

CROSSROADS COUNSELLING

(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 2022**

Trustees

Craig Herd, Treasurer
Meshiel Brown (resigned 7 October 2021)
Phil Slaney
Ella Darbyshire (appointed 2 September 2021)
Alexandra Ann Curtis (appointed 2 September 2021)
Benet Hiscock (appointed 2 September 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 2022

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 2022. 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 2022

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 find it hard to access the counselling they need. 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 counselling is to help clients face and gain insight about the difficulties and challenges they face and discover new ways to relate to themselves, others and the world they live in.

Our on-going objectives are:

- To provide professional counselling;
- To evaluate the need and provision of a counselling service for those who need it 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities (continued)

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 counselling to the exclusion of individual counselling.

There remains a significant gap in provision in Tower Hamlets who need counselling, especially for those who need long-term, individual counselling. Added to this, low-cost, affordable counselling is hard to find, making it difficult for people on low incomes to access long-term, private counselling.

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 similar level of activity and operation across both financial years and with the same service provision model for both years.

At the start of 2021 Crossroads' trustees faced two key challenges:

A financial challenge in that i) in assessing the expected loss for the financial year ending March 2021, ii) the ongoing current annual run costs for Crossroads operations at that time, and iii) the reduced cash at bank reserves to manage future losses meant serious concern was raised to trustees as to how Crossroads could continue to operate as a Going Concern.

An operational challenge with the resignation of two trustees from the Crossroads' Board. Crossroads' Board was reduced to three, the minimum number of trustees required to run Crossroads as a charitable company and in line with statutory obligations of all trustees.

As a result of the above challenges the Board agreed that the role of Crossroads' General Manager would be made redundant. The General Manager role ended in May 2021. A Service Coordinator contractor was engaged to manage and run Crossroads' counselling service day to day with the new Service Coordinator starting in May 2021. Trustees took over direct management of Crossroads and other general administrative activities at that time as part of a new temporary operating model.

Donations and Gifts for 2021 include two one off 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

Grant income in general through the year ending March 2022 was less than is usually received by Crossroads due, in part, to the disruptions of the COVID19 pandemic in general and also due to fewer grant applications being made as a result of Crossroads' financial and operational challenges through 2021. Challenges relating to both Going Concern issues for Crossroads' and time and effort required to complete and document applications.

Salary costs are significantly less in the current financial year compared to prior year as a result of the Crossroads' General Manager role being made redundant in May 2021. Professional fee costs are significantly higher in the current financial year compared to prior year as a result of contract costs allocated here for the Crossroads' Service Coordinator role appointed in May 2021.

Accounting costs are higher than last year as a result of support provided by Crossroads' accountant with the management of Crossroads month end and year end financial accounting as a result of challenges with time and resource through 2021.

Other than key items detailed above, income and expenditure are broadly similar year on year, which is expected as there has been no significant change to the service model 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 similar with the building being partially used through the 2022 financial year by some counsellors. This is reflected in higher building run costs through the 2022 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.

The focus on cost management and aligning the cost base to current income levels has continued as in prior years. The decision to make redundant the Crossroads' General Manager role was as a direct result of this cost management focus. In the current financial year Crossroads has shown a net loss of £4,976 (Prior Year loss off £3,133). Losses for current and prior year have been covered by cash at bank holdings of the Charity. The board continues to focus managing costs and ways to grow Crossroads' 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. 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

c. Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resource to continue in operational existence for the foreseeable future. For this reason, the 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 COVID19 pandemic has had a lasting impact on Crossroads' service provision in that counselling is now provided face to face at Crossroads' Roman Road premises and online. This mixed model is expected to continue to be used going forward as this better suites some clients. Having turned the two small counselling rooms into a larger counselling space for COVID health and safety reasons there is also now a limitation on how much in person counselling can be provided or offered. To date this mixed service model has allowed Crossroads to manage client and counsellor requirements around in person v remote counselling effectively.

e. Organisation Review

Significant progress was made during the prior year on review and consideration of Crossroads' service model. Included in this work was consideration on the lasting impact of changes due to COVID on Crossroads' service provision and changing attitudes and expectations to working online rather than in person. Working with Ruth Dormandy the Board reviewed and agreed a revised service model and a revised staffing structure and operating model to better support Crossroads' service provision going forward. A key consideration for the Board was to work toward aligning Crossroads' cost of operations to reasonably expected income as this currently stands. The guiding principles for Crossroads' service provision review were based on Crossroads' founding aim to provide long term counselling to those who cannot afford it and supported by professional clinical practice. A key priority for change for the Board was the re-introduction of a Clinical Lead role to Crossroads to manage Crossroads' counselling service provision. The new Crossroads' Clinical Lead was appointed in July 2022.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

f. Plans for future periods

1. Review of how best to use Crossroads' current Roman Road premises is a key priority for the current year agreed by the Board and the Crossroads' Clinical Lead. Reducing the two counselling rooms to one larger, safer room has created a significant restriction on provision of in person counselling. Options to convert the current Crossroads' office into a dual-purpose room are being reviewed, which would allow continuing safe counselling spaces and create capacity again for two counselling rooms. This not only doubles Crossroads' current room capacity but allows preferred in person counselling to be offered more widely. Once costs for this change are agreed the Board plan to seek funding to support this change.
2. With Crossroads' financial situation stable and with the appointment of a Clinical Lead to Crossroads' service a focus for the current year will be to re-build the Crossroads' counselling team. Creating a second counselling space at Crossroads' Roman Road premises will support this as well as continued use of remote counselling service provision where this better suites client needs.
3. A key focus remains fundraising. The Board has agreed a small budget gap for the 2022/23 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.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

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 30 March 2023 and signed on their behalf by:

Craig Herd

.....
Craig Herd
Chair

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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2022

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 2022.

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:

Dated: 30 March 2023

Reema Mistry ACA

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 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	29,593	-	29,593	41,358
Charitable activities	5	16,670	-	16,670	22,172
Investments	4	5	-	5	15
Other income		42	-	42	-
Total income		46,310	-	46,310	63,545
Expenditure on:					
Raising funds	6	-	-	-	(720)
Charitable activities	7	50,283	1,003	51,286	67,398
Total expenditure		50,283	1,003	51,286	66,678
Net expenditure before net gains on investments		(3,973)	(1,003)	(4,976)	(3,133)
Net gains on investments		-	-	-	-
Net expenditure		(3,973)	(1,003)	(4,976)	(3,133)
Net movement in funds before other recognised gains		(3,973)	(1,003)	(4,976)	(3,133)
Reconciliation of funds:					
Total funds brought forward		154,610	8,999	163,610	166,743
Total funds carried forward		150,637	7,996	158,633	163,610

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

The notes on pages 12 to 27 form part of these financial statements.

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REGISTERED NUMBER: 02998471

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	123,839	125,740
		123,839	125,740
Current assets			
Debtors	13	1,013	3,840
Cash at bank and in hand		38,201	41,941
		39,214	45,781
Creditors: amounts falling due within one year	14	(4,420)	(7,912)
Net current assets		34,794	37,869
Total net assets		158,633	163,609
Charity funds			
Restricted funds	16	7,996	8,999
Unrestricted funds	16	150,637	154,610
Total funds		158,633	163,609

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 30 March 2023 and signed on their behalf by:

Craig Herd

.....
Craig Herd
Chair

CROSSROADS COUNSELLING
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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 2022

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 2022**

3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations and gifts	29,593	-	29,593
	<u>29,593</u>	<u>-</u>	<u>29,593</u>
	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>
	<u>40,858</u>	<u>500</u>	<u>41,358</u>

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Bank interest received	5	5
	<u>5</u>	<u>5</u>
	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest received	15	15
	<u>15</u>	<u>15</u>
	<u>15</u>	<u>15</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Grant income	4,400	4,400
Counselling Fees	12,191	12,191
Fundraising income	79	79
Total 2022	<u>16,670</u>	<u>16,670</u>

	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	<u>17,672</u>	<u>4,500</u>	<u>22,172</u>

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

Costs of raising voluntary income

	Total funds 2022 £
Fundraising expenses	-

	Unrestricted funds 2021 £	Total funds 2021 £
Fundraising expenses	(720)	(720)

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
General counselling	50,283	1,003	51,286

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
General counselling	56,535	9,363	65,898
Fundraising for 25 for 25 campaign	-	1,500	1,500
	56,535	10,863	67,398

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7. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2022 £	Depreciation 2022 £	Other costs 2022 £	Total 2022 £
General counselling expenses	13,772	1,901	35,613	51,286
	Staff costs 2021 £	Depreciation 2021 £	Other costs 2021 £	Total 2021 £
General counselling expenses	38,568	2,105	25,225	65,898
Fundraising for 25 for 25 campaign	-	-	1,500	1,500
	38,568	2,105	26,725	67,398

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
General counselling	7,516	43,770	51,286
	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
General counselling	10,270	55,628	65,898
Fundraising for 25 for 25 campaign	1,500	-	1,500
	11,770	55,628	67,398

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Counselling supervision	6,916	10,270
Refurbishment of counselling rooms	-	1,500
Training courses	600	-
	<u>7,516</u>	<u>11,770</u>

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Salaries and pension costs	13,772	38,568
Depreciation	1,901	2,105
25 for 25 - Professional fees	-	520
Professional fees	16,872	1,225
Governance	-	1,250
Hospitality and refreshments	51	34
Sundry expenses	-	727
Insurance	1,233	1,216
Printing, postage and stationery	50	455
Telephone and internet	481	505
Subscriptions	1,098	240
Computer running costs	795	2,313
Accountancy costs	5,028	3,446
Rates	25	208
Light and heat	1,020	616
Repairs and maintenance	477	1,355
Cleaning	967	845
	43,770	55,628

9. Independent examiner's remuneration

	2022 £	2021 £
Independent examination of the charity's annual accounts	5,028	3,446

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10. Staff costs

	2022	2021
	£	£
Wages and salaries	13,532	37,128
Contribution to defined contribution pension schemes	240	1,440
	<u>13,772</u>	<u>38,568</u>

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

	2022	2021
	No.	No.
Support and administration	<u>-</u>	<u>1</u>

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 £13,772 (2021 - £38,568), including pension contribution costs.

During the year, the key management personnel was reimbursed £nil for expenses (2021 - £477).

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

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £NIL were reimbursed or paid directly to Trustee (2021 - £NIL to Trustee).

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2021	171,159	16,039	825	188,023
At 31 March 2022	171,159	16,039	825	188,023
Depreciation				
At 1 April 2021	45,978	15,683	623	62,284
Charge for the year	1,711	89	101	1,901
At 31 March 2022	47,689	15,772	724	64,185
Net book value				
At 31 March 2022	123,470	267	101	123,838
At 31 March 2021	125,182	356	202	125,740

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

	2022 £	2021 £
Due within one year		
Trade debtors	183	183
Other debtors	-	2,600
Prepayments and accrued income	830	1,057
	1,013	3,840

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	28	807
Other taxation and social security	-	686
Pension fund loan payable	-	225
Other creditors	-	2,303
Accruals and deferred income	4,392	3,891
	<u>4,420</u>	<u>7,912</u>

15. Financial instruments

	2022	2021
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>38,201</u>	<u>41,941</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
FOR THE YEAR ENDED 31 MARCH 2022**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Unrestricted funds				
Designated funds				
Designated building fund	125,181	-	(1,712)	123,469
Designated building repair fund	5,000	-	-	5,000
	<u>130,181</u>	<u>-</u>	<u>(1,712)</u>	<u>128,469</u>
General funds				
General Funds	<u>24,429</u>	<u>46,310</u>	<u>(48,571)</u>	<u>22,168</u>
Total Unrestricted funds	<u>154,610</u>	<u>46,310</u>	<u>(50,283)</u>	<u>150,637</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.

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Restricted funds				
Building fund	2,651	-	(17)	2,634
Equipment	797	-	-	797
Adult counselling	929	-	(929)	-
Evening counselling	57	-	(57)	-
Counselling rooms refurbishment fund	1,500	-	-	1,500
25 for 25	3,065	-	-	3,065
	<u>8,999</u>	<u>-</u>	<u>(1,003)</u>	<u>7,996</u>
Total of funds	<u>163,609</u>	<u>46,310</u>	<u>(51,286)</u>	<u>158,633</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. Statement of funds (continued)

Statement of funds - prior 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>
	Balance at 1 April 2020 £	Income £	Expenditure £	Balance at 31 March 2021 £
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>166,741</u>	<u>63,546</u>	<u>(66,678)</u>	<u>163,609</u>

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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 2022.

Equipment - funding specifically restricted to office equipment and furniture.

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

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.

17. Summary of funds

Summary of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Balance at 31 March 2022 £
Designated funds	130,181	-	(1,712)	128,469
General funds	24,429	46,310	(48,571)	22,168
Restricted funds	8,999	-	(1,003)	7,996
	163,609	46,310	(51,286)	158,633

Summary of funds - prior 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
	166,741	63,546	(66,678)	163,609

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	123,839	-	123,839
Current assets	31,218	7,996	39,214
Creditors due within one year	(4,420)	-	(4,420)
Total	150,637	7,996	158,633

Analysis of net assets between funds - prior 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

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 £240 (2021 - £1,440).

At the balance sheet date the company owed £Nil in respect of the pension contributions payable (2021 - £225).

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 £5,050 (2021 - £1,310).

Crossroads Counselling
144 Roman Road, Bethnal Green, London, E2 0RY

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

30 March 2023

Dear Sirs,

The following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience such as we consider necessary in connection with your independent examination of the charitable company's financial statements for the year ended 31 March 2022. These enquiries have included inspection of supporting documentation where appropriate and are sufficient to satisfy ourselves that we can make each of the following representations. All representations are made to the best of our knowledge and belief.

1) Accounting exemptions

We confirm that the charitable company qualifies as small in accordance with the conditions set out in Chapter 1 of Part 15 of the Companies Act 2006.

2) Audit exemption

We acknowledge that the work performed by you is substantially less in scope than an audit performed in accordance with International Standards on Auditing (UK) and that you do not express an audit opinion. We confirm that the charitable company was entitled to exemption under both section 477 of the Companies Act 2006 and section 144 of the Charities Act 2011 from the requirement to have its financial statements for the financial year ended 31 March 2022 audited. We also confirm that the members have not required the charitable company to obtain an audit of its financial statements for the year in accordance with section 476 of the Companies Act 2006.

3) Financial records

We have fulfilled our responsibilities as directors, as set out in the terms of your engagement letter dated 1 August 2018, under the Companies Act 2006 for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view, and for making accurate representations to you.

All the accounting records have been made available to you for the purpose of your independent examination and all the transactions undertaken by the charitable company have been properly reflected and recorded in the accounting records. We have provided you with unrestricted access to all appropriate persons within the charitable company, and with all records and related information requested, including the minutes of all trustees' and management meetings and correspondence with the Charity Commission.

4) Going concern

As directors we have considered the financial position of the charitable company. We believe that the charitable company's financial statements should be prepared on the going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the charitable company's ability to continue as a going concern need to be made in the financial statements.

5) Loans and arrangements

The charitable company has not, during the period, granted any advances or credits to, or made guarantees on behalf of, directors other than those disclosed in the financial statements.

All transactions relating to or on behalf of any director of the charitable company, either during or since the end of the financial period, have been notified to you.

6) Related parties

Related party relationships and transactions have been appropriately accounted for and disclosed in the financial statements. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters which require disclosure in order to comply with legislative and accounting standards requirements.

We confirm that the name of the party controlling the charitable company (and, if different, of that of the ultimate controlling party) together with details of the related party relationship is adequately disclosed in the financial statements.

7) Assets and liabilities

We confirm the charitable company has satisfactory title to all assets and there are no liens or encumbrances on the charitable company's assets, except for those that are disclosed in the notes to the financial statements.

We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that we have given to third parties.

We have no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

8) Accounting estimates

The methods, data and significant assumptions used by us in making accounting estimates, and their related disclosures, are appropriate to achieve recognition, measurement and disclosure that is reasonable in the context of the applicable financial reporting framework.

9) Capital commitments

There were no material capital commitments at the year end other than as disclosed in the financial statements.

10) Legal claims

We have disclosed to you all claims in connection with litigation that have been, or are expected to be, received and such matters, as appropriate, have been properly accounted for and disclosed in the financial statements.

11) Subsequent events

All events subsequent to the date of the financial statements which require adjustment or disclosure have been properly accounted for and disclosed. Should further material events occur we will advise you accordingly.

12) Laws and regulations

We acknowledge as directors our responsibilities to take appropriate steps to provide reasonable assurance that the charitable company has complied with laws and regulations applicable to its activities and to establish arrangements for preventing any non-compliance with laws and regulations and detecting any that occur.

We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.

13) Grants and donations

All grants, donations and other income, the receipt of which is subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

Yours faithfully



Director
On behalf of the board