receive replacement care from Crossroads Care schemes in order that they may stay at work. In conjunction with The Princess Royal Trust for Carers we have been working with GPs to support the development of carer services and other relevant health based partners.

The major focus, however, has been working with staff and trustees from The Princess Royal Trust for Carers to take forward the creation of a new charity which would build on the experience and expertise of its two founder organisations - Carers Trust was created on 1st April 2012 with support from network organisations.

To influence the legislative and policy framework across government in order to strengthen support for carers and their families

The Chief Executive and The Director of Wales have been active in government liaison through the year and through the joint policy posts shared with The Princess Royal Trust for Carers in England and Wales we have continued to influence the policy framework that impacts both on carers and on local organisations providing services. In England a campaign - Give Carers a Break - designed to highlight the use of funding given to Primary Care Trusts for breaks for carers successfully influenced the NHS Operating Plan which now requires PCTs to publish their plans for the provision carers' services.

To raise awareness of carers' needs and the profile of Crossroads Care

Through the website, social media and the quarterly newsletter – New Directions – we have continued to raise awareness of carers' needs and the work of Crossroads Care. PR advice and support has been provided to local organisations and joint campaigns as described above have gained widespread coverage.

Direct services to carers

Involving carers in our work is vitally important and this year consultation with carers supported the development of a Carer Involvement Strategy that was taken forward jointly with The Princess Royal for Carers. The strategy will inform the work of Carers Trust and will be a lead responsibility for a new directorate - Carers Services - designed to take forward innovative solutions for supporting carers.

Norfolk Helpline/Short Breaks at Short Notice

This project provides a 24 hour helpline which provides information and emotional support over the telephone to carers of people who live in Norfolk. It also brokers the Short Breaks at Short Notice service to provide carers with a short break when that is needed. The intention is to transfer this project to a local Crossroads Care organisation in 2012.

Norfolk Young Carers Project

Crossroads Young Carers project started in 2000 and is funded by the Carers' Grant. The aim of the project 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. This project was transferred to Crossroads Care East Anglia on 1 April 2012.

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Trustees' report for the year ended 31 March 2012 (*Continued*)

National Garden Scheme

The National Gardens Scheme (NGS) is a longstanding major funder of the core work of the Association and we are delighted that they will continue to support our work carers as a supporter of Carers Trust. We will work together to raise greater awareness of the needs of carers and impact of carers and their role as a charity making significant annual donations to organisations working in health and social care.

This year we have used £225,000 of the donation received from NGS to support volunteering in local Crossroads Care organisations.

Department of Health - supporting sustainability

In 2010/11 The Department of Health also provided funding to support Crossroads Care Association's wide ranging change programme to build the capacity and effectiveness of the local organisations within the Crossroads Care network. This work has long term implications for the sustainability of high quality, carers services across England tailored to the needs of individual carers and their families.

The Department's investment has supported three key strategies which we have continued to build on in 2011/12

- Reconfiguring the Crossroads Care network of 96 local organisations to create larger, more sustainable carers organisations
- Creating a new national marketing function to support local activity and drive a new commercial, customer-led culture across the Network
- Developing a national service framework based on evidence from widespread innovative service delivery on a local level which will articulate the health, social and economic outcomes for carers for specific services

Grant giving

During 2011/12 we provided a number of grants to members of the network out of funds provided by our supporters.

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Trustees' report for the year ended 31 March 2012 (Continued)

Financial review

Summary

The Crossroads Association generated a deficit of £680,000 in the year ended 31 March 2012 as compared to a surplus of £570,000 in the year ended 31 March 2011

	2012 £'000	2011 £'000
General unrestricted fund surplus	221	535
Designated unrestricted fund deficit	(352)	(80)
Total unrestricted deficit/surplus	(131)	455
Restricted deficit/surplus	(549)	115
Total deficit/surplus	(680)	570

This large turnaround from surplus to deficit was expected as a result of four major factors

- 1 A distribution to network members of a VAT refund received in 2011 resulting in a deficit in 2012 of £260,000 and a surplus of £260,000 in 2011 – a £520,000 negative swing,
- 2 Costs associated with progressing the merger with PRTC funded by our existing reserves of £135,000 – a £135,000 negative swing
- 3 Carrying out significant activities enhancing the sustainability of the Crossroads Network and improving services for carers using funds received in 2011 which resulted in a net deficit of £328,000 as compared to a £220,000 surplus in 2011 – a £550,000 negative swing
- 4 A greater use of designated reserves to support the network sustainability programme in 2011 than in 2012 – a positive swing of £80,000. We still intend to support this programme with the £176,000 designated reserve remaining at 31 March 2012

After taking account of these exceptional items then both years have shown a surplus thanks to good fortune with legacy income

	2012 £'000	2011 £'000	Movement £'000
Recorded deficit / surplus	(680)	570	(1,250)
VAT refund	260	(260)	520
Merger costs	135		135
DoH project	328	(220)	548
Network sustainability programme		80	(80)
Surplus before large exceptional items	43	170	(127)

The Association prepared a deficit budget for its unrestricted activities for the year ended 31 March 2012 but achieved a surplus primarily due to having good fortune with legacies and holding off incurring certain expenditure pending the merger with PRTC. We maintained our tight control over the unrestricted cost base. Legacies cannot be budgeted with any certainty but to have achieved the level of income that was achieved in the past two years is a sign that the Crossroads Care brand is receiving greater recognition with the public for the charitable work it does to help carers.

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Trustees' report for the year ended 31 March 2012 (Continued)

Of the designated fund deficit some £260,000 relates to the distribution of the VAT refund received last year to our network members with a further £100,000 being incurred to contribute to the costs of the merger with PRTC, such costs being broadly equivalent to the surplus generated on unrestricted activities during the year

After achieving a surplus on its unrestricted charitable activities last year the Association designated a significant amount of its reserves to promote the long term sustainability of the network through activities which were funnelled through the strategic review process. During 2011/12 we were fortunate to be able to use the funds provided by the Department of Health for building that sustainable future and did not draw upon the designated reserves leaving us with a £176,000 designated fund at the end of the year

The restricted fund activities showed a deficit of £549,000 as compared to a surplus of £115,000 in 2011. Last year's surplus was driven largely by the receipt of £500,000 of funding from the Department of Health to assist the sustainability programme. Some £236,000 of that funding was utilised during 2011 with the remaining £264,000 being spent during 2012. In addition we were able to continue other valuable work costing some £70,000 which had been previously funded by the Department of Health. Finally we were fortunate to receive a grant of £225,000 from the National Garden Scheme which we distributed on to member schemes to assist them in developing volunteering initiatives at a local level along with the remaining £105,000 which we had previously awarded to member schemes to pilot dementia related projects

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Trustees' report for the year ended 31 March 2012 (*Continued*)

General unrestricted activities

A summary of the financial results of our unrestricted activities is set out below

	2012	2011	Movement
	Unrestricted	Unrestricted	Unrestricted
	£'000	£'000	£'000
Donations and grants	820	406	414
Income from service contracts	472	630	(158)
Membership fees	526	563	(37)
VAT refund re membership fees	-	320	(320)
Investment income	37	27	10
Other income	538	531	7
<i>Total income</i>	<u>2,393</u>	<u>2,477</u>	<u>(84)</u>
Costs of delivery	(2,099)	(1,865)	(234)
Governance costs	(73)	(77)	4
<i>Total costs</i>	<u>(2,172)</u>	<u>(1,942)</u>	<u>(230)</u>
Surplus/deficit	<u>221</u>	<u>535</u>	<u>(314)</u>

The increase in donations has arisen primarily as a result of £350,000 of income being received from the National Garden Scheme during 2012 whereas no income was recorded in 2011 due to a change in the timing of the donation. Some £225,000 of grants to network members were funded from this donation and these account for the increase in the costs of delivery.

The income from service contracts was significantly lower than last year mainly as a result of a contract to run the Think Family Project in Norfolk which ran predominantly in 2011.

The VAT refund in respect of VAT on membership fees being incorrectly accounted for in the past was paid by HMRC after we were successful in putting our case to the VAT tribunal in August 2010.

A donation of £150,000 is included in the costs of delivery in 2012 representing the passing on of a legacy received in 2011 which was intended for the benefit of carers and network members in Surrey. These additional costs have been offset by lower costs associated with the Norfolk Service contracts due to lower activity in the year.

Unrestricted designated activities

The deficit on unrestricted designated activities is driven mainly by the £260,000 expense associated with the distribution of the VAT refund received in 2011 to network members and £100,000 of the costs associated with progressing the merger with PRTC.

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Trustees' report for the year ended 31 March 2012 (Continued)

Restricted activities

A summary of the financial results of our restricted activities is set out below

	2012 Restricted £'000	2011 Restricted £'000	Movement Restricted £'000
Membership fees	58	57	1
Grants, donations and other income	486	1,230	(744)
	544	1,287	(743)
Costs of delivery	(1,092)	(1,172)	80
Surplus/deficit	(548)	115	(663)

Our grants were significantly lower primarily due to the £676,000 of funding received from the Department of Health in 2011 to drive the network sustainability project forward, drive service development and improve the marketing skills of the Association as well as supporting the joint project we undertook with PRTC to improve services to carers

The programmes funded by the Department of Health ran at a similar level of activity in 2012 as in 2011 so the delivery costs did not reduce significantly

Balance sheet

The net funds of the Association decreased by £695,000 during the year as a result of the £680,000 deficit referred to above plus a £15,000 decrease in the market value of our investments

Debtors are at a similar level to 2011 as both years contain approx £150,000 Creditors are higher than in 2011 as a result of us holding the cash received from a legacy referred pending payment to Crossroads Care Surrey in accordance with the wishes of the legacy giver

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 Our total investments/cash holdings were split as follows

	2012 £'000		2011 £'000	
Investments - quoted markets	631	33%	646	27%
Short term deposits	1,172	60%	1,396	58%
Cash at bank and in hand	133	7%	355	15%
	1,936		2,397	

Crossroads Association

Trustees' report for the year ended 31 March 2012 (*Continued*)

Whilst the Association recorded a deficit of £680,000, cash and investments reduced by only £461,000 primarily as a result of receiving legacy of £150,000 that was in debtors at last year end and not having paid over the legacy to the network member until after the year end

The investment 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

Our investments decreased in value by 3% during the year (2010 - 2% increase)

Investment income was £16,000 (2010 - £20,000) providing a 3% return on the average capital invested which is in line with last year. We earned £20,000 of interest income – significantly higher than last year due to higher average cash balances being held as a result of the timing of major income and expense streams. The dividend yield on our investments exceeded the return on our cash deposits as it did last year due to very low interest rates

Reserves

The reserves of the Group decreased by £695,000 over the financial year and totalled £1,963,000 at 31 March 2012 as described in notes 13 and 17 to the Accounts

As a result of the merger with the Princess Royal Trust for Carers which took place on 1 April 2012, the Crossroads Association agreed to transfer all its assets and liabilities to Carers Trust, the new charity established to take over the activities of both merging Charities. All restricted and unrestricted reserves were therefore transferred to Carers Trust at that date

The £176,000 designated reserves at 31 March 2012 have been donated to Carers Trust as a result of the merger on the basis that the use of such funds is restricted to the continued work supporting the sustainability agenda for the Crossroads network

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Trustees' report for the year ended 31 March 2012 (Continued)

The Future

As noted previously, the Crossroads Association transferred its assets liabilities and activities to Carers Trust whose objects are

- The relief of those in need by reason of age, ill health, disability, financial hardship or other disadvantage through the provision of comprehensive support services for carers throughout the United Kingdom, the Channel islands and the Isle of Man,
- The assistance of carers in need including by raising awareness of issues affecting carers, and
- The promotion of the efficiency and effectiveness of charities which operate for the care and support of carers

Whilst this new charity will develop its own identity, the Board of the Crossroads Association were involved in setting the strategic objectives of the new charity which are to

- Raise the profile of carers and the caring role – Carers Trust will give carers a strong UK identity and will help more carers access support The new identity will help build public awareness and forge productive partnerships
- Support the growth and development of solutions for carers – Carers Trust will develop and share innovative services and actively promote high quality support for carers and those they care for
- Influence society to improve carers' lives – as a merged entity Carers Trust will carry greater influence with policy makers and will build its credibility, leading to changes that significantly enhance carers' lives
- Work with local partners to develop a strong network – carers Trust will continue to raise quality standards among local network members, help secure their financial future and enhance local support across the UK

Carers Trust will take forward and develop these strategic objectives during its first year of operation

Crossroads Enterprises Limited

A summary of the trading results for Crossroads Enterprises Limited is shown in Note 7 to the accounts which shows the surplus of £46,000 which was transferred by deed of covenant to the Association (2011 - £42,000)

Crossroads Association

Trustees' report for the year ended 31 March 2012 (Continued)

Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards 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 inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

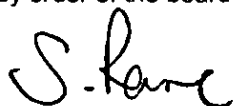
Auditors

All of the current trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purpose of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant information of which the auditors are not aware.

As Crossroads Association became dormant with effect from 1 April 2012, it is not proposed to appoint auditors to the company following the completion of this year's audit.

In preparing this report advantage has been taken of the small companies' exemptions.

By order of the board



Sohail Rasul
Trustee

21 September 2012

Crossroads Association

Report of the independent auditors on the audited financial statements

We have audited the financial statements of Crossroads Association for the year ended 31 March 2012 which comprise the consolidated and charity Statement of Financial Activities, the consolidated and charity Balance Sheets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees and members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2012, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Crossroads Association

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report



Don Bawtree Senior Statutory Auditor
for and on behalf of BDO LLP, Statutory Auditor
Birmingham
United Kingdom

1 October 2012

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Crossroads Association

Consolidated statement of financial activities for the year ended 31 March 2012

	Note	Un- restricted funds £	Un- restricted designated funds £	Restricted funds £	Total funds	
					2012 £	2011 £
Incoming resources						
<i>Incoming resources from generated funds</i>						
Donations		583,661	-	18,750	602,411	446,207
Activities for generating funds						
Income from training and publications		9,014	-	2,148	11,162	9,443
Merchandising		33,343	-	-	33,343	37,659
Insurance		496,209	-	-	496,209	480,355
		538,566	-	2,148	540,714	527,457
Investment income	5	36,748	-	-	36,748	26,505
Total incoming resources from generated funds		1,158,975	-	20,898	1,179,873	1,000,169
Incoming resources from charitable activities						
Income to support the network	14	762,793	-	469,713	1,232,506	1,704,107
Income to support carers	15	471,525	-	52,368	523,893	739,427
Total incoming resources from charitable activities		1,234,318	-	522,081	1,756,399	2,443,534
Other incoming resources	16	-	-	-	-	319,883
Total incoming resources		2,393,293	-	542,979	2,936,272	3,763,586

Crossroads Association

Consolidated statement of financial activities for the year ended 31 March 2012 (Continued)

	Note	Un- restricted funds £	Un- Restricted Designated funds £	Restricted funds £	Total funds	
					2012 £	2011 £
Resources expended						
Costs of generating funds	6	614,494	-	12,980	627,474	636,971
Charitable activities						
Costs to support the network	6	951,858	351,783	1,011,294	2,314,935	1,655,581
Costs to support carers	6	532,309	-	67,578	599,887	823,889
Governance costs	6	73,445	-	-	73,445	77,375
		<u>1,557,612</u>	<u>351,783</u>	<u>1,078,872</u>	<u>2,988,267</u>	<u>2,556,845</u>
Total resources expended	6	<u>2,172,106</u>	<u>351,783</u>	<u>1,091,852</u>	<u>3,615,741</u>	<u>3,193,816</u>
Net (outgoing)/ incoming resources before transfers	2	221,187	(351,783)	(548,873)	(679,469)	569,770
Gross transfers between funds	12	(4,441)	-	4,441	-	-
		<u>216,746</u>	<u>(351,783)</u>	<u>(544,432)</u>	<u>(679,469)</u>	<u>569,770</u>
Net (outgoing)/incoming resources before other recognised gains and losses		<u>216,746</u>	<u>(351,783)</u>	<u>(544,432)</u>	<u>(679,469)</u>	<u>569,770</u>
Other recognised (losses)/gains (Losses)/gains on investments	9	(15,342)	-	-	(15,342)	12,583
		<u>201,404</u>	<u>(351,783)</u>	<u>(544,432)</u>	<u>(694,811)</u>	<u>582,353</u>
Net movement in funds		<u>201,404</u>	<u>(351,783)</u>	<u>(544,432)</u>	<u>(694,811)</u>	<u>582,353</u>
Total funds brought forward	12	<u>1,287,787</u>	<u>527,883</u>	<u>842,246</u>	<u>2,657,916</u>	<u>2,075,563</u>
Total funds carried forward		<u>1,489,191</u>	<u>176,100</u>	<u>297,814</u>	<u>1,963,105</u>	<u>2,657,916</u>

The notes on pages 26 to 39 form part of these financial statements

Crossroads Association

Consolidated balance sheet 31 March 2012

	Note	2012 £	2012 £	2011 £	2011 £
Fixed assets					
Tangible assets	8		185,927		200,570
Investments					
Investments	9		630,633		645,975
Total fixed assets			816,560		846,545
Current assets					
Stock and work in progress		4,620		9,596	
Debtors	10	248,726		250,527	
Short term deposits		1,171,986		1,396,062	
Cash at bank and in hand		132,829		354,681	
		1,558,161		2,010,866	
Creditors – amounts falling due within one year	11	411,616		199,495	
Net current assets			1,146,545		1,811,371
Net assets			1,963,105		2,657,916
Funds					
Restricted income funds	12 & 13		297,814		842,246
Unrestricted income funds					
General reserve	12		1,384,251		1,174,799
Designated reserve	12		176,100		527,883
Revaluation reserve	12		104,940		112,988
Total unrestricted income funds			1,665,291		1,815,670
			1,963,105		2,657,916

These financial statements have been prepared in accordance with the provisions applicable to Companies subject to the small companies regime

Approved by the board of Trustees on 21 September 2012
and signed on its behalf by



M Currie
Trustee

The notes on pages 26 to 39 form part of these financial statements

Crossroads Association

Association statement of financial activities for the year ended 31 March 2012

	Note	Un- restricted funds £	Un- restricted designated funds £	Restricted funds £	Total funds	
					2012 £	2011 £
Incoming resources						
<i>Incoming resources from generated funds</i>						
Donations		583,191	-	18,750	601,941	446,200
Activities for generating funds						
Income from training and publications		9,014	-	2,148	11,162	9,443
Investment income	5	82,878	-	-	82,878	68,575
Total incoming resources from generated funds		675,083	-	20,898	695,981	524,218
Incoming resources from charitable activities						
Income to support the network		793,518	-	469,713	1,263,231	1,734,158
Income to support carers		471,526	-	52,368	523,894	739,427
Total incoming resources from charitable activities		1,265,044	-	522,081	1,787,125	2,473,585
Other incoming resources	16	-	-	-	-	319,883
Total incoming resources		1,940,127	-	542,979	2,483,106	3,317,686

Crossroads Association

Association statement of financial activities (continued) for the year ended 31 March 2012

	Note	Un- restricted funds £	Un- restricted designated funds £	Restricted funds £	Total funds	
					2012 £	2011 £
Resources expended						
Costs of generating funds	6	96,253	-	12,980	109,233	130,680
Charitable activities						
Costs to support the network	6	1,019,093	351,783	1,011,294	2,382,170	1,718,032
Costs to support carers	6	532,309	-	67,578	599,887	823,889
Governance costs	6	71,285	-	-	71,285	75,315
		<u>1,622,687</u>	<u>351,783</u>	<u>1,078,872</u>	<u>3,053,342</u>	<u>2,617,236</u>
Total resources expended	6	<u>1,718,940</u>	<u>351,783</u>	<u>1,091,852</u>	<u>3,162,575</u>	<u>2,747,916</u>
Net (outgoing)/incoming resources before transfers	2	221,187	(351,783)	(548,873)	(679,469)	569,770
Gross transfers between funds	12	(4,441)	-	4,441	-	-
Net (outgoing)/incoming resources before other recognised gains and losses		<u>216,746</u>	<u>(351,783)</u>	<u>(544,432)</u>	<u>(679,469)</u>	<u>569,770</u>
Other recognised (losses)/gains						
(Losses)/gains on investments	9	(15,342)	-	-	(15,342)	12,583
Net movement in funds		<u>201,404</u>	<u>(351,783)</u>	<u>(544,432)</u>	<u>(694,811)</u>	<u>582,353</u>
Total funds brought forward	12	<u>1,280,651</u>	<u>527,883</u>	<u>842,246</u>	<u>2,650,780</u>	<u>2,068,427</u>
Total funds carried forward		<u>1,482,055</u>	<u>176,100</u>	<u>297,814</u>	<u>1,955,969</u>	<u>2,650,780</u>

The notes on pages 26 to 39 form part of these financial statements

Crossroads Association

Association balance sheet 31 March 2012

	Note	2012 £	2012 £	2011 £	2011 £
Fixed assets					
Tangible assets	8		185,927		200,570
Investments					
Investments	9		630,633		645,975
Total fixed assets			816,560		846,545
Current assets					
Debtors	10	242,283		293,837	
Short term deposits		1,171,986		1,396,062	
Cash at bank and in hand		117,004		299,666	
		1,531,273		1,989,565	
Creditors – amounts falling due within one year	11	391,864		185,330	
Net current assets			1,139,409		1,804,235
Net assets			1,955,969		2,650,780
Funds					
Restricted income funds	12 & 13		297,814		842,246
Unrestricted income funds					
General reserve	12		1,377,115		1,167,663
Designated reserve	12		176,100		527,883
Revaluation reserve	12		104,940		112,988
Total unrestricted income funds			1,658,155		1,808,534
			1,955,969		2,650,780

These financial statements have been prepared in accordance with the provisions applicable to Companies subject to the small companies regime

Approved by the board of Trustees on 21 September 2012
and signed on its behalf by



M Currie
Trustee

The notes on pages 26 to 39 form part of these financial statements

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012

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 (2nd Edition), applicable accounting standards and the Companies Act 2006. The consolidated financial statements incorporate the full results of the charity's trading subsidiary.

On 1 April 2012 Crossroads Association merged with Princess Royal Trust for Carers and formed Carers Trust. The Charity transferred its activities, assets and liabilities, including investment in subsidiaries, at book value on 1 April 2012 for nil consideration and ceased trading due to the merger. As required by FRS 18 Accounting policies, the trustees have prepared the financial statements on the basis that the Charity is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. The activities undertaken by the Charity have continued subsequent to 1 April 2012, although under the different umbrella and name of Carers Trust. It is the intention of the trustees to wind the Charity up in due course.

Cashflow statement

The company has taken advantage of exemption provided by financial reporting standard 1 and has not prepared a cash flow statement for the year on the grounds that it is small under the Companies Act 2006.

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.

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 2012 (Continued)

1 Accounting policies (Continued)

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.

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 Member Schemes, relieve the stresses experienced by carers and that which provides support to carers directly, through specific projects.
- Direct costs include costs paid to third parties for the delivery of services to achieve our charitable objectives.
- Support costs include central functions which have been allocated to activities on the basis of the use of resources.
- 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.
- Grants payable are payments made to network schemes in the furtherance of the objectives of the charity.

Operating leases

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

Taxation

The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period. The subsidiary company makes qualifying donations of all taxable profit to Crossroads Association. No corporation tax liability in respect of the subsidiary arises in the accounts.

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 to achieve specific objectives |

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.

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

2 Operating results

	2012 Group £	2012 Company £	2011 Group £	2011 Company £
The results are stated after charging				
Depreciation of tangible fixed assets	13,428	13,428	11,607	11,607
Auditors' remuneration				
- Audit fees	15,450	13,290	14,415	12,615
- Other services	24,279	23,529	6,939	5,925
Operating lease rentals				
- Land and buildings	14,367	14,367	14,367	14,637
- Other	1,877	1,877	1,765	1,765

3 Trustees' remuneration

The trustees neither received nor waived any emoluments during the year (2011 - £nil)

Expenses incurred and reimbursed to the Trustees are as follows

	2012 Number	2011 Number	2012 £	2011 £
	10	11	51,91	9,973

4 Staff costs

	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Wages, salaries and redundancy costs	1,109,946	1,090,433	1,214,047	1,193,808
Social security costs	111,261	110,384	120,040	118,911
Pension costs	41,147	39,947	37,595	36,178
	1,262,354	1,240,764	1,371,682	1,348,897

Note redundancy costs included in the above amount to £10,320 (2011 - £2,400)

One employee earned between £60,000 and £70,000 No pension contribution were paid in respect of this employee

The average number of employees during the year was

	Group 2012	Company 2012	Group 2011	Company 2011
Central structure (central office, appeals and area staff)	22	20	23	21
In-house projects and schemes	19	19	24	24
	41	39	47	45

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

5	Investment Income	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
	Dividends	16,050	16,050	19,752	19,752
	Interest	20,698	20,698	6,753	6,753
	Subsidiary income	-	46,130	-	42,070
		<u>36,748</u>	<u>82,878</u>	<u>26,505</u>	<u>68,575</u>
6	Analysis of resources expended				
		Staff costs £	Direct costs £	Group Support costs £	Total 2012 £
	Costs of generating funds	87,647	471,121	68,706	627,474
	Charitable activities				
	Support to network	865,753	658,641	790,541	2,314,935
	Support to carers	282,440	218,899	98,548	599,887
	Total charitable activities	1,148,193	877,540	889,089	2,914,822
	Governance costs	26,514	-	46,931	73,445
	Total resources Expended	<u>1,262,354</u>	<u>1,348,661</u>	<u>1,004,726</u>	<u>3,615,741</u>
		Staff costs £	Direct Costs £	Company Support costs £	Total 2012 £
	Costs of generating funds	35,331	20,191	53,711	109,233
	Charitable activities				
	Support to network	896,479	658,641	827,050	2,382,170
	Support to carers	282,440	218,899	98,548	599,887
	Total charitable activities	1,178,919	877,540	925,598	2,982,057
	Governance costs	26,514	-	44,771	71,285
	Total resources Expended	<u>1,240,764</u>	<u>897,731</u>	<u>1,024,080</u>	<u>3,162,575</u>

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

6 Analysis of resources expended (continued)

	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Support costs consist of the following				
Facilities and support costs	280,167	308,077	279,087	299,098
PR and media costs	88,301	84,910	122,206	112,417
Other costs	375,440	370,275	260,842	257,961
VAT Refund to schemes	260,818	260,818	-	-
	1,004,726	1,024,080	662,135	669,476

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

Direct costs of expenditure to support the network includes 17 grants totalling £439,821 paid to Network Schemes. This included

- four grants made to schemes in Wales to improve services to young carers in Wales from a donation received from HSBC
- three grants made to schemes in England and Wales to improve services to carers of people with dementia
- six grants made to schemes in England and Wales to set up a development fund for volunteering from a donation received from the National Gardens Scheme
- four grants made to schemes in England and Wales to develop services through the replication of innovative work which already existed in the Network (from the Department of Health grant)

7 Net income from subsidiary undertakings

The Charity has one wholly owned trading subsidiary, Carers Enterprises Limited (previously Crossroads Enterprises Limited), which operates as general trading commercial company providing insurance brokerage services, selling merchandise and providing commercial services to Member Schemes and third parties. A summary of its trading results is shown below. Audited financial statements are available from Companies House

	2012 £	2011 £
Turnover	566,530	550,421
Cost of sales	450,929	430,456
Gross profit	115,601	119,965
Administrative costs	69,471	(77,895)
Profit before deed of covenant	46,130	42,070
Deed of covenant	(46,130)	(42,070)
Net profit before and after taxation	-	-
Retained in subsidiary	-	-

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

8 Tangible fixed assets	Freehold land and buildings £	Fixtures and fittings £	Total £
Group and company			
Cost			
At 1 April 2011	190,000	85,385	275,385
Additions	-	736	736
Disposals/retirements	-	(9,030)	(9,030)
At 31 March 2012	190,000	77,091	267,091
Depreciation			
At 1 April 2011	6,649	68,166	74,815
Disposals/retirements	-	(7,079)	(7,079)
Charge for the year	3,325	10,103	13,428
At 31 March 2012	9,974	71,190	81,164
Net book value			
At 31 March 2011	183,351	17,219	200,570
At 31 March 2012	180,026	5,901	185,927

The freehold land and buildings were revalued on 18 May 2009 at £190,000, by the external surveyors Hawkins Chartered Surveyors, members of RICS. The basis of the valuation is at market value with vacant possession. The property had previously been valued at £170,000 by the same surveyors on the same basis on 1 June 2005. The historical cost of this asset is £85,060.

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

9 Investments

	2012 £	2011 £
Group and company		
Market value at 1 April 2011	645,975	635,572
Add Net (loss)/gain on revaluations at 31 March 2012	(15,342)	10,403
	<u>630,633</u>	<u>645,975</u>
Market value at 31 March 2012	630,633	645,975
	<u>637,927</u>	<u>637,927</u>
Historical cost at 31 March 2012	637,927	637,927
Total gains and losses on investments		
Realised gains	-	2,180
Unrealised (losses)/gains as above	(15,342)	10,403
	<u>(15,342)</u>	<u>12,583</u>

The valuation shown above on 31 March 2012 consists of the following

	2012 £	2011 £
Barclays UK Balanced Portfolio	467,371	570,531
Barclays Income Portfolio	153,012	59,444
Eurovestech	10,250	16,000
	<u>630,633</u>	<u>645,975</u>

Company

The historical cost of investments includes £1 representing a 100% holding in Carers Enterprises Limited (previously 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 Carers Enterprises limited (previously Crossroads Enterprises Limited) is £7,137 (2011- £7,137)

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

10 Debtors

	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Trade debtors	33,326	21,947	21,811	15,838
Other debtors	140,699	140,000	193,972	192,466
Prepayments	74,701	74,701	34,744	34,420
Amounts due from group undertakings	-	5,635	-	51,113
	<u>248,726</u>	<u>242,283</u>	<u>250,527</u>	<u>293,837</u>

11 Creditors

	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Trade creditors	147,833	130,582	128,435	116,271
Social security and other taxation	31,441	31,136	34,140	34,140
Accruals and deferred income	51,014	48,818	36,920	34,919
Other creditors	181,328	181,328	-	-
	<u>411,616</u>	<u>391,864</u>	<u>199,495</u>	<u>185,330</u>

12 Reserves

	General fund £	Unrestricted designated funds £	Group Revaluation reserve £	Restricted funds £	Total £
At 1 April 2011	1,174,799	527,883	112,988	842,246	2,657,916
Incoming/(outgoing) resources for the year	221,187	(351,783)	-	(548,873)	(679,469)
Revaluation losses on investments	(7,294)	-	(8,048)	-	(15,342)
Transfers	(4,441)	-	-	4,441	-
	<u>1,384,251</u>	<u>176,100</u>	<u>104,940</u>	<u>297,814</u>	<u>1,963,105</u>
At 31 March 2012	1,384,251	176,100	104,940	297,814	1,963,105

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

12 Reserves (continued)

	Company				
	General fund £	Unrestricted designated funds £	Revaluation reserve £	Restricted funds £	Total £
At 1 April 2011	1,167,663	527,883	112,988	842,246	2,650,780
Incoming/(outgoing) resources for the year	221,187	(351,783)	-	(548,873)	(679,469)
Revaluation losses on investments	(7,294)	-	(8,048)	-	(15,342)
Transfers	(4,441)	-	-	4,441	-
At 31 March 2012	1,377,115	176,100	104,940	297,814	1,955,969

Transfers between general funds and restricted funds represent a shortfall of funds for one restricted project

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

13 Restricted funds

	Balance 31 3 2011 £	Incoming resources (grants) £	Income resources (other income) £	Outgoing resources £	Transfer from unrestricted funds £	Balance 31 3 2012 £
Wales (including Wales committee)	313,156	192,848	67,779	356,097	-	217,686
National Garden Scheme	105,000	-	-	105,000	-	-
Dept of Health - joint project with PRTC	69,202	-	-	69,202	-	-
Dept of health – consolidation	73,866	-	-	73,866	-	-
Dept of health – marketing post	89,953	-	225	85,174	-	5,004
Dept of health – service development	100,000	-	10,000	110,000	-	-
Pear foundation	-	-	18,750	18,750	-	-
Carers UK	-	-	65,000	65,000	-	-
The Big Lottery Funded Norfolk Young Carers' Forum ref, YPL/1/010310123	50,619	52,368	-	67,578	-	35,409
Dulverton Trust	2,800	-	-	2,800	-	-
City Bridge Trust – Business Development London	12,000	12,000	-	28,441	4,441	-
Wales Carers and employment project	22,965	24,000	41,481	48,731	-	39,715
Mercer Trust	680	-	-	680	-	-
Macmillan project	2,005	58,528	-	60,533	-	-
	<u>842,246</u>	<u>339,744</u>	<u>203,235</u>	<u>1,091,852</u>	<u>4,441</u>	<u>297,814</u>

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

13 Restricted funds (Continued)

Wales

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

Wales Carers and Employment Project supported by Welsh Government Department for Education and Skills (DfES), for a six month project which finished in March 2012, Main activity funder is Waterloo Foundation

Wales External Affairs and Policy Post was a Crossroads Care & Princess Royal Trust for Carers joint part time post and was key to ensuring both networks are fully informed about legislation, policy and strategy in Wales This was funded from Crossroads Care Wales reserves until January 2012

The Wales office is supported by Welsh Government Department for Health and Social Care Policy Directorate

National Gardens Schemes

The National Gardens Scheme (NGS) is a longstanding major funder of the core work of the Association In 2009, they generously agreed to significantly increase their support and this additional funding has enabled The Association to establish an NGS Development Fund to support the delivery of local services in the wider Crossroads Care network We look forward to developing our on-going relationship with the NGS – to raise greater awareness both of our work and their role as a substantial charitable organisation and supporter of charities such as Crossroads Care that works in the health and social care sector

Crossroads Norfolk Young Carers Forum

Hosted by the Norfolk Young Carers Project, and working with young carers' service providers from a range of agencies, the Big Lottery funded Norfolk Young Carers Forum (YPL/1/010310123), gives young carers a voice in the design and development of services This is achieved through a range of training, confidence-boosting activities and involvement opportunities facilitated by a dedicated Participation Worker

Department of health-joint project with PRTC

This three-year project is in its final year and has harnessed the expertise and experience of Crossroads Care Association and the Princess Royal Trust for Carers to develop greater understanding of the types of services needed by carers A key achievement was the launch in 2010 of the Carers Hub website – a tailored site which includes commissioning guidance, tools for auditing local carers' services against the outcomes of the Carers Strategy and a collection of examples of innovation and good practice in services for carers

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (*Continued*)

13 Restricted funds (*Continued*)

Department of Health – Supporting Sustainability

In 2010/11 The Department of Health also provided funding to support Crossroads Care Association's wide ranging work to build the capacity and effectiveness of the local organisations within the Crossroads Care network. This work has long term implications for the sustainability of high quality, carers services across England tailored to the needs of individual carers and their families.

The Department's investment has supported three key strategies

- Reconfiguring the Crossroads Care network of 96 local organisations to create larger, more sustainable carers organisations
- Creating a new national marketing function to support local activity and drive a new commercial, customer-led culture across the Network
- Developing a national service framework based on evidence from widespread innovative service delivery on a local level which will articulate the health, social and economic outcomes for carers for specific services

Dulverton Trust and Mercer Trust

Crossroads Care Association received one-off funding to support the development of services for working carers and carers wishing to return to work. These projects will focus on supporting schemes in two parts of the network, London (Mercers Trust) and Kent (Dulverton Trust)

City Bridge Trusts

The City Bridge Trust is providing Crossroads Care with a three year grant from October 2008, to provide business advice and support to the Crossroads Care schemes in Greater London. This includes,

- assisting them to achieve greater sustainability,
- increase services for carers,
- greater collaboration and networking,
- increasing skills within the schemes to prepare for and deliver social care services under personalization

A full-time Business Development Manager has been employed since October 2008 to deliver this service. Activities include, 1:1 support for individual organizations, quarterly meetings for CEOs and Trustees, workshops on specialist areas e.g. tendering, marketing, liaising with statutory partners e.g. Greater London Authority and implementing the Association's consolidation programme from the Your Invitation to Shape the Future document 2010.

Macmillan Partnership Manager

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. The Partnership Manager also oversees Macmillan-funded carer services out with Crossroads Care and is helping Macmillan Cancer Support develop volunteer services to support carers.

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

14 Income to support the network	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Statutory grants	-	293,848	293,848	1,020,280
Other support grants	236,346	118,292	354,638	63,682
Membership fees	526,447	57,573	584,020	620,145
	<u>762,793</u>	<u>469,713</u>	<u>1,232,506</u>	<u>1,704,107</u>
15 Income to support carers	Unrestricted funds 2012 £	Restricted funds 2012 £	Total funds 2012 £	Restricted funds 2011 £
Grants for direct care and support	471,525	52,368	523,893	739,427
	<u>471,525</u>	<u>52,368</u>	<u>523,893</u>	<u>739,427</u>

16 Other incoming resources

Other income relates to the VAT refund received from HMRC in respect of VAT on membership fees being incorrectly accounted for in previous years

17 Analysis of net assets between funds

	Unrestricted funds inc revaluation reserves £	Group		Total £
		Designated funds £	Restricted Funds £	
Fixed assets	185,927	-	-	185,927
Investments	630,633	-	-	630,633
Net current assets	672,631	176,100	297,814	1,146,545
	<u>1,489,191</u>	<u>176,100</u>	<u>297,814</u>	<u>1,963,105</u>

Crossroads Association

Notes to the financial statements for the year ended 31 March 2012 (Continued)

17 Analysis of net assets between funds (continued)

	Company			
	Unrestricted funds inc revaluation reserves £	Designated funds £	Restricted funds £	Total £
Fixed assets	185,927	-	-	185,927
Investments	630,633	-	-	630,633
Net current assets	665,495	176,100	297,814	1,139,409
	<u>1,482,055</u>	<u>176,100</u>	<u>297,814</u>	<u>1,955,969</u>

18 Operating lease commitments

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

	Land and buildings 2012 £	Other 2012 £	Land and buildings 2011 £	Other 2011 £
Expiring				
Within one year	-	1,150	6,000	-
In two to five years	8,367	727	8,367	1,877
	<u>8,367</u>	<u>1,877</u>	<u>14,367</u>	<u>1,877</u>

19 Post balance sheet events

On 1 April 2012 Crossroads Association merged with Princess Royal Trust for Carers and formed Carers Trust. The Charity transferred its activities, assets and liabilities, including investment in subsidiaries, at book value on 1 April 2012 for nil consideration and ceased trading due to the merger.