

**CROSSFIELDS INSTITUTE**

**(A company limited by guarantee and not having share capital)**

**REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2019**

**CHARITY NO. 124859**

**COMPANY NO. 06503063**

**CROSSFIELDS INSTITUTE**  
**(A company limited by guarantee and not having share capital)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

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## **CROSSFIELDS INSTITUTE**

**(A company limited by guarantee and not having share capital)**

### **TRUSTEES REPORT**

**FOR THE YEAR ENDED 31 MARCH 2019**

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006 present their report with the financial statements of the Charity for the year ended 31 March 2019.

#### **Structure, Governance and Management**

##### **Governing document**

Crossfields Institute is a company limited by guarantee with no share capital governed by a memorandum and articles of association. It was incorporated on 13 February 2008 and registered as a charity on 7 July 2008.

##### **Appointment of Trustees**

The Trustees are the sole members of the Charity. Trustees are appointed by processes laid down in the articles of association. New trustees may be co-opted by the Trustees to provide necessary skills to support the Charity and full appointment and routine re-election procedures are undertaken at trustee meetings as appropriate.

##### **Trustee induction and training**

Trustees are briefed on their legal obligations under company and charity law, the governing documents decision making processes and financial performance of the Charity. Some Trustees and the Institute Chief Executive Officer/members of the Strategic Leadership Team may participate in professional external training events in order to ensure high standards of governance and awareness.

##### **Management**

The Trustees are responsible for the governance and administration of the Charity. They meet at least three times per year and receive reports from the Institute Chief Executive Officer, Senior Officers and/or Chair of Trustees on activities and financial performance.

##### **Related parties**

As an Awarding Organisation, the Institute has a relationship with approximately 50+ learning organisations. It also has entered into partnerships with a number of Further and Higher Education providers.

Other partnerships include Pearson Edexcel, NCFE/CACHE, University of the West of England, Alanus University (Germany), Rudolf Steiner University College (Norway). The Institute has ongoing arrangements with organisations, University of Kent, University of Cumbria, Universitet Niederrhein, the University of Gloucestershire and the University of Southern Denmark (through Crossfields Europa).

##### **Risk management**

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. A risk register has been established to support this process. The Trustees regularly assess and monitor the organisational and financial risks to which the Charity is exposed and have put steps in place to mitigate those risks. Part of the risk management is the implementation of a robust financial controls policy, seeking professional advice on critical issues, close monitoring of staff competency, close monthly scrutiny of financial performance and planning, and close and regular contact of Trustees with the Institute's Chief Executive Officer to monitor management and strategic issues.

## **CROSSFIELDS INSTITUTE**

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### **TRUSTEES REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2019**

##### **Activities, Achievements and Performance**

The past 12 months have brought successes but also challenges.

The successes have included a large new commission to participate in the reform of the education model for a prominent Waldorf school in the UK, which it is expected will also become a model for reform of other Waldorf schools in Europe. This commission includes output from Crossfields Institute

Learning in terms of education and Crossfields Europa as the consultancy. There have also been numerous new consultancy commissions for Crossfields Europa from schools in Denmark and an educational institute in Germany, as well as new coaching clients.

Crossfields Institute Awarding's request to Ofqual to be able to create and submit qualifications at levels 6 and 7 in the teaching and lecturing, business management and health and social care sectors was approved by Ofqual this year. This is an excellent step forward and means that the range of qualifications we can offer has vastly increased.

The Trustees are also pleased to report that Crossfields Institute awarding organisation successfully launched a further 4 qualifications in the year ending 31 March 2019:

- Crossfields Institute Level 2 Integrated Education Certificate
- Crossfields Institute Level 3 Integrated Education Certificate
- Crossfields Institute Level 2 Integrated Education Extended Diploma
- Crossfields Institute Level 3 Award in Therapeutic Group Work with Children and Young People

This brought the total number of regulated qualifications to 14 and the total number of learners registered on regulated qualifications between 1<sup>st</sup> April 2018 and 31<sup>st</sup> March 2019 to 443. The above qualifications were taken into account, together with Early Years qualifications awarded by NCFE CACHE, to revalue the intangible assets represented by the Awarding Organisation. New customised qualifications have also been developed and launched this year.

There has also been increased interest and take up in Quality Mark approvals for centres and programmes outside the UK, which means that Crossfields Awarding' reach is extending in Europe and beyond.

With regards to Higher Education, the Postgraduate Certificate in Philosophy and Practice of Integrative Education (PPIE) welcomed its second cohort in January, with the students of the first cohort due to complete later this year. Students on HE courses grew to 77. The delivery of PPIE is still split between Crossfields Europa and Crossfields International. For trading purposes Crossfields International Ltd is still dormant.

There have also been significant challenges this past year. The uncertainty over Brexit has meant colleges and training centres are more cautious about committing to the costs of new accreditation commissions and companies are less willing to invest in staff development. The awarding organisation and the higher education institute both experienced a drop in student numbers, this is replicated nationally, as student numbers dipped in 18/19 due to the lower birth rate, and this has been a common issue in many UK universities and awarding organisations.

Our turnover for 2018-2019 was £452,754. Donations in time and support were made to over 10 organisations and individuals. The charitable activities of the institute were split between bursaries for Higher Education students, donations to small charities and reduced fees for organisations that are aligned with our values and vision.

## **CROSSFIELDS INSTITUTE**

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### **TRUSTEES REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2019**

Crossfields Institute is committed to supporting smaller charities whose work follows similar ethics, vision and values wherever possible.

During the reporting year Crossfields Institute provided support for approved centres, learning organisations, educators and researchers working within further and higher education. Our focus is to work for and with individuals and organisations that promote develop integrative and holistic approaches to education and research.

Crossfields Institute promotes dialogue and collaboration between educators, institutions and the public both nationally and internationally through research workshops and public conferences where findings from our ongoing research and development activities are presented and disseminated.

#### **Financial Review**

From the Financial Statements for the year to 31 March 2019 incoming resources were £452,754 resources expended were £509,595, creating a net deficit of £56,841 before revaluations.

Looking to the balance sheet net current assets were £ (74,757) (2018 £6,964) and total net assets were £17,753 (2018 £73,694) before intangible assets are added overall the balance sheet total is £237,753.

#### **Reserves Policy**

Crossfields Institute's income is based on project related contributions from a number of our affiliate organisations for educational activities and grants/donations from a number of partner organisations. Learner/student registration fees from our centres and/or individuals also contribute to the income, as well as a contribution to overheads from Crossfields Europa.

Expenses are essentially Institute staff costs, administration overheads, some external professional consultancy costs as well as governance overheads. The Trustees consider that an appropriate level of reserves is such as to cover three months of minimal expenditure and to support learners and/or students to the natural conclusion of certification with Crossfields Institute (as per section A5.4 in Ofqual's Conditions of Recognition). Despite the challenging operating environment faced by the charitable sector in the current year, our reserves have been maintained. We have continued to repay working capital loans and are committed to increase these reserves again to a new level that more accurately reflects the Charity's liabilities over the coming five years and a five-year target has been set by them to achieve this.

#### **Plans for Future Years**

There will be another cohort of the PPIE course starting in January 2019 both in the UK and in Denmark, led jointly by Crossfields International and Crossfields Europa.

The Awarding Organisation will be seeking to continue to add to its portfolio of Ofqual regulated qualifications during the forthcoming year, especially as it is now approved to provide qualifications at levels 6 and 7. These new qualifications will focus on innovation in the sectors for which the Institute has been approved, which now include teaching and lecturing. In particular, Crossfields Awarding has been approached by the European School of Osteopathy to develop a level 7 Diploma. This in turn should guarantee a steady intake of learners, around 30 per year. The Awarding Organisation is also going to develop the PPIE programme into a regulated qualification at level 7.

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### **TRUSTEES REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2019**

Crossfields Europa is aiming to develop its consultancy and coaching portfolio, focusing on supporting schools as well as private organisations and individuals. There are also plans to integrate Crossfields International as both organisations are jointly responsible for the delivery of the PPIE course. Crossfields Institute Group (consultancy and education) will also continue to work on the education reform for the aforementioned school for a further 3 years, phase 2 of which should start in July 2019. Crossfields Europa is also in discussion with a Chinese Company to develop a new school model for China.

Crossfields Institute International is planning to continue organising series of workshops for the general public, focusing on its specialist subjects, Agroecology, Education and Leadership Development.

#### **Public Benefit Statement**

The Trustees' approach to assessing public benefit comes from the statutory objective set for them by Parliament in the Charities Act 2011. The Trustees are confident that Crossfields Institute has provided clear public benefits fully related to its aims. Specifically graduates of our qualifications and programmes predominantly and typically work in health care, education and sustainable agriculture sectors;

in more detail:

- 1) Educational therapeutic and care organisations that benefit children, adolescents and adults (including: Mulberry Bush, Novalis Trust, Jacaranda, Thempra, Steiner Waldorf Association for Special Education Needs and Disability). These organisations are charitable, almost all are registered charities;
- 2) Mainstream or Steiner Waldorf (Free) Schools which are open and accessible to all children; these have flexible fee or contribution arrangements to enable access for children from all social strata; all these are registered charities;
- 3) Early Years teacher education providers whose educational vision is aligned with the Institute and provide integrative and child-based education (Montessori International, London Steiner Early Years, Holistic Baby and Childcare)
- 4) Values-based and other therapeutic organisations often associated with NHS medical practices drug rehabilitation prison or probation services open and accessible to the general public; all these organisations are charitable almost all are registered charities;
- 5) Performing arts organisations inspired by holistic or spiritual values benefiting the general public schools etc. through their performances and workshops; all these organisations are charitable almost all are registered charities;
- 6) Sustainable agricultural and horticultural organisations working with bio-dynamic and organic principles and a high commitment to promoting environmental and social sustainability; their produce and methods benefit the public health and wellbeing; many of these organisations are part of the community supported agriculture (CSA) and are charitable or registered charities.
- 7) Educational organisations that have integrative and holistic approaches to Education and Research. Graduates benefit from the unique action research based and integrative education methodologies applied in the programmes and qualifications developed, awarded or delivered by the Institute's different departments. Research findings are widely

## **CROSSFIELDS INSTITUTE**

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### **TRUSTEES REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2019**

disseminated through the regular research conferences and public events that are organised by the Institute with partner bodies in the Higher Education sector internationally.

#### **Going concern**

The Trustees are aware that the past year has been challenging for the Charity. A combination of uncertainty due to Brexit and lower student numbers nationally has led to a drop in learner numbers, as well as a drop in new business. In order to remedy this situation, the following steps have been put in place

- There will be a reduction of payroll by 30% and the organisation is moving to a more flexible model, with lower payroll costs, which will allow consultants to be brought in to work on projects as needed, this creates a more flexible workforce model, without compromising on quality
- Implementing a general reduction in overhead and accounting costs by reducing office space and bringing book-keeping in house.
- The increased scope of recognition for the Awarding Organisation means that we will no longer need to pay universities for certification, we can do this internally, which will result in significant reduction in expenditure and increase in income for the awarding organisation
- Integration of the Crossfields International into to Crossfields Europa as one organisation will allow a better of resources and less overheads.
- Increased focus on fundraising, to further the objects of the Charity
- The combined effect of the above measures is that the new business target for 19/20 is significantly reduced and we are already a long way towards achieving it and building up our reserves.

#### **Objectives**

The Charity's objects are:

To advance education and training based on spiritual values particularly:

- 1) in promoting and developing education, training and research inspired and/or underpinned by Anthroposophy;
- 2) in promoting and developing education, training and research in Anthroposophy and activities or subject areas developed out of or inspired by Anthroposophy;
- 3) in promoting, developing and/or providing for qualifications relating to such education training and research.

**CROSSFIELDS INSTITUTE**

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**TRUSTEES REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2019**

**Registered Company number** 06503063 (England and Wales)

**Registered Charity number** 1124859

**Registered office** Stroud House, Russell Street, Stroud, Gloucestershire, GL5 3AN

**Directors and Trustees during the year**

Kate Simpson (resigned March 2019)  
Dr. L J Moore  
S Fielding – Chairman  
Ms S Stoehr

**Company Secretary** Ms C Ithurbide

**Independent Examiner** Ruth Herbert FCCA, Wenn Townsend Chartered Accountants,  
Gosditch House, 5 Gosditch Street, Cirencester, GL7 2AG

**Solicitors** Bates Wells and Braithwaite, 2-6 Cannon Street, London, EC4M  
6YH

**Bankers** HSBC, 4 King Street, Stroud, Gloucestershire, GL5 3DS

**Responsibilities of the Management Committee**

The Charity Trustees (who are also the Directors of Crossfield Institute for the purposes of company law) are responsible for preparing a Trustees' annual report and 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 the affairs of the Charitable Company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and to 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.



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**TRUSTEES REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2019**

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 27 June 2019 and signed on its behalf by:

.....  
Ms S Stoehr  
Trustee

**INDEPENDENT EXAMINERS REPORT**

**TO THE MEMBERS OF**

**CROSSFIELDS INSTITUTE**

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**Independent Examiner's Report to the Trustees of Crossfields Institute**

I report to the Charity Trustees on my examination of the accounts of the Company for the year ended 31 March 2019 which are set out on pages 9 to 22.

**Responsibilities and basis of report**

As the Charity Trustees of the Company (and also 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 Company 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 your Company's accounts as 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 confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

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 that in any material respect:

1. accounting records were not kept in respect of the company 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.

Ruth Herbert FCCA  
Wenn Townsend  
Chartered Accountants  
Gosditch House  
Gosditch Street  
Cirencester  
GL7 2AG

Date: 28 June 2019

**CROSSFIELDS INSTITUTE**

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**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 MARCH 2019**

		<b><u>Unrestricted</u></b>	<b><u>Restricted</u></b>	<b><u>Total</u></b> <b><u>2019</u></b>	<b><u>Total</u></b> <b><u>2018</u></b>
	<b>Notes</b>				
<b>Income</b>					
Charitable activities		449,164	-	449,164	554,716
Donations		3,580	-	3,580	-
Investments		10	-	10	17
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total income</b>	<b>2</b>	<b>452,754</b>	<b>-</b>	<b>452,754</b>	<b>554,733</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Expenditure</b>					
<b>Costs of generating funds</b>					
Charitable activities	<b>3</b>	478,236	-	478,236	501,871
Other costs	<b>4</b>	31,359	-	31,359	26,635
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total expenditure</b>		<b>509,595</b>	<b>-</b>	<b>509,595</b>	<b>528,506</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Unrestricted surplus on revaluation of intangible fixed assets</b>		41,359	-	41,359	17,311
<b>Net movement in funds</b>		(15,482)	-	(15,482)	43,538
<b>Total funds brought forward</b>		253,235	-	253,235	209,697
		<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Funds Carried Forward</b>		<b>£ 237,753</b>	<b>£ -</b>	<b>£ 237,753</b>	<b>£ 253,235</b>
		<hr/>	<hr/>	<hr/>	<hr/>

**CROSSFIELDS INSTITUTE**

**(A company limited by guarantee and not having share capital)**

**BALANCE SHEET**

**AS AT 31 MARCH 2019**

		<b><u>2019</u></b>	<b><u>2018</u></b>
	<b>Notes</b>		
<b>Fixed Assets</b>			
Tangible assets	6	9,502	14,000
Intangible assets	6A	326,700	285,341
		<hr/>	<hr/>
		336,202	299,341
<b>Current Assets</b>			
Debtors	10	116,014	219,332
Cash at bank		22,698	62,909
		<hr/>	<hr/>
		138,712	282,241
<b>Creditors</b>			
Amounts falling due within one year	11	(213,469)	(275,277)
		<hr/>	<hr/>
<b>Net Current Assets/(Liabilities)</b>		(74,757)	6,964
<b>Creditors</b>			
Amounts falling due in more than one year	12	(23,692)	(53,070)
		<hr/>	<hr/>
<b>Total Assets Less Liabilities</b>		237,753	253,235
		<hr/>	<hr/>
<b>Net Assets</b>		£ 237,753	£ 253,235
		<hr/>	<hr/>
<b>Funds</b>			
Unrestricted funds	8	16,853	73,694
Revaluation reserves	8	220,900	179,541
		<hr/>	<hr/>
<b>Total Funds</b>		£ 237,753	£ 253,235
		<hr/>	<hr/>

**CROSSFIELDS INSTITUTE**

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**BALANCE SHEET (continued)**

**AS AT 31 MARCH 2019**

In approving these financial statements as Directors of the Company we hereby confirm:

- (a) The Company is entitled to the exemption from audit under Section 477(c) of the Companies Act 2006 for the year ended 31 March 2019. The Trustees have not required the Charitable Company to obtain an audit of its financial statement for the year ended 31 March 2019 in accordance with section 476 of the Companies Act 2006.
- (b) That we acknowledge our responsibilities for:
  - (1) ensuring that the Company keeps accounting records which comply with section 386 and 387 of the Companies Act 2006 and
  - (2) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of section 394 and 395 and which otherwise comply with the provisions of the Companies Act 2006 relating to financial statements so far as is applicable to the Charitable Company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS102 and the Charities SORP (FRS102). The notes on the following pages form part of these accounts.

These financial statements were approved and authorised for issue by the Trustees on 27 June 2019 and signed on their behalf by:

.....  
Ms S Stoehr  
Trustee

Company Registration No: 06503063

**CROSSFIELDS INSTITUTE**  
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**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>CASH USED IN OPERATING ACTIVITIES</b>	(40,221)	(19,316)
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Interest received	10	17
Payments to acquire tangible fixed assets	-	5,694
Payments to acquire intangible fixed assets	-	-
Receipts from disposal of tangible fixed assets	-	-
	<hr/>	<hr/>
Cash provided by (used in) investing activities		(5,694)
	<hr/>	<hr/>
<b>(DECREASE)/INCREASE IN CASH</b>	(40,211)	(24,993)
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE PERIOD</b>	62,909	87,902
	<hr/>	<hr/>
<b>TOTAL CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD</b>	£ 22,698	£ 62,909
	<hr/>	<hr/>

**CROSSFIELDS INSTITUTE**  
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**CASH FLOW STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>RECONCILIATION OF OPERATING (DEFICIT) TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>		
Net outgoing/incoming resources	(56,841)	26,227
Depreciation	4,498	4,924
Profit/(loss) on disposal of fixed assets	-	-
Interest received	(10)	(17)
Decrease/(Increase) in debtors	103,318	(97,933)
(Decrease)/Increase in creditors	(91,186)	47,483
	<hr/>	<hr/>
Net cash (outflow)/inflow from operating activities	£ (40,221)	£ (19,316)
	<hr/>	<hr/>

**ANALYSIS OF CHANGES IN NET FUNDS**

	<b>1 Apr 2018</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 Mar 2019</b>
Cash at bank and in hand	£ 62,909	£ (40,211)	-	£ 22,698
	<hr/>	<hr/>	<hr/>	<hr/>

## **CROSSFIELDS INSTITUTE**

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### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**

#### **1. ACCOUNTING POLICIES**

##### **Basis of accounting**

The financial statements have been prepared in accordance with 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 2015) – (Charities SORP (FRS-102)). Crossfields Institute 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 notes.

##### **Fund accounting**

Unrestricted designated funds comprise those funds which the Trustees are free to use in accordance with the charitable objectives.

##### **Income**

All incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories income:

- Fee income is included in full in the Statement of Financial Activities when receivable.
- Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources for generating funds are accounted for when earned.

##### **Investment income**

Investment income is interest received from the bank.

##### **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. It is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of delivering services & other activities together with their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.



## **CROSSFIELDS INSTITUTE**

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### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2019**

#### **Cash at bank and in hand**

Cash at bank and cash 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.

#### **Creditors and provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### **Legal status of the Charity**

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up the liability in respect of the guarantee is limited to £1 per member of the Charity. The Charity is registered and incorporated in England and Wales and its registered address is Stroud House Russell Street Stroud Gloucestershire GL5 3AN.

#### **Financial performance of the Charity**

The Statement of Financial Activities states the financial performance of the Charity.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings – 20% straight line.

Computer equipment – 25% on a reducing balance basis.

IT software – 20% straight line.

#### **Revaluation of assets policy and procedure**

##### **Policy Statement**

The Chief Executive in consultation with the Trustees shall revalue the assets of Crossfields Institute Group every 12 months.

This policy includes all fixed tangible assets and intangible assets. For the purposes of this policy, intangible assets are defined below.

##### **Definition**

An intangible asset is “an identifiable non-monetary asset without physical substance”.

Such an asset is identifiable when:

- (a) it is separable, i.e. capable of being separated or divided from the entity and sold transferred licensed rented or exchanged either individually or together with a related contract asset or liability; or
- (b) it arises from contractual or other legal rights regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

## **CROSSFIELDS INSTITUTE**

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### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

#### **FOR THE YEAR ENDED 31 MARCH 2019**

Crossfield Institute shall recognise an intangible asset if and only if:

- (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the institute; and
- (b) the cost or value of the asset can be measured reliably according to accounting standards applicable at the time (FRS102)

#### **Procedure**

Crossfields Institute recognises the value of the Awarding Organisation (1) and the value of qualifications and programmes for which the Institute is responsible (2).

- (1) The value of the Awarding Organisation includes two components:
  - 1. Direct expenses incurred in the Ofqual application process
  - 2. A premium based on average market rate (obtained in the year of approval) for the purchase of an existing awarding organisation prior to the submission of any qualifications.
- (2) The value of qualifications and programmes for which the Institute is responsible are based on the cost of managing and providing for the qualification over any two-year year including direct and indirect expense.

#### **Taxation**

The Charity is exempt from corporation tax on its charitable activities.

#### **Surplus on activities is after charging:**

	<b><u>2019</u></b>	<b><u>2018</u></b>
Independent Examiner's Fees	£ 3,500	£ 3,500
Depreciation	£ 4,498	£ 4,924
Disposal of Tangible Assets	£ -	£ -
Intangible Assets Depreciation	£ -	£ -

**CROSSFIELDS INSTITUTE**

**(A company limited by guarantee and not having share capital)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2019**

**2. Income**

	<b><u>Unrestricted Funds</u></b>	<b><u>Restricted Funds</u></b>	<b><u>Total 2019</u></b>	<b><u>Unrestricted Funds 2018</u></b>
Donations	3,580	-	3,580	-
Other income	87,319	-	87,319	66,676
Commissioned work	361,845	-	361,845	485,540
Investment income	10	-	10	17
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 452,754	-	£ 452,754	£ 554,733
	<hr/>	<hr/>	<hr/>	<hr/>

**3. Charitable Activities**

	<b><u>Unrestricted Funds</u></b>	<b><u>Restricted Funds</u></b>	<b><u>Total 2019</u></b>	<b><u>Unrestricted Funds 2018</u></b>
Salaries and employment taxes	277,738	-	277,738	278,119
Bank charges and interest	2,463	-	2,463	3,964
Other costs	198,035	-	198,035	219,788
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 478,236	-	£ 478,236	£ 501,871
	<hr/>	<hr/>	<hr/>	<hr/>

**4. Other Costs**

	<b><u>Unrestricted Funds</u></b>	<b><u>Restricted Funds</u></b>	<b><u>Total 2019</u></b>	<b><u>Unrestricted Funds 2018</u></b>
Trustees costs	2,573	-	2,573	784
Accountancy and bookkeeping	25,009	-	25,009	24,536
Professional fees	3,777	-	3,777	1,315
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 31,359	-	£ 31,359	£ 26,635
	<hr/>	<hr/>	<hr/>	<hr/>

**CROSSFIELDS INSTITUTE**

**(A company limited by guarantee and not having share capital)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2019**

**5. Total Resources Expended**

	<b><u>Staff Costs</u></b>	<b><u>Other Costs</u></b>	<b><u>Total 2019</u></b>	<b><u>Total 2018</u></b>
Costs of activities in furtherance of charitable objectives	277,738	200,498	478,236	501,871
Management and administration of the Charity	-	31,359	31,359	26,635
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 277,738	£ 231,857	£ 509,595	£ 528,506
	<hr/>	<hr/>	<hr/>	<hr/>
Staff costs:				
Administrative salaries			44,670	44,540
Engaged in charitable activities			233,068	233,579
			<hr/>	<hr/>
			£ 277,738	£ 278,119
			<hr/>	<hr/>
Other costs:				
CPD fees			11,927	13,438
Practical skills and mentoring development			107,974	95,166
Learner centre and conference fees			(5,103)	6,596
Grants and donations			-	5,098
Workshop training			1,990	1,060
Office costs			5,700	5,700
Commission and effects			1,000	(1,415)
Academic consultation fees			8,813	3,943
Bank charges			371	783
Loan interest			2,093	3,181
Insurance			3,090	3,263
Travel			12,223	23,796
Telephone			5,169	6,393
Postage and stationery			5,330	5,769
Sundries			-	254
Bad debt			147	12,000
Rents			11,200	11,200
Computer equipment and website costs			24,079	22,603
Trustee costs			2,573	784
Accountancy and bookkeeping			25,009	24,536
Professional fees			3,777	1,315
Depreciation			4,498	4,924
Disposals of tangible assets			-	-
			<hr/>	<hr/>
			£231,860	£ 250,387
			<hr/>	<hr/>

**CROSSFIELDS INSTITUTE**

**(A company limited by guarantee and not having share capital)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2019**

<b>The average number of employees analysed by function was</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Engaged in charitable activities	8	8
Management and administration	2	2
	<hr/>	<hr/>
	10	10
	<hr/>	<hr/>

Trustees received no remuneration

No employees received above £60k in either year.

The key management personal received emoluments of £69,957 during the year.

**6. Tangible Fixed Assets**

	<b><u>IT Software</u></b>	<b><u>Computer Equipment</u></b>	<b><u>Total</u></b>
At 1 April 2018	16,720	12,470	29,190
Additions	-	-	-
Disposal	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2019	16,720	12,470	29,190
	<hr/>	<hr/>	<hr/>
Depreciation:			
At 1 April 2018	7,460	7,730	15,190
Charge for year	3,315	1,183	4,498
Disposal	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2019	10,775	8,913	19,188
	<hr/>	<hr/>	<hr/>
Net book value at 31 March 2019	£ 5,945	£ 3,557	£ 9,502
	<hr/>	<hr/>	<hr/>
Net book value at 31 March 2018	£ 9,260	£ 4,740	£ 14,000
	<hr/>	<hr/>	<hr/>

**CROSSFIELDS INSTITUTE**

**(A company limited by guarantee and not having share capital)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2019**

**6A. Intangible Assets**

	<b><u>2019</u></b>	<b><u>2018</u></b>
Valuation		
At 1 April	285,341	268,030
Additions	-	-
Revaluation	41,359	17,311
	<hr/>	<hr/>
At 31 March	326,700	285,341
	<hr/>	<hr/>
Depreciation		
At 1 April	-	-
Depreciation	-	-
	<hr/>	<hr/>
At 31 March	-	-
	<hr/>	<hr/>
Net book value at 31 March	£ 326,700	£ 285,341
	<hr/>	<hr/>

**7. Analysis of net assets between funds**

	<b><u>Investment Reserve</u></b>	<b><u>Revaluation Reserve</u></b>	<b><u>2019 Funds</u></b>	<b><u>2018 Funds</u></b>
Fixed assets	115,302	220,900	336,202	299,341
Current assets	138,712	-	138,712	282,241
Current liabilities	(213,469)	-	(213,469)	(275,277)
Long term liabilities	(23,692)	-	(23,692)	(53,070)
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets at year end	£ 16,853	£ 220,900	£ 237,753	£ 253,235
	<hr/>	<hr/>	<hr/>	<hr/>

**CROSSFIELDS INSTITUTE**

**(A company limited by guarantee and not having share capital)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2019**

**8. Movement in funds**

	<b><u>B/forward</u></b>	<b><u>Incoming Resources</u></b>	<b><u>Outgoing Resources</u></b>	<b><u>Transfers</u></b>	<b><u>At 31 Mar 2019</u></b>	<b><u>At 31 Mar 2018</u></b>
Unrestricted funds	73,694	452,754	509,595	-	16,853	73,694
Revaluation reserves	179,541	41,359	-	-	220,900	179,541
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	£ 253,235	£ 494,113	£ 509,595	£ -	£ 237,753	£ 253,235
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**9. Taxation**

As a charity Crossfields Institute is exempt from tax on income and gains falling within Section 505 of the Taxes Act 2003 or S524 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

**10. Debtors**

	<b><u>2019</u></b>	<b><u>2018</u></b>
Trade debtors	109,072	151,376
Income in advance	-	8,915
Other debtors	6,942	26,448
Intercompany debts	-	32,593
	<hr/>	<hr/>
	£ 116,014	£ 219,332
	<hr/>	<hr/>

**11. Creditors (amounts falling due within one year)**

	<b><u>2019</u></b>	<b><u>2018</u></b>
Creditors	35,168	57,377
Taxation – PAYE	5,179	6,463
Accruals	132,645	180,917
Loans	30,000	30,500
Pensions	885	-
Intercompany	9,592	-
	<hr/>	<hr/>
	£ 213,469	£ 275,277
	<hr/>	<hr/>

**CROSSFIELDS INSTITUTE**

**(A company limited by guarantee and not having share capital)**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31 MARCH 2019**

**12. Creditors (amounts falling due in more than one year)**

	<b><u>2019</u></b>	<b><u>2018</u></b>
Loans	£ 23,692	£ 53,070

The Charity has two loans. Loan one is for £25,000 from the Biodynamic Land Trust Ltd repayable over 4 years. The second loan is for £100,000 repayable in four equal instalments of £25,000 from The Christian Community in Great Britain Ltd. This loan has been guaranteed by a charity number 312101 Emerson College Trust Limited.

**13. Share Capital**

The Company is limited by guarantee and does not have share capital. Each member's liability is restricted to £1.

**14. Capital Commitments**

The Company had no known capital commitments at the balance sheet date.

**15. Contingent Liabilities**

None in the current year.

**16. Going Concern**

The Trustees are confident that given the improved performance in the year, this will continue into 2019 and therefore no going concern issues are currently present.

**17. Related Party Transactions**

During the year the Company received income of £117,932 plus paid expenses of £75,748 to and from Crossfields Europe a company registered in Denmark. At the balance sheet date, it owed £9,592 to Crossfields Europe.

**18. Crossfields Europe**

Crossfields Institute owns a 100% shareholding of the company which is based in Denmark. A summary of the financial performance of the subsidiary is recorded below: -

**2019**

Turnover	131,529
Costs and Expenses	(120,686)
Taxation	(3,177)

The aggregate assets on the Balance Sheet being: -

Assets	4,155
Intercompany	9,592
Liabilities	(11,088)
Funds	2,659