

**Crossroads (Newton Stewart & Machars) Care Attendant Scheme
(A company limited by guarantee)**

Report and Financial Statements

For the year ended 31 March 2012

**Scottish Charity: SC013765
Company number: SC220161**

**Montpelier Professional (Galloway) Limited
1 Dashwood Square
Newton Stewart
DG8 6EQ**

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Crossroads (Newton Stewart & Machars) Care Attendant Scheme

Financial statements for the year ended 31 March 2012

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Crossroads (Newton Stewart & Machars) Care Attendant Scheme

Legal and administrative information

Governing Documents

The company is limited by guarantee and a registered charity governed by its memorandum and articles of association. Scottish Charity: SC013765. Company number: SC220161.

Directors and trustees

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the chairman of the trustees is nominated by the trustees.

Directors are appointed at each AGM, with one third of the directors required to retire by rotation each year.

Trustees

Dr M. Hopkins - Chair
Mrs H. Laraway
Mrs R. Christie
Mrs J. Brodie - Vice Chair
Mrs J Gordon - Treasurer
Mrs J Welch (Resigned 31/05/12)

Secretary

Dr M Hopkins

Manager

Mrs A Gorman

Registered office

26 South Main Street
Wigtown
Newton Stewart
DG8 9EH

Auditors

Carson & Trotter
123 Irish Street
Dumfries
DG1 2PE

Bankers

Royal Bank of Scotland plc
40 Victoria Street
Newton Stewart
DG8 6BZ

Accountants

Montpelier Chartered Accountants
1 Dashwood Square
Newton Stewart
DG8 6EQ

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

Report of the trustees for the year ended 31 March 2012

The trustees, who are also the directors of the charity for the purposes of the Companies Act 2006 are pleased to present their report together with the financial statements of the charity for the year ended 31 March 2012.

Legal and administrative information set out on page 1 forms part of this report.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities" issued in March 2005, in preparing the annual report and financial statements of the charity. The charity is affiliated to Crossroads (Scotland) Care Attendant Scheme, a company limited by guarantee with charitable status registered in Scotland No 85401 and whose registered office is Savoy Tower, 77 Renfrew Street, Glasgow, G2 3BY.

Structure, Governance and Management

The charity is registered as a limited company and is governed by its memorandum and Articles of Association.

The charity's strategy and objectives are set and reviewed by the trustees. The appointed running of the charity is the responsibility of the manager.

Trustees are invited to the Board by the current Directors after assessing the potential contribution the individual could make to the organisation. New trustees are briefed on the operation of the charity, and meet the key staff, they are also informed of a trustees responsibilities.

The trustees throughout the year are as noted on page 1.

Risk Policy

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Objectives and Activities

The objects of the charity are set out in paragraph 5 of the Memorandum of Association of the company, the principal objectives being referred to as follows:

Within the area in which the scheme operates, to

- Reduce stress on the person or family caring for physically or mentally disabled or elderly persons, and
- In appropriate circumstances to care for disabled or elderly persons living alone.

There have been no changes in objectives since the last annual report.

The primary activities undertaken during the year to meet the charity objectives were:

The organisation has continued to provide a domiciliary service to adults and elderly persons with physical and mental health problems, and respite to all ages, relieving carers from their caring role. Referrals are primarily from Social Services, however some income also comes from private work.

Grant making policy

The charity does not distribute grants.

Achievements and Performance

Typically during the year our clients could be analysed as follows:

Elderly domiciliary - 73
Adult domiciliary - 11
Elderly respite - 7
Child & family respite - 9

In order to meet its objectives the charity is reliant upon maintaining an excellent relationship with its clients, the skill and dedication of its staff, and a professional relationship with Dumfries and Galloway Social Services.

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

Report of the trustees for the year ended 31 March 2012

Financial Review

The charity had total incoming resources for the year of £664,902 representing an increase of £125,045 or 23% on 2011. Total resources expended amounted to £590,933 for the year as against £503,598 in 2011 (an increase of £87,335 or 17%). The charity had net income for the year of £73,969 (2011: £36,259).

The principal source of funding for the charity is the Social Services Department of Dumfries and Galloway Council

Reserves Policy

Under the requirements of charity law the trustees are obliged to define the charity's policy for holding reserves. The intention in establishing this reserves policy is to ensure the continuation of the charity's activities. The policy will enable the charity to meet its legal objectives, provide confidence to supporters and donors seeking to give financial support to a prudently controlled charity and to ensure that the reserves are at a level sufficient to discharge all of the charity's obligations in the event that it should cease operations. A large proportion of the charity's reserves are held in bank accounts. It is the directors considered opinion that in the unlikely event of the charity having to cease its operations there should be sufficient reserves available to allow for the charity's obligations to be discharged. This is not considered to be likely in the foreseeable future. The reserves which the charity is required to maintain are those needed to fund ongoing monthly costs and further development. To this end the trustees have decided that the charity should seek to have reserves which are not invested in fixed assets of a sum equal to not more than 6 months general running costs of the charity in addition to the resources required to discharge their obligations should the charity cease. This policy suggests that general funds (excluding fixed assets) should be approximately £295,000. General funds (excluding fixed assets) at the year end were £252,749.

Investment Policy

Under the memorandum and articles of association, the charity has the power to make investments which the trustees see fit, subject to them being:

- securities of governments and local authorities
- fixed interest stocks or shares of Companies
- ordinary stock and shares of Companies
- investment, financial or unit trusts quoted on a recognised stock exchange
- property unit trusts
- to purchase or lease property for its requirements

There are various restrictions regarding the specific location, and type of investment (detailed fully in the Memorandum of Association).

Plans For Future Periods

The charity intends to continue its activities without further development in the near future.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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, including the income and expenditure, of the charity for that period. Under that law, the trustees prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

In preparing those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate;
- observe the methods and principles of the Charities SORP; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping adequate accounting records which 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

Report of the trustees for the year ended 31 March 2012

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the trustees on ~~19th November~~ 2012 and signed on their behalf by:

M. J. Hopkins

Dr M Hopkins
Secretary

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

Independent auditors' report to the members of Crossroads (Newton Stewart & Machars) Care Attendant Scheme

We have audited the financial statements of Crossroads (Newton Stewart & Machars) Care Attendant Scheme for the year ended 31 March 2012 which comprise of the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the charity's trustees 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, its members as a body and its trustees 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 Trustees' Responsibility Statement set out on page 3, 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 as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under 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 & Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees' to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012, and of its 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 applicable to smaller entities; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006

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

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

Independent auditors' report to the members of Crossroads (Newton Stewart & Machars) Care Attendant Scheme

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 Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Report of the Trustees'.

Roderick S. Williamson BA CA

Roderick Williamson BA CA (Senior Statutory Auditor)
Carson & Trotter (Chartered Accountants and Statutory Auditors)
123 Irish Street
Dumfries
DG1 2PE

28th November 2012

Carson & Trotter Chartered Accountants is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

Statement of financial activities and income and expenditure account for the year ended 31 March 2012

	Notes	Restricted funds	Unrestricted funds	2012	2011
Incoming resources					
Incoming resources from charitable activities					
Provision of care services	2	-	663,375	663,375	532,744
Incoming resources from generated funds					
Investment income	3	-	1,527	1,527	724
Voluntary income	3	-	-	-	6,389
Total incoming resources		-	664,902	664,902	539,857
Resources expended					
Charitable activities:					
Care services	4	-	524,405	524,405	447,579
Support and administration costs	4	6,389	57,768	64,157	54,122
Governance costs	4	-	2,371	2,371	1,897
Total resources expended		6,389	584,544	590,933	503,598
Net income/(expenditure) for the year		(6,389)	80,358	73,969	36,259
Total funds brought forward		6,389	281,827	288,216	251,957
Total funds carried forward		-	362,185	362,185	288,216

The notes on pages 9 to 13 form part of these financial statements.

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

Balance sheet at 31 March 2012

	Notes	2012 £	2011 £
Fixed assets			
Tangible assets	7	2,970	2,618
Current assets			
Debtors	8	136,051	88,169
Cash at bank and in hand		247,928	253,079
Creditors: amounts falling due within one year	9	383,979 (24,763)	341,248 (55,650)
Net current assets		359,216	285,598
Total assets less current liabilities		362,186	288,216
Funds			
Unrestricted funds	10	362,186	281,827
Restricted funds	11	-	6,389
Total funds carried forward	12	362,186	288,216

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the board of directors on ~~9th November 2012~~ and signed on its behalf.

Jeanie Gordon MRS J GORDON - Director

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

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

1 Accounting policies

The principal accounting policies which are adopted consistently in the preparation of the financial statements are set out below.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and are in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued March 2005, the Financial Reporting Standard for Smaller Entities (effective 2008), and the Companies Act 2006.

The charity is a company limited by guarantee. The members of the company are the trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

b) Incoming resources

All incoming resources are included within the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

Charitable activities

Income from provision of care is credited to the Statement of Financial Activities in respect of the term to which they relate.

Legacies

Entitlement is the earlier of the estate account being finalised and cash being received.

Donations

Donated services and facilities are included at the value to the charity where this can be quantified. No amounts are included in the financial statements for services donated by volunteers.

Investment income

Income from investments is credited in the year in which it is received.

Interest receivable

Interest is credited in the year in which it is received.

c) Resources expended

Charitable activity costs are those incurred in furthering the objectives of the charity.

Governance costs are those costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to the day to day management of the charity's activities.

Support costs include the central functions such as general management, payroll.

Allocation of expenditure

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across categories on the basis of an estimate of the proportion of time spent by staff on those activities.

d) Tangible fixed assets and depreciation

Tangible fixed assets are included in the balance sheet at cost or at market value at the date of the gift.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the full cost or valuation less estimated residual value of each asset over its estimated useful life. The principal rates in use are given below:

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

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

1 Accounting policies (continued)

Fixtures and fittings 20% on reducing balance

e) Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

f) Fund accounting

The funds held by the charity are either:

- *Unrestricted general funds* - these are accumulated surpluses and deficits on general funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- *Designated funds* - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- *Restricted funds* - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- *Endowment funds* - these are funds that represent assets which must be held permanently by the charity. Income arising on the endowment fund can be used in accordance with the objects of the charity and is included in unrestricted income. Any capital gains or losses arising on the investments form part of the fund. investment management charges and legal advice relating to the fund are charged against the fund.

g) Taxation status

The company is a registered charity and is not liable to corporation tax. The company is not registered for VAT and accordingly any irrecoverable VAT is included in the expenditure concerned.

2 Incoming resources from charitable activities

	2012	2011
	£	£
Provision of care services		
Core Funding	51,178	51,178
Spot Funding	608,299	477,732
Other Income	3,898	3,834
	<u>663,375</u>	<u>532,744</u>

Core funding and Spot funding are primarily received from the Social Services department of Dumfries and Galloway Council.

3 Incoming resources from generated funds

	Restricted funds	Unrestricted funds	2012	2011
	£	£	£	£
Voluntary income - Dumfries & Galloway Council	-	-	-	6,389
Investment income - interest received	-	1,527	1,527	724
	<u>-</u>	<u>1,527</u>	<u>1,527</u>	<u>7,113</u>

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

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

4 Resources expended

	2012	2011
	£	£
Care services		
Staff costs	440,569	366,117
Staff training	4,994	3,911
Travelling	78,842	77,551
	<u>524,405</u>	<u>447,579</u>
Governance costs		
Cost of meetings	333	-
Accountancy fees	1,138	997
Audit fees	900	900
	<u>2,371</u>	<u>1,897</u>
Support costs		
Staff costs	40,417	33,290
Rent	6,039	5,400
Telephone	3,244	2,332
Postage & advertising	998	1,228
Stationery	2,057	1,559
General insurance	2,553	2,020
Sundry expenses	7,723	7,147
Bank charges	383	491
Depreciation	743	655
	<u>64,157</u>	<u>54,122</u>

5 Staff numbers and costs

	2012	2011
	£	£
Staff costs:		
Wages and salaries	461,841	381,665
Social security costs	19,145	17,742
	<u>480,986</u>	<u>399,407</u>

The average number of full-time equivalent employees (including casual and part time staff) during the year was as follows:

	2012	2011
Management & administration	2	2
Care workers	32	27
	<u>34</u>	<u>29</u>

There were no employees with emoluments above £60,000.

During the year trustees received £330 to reimburse travelling expenses. Trustees did not receive any remuneration during the year.

Included in insurance costs is a premium relating to trustee liability insurance.

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

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

6 Net incoming resources

This is stated after charging:

	2012	2011
	£	£
Depreciation	743	655
External audit	900	900

7 Tangible fixed assets

	Equipment fixtures and fittings	Total
	£	£
Cost:		
At 1 April 2011	6,449	6,449
Additions	1,095	1,095
At 31 March 2012	7,544	7,544
Depreciation:		
At 1 April 2011	3,831	3,831
Provision for the year	743	743
At 31 March 2012	4,574	4,574
Net book value:		
At 31 March 2012	2,970	2,970
At 1 April 2011	2,618	2,618

8 Debtors

	2012	2011
	£	£
Trade debtors	136,051	70,734
Other debtors	-	17,435
	136,051	88,169

9 Creditors: amounts falling due within one year

	2012	2011
	£	£
Bank loans and overdrafts	5,594	7,099
Trade creditors	356	-
Accruals and deferred income	18,813	48,550
	24,763	55,649

Crossroads (Newton Stewart & Machars) Care Attendant Scheme

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

10 Unrestricted funds

	Balance at 1 April 2011	Incoming resources	Resources expended	Transfers	Balance at 31 March 2012
Redundancy provision	79,706	-	-	8,103	87,809
Friends of Crossroads	17,647	3,642	-	(2,631)	18,658
	97,353	3,642	-	5,472	106,467
General fund	184,474	661,261	(584,544)	(5,472)	255,719
	281,827	664,903	(584,544)	-	362,186

As part of the service level agreement with Dumfries & Galloway Council, the charity must retain sufficient reserves to cover any redundancy payment that would fall due should the charity be wound up. Previously the trustees set up a designated fund for this contingency. The trustees currently believe the possibility of the charity being wound up is remote.

The Friends of Crossroads fund is designated to provide emergency respite care.

The general funds is maintained in order to allow the charity to meet its day to day financial commitments.

11 Restricted funds

	Balance at 1 April 2011	Incoming resources	Resources expended	Transfers	Balance at 31 March 2012
Personalisation funding	6,389	-	(6,389)	-	-

Personalisation funding was received from Dumfries and Galloway Council to allow for the appointment of a temporary staff member to research the transition towards clients taking greater control of their own care needs.

12 Analysis of net assets among funds

	Unrestricted funds	2012	2011
	£	£	£
Fund balances at 31 March 2012 are represented by:			
Tangible fixed assets	2,970	2,970	2,618
Net current assets	359,215	359,215	285,598
	362,185	362,185	288,216

13 Company status

The Company does not have a share capital. It is limited by guarantee in the terms of the Companies Act 2006.

14 Controlling party

The charitable company is under the control of the trustees.