

CROSSROADS COUNSELLING

(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CROSSROADS COUNSELLING
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees

Darren Baker, Chair (resigned 3 December 2020)
Craig Herd, Treasurer
Meshiel Brown
Phil Slaney
Caroline Rani Trabasas, Acting Chair (resigned 31 March 2021)

Company registered number

02998471

Charity registered number

1043304

Registered office

144 Roman Road
Bethnal Green
London
E2 0RY

Accountants

Griffin Stone Moscrop & Co
Chartered Accountants
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

Bankers

Santander UK plc
Bridle Road
Bootle
Merseyside
G1R 0AA

CROSSROADS COUNSELLING
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees (who are also directors of the charity for the purposes of Companies Act) present their annual report together with the financial statements of the charity for the year ended 31 March 2021. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 is not required.

Structure, governance and management

a. Constitution

The Charity is a Company limited by guarantee. It was established under a Memorandum of Association which set out its objects and powers, and it is governed by its Articles of Association.

b. Methods of appointment or election of Trustees

Potential new Trustees are interviewed by representatives of the existing Trustees and selected on the basis of particular expertise and skills which will add value to the Charity. Trustees serve a probationary period of three months prior to their election to the Board. Once appointed to the board all Trustees need to be re-elected at least once every three years at an Annual General Meeting.

c. Organisational structure and decision-making policies

Trustees are inducted to the Charity and receive copies of all the relevant organisational policies and documents. The powers and responsibilities of Trustees are specified in the Memorandum of Association and Articles of Association.

The Charity is controlled by the Trustees who are accountable to the Annual General Meeting and they meet several times each year. The day-to-day running of the Charity is carried out by one paid member of staff and a group of volunteers.

d. Financial risk management

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks. They keep this area under regular review.

e. Members' liability

None of the Trustees have any beneficial interest in the charitable company. All of the Trustees are members of the charitable company and guarantee to contribute £10 in the event of it winding up.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities

a. Policies and objectives

The Charity's principal object is to advance the Christian religion by establishing and carrying out a service of counselling based on Christian faith, beliefs and the principles of compassion, equality, love, non-judgment and respect, for the benefit of people in Tower Hamlets.

The policies adopted by the Charity in furtherance of its objects have been to continue to run the counselling service as outlined above and there has been no change in these during the year.

The Charity is concerned for those people who feel trapped by the weight of their mental and emotional struggles. We work with anyone on a low income aged 18 and above who either lives, works, studies or worships (of any faith) in Tower Hamlets. The aim of therapy is to help clients face and understand the reasons for deep-rooted mental and emotional difficulties and to change at the deepest level, altering the way they lived and the choices they make, breaking free from unhelpful and abusive relationships and destructive patterns of behaviour.

Our on-going objectives are:

- To provide professional counselling;
- To evaluate the need and provision of a counselling service for those struggling mentally and emotionally in Tower Hamlets, identifying gaps and exploring possibilities for future service provision;
- To raise the funds for the projects identified;
- To use resources efficiently;
- To monitor the effectiveness of our services;
- To maintain high standards in service provision and organisational practice; and
- To offer volunteering opportunities.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

The Charity's activities and achievements are monitored, evaluated and reviewed throughout the year at regular Board meetings.

b. Main activities undertaken to further the charity's purposes for the public benefit

In producing their assessment of the benefit to the public provided by the charity, the Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefits, Charities and Public benefit.

The main activity carried out by the Charity was counselling for adults in Tower Hamlets. Driven by the Objects of the organisation, the service is possible due to the volunteer counsellors who make possible the service Crossroads can offer. Our service is aimed at those in our Borough on low incomes and offers a public benefit through the provision of long-term counselling. Current statutory provision within the borough is primarily limited to short-term CBT or other brief psychological interventions or group therapy to the exclusion of individual therapy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and activities (continued)

There remains a significant gap in provision in Tower Hamlets for adults struggling with deep and complex mental and emotional issues, especially for those who need long-term, individual therapy. Added to this, low-cost, affordable therapy is hard to find, making it difficult for people on low incomes to access long-term, private therapy.

As population trends increase and the borough remains at the bottom end of the deprivation indicators and, as other counselling service provision in the Borough is cut, Crossroads aims to maintain its current service provision as a minimum given the ongoing need across the Borough.

Achievements and performance

Financial review

a. Financial review

The financial transactions during the year and position at the end of the year are summarised in the attached accounts. Income and expenditure reflect a comparable level of activity and operation across both financial years.

Donations and Gifts for 2021 include two grants of £5,000 each awarded to Crossroads by the London Borough of Tower Hamlets as part of the government's COVID relief support programme. One in September 2020 and one in March 2021. These two donations account for the higher Donations and Gifts income for the 2021 financial year.

Grant income in general through the year ending March 2021 was less than is usually received by Crossroads due, in part, to the disruptions of the COVID19 pandemic in general and also a lack of success with a number of large grant applications made through the last half of 2020. An unusually large grant of £12,000 was also received in the prior financial year from one of the City Livery companies towards supervision costs and is the main reason for the significant difference in grant income compared to the prior 2020 financial year end.

Fee income is down by approximately one third compared to prior year. This is due to a number of factors as a result of the COVID19 pandemic and the related lockdown and travel restrictions. Crossroads as an organisation decided to move its counselling service from an in-person service to a remote service provision in April 2020. As a result, a number of clients were put on hold who could not work with this remote service model and their counselling was put on hold which reduced fee income. Through most of 2020 Crossroads did not take on new clients as it was often difficult, or impossible, to manage face to face assessments with new clients. As a result, as clients rolled off through the year they were not replaced as would normally happen. Counsellors who left during 2020 were also not replaced due to the difficulty of recruiting and onboarding new counsellors. The combination of these factors impacted fee collection as can be seen in the reduced fees in for the 2021 year.

Other than the items detailed above, income and expenditure are broadly similar year on year, which is expected as there has been no significant change to the cost of operations of the Charity during these periods. With one paid member of staff the day-to-day running costs of the service and building are considered the minimum expenditure required for administration of the Charity's activities. The run costs for the counselling service and the building were mostly unchanged even with the building not being in use through the 2021 financial year. The Board consistently reviews the ongoing operational costs with reference to the expected income levels to ensure efficient use of expenditures and better use of limited resources.

Our main fundraising activity for grant applications remains in the area of securing funds to cover the cost of clinical supervision for our volunteer counsellors. The trustees believe this is easy to understand, relates directly to the work we do at Crossroads and is readily understood by those who have little direct experience of counselling service provision. Capacity to make grant-making applications is still dependent on volunteer help.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

The focus on cost management and aligning the cost base to current income levels has continued as in prior years. In the current financial year Crossroads has shown a small net loss of £3,133 (2020 - profit of £5,064). The board continues to focus on grant and donation activity to grow income.

The ongoing financial stability of Crossroads remains a serious concern of the Trustees. The current year financial budget again includes a small budget gap for the year with additional funding targets to be identified and worked for in order for Crossroads to break even in the current financial year. Raising the necessary funds each year to ensure the ongoing provision of services has continued to be challenging, particularly in the current climate of ongoing cuts to statutory service provision across Tower Hamlets. The Trustees have prioritised assessing Crossroads' service model and activities with the purpose of better supporting a funding model that will best ensure Crossroads financial security into the future and for the continued provision of the Crossroads' service in Tower Hamlets.

b. Reserves policy

It is the policy of the Charity to aim to hold unrestricted funds which have not been designated for specific use at a level of between three and six months' unrestricted expenditure. As a faith-based organisation holding reserves of unrestricted funds will always be decided at the discretion of the Board with reference to the primacy of the Charity's service delivery in the local community.

The Trustees aim to keep adequate reserves to cover redundancy costs for all paid staff and believe this is prudent and appropriate given the reliance Crossroads has on donations and gifts for operating income each financial year. Funds are put away on a monthly basis to build up separate reserves apart from the money in the bank.

c. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

d. COVID-19

The COVID-19 pandemic impacted Crossroads in March 2020 along with the rest of the country. The Crossroads office and counselling rooms were closed on 23 March in line with the Government announced national lockdown. The Crossroads service was also closed on 23 March and remained closed for two weeks. Everyone involved with Crossroads worked hard to move our existing counselling service online and to a remote service provision model. Thanks to everyone's hard work and determination the remote online service re-opened two weeks later on 6 April. All Crossroads clients were offered the chance to move to a remote online service and most clients accepted the offer. There was some impact to the service with a number of existing clients being put on hold as they either could not or preferred not to opt to move to a remote service model.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

e. Organisation Review

The Board initiated an organisational review in October 2019 addressing all areas of Crossroads structure, purpose and function, including service delivery. The organisational review was considered necessary and timely, looking to ensure Crossroads is organisationally robust, relevant and responsive to a changing landscape and increased demand for the service. Four working groups were set up with a mix of trustees and counsellors to look at four agreed strategic areas with the purpose of discussing and proposing how Crossroads could or should change to better serve our founding purpose and the community we work with going into the future. The four working groups were 1) Revisioning Crossroads, 2) Crossroads' service model review, 3) Finances and fundraising, and 4) Governance and risk. The key output from the organisational review was a revised and reconsidered service model proposal for Crossroads that would better support the community in which the service is delivered within the significant constraints of the organisation as well as better support the challenges faced by the organisation. Strong consideration was also given to how the reconsidered service model proposal could better support fundraising going forward given that funding is a key ongoing issue for Crossroads as an organisation and service.

f. Plans for future periods

1. The COVID19 pandemic response has continued to be a significant issue to manage for everyone in Crossroads since the initial response in March 2020. Managing the transition to a completely virtual service provision has been ongoing as all aspects of Crossroads usual activities have had to be moved online. All Crossroads activities have effectively been delivered or managed remotely and online since April 2020. Remote service provision is expected to be a significant part of the Crossroads service provision for some time due to the ongoing impact of COVID19. There has been a limited return to face to face counselling since July 2021 as COVID restrictions have eased. In response to the COVID pandemic the two small counselling rooms at the 144 Roman Road premises were converted to a safer large counselling room. With space restrictions and on going care for client and counsellor safety, return to face to face counselling is an ongoing consideration for Crossroads service provision. Responding to COVID19 will continue to be a challenge for everyone at Crossroads as the situation and circumstances in which we deliver our service continues to change around us.
2. Building on the work done in the Operational Review and the reconsidered service model proposal for Crossroads the trustees have been working with Ruth Dormandy in the current year. The specific focus of this work is on the clinical management requirements of Crossroads as a counselling service and how to best fit this into the reconsidered service model, a revised staffing structure and professional qualification requirements needed to manage Crossroads' counselling service for the future. A reconsidered service model, revised staffing structure and a new target operation model for Crossroads are to be proposed for Crossroads trustee review and approval following the work done with Ruth Dormandy.
3. A key focus remains fundraising. The Board has agreed a small budget gap for the 2021/22 budget with the focus on closing this gap during the year. Crossroads current cash at bank is sufficient to cover the budget gap for the current year if necessary. Grant applications will continue to focus on requests for support for clinical supervision. This is a very distinct part of our work, crucial for maintaining high standards of professional good practice. We feel increasingly able to make the case for funding for this area of our work - prospective grant makers can see what we are asking for and how it makes a difference. This is the area where we are most successful when asking for grants.
4. Community networking continues to be a strategic goal. Through connecting with local churches and organisations as well as our wider community we hope to increase our donor base, a vital income stream for us, and to grow the Crossroads supporter base which is critical to an organisation reliant on volunteers primarily to support our ongoing service provision.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Spiritual Direction

Each member of the Board desires to put their faith in Christ at the centre of their service at Crossroads, trusting that he will lead us as a team. The Board recognises God's faithfulness to us throughout this time, seeing his hand in all that has happened to enable this work to get off the ground and to continue. We seek to be faithful in return with the resources he has given us at this time, listening to his leading and direction for the way that we will grow in this next season.

Independent Examination

An audit is not required under current charity regulations instead an independent examination has been carried out by Griffin Stone Moscrop & Co, a firm of Chartered Accountants, who were first appointed by the Charity in this capacity on 11 April 2011.

Key Management Personnel

As Directors, the trustees consider themselves as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day-to-day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of related party transactions are disclosed in note 20 to the accounts.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 are sufficient to show and explain the charity's transactions and 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.

Approved by order of the members of the board of Trustees on 23 November 2021 and signed on their behalf by:

Craig Herd

.....
Craig Herd
Acting Chair

CROSSROADS COUNSELLING
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Independent examiner's report to the Trustees of Crossroads Counselling ('the charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 March 2021.

Responsibilities and basis of report

As the Trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.


Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed: 
Reema Mistry ACA

Dated: 23 November 2021

Griffin Stone Moscrop & Co
Chartered Accountants
21 - 27 Lamb's Conduit Street
London
WC1N 3GS

CROSSROADS COUNSELLING
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	40,858	500	41,358	35,909
Charitable activities	5	17,672	4,500	22,172	48,514
Investments	4	15	-	15	59
Other income		-	-	-	1,110
Total income		58,545	5,000	63,545	85,592
Expenditure on:					
Raising funds	6	(720)	-	(720)	1,922
Charitable activities	7	56,535	10,863	67,398	78,606
Total expenditure		55,815	10,863	66,678	80,528
Net income/(expenditure) before net gains on investments		2,730	(5,863)	(3,133)	5,064
Net gains on investments		-	-	-	-
Net income/(expenditure)		2,730	(5,863)	(3,133)	5,064
Net movement in funds before other recognised gains		2,730	(5,863)	(3,133)	5,064
Reconciliation of funds:					
Total funds brought forward		151,879	14,862	166,741	161,677
Total funds carried forward		154,609	8,999	163,608	166,741

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 11 to 26 form part of these financial statements.

CROSSROADS COUNSELLING
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REGISTERED NUMBER: 02998471

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	125,740	127,542
		125,740	127,542
Current assets			
Debtors	13	3,840	3,739
Cash at bank and in hand		41,941	42,832
		45,781	46,571
Creditors: amounts falling due within one year	14	(7,912)	(7,372)
Net current assets		37,869	39,199
Total net assets		163,609	166,741
Charity funds			
Restricted funds	16	8,999	14,862
Unrestricted funds	16	154,610	151,879
Total funds		163,609	166,741

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 23 November 2021 and signed on their behalf by:

Craig Herd

Craig Herd
 Acting Chair

CROSSROADS COUNSELLING
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. General information

The charity is a company limited by guarantee, which was incorporated in England. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The registered office is displayed on the company information page.

The financial statements are prepared in sterling, which is the functional currency of the charitable company, and are rounded to the nearest £1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Crossroads Counselling meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable or on completion of the service.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

2. Accounting policies (continued)

2.3 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Government grants

Government grant income from London Borough of Tower Hamlets in response to providing assistance during the COVID-19 pandemic. Grant income has been recognised on a receivable basis in the Statement of Financial Activities and classified as unrestricted.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the next twelve months. For this reason they continue to adopt the going concern basis in preparing the financial statements.

2.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £200 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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**NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Long-term leasehold property	- 1% on cost
Fixtures and fittings	- 25% written down value
Computer equipment	- 33% straight line

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.12 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations and gifts	30,858	500	31,358
Government grants	10,000	-	10,000
	<u>40,858</u>	<u>500</u>	<u>41,358</u>
	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Donations and gifts	27,067	8,842	35,909
	<u>27,067</u>	<u>8,842</u>	<u>35,909</u>

4. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest received	15	15
	<u>15</u>	<u>15</u>
	Unrestricted funds 2020 £	Total funds 2020 £
Bank interest received	59	59
	<u>59</u>	<u>59</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

5. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Grant income	2,050	4,500	6,550
Counselling Fees	15,409	-	15,409
Fundraising income	213	-	213
Total 2021	17,672	4,500	22,172
	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Grant income	6,510	18,800	25,310
Counselling Fees	23,204	-	23,204
Total 2020	29,714	18,800	48,514

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**NOTES TO THE FINANCIAL STATEMENTS
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6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £
Fundraising expenses	(720)	(720)
	<u> </u>	<u> </u>
	Unrestricted funds 2020 £	Total funds 2020 £
Publicity costs	1,152	1,152
Fundraising expenses	770	770
	<u> </u>	<u> </u>
	<u>1,922</u>	<u>1,922</u>

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
General counselling	56,535	9,363	65,898
Refurbishment fund	-	1,500	1,500
	<u> </u>	<u> </u>	<u> </u>
	<u>56,535</u>	<u>10,863</u>	<u>67,398</u>

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7. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
General counselling	59,421	18,927	78,348
Fundraising for 25 for 25 campaign	-	258	258
	<u>59,421</u>	<u>19,185</u>	<u>78,606</u>

Summary by expenditure type

	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total funds 2021 £
General counselling expenses	38,568	2,105	25,225	65,898
Refurbishment fund	-	-	1,500	1,500
	<u>38,568</u>	<u>2,105</u>	<u>26,725</u>	<u>67,398</u>

	Staff costs 2020 £	Depreciation 2020 £	Other costs 2020 £	Total funds 2020 £
General counselling expenses	39,501	2,043	36,804	78,348
Fundraising for 25 for 25 campaign	-	-	258	258
	<u>39,501</u>	<u>2,043</u>	<u>37,062</u>	<u>78,606</u>

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8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
General counselling	11,486	54,412	65,898
Counselling room refurbishment	1,500	-	1,500
	<u>12,986</u>	<u>54,412</u>	<u>67,398</u>

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
General counselling	22,351	55,997	78,348
Fundraising for 25 for 25 campaign	258	-	258
	<u>22,609</u>	<u>55,997</u>	<u>78,606</u>

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Salaries and pension costs	38,568	39,501
Depreciation	2,105	2,043
25 for 25 - Professional fees	520	-
Professional fees	1,225	2,257
Governance	1,250	2,531
Hospitality and refreshments	34	105
Sundry expenses	727	36
Printing, postage and stationery	455	1,346
Telephone and internet	505	479
Subscriptions	240	240
Computer running costs	2,313	1,388
Accountancy costs	3,446	3,480
Rates	208	409
Light and heat	616	788
Repairs and maintenance	1,355	176
Cleaning	845	1,218
	54,412	55,997

9. Independent examiner's remuneration

	2021 £	2020 £
Independent examination of the charity's annual accounts	3,446	3,480

10. Staff costs

	2021 £	2020 £
Wages and salaries	37,128	38,061
Contribution to defined contribution pension schemes	1,440	1,440
	38,568	39,501

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10. Staff costs (continued)

The average number of persons employed by the charity during the year was as follows:

	2021 No.	2020 No.
Support and administration	1	1

No employee received remuneration amounting to more than £60,000 in either year.

The manager of the charity is considered to be the key management personnel.

Remuneration (including benefits) received during the year by the key management personnel of the charity was £38,568 (2020 - £39,501), including pension contribution costs.

During the year, the key management personnel was reimbursed £447 for expenses (2020 - £118).

Following the year end a redundancy payment of £7,344 was made.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totalling £NIL were reimbursed or paid directly to Trustee (2020 - £27 to 1 Trustee).

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12. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2020	171,159	16,039	523	187,721
Additions	-	-	302	302
At 31 March 2021	<u>171,159</u>	<u>16,039</u>	<u>825</u>	<u>188,023</u>
Depreciation				
At 1 April 2020	44,266	15,565	348	60,179
Charge for the year	1,712	118	275	2,105
At 31 March 2021	<u>45,978</u>	<u>15,683</u>	<u>623</u>	<u>62,284</u>
Net book value				
At 31 March 2021	<u><u>125,181</u></u>	<u><u>356</u></u>	<u><u>202</u></u>	<u><u>125,739</u></u>
At 31 March 2020	<u><u>126,893</u></u>	<u><u>474</u></u>	<u><u>175</u></u>	<u><u>127,542</u></u>

At the time of the transfer of the lease, the outstanding lease term was 100 years. Accordingly the lease and leasehold improvements are to be depreciated on a straight-line basis over the term of the lease.

13. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	183	155
Other debtors	2,600	2,536
Prepayments and accrued income	1,057	1,048
	<u><u>3,840</u></u>	<u><u>3,739</u></u>

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14. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	807	1,711
Other taxation and social security	686	-
Pension fund loan payable	225	225
Other creditors	2,303	-
Accruals and deferred income	3,891	5,436
	<u>7,912</u>	<u>7,372</u>

15. Financial instruments

	2021	2020
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>41,941</u>	<u>42,832</u>

Financial assets measured at fair value through income and expenditure comprise of cash at bank and in hand.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Unrestricted funds				
Designated funds				
Designated building fund	126,893	-	(1,712)	125,181
Designated building repair fund	5,000	-	-	5,000
	<u>131,893</u>	<u>-</u>	<u>(1,712)</u>	<u>130,181</u>
General funds				
General Funds	<u>19,986</u>	<u>58,546</u>	<u>(54,103)</u>	<u>24,429</u>
Total Unrestricted funds	<u>151,879</u>	<u>58,546</u>	<u>(55,815)</u>	<u>154,610</u>
The designated building fund value at the balance sheet date represents the net book value of the leasehold property.				
In addition the trustees have allocated £5,000 into a designated building repair fund, the intention being to put aside £5,000 of funds from the general fund as a contingency to meet the costs of any minor property repairs that may arise in the next few years.				
Restricted funds				
Building fund	2,651	-	-	2,651
Equipment	819	-	(22)	797
Adult counselling	2,500	3,500	(5,071)	929
Evening counselling	3,807	-	(3,750)	57
Counselling rooms refurbishment fund	1,500	1,500	(1,500)	1,500
25 for 25	3,585	-	(520)	3,065
	<u>14,862</u>	<u>5,000</u>	<u>(10,863)</u>	<u>8,999</u>
Total of funds	<u><u>166,741</u></u>	<u><u>63,546</u></u>	<u><u>(66,678)</u></u>	<u><u>163,609</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Unrestricted funds					
Designated funds					
Designated building fund	128,605	-	(1,712)	-	126,893
Designated building repair fund	5,000	-	-	-	5,000
	<u>133,605</u>	<u>-</u>	<u>(1,712)</u>	<u>-</u>	<u>131,893</u>
General funds					
General Funds	<u>23,072</u>	<u>57,951</u>	<u>(59,632)</u>	<u>(1,405)</u>	<u>19,986</u>
Total Unrestricted funds	<u>156,677</u>	<u>57,951</u>	<u>(61,344)</u>	<u>(1,405)</u>	<u>151,879</u>
Restricted funds					
Building fund	2,651	-	-	-	2,651
Equipment	849	-	(30)	-	819
Adult counselling	-	11,900	(10,805)	1,405	2,500
Evening counselling	-	11,900	(8,093)	-	3,807
Counselling rooms refurbishment fund	1,500	-	-	-	1,500
25 for 25	-	3,842	(257)	-	3,585
	<u>5,000</u>	<u>27,642</u>	<u>(19,185)</u>	<u>1,405</u>	<u>14,862</u>
Total of funds	<u>161,677</u>	<u>85,593</u>	<u>(80,529)</u>	<u>-</u>	<u>166,741</u>

A description of each fund is as follows:

Building fund - improvement and refurbishment funds used by the client in the move to Roman Road in 2001. The balance represents funds given but not spent at 31 March 2021.

Equipment - funding specifically restricted to office equipment and furniture.

Adult counsellor - grants and funds specifically restricted to the adult therapy costs including supervision.

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Evening counselling - grants and funds restricted to adult therapy costs incurred in evening work including supervision.

Counselling rooms refurbishment fund - funding specifically restricted to the refurbishment of counselling rooms.

25 for 25 - an initiative to raise £25,000 for Crossroads 25th anniversary which will help to pay for additional staff costs.

Transfer from general to restricted funds is to cover the deficit on one restricted fund where the income had been fully utilised in the year.

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
Designated funds	131,893	-	(1,712)	130,181
General funds	19,986	58,546	(54,103)	24,429
Restricted funds	14,862	5,000	(10,863)	8,999
	<u>166,741</u>	<u>63,546</u>	<u>(66,678)</u>	<u>163,609</u>

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Designated funds	133,605	-	(1,712)	-	131,893
General funds	23,072	57,951	(59,632)	(1,405)	19,986
Restricted funds	5,000	27,642	(19,185)	1,405	14,862
	<u>161,677</u>	<u>85,593</u>	<u>(80,529)</u>	<u>-</u>	<u>166,741</u>

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	125,672	68	125,740
Current assets	36,505	9,276	45,781
Creditors due within one year	(7,567)	(345)	(7,912)
Total	154,610	8,999	163,609

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	127,452	90	127,542
Current assets	31,797	14,772	46,569
Creditors due within one year	(7,370)	-	(7,370)
Total	151,879	14,862	166,741

19. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,440 (2020 - the same).

At the balance sheet date the company owed £225 in respect of the pension contributions payable (2020 - the same).

20. Related party transactions

Related parties include the charity trustees, close relatives and key management personnel. Donations received during the year by related parties amounted to £1,310 (2020 - £6,580).