

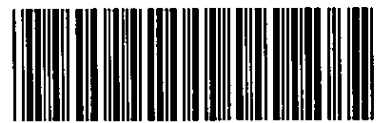
CROFTLANDS TRUST

A Company Limited By Guarantee

REPORT AND FINANCIAL STATEMENTS

For The Year Ended 31 March 2013

TUESDAY



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COMPANIES HOUSE

**Croftlands Trust
Logic House, Allenbrooke Road,
Rosehill,
Carlisle
CA1 2UT**

Company Registration Number 3640736

Charity Number 1074684

CROFTLANDS TRUST

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Members of the Board and Professional Advisers

Members of the Committee

Service User Elected Members

Mr R R Burton (retired 26/11/2012)
Miss J Jones (retired 26/11/2012)
Mr R Hares (appointed 26/11/2012)
Miss M Raynor (appointed 26/11/2012 and resigned 1/02/2013)

Members

Mr G Bland
Mr A G Daltry
Mrs S J Thompson
Mrs D H Parsons
Ms J Taylor
Mr T H Sutherland
Mr J F Little

Co-opted Members

Mrs J E Bolton (resigned 26/11/2012)
Ms L Close

Company Secretary

Mrs D Davidson (Director of Finance)

Senior Management Team

In Attendance at Management Committee
Mr C J Graham Chief Executive
Ms J Saunders Deputy Chief Executive
Mrs D Davidson Director of Finance

Registered Office

Logic House,
Allenbrooke Road,
Carlisle,
Cumbria
CA1 2UT

Auditors

Armstrong Watson
Chartered Accountants & Statutory Auditors
Fairview House,
Victoria Place,
Carlisle,
Cumbria
CA1 1HP

Bankers

HSBC PLC
PO Box 5,
29 English Street,
Carlisle,
Cumbria
CA3 8JT

Solicitors

Burnetts
6 Victoria Place,
Carlisle,
Cumbria
CA1 1ES

CROFTLANDS TRUST

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2013

The Trustees, who are also directors of the Charity for the purposes of the Companies Act, have pleasure in presenting their annual report and the audited financial statements of the Charity for the year ended 31 March 2013. The financial statements are prepared under the provisions of the Companies Act 2006 and in accordance with the Statement of Recommended Practice (SORP) 2005, Accounting and Reporting by Charities. The Trustees who served during the year are,

Mr G Bland (Chair)	Mr A G Daltry
Mrs J E Bolton (To November 2012)	Mrs S J Thompson
Mrs D Parsons	Ms J Taylor
Mr T H Sutherland	Miss J Jones (To November 2012)
Mr J F Little	Ms L Close
Mr R Hares (From January 2013)	Miss M Raynor (From November 2012 to February 2013)
Mr R R Burton (To November 2012)	

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Trust is a charitable company limited by guarantee, incorporated on 30 September 1998 and registered as a charity on 16 March 1999. The company was formed in order to assume the operations previously carried out by the unincorporated charity, Croftlands Trust, registration number 700062. The company is established under a Memorandum of Association that sets out the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as members of the Management Committee.

The Articles provide that the Trust shall have a Management Committee of not less than three persons and that the Management Committee shall comprise

- (a) The Chair of the Trust,
- (b) Six persons elected by the Members at an Annual General Meeting,
- (c) Two persons elected by and from the current users of services provided by the Trust,
- (d) Co-opted members who shall serve as members until the conclusion of the Annual General Meeting following, provided that the number of co-opted persons shall not exceed one-third of the total number of members elected under categories (a), (b) and (c).

The Management Committee members under (a), (b) & (c) shall be elected at least once every three years. Such persons shall serve for three years from the date of their election, and are eligible for re-election.

The Trust seeks to achieve membership of the Management Committee that balances members with experience either as a current service user or carer or as members with appropriate business management skills. All members need to have empathy with the clients served, particularly the needs of those with a mental health problem.

Trustee Induction and Training

New trustees/members of the Management Committee are given an induction programme that familiarises them with the services the Trust manages by a programme of visits and gives individual support and training as required in understanding the role, duties and responsibilities of trustees

All trustees receive a copy of the Trusts Memorandum and Articles of Association and other key control policy documents in an induction pack

Organisational Structure

The Trust's Articles of Association provide for the Trust to be directed by the Management Committee, which is comprised of up to 9 elected and up to 3 co-opted members

Three officers of the Trust attend the Management Committee -

- The Chief Executive Officer of the Croftlands Trust is accountable to the Management Committee for strategic direction and is responsible for the operation of the Trust including the direct delivery of residential and day opportunity services
- The Deputy Chief Executive is responsible for the Human Resource Service, Property Management and day to day operation of supported housing and outreach services
- The Director of Finance is responsible for the production of financial reports to the Management Committee, monthly management accounts, assisting in the strategic direction of the Trust and ensuring the accounts team output is accurate, on time and efficient

Related Parties

The Trust is an independent local charity currently operating in Cumbria. It works in partnership (including a contractual relationship) with statutory agencies, i.e. Cumbria Adult Social Care Services, Cumbria Supporting People, and the NHS through the Cumbria CCG and the Cumbria Partnership NHS Trust. The Trust also works with District Council Housing Services and Registered Social landlords operating in the area.

The Trust liaises with Cumbria Clinical Commissioning Group and Cumbria Adult Social Care Services through quarterly service review meetings. The Trust also participates in joint working with other local organisations including Your Housing Group, Home Group, Impact Housing and Riverside Housing. The Trust also has links with the University of Cumbria.

Croftlands is a member of the North East Acquired Brain Injury Forum which supports the advancement of education in the subject of children and adults with acquired brain injury. Croftlands is part of the Mental Health Employment Network that shares information and good practice. Croftlands is a member of Action for Health, which provides a liaison role between the third sector and the statutory agencies. Croftlands is also a member of the Cumbria Supporting People Forum, which provides an opportunity to housing agencies to network and communicate together with Cumbria Supporting People. Croftlands is a member of the Care Sector Alliance Cumbria. Their aim is to promote and support workforce development and qualification amongst Cumbria's voluntary and private social care workforce. Croftlands is a member of the Cumbria Bidding Consortium which is hosted by Cumbria CVS.

Risk Management

The Trust's operational business environment remains stable with a continuing requirement for the Trust's main contracted services. The annual Financial Strategy and Budget, presented to the Management Committee prior to each financial year, reviews the business risks facing the Trust and sets plans and contingencies accordingly. The Trust's main expenditure is on pay and this is determined by the Management Committee and is not linked to outside body settlements (other than for 3 staff – out of some 231 employees - subject to TUPE).

Internal control risks are minimised by the application of written policies and procedures including the preparation of formal risk assessments where appropriate. Health and safety policies and procedures are in place and monitored at all projects.

The organisation's activities and performance are subject to external performance scrutiny.

- Cumbria Adult Social Care set standards and these are monitored through their regular performance audits,
- Cumbria Supporting People require providers to achieve the Quality Assessment Framework (QAF). The QAF comprises a series of assessment tables that relate to the Service Objectives, which are based on the Office of Performance Management (OPM) Support Service Framework,
- Croftlands is registered with the Care Quality Commission (CQC) for its residential care, supported living, extra care, domiciliary and some community support services. CQC monitors registered health and adult social care providers to ensure the activities they deliver are meeting essential standards of quality and care.

Public Benefit

The Trustees have considered the Charity Commission guidance with regard to reporting public benefit and consider that they have adhered to the duty in section 4 of the Charities Act 2006 as required.

OBJECTIVES AND ACTIVITIES

Charity's Objects and Strategy for Achieving Them.

The Trust's objectives are to advance the education and promote the welfare of people suffering from mental illness in Cumbria, by the provision of a suitable home environment and skilled training and supervision, to enable them to develop their mental, physical and spiritual capacity.

As a local Cumbria charity, we support individuals to discover life's purpose, build resilience and nurture positive wellbeing. Our services are person centred and outcome driven. The journey of support with Croftlands ends by individuals flourishing in their chosen community.

Croftlands strategic 2011-16 plan sets out our desire to be a Cumbria lead provider of support for individuals with multiple clinical needs with complex lifestyles and for people living in Cumbria experiencing poor wellbeing. The plan recognises important contractual and strategic changes. This includes:

1. Cumbria County Council revised contracting framework for all social care contracts which mean a move away from traditional block arrangements to more personalised self directed support and contracts which are re tendered within a specific timeframe.
2. The emergence of the Cumbria Clinical Commissioning Group and the Health and Wellbeing Board along with the implementation of the NHS Payment by Results Commissioning process.

In March 2013 the Management Committee agreed Heads of Terms and resolved to enter into a due diligence process with the Richmond Fellowship with a view to a potential merger. Richmond Fellowship is a national charity providing related services including housing, care, training and employment services across many areas of England. The merger would take the form of Croftlands becoming a wholly controlled subsidiary company with Croftlands continuing to operate with its own brand and Management Board and team of officers and staff.

Trust policies and procedures are regularly reviewed by a Project Management Team whose members meet on a monthly basis to review any policies that are more than three years old. Reviewed strategic policies are then presented to the Management Committee for approval. Appropriate new policies are also developed by the project management team through this process.

Significant Activities.

Croftlands services operate across five sectors in Cumbria

- Adult Mental Health
- Acquired Brain Injury/Complex Needs
- Dual Diagnosis
- Older People and Dementia
- Learning Disability

Operationally these strategic groups are managed across seven business sectors plus the Central Headquarters Support covering central administration, finance, human resources and training. The seven business sectors are

- Residential Care Specialist Mental Health Rehabilitation and Crisis Intervention
- Day Opportunities Bridge Building and Employment Services
- Supportive Living Complex Needs and Acquired Brain Injury
- Supportive Living Mental Health
- Generic Floating Support
- Specialist Domiciliary Care
- Elderly Intensive Support and Extra Care

Role and Contribution of Volunteers

The Lisa Bertolotti Sanctuary Fund operates as a restricted charitable fund within Croftlands. This fund actively funds raises and receives donations. All fund-raising activity is undertaken on a voluntary basis.

ACHIEVEMENTS AND PERFORMANCE

Main Achievements in the Year.

Cumbria County Council ended its mainstream contracts with existing providers and tendered their social care services within three frameworks.

- Framework One included Extra Care, Night Support, Supporting People Older Adults Housing Related Support and Short Term Accommodation Based services
- Framework Two included Domiciliary Care and Floating Support
- Framework Three Day Opportunities included Building Based, Community and Employment services

Croftlands participated in all three framework tenders and was successful in becoming an Approved Provider for a number of contracted services.

- Extra Care Provider
- Older Adult Housing Related Support
- Group B Domiciliary Care Provider
- Generic Floating Support Provider
- Day Opportunities provider for Building Based, Community and Employment Services

Croftlands Trust was successful in securing Mental Health Prevention Grant Income in January 2012. This provides for an 18 month pilot covering the services targeted:

- 1 Improving general public wellbeing,
- 2 Preventing people with Mental Health Problems entering into secondary services
- 3 Enabling people with Mental Health Problems move back from secondary to primary care services

The secured funding has enabled Croftlands to provide four bridge building posts to the GPs in Barrow, Copeland, Allerdale and Carlisle as well as an Information Hub Service for Carlisle

Performance Achieved in Charitable Activities against Objectives Set.

Quality Assurance Measures

- Croftlands Trust Management Committee project visits A programme of visits to services is scheduled annually, providing the opportunity for Committee Members to meet service users and staff, hear views about the service and see workplaces, accommodation and facilities The observations and findings are reported at the monthly management committee and identified actions taken,
- Person in Control visits and reports for the Care Quality Commission Senior Managers visit registered projects on a monthly basis inspecting records and buildings, interviewing staff and users A report is compiled for the project which identifies non conformance on the standards and process expected within the project Action point points with timescales for completion are recorded and progress is monitored in subsequent visits,
- Ad hoc audits are carried out in supported housing services to ensure compliance with policies, procedures and QAF standards These audits are documented and action plans are developed with timescales for completion and review
- Bespoke quality assurance survey/questionnaires Each service has bespoke quality assurance survey/questionnaire For example one service uses a peer inspector questionnaire Using peer inspectors enables us to access deeper and broader range of views,
- In June 2013 the Management Committee adopted a Performance and Quality Framework based on the European Foundation Quality Management Business Excellence Model as the foundation to an organisation wide quality assurance programme that will be developed in detail and implemented during 2013/14

Investors in People

Croftlands achieved a renewal of its Investors in People award in 2012

Staff Council

The Staff Council provides a forum for regular two-way communication between senior management and staff who are not part of the management team of Croftlands The Council provides a mechanism for consultation when the need arises, seeking the views of employees for consideration and a forum for the exchange of information and briefing on topical issues Minutes from meetings are submitted to the Management Committee meetings

The Staff Council has been reconstituted in 2012/13 to reflect the revised internal organisation implemented in 2012

Probation

During the year the importance of the probationary period for new employees continued to be highlighted The standard of reporting continues to improve, and the process provides useful information to support new employees The on-line Social Care Information and Learning Services (Scils) induction is used for induction of all new staff

Appraisal

The appraisal system was developed in 2005 with the aim of making job roles and responsibilities clear to all staff, and acknowledging the work done by staff during the 12 months covered by the appraisal report. Work is ongoing to make the appraisal process relevant and consistent with 100% coverage.

Training and Development

Croftlands employ a full time Training Co-ordinator to work with project managers to ensure that all identified training needs are met. In addition the Training Co-ordinator delivers the Mental Health Certificate at levels 2 and 3.

External training providers have supported staff to achieve NVQs in Health and Social Care. NVQ portfolios are developed on-line and candidates can communicate with assessors by e mail, as well as during project assessment and monitoring visits. In terms of equality of opportunity, this method of NVQ achievement makes it more accessible to night workers.

Croftlands continues to maintain the required quality standards which enable us to retain the status of a City and Guilds Centre.

Development of managers and staff continues to be a priority for the organisation.

Achievements on Fundraising Activity

During the year the Lisa Bertolotti Sanctuary Fund raised £1,104 from fundraising activities and donations. The fund stood at £17,879 as at the end of March 2013.

During 2012/13 Croftlands opened its first retail shop in Botchergate, Carlisle which contributes to income generation and provides an opportunity for service users to develop retail skills and experience in a voluntary capacity.

FINANCIAL REVIEW

Principal Funding Sources

The Trust obtains its funding from four main sources -

- Housing rents and benefits paid direct by housing authorities,
- Cumbria Supporting People housing support contracts,
- Cumbria Adult Social Care Services' contracts for residential care, day care and outreach services,
- Cumbria Primary Care Trusts' contracts and memoranda of agreement for residential, supported employment and acquired brain injury services.

Principal Financial Management Policies

The Trust's Annual Financial Strategy and Budget reviews the ongoing financial situation and business risk strategy for the year ahead.

The Trust is a not for profit charitable company without shareholder capital. It budgets each year to break even including provision for a contingency reserve. Working capital and asset provision and renewal have to be resourced from funds retained primarily from year-end surpluses.

The Management Committee receives monthly financial management reports during each year. These reports highlight budget changes, budget performance with appropriate management action, and cash flow.

Review of Charity's Financial Position

The overall financial position of the Trust remained strong with a satisfactory outturn giving an overall net surplus of £304,301 on a turnover of £4,387,513. The Balance Sheet as at the end of March 2013 remains appropriate for the Trust with adequate working capital to maintain its activities.

The 2012/13 turnover represents a decrease of £115,360 (2.6%) over 2011/12 with expenditure reducing by £147,671 (3.5%) from £4.2m in 2011/12 to £4.08m.

Net current assets of £3.26m are 93% of total funds of which £2.9m (91%) are unrestricted.

Reserves Policy

The Directors have reviewed the reserves of the Charity. General Reserves represent some 67% of current annual turnover or some eight months of activities. This level of working capital, which has increased for the year, together with the designated reserves is deemed adequate with the present levels of security on the Trust's main income streams that are subject to annual service contracts with statutory agencies.

Designated fund reserves are reviewed annually and adjusted as appropriate. Their prime purpose is to smooth the effects of cyclical or exceptional expenditure which cannot be contained within the annual funded budget levels of individual services.

The purpose of the restricted funds is explained in the notes to the financial statements.

PLANS FOR FUTURE PERIODS

As a result of the adoption of the five year strategic plan agreed at Trustee level, Croftlands will fulfil the following objectives:

- Croftlands Trust will continue to be a quality provider and as such it will deliver not only innovative, relevant and modern services, but also to provide consistently high standards of service.
- Croftlands will develop resources independent of contracted services.
- New wellbeing services will be delivered to existing service users and also offered to the general public. We will achieve this by developing our Croftlands designed wellbeing product based on the themes of wellbeing.
- The intensive rehabilitation model will continue to provide a service to fit the 'invest to save' commissioning strategy that aims to bring home out of county placements and prevent users going out of county by redirecting to existing service provision.
- Croftlands will during 2013/14 progress its proposed merger with the Richmond Fellowship, subject to a satisfactory conclusion to the Due Diligence process. The ongoing relationship with Richmond Fellowship will be identified and developed during the year with opportunities for mutual synergies to be exploited.

In addition, Croftlands have two charitable aims to achieve within the five year strategic plan:

- 1 **To Develop a High Street Presence.** Croftlands aims to continue the development of a number of retail outlets that promote the services of Croftlands, provides a trading social enterprise and markets to the general public, health and wellbeing. A second shop will be opened in Workington during 2013/14.
- 2 **To Develop an Independent Housing Service.** Croftlands aims to develop an accommodation service which is owned and managed by the Charity and fulfils a charitable purpose. Six accommodation units in Spencer Street, in the former Day Centre, will be completed in 2013/14.

MEMBERS OF THE MANAGEMENT COMMITTEE

Members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1

Croftlands Trust

Report and Financial Statements for the year ended 31 March 2013

Statement of Trustees Responsibilities

The Trustees (who are also the directors of Croftlands Trust for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period

In preparing these financial statements, the Trustees are required to

- (a) select suitable accounting policies and then apply these consistently,
- (b) make judgements and estimates that are reasonable and prudent,
- (c) state whether applicable accounting standards and Statements of Recommended Practice have been followed subject to any material departures disclosed and explained in the financial statements,
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation,
- (e) observe the methods and principles in the Charities Statement of Recommended Practice

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the trustees are aware

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

Auditors

Armstrong Watson are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered Office

Logic House,
Allenbrooke Road,
Carlisle
CA1 2UT

Signed by order of the Trustees



Mr G Bland, Chair

Approved by the Trustees on 22nd July 2013

CROFTLANDS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROFTLANDS TRUST YEAR ENDED 31ST MARCH 2013

We have audited the financial statements of Croftlands Trust for the year ended 31 March 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITOR

As explained more fully in the Trustees' Responsibilities Statement set out on Page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards of Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

CROFTLANDS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROFTLANDS TRUST (continued)

YEAR ENDED 31ST MARCH 2013

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

CARLISLE

JEAN CARROLL
(Senior Statutory Auditor)
For and on behalf of
ARMSTRONG WATSON
Chartered Accountants
& Statutory Auditors

Date 29th July 2013



STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2013
(incorporating the Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS 2013 £	2012 £
INCOMING RESOURCES					
Incoming resources from generating funds					
Voluntary Income					
Donations and Fundraising		205	1,104	1,309	2,393
Activities for Generating Funds					
Trading Income		42,322	-	42 322	31 536
Investment Income					
Interest Receivable		3 954	11	3,964	3,551
Incoming Resources from Charitable Activities					
Rents Receivable	2	973,029		973,029	1,921 286
Service Income	3	750,881		750 881	468 811
Contract Income and Grants Receivable	4	2 616 007		2 616 007	2 075 295
TOTAL INCOMING RESOURCES		4,386,399	1,114	4,387,513	4,502,873
RESOURCES EXPENDED					
Costs of Generating Funds					
Costs of Fundraising		-	-	-	-
Trading Costs					
Trading Expenditure		40 136	-	40 136	22,755
Charitable Activities					
Provision of Housing and Care Services	5	4 002,555	11,415	4 013 970	4 173,225
Governance Costs	7	29,107	-	29,107	34,904
TOTAL RESOURCES EXPENDED		4,071,798	11,415	4,083,213	4,230,884
NET INCOMING(OUTGOING) RESOURCES		314,601	-10,301	304,301	271,989
TOTAL FUNDS BROUGHT FORWARD AS AT 1 APRIL 2012 (2011)		2,792,655	169 292	2,961,947	2,689,959
TOTAL FUNDS CARRIED FORWARD AS AT 31 MARCH 2013 (2012)		3,107,256	158,991	3,266,247	2,961,947

All of the activities of the Charity are classed as continuing

Recognised Gains and Losses

The Charity has no recognised gains or losses other than the results for the year as set out above

The Notes on pages 15 to 21 form part of these financial statements

CROFTLANDS TRUST

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BALANCE SHEET AS AT 31 MARCH 2013

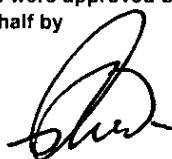
Company registration number: 3640736

	Note	£	TOTAL FUNDS 2013 £	2012 £
FIXED ASSETS				
Tangible Fixed Assets	11		228 618	247 509
CURRENT ASSETS				
Stock		1 140		1,228
Debtors and Prepayments	12	328 512		216 171
Cash at Bank and In Hand		<u>3 056 446</u>		<u>2,763 548</u>
		3 386 097		2,980,947
LIABILITIES AMOUNTS FALLING DUE WITHIN ONE YEAR				
Creditors & Accruals	13	348,468		266 509
NET CURRENT ASSETS			<u>3 037 630</u>	<u>2 714 438</u>
NET ASSETS			<u>3,266,247</u>	<u>2,961,947</u>
FUNDS	16			
Unrestricted				
General Funds			2 966,397	2,649,908
Designated Funds			140,859	142 747
Restricted			<u>158 991</u>	<u>169 292</u>
			<u>3,266,247</u>	<u>2,961,947</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the members of the committee on 22nd July 2015 and are signed on their behalf by

Mr G Bland
Chair



Mrs S J Thompson
Vice Chair



The notes on pages 15 to 21 form part of these financial statements

Notes To The Financial Statements For The Year Ended 31 March 2013

1

ACCOUNTING POLICIES**Basis of Accounting**

The financial statements have been prepared on an accruals basis under the historic cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005

The Charity has taken advantage of the exemption in the Financial Reporting Standard No 1 (revised 1996) from the requirement to produce a cashflow statement on the grounds that it qualifies as a small charity

Funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Trust 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 that are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements

Incoming Resources

Contractual Income and Grants are received from central and local government, health bodies and private sources to assist in the funding of the Trust and are recognised in full in the Statement of Financial Activities in the year in which they are received, unless they relate to specific future expenditure in which case they are deferred and matched to future costs

Fee income relates to charges made by the Trust to residents for board, lodgings and care as necessary, and is accounted for as receivable. The income derives from various sources, including Social Services, the Department of Social Security, and personal contributions

Donations are only included when the Trust has unconditional entitlement to the resource

The value of any voluntary help received is not included in the accounts but is described in the Annual Report

Resources Expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trust to pay out resources

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category

Governance Costs include costs of the preparation and audit of statutory accounts, the cost of Management Committee meetings and the cost of any legal advice on governance or constitutional matters

Direct charitable expenditure includes all costs associated with operating the primary activities of the Trust, these being the running of

- a) Residential Homes
- b) Day Centres
- c) Supported Housing
- d) Home Support
- e) Domiciliary Care
- f) Co Operate Work Activity

The costs include wages, food, activity and premises costs and directly attributable office and sundry costs, including depreciation on assets directly used for charitable purposes

Support costs include central functions and have been allocated to activities on a basis consistent with the use of resources

Notes To The Financial Statements For The Year Ended 31 March 2013**1 ACCOUNTING POLICIES (Continued)****Tangible Fixed Assets**

The Trust capitalises assets with a value (either asset cost or, if donated, market worth) which exceeds £500. Assets bought for use in the residences are not capitalised, on the grounds that their average useful life will not exceed one year. Such costs are written off to the Statement of Financial Activities as incurred.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	over 50 years from date of acquisition
Furniture and Office Equipment	-	over 5 years from date of expenditure
Computer and I T Equipment	-	over 4 years from date of expenditure
Motor Vehicles	-	25% on reducing balance
Property Improvements	-	over 10 years from date of expenditure

Stock

Stocks are valued at the lower of cost and net realisable value, on a first in first out basis after making due allowance for obsolete and slow moving items.

Pensions

The Trust operates a defined contribution pension scheme. The assets of this scheme are held separately from those of the Trust. Employer contributions are charged in the Statement of Financial Activities during the period to which they relate. There are a small number of staff under TUPE conditions for which NHS pension contributions are made.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Notes To The Financial Statements For The Year Ended 31 March 2013

INCOMING RESOURCES		Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS 2013 £	2012 £
2	RENTS RECEIVABLE				
	Housing Benefit	834,686	-	834,686	895,082
	Personal Contributions	81,550	-	81,550	88,918
	Supporting People	56,793	-	56,793	937,286
		973,029	-	973,029	1,921,286
3	SERVICE INCOME				
	Contributions to Utilities	34,893	-	34,893	36,648
	User Staff/ Other Service Income	15,601	-	15,601	18,810
	Community Outreach Support	700,387	-	700,387	413,353
		750,881	-	750,881	468,811
4	CONTRACT INCOME/GRANTS RECEIVABLE				
	Health Residential Care	608,207	-	608,207	591,380
	Work Initiative	119,004	-	119,004	119,004
	Cumbria Social Services				
	Residential Care	682,253	-	682,253	665,191
	Day Opportunities	319,535	-	319,535	325,375
	Prevention Services	75,000	-	75,000	20,951
	Specialist Support Services	525,092	-	525,092	353,394
	Other care	286,917	-	286,917	
		2,616,007	0	2,616,007	2,075,295

Notes To The Financial Statements For The Year Ended 31 March 2013

RESOURCES EXPENDED		Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS 2013 £	2012 £
5	CHARITABLE ACTIVITIES				
	Provision of Housing and Care Services				
	Staff Costs	2 627 507	-	2,627 507	2,852,218
	Direct Support Costs	131,892	-	131,892	190,626
	Residential Expenses	97,715	-	97 715	94,843
	Premises Costs (note 6)	700 581	-	700,581	733 858
	Legal and Professional	30,078	-	30 078	18 211
	Central Support Costs (note 7)	402,038	-	402 038	250,724
	Depreciation	11 418	11 415	22,833	31 994
	Memberships	1 326	-	1 326	751
		4 002 555	11 415	4,013,970	4,173 225
6	PREMISES COSTS				
	Rent Payable	426 776	-	426,776	447 916
	Water Rates	14,469	-	14,469	19,890
	Gas and Electricity	105,733	-	105,733	98 923
	Council Tax	21,021	-	21,021	19 585
	Cleaning	30,736	-	30 736	32 588
	Renewals and Replacements	101 846	-	101,846	114,956
		700,581	-	700 581	733,858
		Charitable Activity £	Governance Activity £	Total Cost £	Total Cost £
7	CENTRAL SUPPORT COSTS				
	Staff Costs	296 463	16,636	313 099	216,598
	Stationery and Office Costs	42,010	996	43,006	24 328
	Sundry Administrative Expenses	-	610	610	805
	Premises and Other Costs	52 472	4,375	56,847	20,392
	Audit Fee (including underprovision)	-	6 300	6,300	8 070
	Legal and Professional Charges	3,404	-	3 404	3 003
	Bank Interest and Charges	4 418	-	4 418	4,689
	Depreciation	3,271	190	3,461	7 743
		402,038	29,107	431 145	285 628

Notes To The Financial Statements For The Year Ended 31 March 2013

8 TRUSTEE REMUNERATION AND EXPENSES

	2013	2012
Trustee Expenses		
Number of Trustees who were paid individual expenses	4	3
Travel Expenses	£610	£804
Trustee Indemnity Insurance	£945	£945

9 STAFF COSTS

	Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS 2013 £	2012 £
Wages and Salaries	2,623,253	-	2,623,253	2,728,868
Social Security Costs	171,105	-	171,105	185,297
Pension Costs	17,191	-	17,191	19,561
Other Staff Costs - Training & Travel	121,838	-	121,838	117,799
	2,933,386	0	2,933,386	3,051,525

During the year no employee earned £60,000 or more per annum (2012 - no employee earned £60,000 or more per annum)

NUMBER OF STAFF EMPLOYED

The average number of staff employed by the Charity during the year was as follows

	2013 No	2012 No
Administration	14	15
Residential Services	70	66
Work Initiatives	1	1
Community Services	71	73
Day Care Services	18	14
	174	169

PENSIONS

The Trust operates a defined contribution pension scheme on behalf of its employees

	2013 £	2012 £
Cost of employer pension contributions	17,191	19,561
Contributions outstanding as at 31 March	6,205	7,066
Contributions prepaid as at 31 March	-	-

10 MOVEMENT IN FUNDS FOR THE YEAR

	Total 2013 £	Total 2012 £
This is stated after charging		
Depreciation	32,179	45,430
Auditors Remuneration	8,500	8,070

Notes To The Financial Statements For The Year Ended 31 March 2013

11 TANGIBLE FIXED ASSETS

	Freehold Property £	Property Improv'm'ts £	Computer Equipment £	Office Equipment £	Motor Vehicles £	Total 2013 £	Total 2012 £
COST							
At 1 April 2012	233,200	288,501	139,999	57,245	41,732	760,677	753,848
Additions	-	-	13,288	-	-	13,288	6,829
Disposals	-	-	-130,355	-24,447	-	-154,802	0
At 31 March 2013	233,200	288,501	22,932	32,798	41,732	619,163	760,677
DEPRECIATION							
At 1 April 2012	54,708	240,077	137,005	42,769	38,609	513,168	467,738
Charge For Year	4,664	19,298	1,615	5,823	780	32,179	45,430
On Disposals	-	-	-130,355	-24,447	-	-154,802	0
At 31 March 2013	59,372	259,375	8,264	24,145	39,389	390,545	513,168
NET BOOK VALUE							
At 1 April 2012	178,492	48,424	2,994	14,476	3,123	247,509	286,110
At 31 March 2013	173,828	29,126	14,668	8,653	2,343	228,618	247,509

12 DEBTORS

	2013 £	2012 £
Trade Debtors - contract income receivable	270,951	97,357
Other Debtors	42,371	96,739
Prepayments	15,190	22,075
	328,512	216,171

13 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £	2012 £
Trade Creditors	27,630	58,169
Accruals	218,961	146,579
Tax and Social Security	44,140	48,656
Other Creditors	57,738	13,105
	348,468	266,509

14 OPERATING LEASE COMMITMENTS

At 31st March 2013 the charity had annual commitments under non-cancellable operating leases as set out below,

	2013 £ Land and buildings	2012 £ Land and buildings
Operating Leases which expire		
After more than 5 years	483,937	459,917

15 RELATED PARTY TRANSACTIONS

Transactions with the trustees are disclosed in the staff costs and trustees' remuneration note to the financial statements
No other related party transactions have been undertaken such as are required to be disclosed under Financial Reporting Standard 8

Notes To The Financial Statements For The Year Ended 31 March 2013

16 FUND DETAILS	As at 1 April 2012 £	Incoming Resources £	Outgoing Resources £	As at 31 Mar 2013 £
UNRESTRICTED FUNDS				
General Funds	2,649,908	4,386,399	-4,069,910	2,966,397
Designated Funds				
Strategic Change Reserve	106,000	-	-	106,000
Grant Funded Property	36,747		-1,888	34,859
	142,747	0	1,888	140,859
Restricted Funds				
Co Operate Property Fund	151,192	-	-11,415	139,777
Amenity Fund	1,335	-	-	1,335
Lisa Bertolotti Sanctuary Fund	16,765	1,114	-	17,879
	169,292	1,114	-11,415	158,991
Total Funds	2,961,947	4,387,513	-4,083,213	3,266,247

Designated Funds

The Grant Funded Property Reserve relates to grant received for the acquisition and improvement of property in Spencer Street, Carlisle. Annual depreciation is charged to the fund.

Other designated reserves represent funds set aside out of general balances to provide for future asset replacement and development activity not supported by current income streams.

Restricted Funds

The Cooperate Property Fund represents the capital grant received from the Lottery Community fund for the acquisition and refurbishment of the Lancaster Street premises. Annual depreciation is charged to the fund.

The Amenity Fund is for residents' use only and represents donations given whereby a residents' committee can decide when and on what to spend the reserve.

The Lisa Bertolotti Sanctuary Fund is to support individuals in crisis who are suffering from mental illness. Funds arise from fund raising activities and donations. A separate bank account is maintained for this fund.

17 ANALYSIS OF NET ASSETS	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL FUNDS 2013 £	2012 £
Tangible Fixed Assets	53,982	34,859	139,777	228,619	247,509
Current Assets	3,260,883	106,000	19,213	3,386,096	2,980,947
Creditors Falling Due Within One Year	-348,468			-348,468	-266,509
	2,966,397	140,859	158,991	3,266,247	2,961,947

18 COMPANY LIMITED BY GUARANTEE

The liability of the members is limited. Every member of the Trust undertakes to contribute to the assets of the Trust, in the event of the Trust being wound up while he or she is member or within one year after he or she ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required but not exceeding £1.

