



CRISIS UK

Trustees' Annual Report and Accounts

For the year ended 30 June 2003

Charity number 1082947
Company number 4024938

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Trustees, staff and advisers

Patron

HRH Princess Alexandra, the Hon Lady Ogilvy, GCVO

Vice-presidents

Lord Alexander of Weedon QC

Lord Alton of Liverpool

Jonathan Dimbleby

The Rt Hon the Lord Morris of Manchester AO QSO

The Most Rev and the Rt Hon the Lord Archbishop of Canterbury

His Eminence the Cardinal Archbishop of Westminster

David Gilmour CBE

Chair of trustees

David Bell

Trustees

Adam Broadway

Peter Davies

Suzanne Hudson (Resigned and reappointed 29 January 2003)

Joy Johnson (Resigned and reappointed 29 January 2003)

Nicholas Light Deputy Chair of trustees

Elizabeth Parry (resigned 29 January 2003)

Caroline Pickering

Jane Sadler Treasurer

The Very Rev. Colin Slee (Resigned and reappointed 29 January 2003)

Rebecca Tabor (Resigned and reappointed 29 January 2003) (resigned 25 June 2003)

Company secretary

Fiona Young

Senior management team

Chris Askew Director of Fundraising

Shaks Ghosh Chief Executive

Debbie Hilton Director of Projects

John Humpston Director of Strategy & Change

Helen Leech Head of Skylight

Tony Lowe FareShare Managing Director

Fiona Young Director of Finance and Resources

Bankers

The Royal Bank of Scotland

28 Cavendish Square

London W1M 0DB

Auditors

RSM Robson Rhodes LLP
Chartered Accountants
186 City Road
London EC1V 2NU

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Chair's statement

"Without compassion and hope people are unable to make real, deep-down changes to their lives."

This has been my first full year as chair of trustees at Crisis, and not a week goes without my seeing the value and importance of what we do. As the landscape of homelessness changes, Crisis has responded with a new focus and a new set of services – committing itself to serving 'hidden homeless people'. This year we have taken on the biggest challenge of our 35-year history – we have set ourselves the task of becoming an 'enabling charity', helping people rebuild their lives and *themselves* take the steps away from the chaos and despair of homelessness.

Many hundreds of thousands of homeless people are on their journey out of homelessness. They are people who may have a roof, but in no sense do they have a home. It is a long hard road, and many are also dealing with physical and emotional problems. So many have lost hope and all connections to society – invisible, lonely, unemployed and despairing, this underworld of hidden homeless people lives in emergency shelters, hostels, B&Bs, squats or on friends' floors. Many have lived like this for 10 years and more. Many were once rough sleepers and the problems which drove them to the street – family breakdown, debt, mental illness – are still with them.

This year we have redoubled our efforts to communicate this message about despair, and have had some success – 92 per of the general public now agree that tackling homelessness requires more than just putting a roof over someone's head. New solutions are needed if we are to beat homelessness for good, and the inspiring new generation of Crisis innovations are now beginning to bear fruit. Our Changing Lives award scheme has helped 265 homeless people really change their lives, and we have helped people develop as designers, beauty therapists and street entertainers.

In September 2002 we opened the doors of Crisis Skylight, an activity centre where homeless people learn skills and rebuild their self-esteem. Here I have seen the quiet industry of the bicycle repair workshop, the extraordinary power of contemporary dance and the wonder of people clicking a computer mouse for the first time. One 32-year-old man said on his first visit: "I'll be back tomorrow and every day! I've been asleep in my hostel for seven years and it's time for me to get active." But we haven't forgotten for a minute how we started. Our Crisis Open Christmas was the best ever. And here too our new approach was also at work. The bank of computers we installed for anyone to use was always busy – a powerful symbol of reconnecting with the world.

This year I have seen again the incredible power of the Crisis message to motivate our staff and volunteers to make a real difference. I have learnt about its ability to awaken in you, our supporters, an amazing generosity. The most important lesson that I haven learnt is that while housing and practical support services matter enormously, without compassion and hope people are unable to make real, deep-down changes to their lives. Crisis provides that hope.

Thank you for your continued support.

David Bell
Chair of Trustees

Objects and policies

The charity's governing document is its memorandum and articles. Crisis UK was incorporated as a company limited by guarantee on 27 June 2000. On 1 July 2000 all of the assets and liabilities were transferred from Crisis (charity registration number 1036533) to Crisis UK the new company. Crisis (the trust) has now been taken off the register with the Charity Commission but had in the past received the entire capital and income of Crisis at Christmas, which had been operating since 1967 and which was registered with the commissioners for over 20 years.

The objects of the charity under its memorandum are the relief of poverty and distress among people who are homeless and who are suffering from social, economic or emotional distress. This year Crisis has worked with solitary homeless people with the services it provides helping them to rebuild their lives.

Last year a new three-year strategic plan was adopted. The plan recognises that the end of mass rough sleeping does not signal the end of homelessness. Crisis estimates that there are 400,000 'hidden homeless' people in England. Crisis will continue to help rough sleepers but will also support those coming off the street enabling them to reintegrate back into society and rebuild their lives.

We have a number of working methods in place:

Direct services

Crisis provides certain services to its client group directly – these included shelters, the provision of access to healthcare and the redistribution of high quality surplus fresh food to homeless people in London.

Partnerships with other agencies

Crisis works in partnership with other agencies, bringing development expertise to the partnership arrangement, to enable solitary homeless people across the country to access a range of services throughout the year. Crisis invests strategically in local communities and enhances the sustainability of our partners through capacity-building support.

The social franchise model

Crisis has established franchise programmes for the FareShare and SmartMove schemes, which allow the charity to expand proven and high quality service models whilst allowing day-to-day management to take place at a local level. Franchise models allow projects access to Crisis' expertise in a whole range of areas including development and fundraising.

Organisation

The charity's main activities are organised in the following teams:

- Projects comprising all services delivered nationally, together with the innovations team;
- Marketing and policy department, comprising fundraising, policy and communications teams;
- Chief Executive's Office;
- Finance, IT, HR and Facilities departments.

Acknowledgements

The trustees and staff would like to thank all those who supported our work so generously in the past year, whether that support was expressed as a donation or as a gift in kind or in time.

Every gift is gratefully received. Unfortunately, limited space prevents us from mentioning everyone who contributed this year. This invaluable support and interest in our work has been vital in enabling us to help homeless people move off the streets for good and regain control of their lives.

Trustees

A list of all trustees is given on page 1.

In accordance with the articles one third of the trustees will retire at the Annual General Meeting and offer themselves for re-election. All trustees are members of the company.

Review of 2002/2003 year

Services

Over the last year, Crisis staff, volunteers and partner organisations helped approximately 9,400 homeless individuals across the UK (excluding FareShare). Some of the highlights of the year are described below:

Crisis Changing Lives

The Crisis Changing Lives programme provides financial awards to people who are or have been homeless so that they may achieve their vocational goals, fulfil their potential and become independent. The award might be used to attend a training course or buy tools and equipment necessary for a course or to get back to work. It could even help someone to set up their own business. 140 people across the country received an award in the year, an increase of 16% on the previous period. This programme is proudly supported by

BARCLAYS

Crisis Skylight

This is a centre where homeless people take part in free practical and creative workshops ranging from bicycle repair to performing arts. They have opportunities to build on existing skills or develop new ones, discover and grow talents and abilities, learn from one another and meet new people. The centre focuses on the aspirations and potential of homeless people rather than on the problems that so often define them. Homeless people are encouraged to integrate with the general public. The project, open seven afternoons and evenings a week in London, is in a developmental phase and aims to meet a vital need for engaging and inspirational activities. This is separate from formal education and training needs which we are hoping to develop over the coming year. It now has 303 members and average daily attendance stands at 65; it has enabled 71 per cent respondents of a members' survey to improve their confidence and self-esteem.

Crisis SmartMove

A nation-wide scheme which assists homeless and vulnerably-housed people with comprehensive housing advice and access to accommodation in the private rented sector. Crisis SmartMove provides landlords with a guarantee in place of a cash deposit and offers support to tenants who are often living independently for the first time. In the summer 2002 Crisis promoted five of its projects to Regional Development Partners; with increased funds they were able to expand their range of services and promote good practice within the rest of the network which stands at 29 projects across the UK. Over the year they provided housing advice to 5,937 people, 756 of whom were housed with a bond and 288 accessed other forms of long-term accommodation such as that provided by local authorities and housing associations.

Crisis FareShare

A redistribution scheme of high quality surplus fresh food from manufacturers and retailers to centres for homeless people, enabling those projects to devote more budget to other services such as advice, training or medical and nutrition. Members of the local community are actively encouraged to volunteer, many of whom may have been homeless themselves. In the year Crisis FareShare redistributed 1,057 tonnes of

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food from eight depots to 214 projects in the UK contributing towards 1.2 million meals. In 2003 FareShare is to be set up as a separate charity providing services to other food-poor groups in addition to homeless people with support from Crisis.

Crisis Open Christmas

Open 23-30 December. The Crisis Open Christmas offers homeless and vulnerably-housed people advice on and help with accessing more appropriate accommodation and preventing loss of tenancies. Above all it provides companionship at a time of year which can be particularly lonely for those without a home or family. It also offers other services such as housing benefits advice, medical, eye and dental care, chiropody, counselling and hairdressing; an internet café enables guests to recontact family and friends they have lost touch with and a Learning Zone was created in 2002 to help guests brush up on or develop skills. Crisis runs five shelters in London including some specialist ones for women, drinkers and those with high support needs. In 2002, over 1,200 people came, and over the week 3,500 volunteers from all walks of life worked there, 27 per cent of whom had already contributed to the previous event.

Crisis ReachOut

Crisis ReachOut was an innovative outreach project that focused on the twin issues of mental illness and homelessness, and was developed and delivered in partnership with other voluntary organisations across the UK from 1997 to 2002. A national network of specialist workers made contact with homeless people with mental health problems, either on the streets or in temporary accommodation. Clients needs were assessed and they received help in accessing the right services at their own pace; additional support was provided for as long it was required in their own environment. Only a handful of schemes were still actively involved with Crisis during this year, over which period they helped 248 people, and made 109 referrals to alcohol or drug agencies, specialist mental health teams or GPs. Although Crisis funding has ended, 19 of the original 29 projects are still running, continuing the work begun through the Crisis ReachOut project, most with statutory funding. Crisis has made an important contribution in highlighting how mental health services for homeless people need to be specially tailored to meet their complex needs.

Crisis WinterWatch

It has just completed its tenth and final year. In partnership with voluntary organisations across the UK, Crisis ran projects which engaged positively with the most excluded people, in particular rough sleepers. Services evolved over time from a 'bums in beds' approach to one at the leading edge of good practice: clients' needs were the starting point and solutions were sought with the support of all relevant agencies within the local area. Over winter 2002/03 16 projects saw 1,213 people, 195 of whom were successfully resettled through the scheme. Good practice tools and guides are available free from www.crisis.org.uk/downloads. Also available is a report from First Step, a service run by Focus Birmingham and funded by Crisis as part of WinterWatch. This unique project took 11 people who had been on the streets for more than three months and put them into shared flats with on-site 24-hour professional cover. At the end of the five-week period everyone moved into independent or supported accommodation. Ongoing support was available if required.

Crisis SummerWatch

Seven projects operated over the summer for the second year running and provided services and support to a total of 334 people using the Crisis WinterWatch model. The aim was to gain a wider insight into the issues of seasonal homelessness in coastal and tourist areas and to develop a picture of migration patterns. The findings were inconclusive and Crisis decided to end the scheme.

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Innovation

During the year Crisis operated its first round of the In Search of Innovation Programme (SINN). This programme has enabled seven partners to deliver education programmes, support for clients returning to work and family mediation. In addition through the trading company a Christmas Tree project operated over four months of the year engaging our clients in both the harvesting and the selling of the trees.

Volunteering

Crisis currently manages about 3,700 volunteers. They work year-round at head office or at Crisis FareShare where they collect, sort and deliver food; a handful also speak about homelessness at events or church and community gatherings. At Crisis Skylight they staff reception, run sessions ranging from sewing to yoga and support members. At the Crisis Open Christmas they provide general support or specialist services. And volunteers are talented in many more ways! The summer volunteers' party in September 2002 saw many coming forward to sing, play the piano and tell jokes at an event that was more stars of the future than Crisis karaoke.

Campaigning and research

Crisis ran the second phase of its hidden homelessness campaign with outdoor and radio advertising and events at the Labour and Liberal Democrat conferences fronted by Andy Love MP and Lembit Opik accompanied by a play by Cardboard Citizens. It published guides to the New NHS and on models of delivering health services to homeless people under the Crisis HealthAction label as well as highlighting the problems that homeless people face in registering with a GP or the lack of support available to those with alcohol and drug addictions in *Critical Condition* and *Home and Dry* respectively. Crisis also responded to government plans to clamp down on begging with *Compassion not Coercion*.

Innovation for the future

Following the successful launch of Crisis Skylight last year we are going to continue to develop Skylight's activities over the course of the 2003/4 year. In particular we are hoping to develop a café project which will provide catering training for our members, which will enable them to re-engage with the world of work.

Urban village

A project under development in partnership with the King's Fund. It aims to create an integrated community where homeless people live alongside key workers in a thriving complex of around 400 flats. On-site services will include counselling, healthcare, benefits advice as well as training and employment opportunities and social and leisure facilities. The project will also provide a high quality affordable home to people such as nurses, teachers and transport workers that are often priced out of London's housing market. The project received a boost with a £3.6 million donation from David Gilmour of Pink Floyd and the partners are now looking for a suitable site.

Highlights of the year

July

The Homelessness Act becomes law providing additional protection to homeless people.

The research report *Home and Dry* is published revealing the lack of support available to homeless people with alcohol and drug addictions.

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September

Simon Davies, Chief Executive of Threadneedle Investments, raises nearly £20,000 sleeping over at Crisis and learning more about homelessness.

Crisis supporter Dame Anita Roddick fronts a media conference to launch Changing Lives.

October

Andy Love MP and Lembit Opik front Crisis events at the Labour and Liberal Democrat conferences with Cardboard Citizens performing a play highlighting the plight of hidden homeless people.

November

Martin Johnson raises nearly £2,000 for Crisis by taking part in a Charity Challenge trek to Mount Everest Base Camp.

Sports stars Gabby and Kenny Logan launch an appeal for volunteers to help at the Crisis Open Christmas.

December

The Pret A Manger and Crisis Christmas sandwiches raise a record breaking £40,000 for Crisis.

The seventh Christmas Card Challenge, in partnership with the FT, raises £600,000 for Crisis.

Critical Condition is published and highlights the problems that homeless people face in registering with a GP.

Seven companies (Barclays, Ernst & Young, Freshfields, Linklaters, UBS Warburg, Invesco, Threadneedle Investments) and five schools (Albany College, Camden School for Girls, Brittons School, Ursuline High School and Guildford High School) help set up the five Crisis Open Christmas shelters.

TV Presenter Davina McCall launches the 31st Crisis Open Christmas.

March

Crisis publishes *Compassion not Coercion* in response to government proposals to tackle begging.

April

Nearly 40 people run the London Marathon in aid of Crisis and raise £55,000.

May

Jamie McCoy, Crisis Changing Lives award recipient, is awarded a City Lit Learner of the Year Award and receives his certificate from the Secretary of State for Education Mr Charles Clark.

Barclays Chairman acknowledges staff community involvement with a trophy designed by Darren Daddie, Crisis Changing Lives award recipient.

Long-term individual supporters of Crisis are invited to the Barbican Centre to learn more about Crisis Skylight, with displays and performance by members.

David Gilmour of Pink Floyd takes part in a press conference to formally announce his £3.6 million donation to the urban village, a mixed community project led by Crisis and the King's Fund.

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June

Simon Hughes MP opens the new Crisis FareShare depot in London.

Capital FM dj Margherita Taylor starts the 11th Crisis Square Mile Run, supported by Threadneedle Investments. 1,400 people including a team of 200 London Freemasons run, jog and walk their way around the three-mile route raising an expected £170,000.

A Guide to Models of Delivering Health Services to Homeless People and Understanding The New NHS – A Guide to the New NHS for Voluntary Homeless Organisations are made available free on the Crisis website.

Financial review

We cannot review our income this year without initially mentioning the generosity of the DG Charitable Settlement. David Gilmour has through his trust given Crisis our single largest donation of £3.6M. This income has been restricted to the Urban Village project, which following its launch in May 2003 is currently Crisis' most exciting new innovation.

Excluding this donation and its respective interest earned, our income for the year 2002/3 has fallen compared to the previous year: total income was £5.0m in the year where previously it was £5.5m, a fall of 9.1%. This is mostly due to the temporary reduction in trust funding and legacy income in the year. In addition a number of our statutory funded projects came to an end in the 2002 year and further funding has currently not been identified from these sources. In this year of economic uncertainty we are delighted with the continued support that our donors and corporates have given us. Our thanks go to them.

We also cannot not mention the great value that our volunteers bring to Crisis and the support that they give us in so many ways across the organisation. We estimate the value of their time to be in excess of £1m.

Despite the uncertainty in the year and the fall in income, our direct services have increased in the year: We have spent £4.7m on our services this year, an increase of £300k. On 9th September 2002 Crisis Skylight, our new activity centre opened following a year of development, we carried out campaigning in the year following our relaunch and undertook more research; specifically looking into hidden homelessness. During the year we also expanded the SmartMove programme and have continued with our planned exit from the ReachOut and SummerWatch programmes. Next year we will be concentrating on Crisis Urban Village and developing Crisis Skylight further.

We have maintained our administrative efficiency: management and administration costs are just 2.3% per cent of total expenditure this year. Our fundraising and publicity costs for the year have remained stable with an increase of £35k (excluding the trading company activity) to £983k for the year. Our total fundraising and publicity costs, as last year, remain 18% of our total expenditure.

Crisis at Christmas our trading company continues to operate on a small scale.

Crisis reserves policy

Crisis aims to hold sufficient reserves within any one year: in the past this has been on average 40% equivalent of annual expenditure.

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We recognise that this measure needs to be an average over the year due to the seasonal pattern of our income and expenditure streams. The majority of Crisis income is received over the winter and Christmas period, yet we work, and therefore spend, throughout the year.

During the 2003 year the Finance Sub Committee reviewed the reserves policy. The policy had last been reviewed in 1998 and it was felt that Crisis' operations had changed considerably since that time. Following a review of Crisis' activity levels, cashflow and future development plans it was decided to reduce the level of reserves held to an average of 30% of equivalent annual expenditure.

The general reserves at 30 June 2003 are £1.6m and are slightly below our new reserves policy level. This reduction in reserves from the previous year reflects both increased direct charitable spend during the year and the fall in income.

Risk management

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include a strategic plan, and an annual budget approved by the trustees, regular consideration by the trustees of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews, delegation of authority and segregation of duties and identification and management of risks.

Over the 2003 year the Crisis Senior Management Team have completed a risk register looking at operations across the organisation. This register has incorporated previous work that had been done around events such as the Open Christmas. Where necessary systems and procedures have been established to mitigate new risks identified in order to minimise any potential impact should one of the risks materialise. The register is reviewed regularly throughout the year and where necessary further systems and procedures work is undertaken.

Investment management

In the past Crisis has not had a formal investment policy and has concentrated on ensuring that sufficient funds are left on deposit to meet our reserves levels obtaining the best investment return available from bank deposits. During the 2002 year Crisis was left a legacy in a form of shares and a decision was made to formalise the investment policy. The policy is as set out below:

- The investment portfolio is to be monitored by the Finance Sub Committee at its regular meetings and may expand this committee to include an Investment Committee
- The investments are to be held in such a way to maximise their value to Crisis and are not held specifically to generate ongoing income
- Crisis will not look to hold investments for the long term. Investments will be held only when stock market conditions lead the trustees to believe it would be better for the charity not to liquidate donated portfolios in the short term.

In respect of the cash balances held

- Crisis has appointed The Royal Bank of Scotland to hold our cash investments
- The rate of return on these balances is reviewed annually and benchmarking exercises undertaken with other banking institutions

Auditors

The auditors, RSM Robson Rhodes LLP, have expressed a willingness to continue in office for the forthcoming year.

Statement of trustees' responsibilities for the financial statements

The charity's trustees (who are also the directors for the purposes of Crisis UK for the purposes of Company law) are responsible for the preparation of financial statements for each financial year which gives a true and fair view of the charity's incoming and outgoing resources during the year and of its state of affairs at the end of the year. In preparing these financial statements, the trustees have:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that are reasonable and prudent
- followed applicable accounting standards
- prepared the financial statements on a going concern basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

Approval

This report was approved by the Board of Trustees on 10 September 2003 and signed on its behalf by:

David Bell
Chair of Trustees

Independent Auditors' Report to the members of Crisis UK

We have audited the financial statements of Crisis UK for the year ended 30 June 2003 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members in accordance with Section 235 of the Companies Act 1985. 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 auditors

The trustees' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards are set out in the Report of the Trustees. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the charity has not kept proper accounting records, and if we have not received all the information and explanations we require for our audit, or if any information specified by law regarding director's remuneration and transactions with the company is not disclosed.

We read the information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any information outside the Annual Report.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charity and group as at 30 June 2003 and of the group's incoming resources and application of resources expended, including its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

RSM Robson Rhodes LLP, Chartered Accountants and Registered Auditor
186 City Road, London
10 September 2003

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 30 June 2003

Income and Expenditure Account	Notes	2003 Unrestricted £	2003 Restricted £	2003 Total £	2002 Total £
INCOMING RESOURCES					
Donations, legacies and similar income	2a	3,804,905	3,997,940	7,802,845	4,729,399
<i>Activities to further Crisis' objects:</i>					
Public sources	2b	15,000	144,420	159,420	216,556
National Lottery Charities Board	2c	-	-	-	106,205
<i>Activities for generating funds:</i>					
Events	2d	245,691	-	245,691	151,672
Commercial Trading Operations	3	144,166	-	144,166	136,940
Investment income		115,600	158,485	274,085	107,094
Other income		120,845	-	120,845	56,347
Total incoming resources		<u>4,446,207</u>	<u>4,300,845</u>	<u>8,747,052</u>	<u>5,504,213</u>
Less: Costs of generating funds					
Trading subsidiary expenditure	3	92,174	-	92,174	36,934
Fundraising & publicity costs		983,310	-	983,310	947,719
		<u>1,075,484</u>	<u>-</u>	<u>1,075,484</u>	<u>984,653</u>
Net incoming resources available for charitable application		3,370,723	4,300,845	7,671,568	4,519,560
Charitable expenditure					
	4				
Crisis Open House		-	-	-	175,236
Crisis Open Christmas		421,770	65,842	487,612	443,384
Campaigning		215,984	-	215,984	-
Winter services		283,422	42,355	325,777	492,102
Crisis SmartMove		582,280	65,000	647,280	576,421
Crisis FareShare London		337,106	-	337,106	305,651
Crisis FareShare Regional		411,823	71,437	483,260	534,509
National Development		26,910	-	26,910	145,196
Strategic Policy Unit		406,744	14,000	420,744	349,063
Crisis ReachOut		141,840	-	141,840	234,849
Innovations (including SINN Programme)		247,214	-	247,214	181,628
CityWell/Urban Village		34,502	-	34,502	102,394
Befriending		-	-	-	85,954
Crisis Skylight		831,750	37,863	869,613	216,173
Changing Lives		187,516	101,443	288,959	371,472
Opportunities for volunteers		-	142,425	142,425	141,057
Other services (incl. New Health Service)		5,751	-	5,751	5,929
Management & administration		135,523	-	135,523	138,253
Total Charitable expenditure		<u>4,270,132</u>	<u>540,365</u>	<u>4,810,497</u>	<u>4,499,271</u>
Total resources expended		<u>5,345,616</u>	<u>540,365</u>	<u>5,885,981</u>	<u>5,483,924</u>
Net Incoming resources for the year		<u>(899,409)</u>	<u>3,760,480</u>	<u>2,861,071</u>	<u>20,289</u>

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 30 June 2003

(CONTINUED)

	2003 Unrestricted £	2003 Restricted £	2003 Total £	2002 Total £
Net Incoming resources	(899,409)	3,760,480	2,861,071	20,289
Realised (Loss) on sale of investment	(10,458)	-	(10,458)	-
Unrealised (loss) on investments	(32,881)	-	(32,881)	(20,013)
Loss on disposal of fixed assets	(42,480)	-	(42,480)	(48,723)
<i>Exceptional items</i>				
Office move costs	(44,087)	-	(44,087)	(63,389)
Non Merger costs	-	-	-	(56,291)
Net movement in Funds	<u>(1,029,315)</u>	<u>3,760,480</u>	<u>2,731,165</u>	<u>(168,127)</u>
Fund balances at 1 July 2002	2,963,371	5,953	2,969,324	3,137,451
Fund balances carried forward at 30 June 2003	<u><u>1,934,056</u></u>	<u><u>3,766,433</u></u>	<u><u>5,700,489</u></u>	<u><u>2,969,324</u></u>

All of the consolidated income and expenditure arose from continuing operations.

No other gains or losses were recognised in the year other than those shown above. The surplus for the year for Companies Act purposes would include realised losses and gains on investments and would be £2,764,046 (2002 deficit £148,114)

The notes on pages 17 to 28 form an integral part of these financial statements.

Consolidated fund balances at 30 June 2003 are represented by :

	2003 Unrestricted £	2003 Restricted £	2003 Total £	2002 Total £
Fixed assets	386,749	-	386,749	246,362
Current assets	2,024,247	3,766,433	5,790,680	3,285,002
Current liabilities	(342,275)	-	(342,275)	(547,040)
Provisions and charges	-	-	-	(15,000)
Net assets	<u><u>2,068,720</u></u>	<u><u>3,766,433</u></u>	<u><u>5,835,153</u></u>	<u><u>2,969,324</u></u>

CRISIS UK Trustees' annual report and accounts for the year ended 30 June 2003

BALANCE SHEET
at 30 June 2003

	Notes	Consolidated 2003 Total £	Crisis UK 2003 Total £	Consolidated 2002 Total £	Crisis UK 2002 Total £
Fixed Assets					
Tangible fixed assets	9	386,749	347,292	246,362	193,754
Current assets					
Investments	10	2,756,647	2,756,647	299,986	299,986
Other debtors	11	93,688	239,309	134,343	260,730
Prepayments & accrued income		122,347	122,347	37,984	37,984
Cash and bank deposits		2,817,998	2,732,671	2,812,689	2,771,011
		5,790,680	5,850,974	3,285,002	3,369,711
Creditors : Amounts falling due within one year	12	342,275	340,718	547,040	546,745
Creditors : Amounts falling due after one year		134,664	134,664	-	-
Provisions and charges	12	-	-	15,000	15,000
Net current assets		5,313,741	5,375,592	2,722,962	2,807,966
Net assets		5,700,489	5,722,884	2,969,324	3,001,719
Represented by:					
Unrestricted income funds					
General fund	14	1,619,056	1,641,451	1,863,371	1,895,766
Designated funds	15				
Crisis Skylight		-	-	285,000	285,000
City Well/Urban Village		15,000	15,000	15,000	15,000
Crisis Changing Lives		-	-	150,000	150,000
Crisis SmartMove		-	-	300,000	300,000
Crisis ReachOut		-	-	50,000	50,000
Crisis FareShare		300,000	300,000	300,000	300,000
		315,000	315,000	1,100,000	1,100,000
Total unrestricted funds		1,934,056	1,956,451	2,963,371	2,995,766
Restricted income funds	16	3,766,433	3,766,433	5,953	5,953
Total funds		5,700,489	5,722,884	2,969,324	3,001,719

Approved by the trustees on 10 September 2003 and signed on their behalf by:

David Bell)
)
) Trustees
 Jane Sadler)
)

The notes on pages 17 to 28 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 30 June 2003

	Notes	2003 Total £	2002 Total £
Net cash inflow/(outflow) from operating activities	18	2,533,061	(17,718)
Returns on investments			
Investment income		274,085	107,094
Capital expenditure			
Payments to acquire tangible fixed assets		(301,837)	(176,231)
Sale of investments		-	-
Total Capital expenditure		(301,837)	(176,231)
Management of liquid resources			
Amounts held on treasury deposit		(2,500,000)	-
Increase/(Decrease) in cash	19	5,309	(86,855)

The notes on pages 17 to 28 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

1. ACCOUNTING POLICIES

a) Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of current asset investments and in accordance with applicable accounting standards, and on the basis of Accounting and Reporting by charities: Statement of Recommended Practice 2000 and the Companies Act 1985.

b) Consolidated accounts

Consolidated accounts have been prepared for the charity and the trading company controlled by its trustees, Crisis at Christmas. The method of consolidation is that recommended in the SORP.

The unconsolidated result for the charity would have been net outgoing resources £2,751,165 (net outgoing 2002 - £168,127). The charity has taken advantage of S230 Companies Act 1985 and has not prepared a separate statement of financial activities.

c) Income and expenditure

Voluntary income, bank interest and grants are recognised on a receivable basis.

Legacies are taken into account when capable of financial measurement.

Income tax on covenants and gift aid declarations is accounted for on an accruals basis.

Gifts in kind have been included in the notes to the accounts at an amount equivalent to that which the charity would have had to pay to purchase the donated facilities.

Expenditure is accounted for on an accruals basis.

d) Allocation of expenditure

Direct costs incurred in connection with a particular project or event are allocated to that project or event. Costs of generating funds comprise costs incurred in connection with raising voluntary contributions and the cost of sales from our trading company.

General and overhead costs which are not specific to management and administration, fundraising and publicity or direct charitable activities are allocated as support costs to these headings. The basis of the allocation is an analysis of the resources utilised by each of these activities. The principal underlying the basis of this allocation is consistent between the prior and the current year.

e) Funding commitments

Commitments at year end are shown in creditors.

Commitments are recognised when contractual conditions are met by our partners.

f) Fixed assets

Office and computer equipment is capitalised and written off on a reducing balance basis, at a rate of 25% per annum. Vehicles are written off over four years on a straight line basis.

Office improvements are capitalised and written off over the period of the lease.

All assets are included at cost.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

g) Pension costs

Crisis UK operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

h) Fund accounting

I) Restricted

Restricted funds comprise amounts donated for specific objectives. They are expendable in furtherance of certain particular aspects of the objects of the charity.

II) Unrestricted

Unrestricted funds comprise amounts donated to the charity for general use. They are expendable at the discretion of the trustees, in furtherance of any aspects of the objects of the charity. There are two categories of unrestricted funds :

a) Designated

Designated funds comprise funds set aside out of unrestricted income by the trustees for the furtherance of particular aspects of the charity's objects, and are usually committed to direct charitable activities in the two years following their designation. The trustees may, at their discretion, reallocate these funds back to the general fund (see below).

b) General

General funds represent the accumulated unrestricted and undesignated surpluses. The general funds are available at any time for use at the discretion of the trustees for furtherance of the charity's activities and objectives.

i) Investments

Investments are shown in the balance sheet as current assets at market value. All investments are listed on a recognised stock exchange. Released and unrealised gains and losses are included in the income and expenditure account.

j) Lease and hire purchase contracts

Rentals under operating leases are charged to the income and expenditure account as incurred.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2003

	2003 Unrestricted £	2003 Restricted £	2003 Total £	2002 Total £
2 INCOMING RESOURCES				
a) Donations, legacies and similar income				
Individuals & legacies	2,363,188	17,378	2,380,566	2,497,898
Trusts	281,674	3,706,413	3,988,087	616,228
Corporates	845,672	273,119	1,118,791	1,161,659
Community groups	314,371	1,030	315,401	335,979
	<u>3,804,905</u>	<u>3,997,940</u>	<u>7,802,845</u>	<u>4,611,764</u>

Intangible income

Crisis has always received intangible income from a number of sources. It is Crisis' intention to incorporate this income into the notes to the accounts only. Further information is given in note 4.

Activities in furtherance of the charity's objects:

b) Public sources

	2003 Unrestricted £	2003 Restricted £	2003 Total £	2002 Total £
Rough Sleepers Unit (RSU) - Befriending	-	-	-	84,547
Provision for potential repayment of funding	15,000	-	15,000	(15,000)
Department of Health - O.F.V. 2001*	-	-	-	105,299
Department of Health - O.F.V. 2002*	-	96,087	96,087	41,710
Department of Health - O.F.V. 2003*	-	48,333	48,333	-
	<u>15,000</u>	<u>144,420</u>	<u>159,420</u>	<u>216,556</u>

The RSU have not requested repayment of funding - the provision in the 2002 accounts has therefore been released. O.F.V. stand for 'Opportunities for Volunteering'

c) Community Fund

	2003 Unrestricted £	2003 Restricted £	2003 Total £	2002 Total £
Community Fund	-	-	-	106,205
	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,205</u>

d) Events

	2003 Unrestricted £	2003 Restricted £	2003 Total £	2002 Total £
Square Mile Run, Marathon etc	245,691	-	245,691	269,307
	<u>245,691</u>	<u>-</u>	<u>245,691</u>	<u>269,307</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

3. CRISIS AT CHRISTMAS

Crisis at Christmas is a company limited by guarantee and incorporated in Great Britain. It manages the trading activities associated with the charity, largely the sale of Christmas cards. The company covenants any surplus net to the charity and is wholly controlled by the charity's trustees. A summary of the results of Crisis at Christmas is shown below.

Profit and loss account

		2003	2002
		£	£
Turnover	*1	144,166	136,940
Cost of sales		<u>92,174</u>	<u>36,934</u>
Gross profit		51,992	100,006
Administration costs	*2	<u>(13,152)</u>	<u>(17,536)</u>
Profit on ordinary activities		38,840	82,470
Gift aid payment to Crisis		(28,840)	(82,470)
Retained in subsidiary		<u><u>10,000</u></u>	<u><u>-</u></u>

*1 Turnover includes £94,045 sponsorship

*2 Administration costs includes depreciation of fixed assets

		2003	2002
		£	£
Balance sheet			
Fixed assets		39,457	52,609
Current assets:			
Cash		<u>85,328</u>	<u>41,678</u>
		85,328	41,678
Current liabilities:			
Crisis		(145,621)	(126,387)
Other creditors		<u>(1,557)</u>	<u>(293)</u>
		(147,178)	(126,680)
Net current liabilities		<u>(61,850)</u>	<u>(85,002)</u>
Net assets		<u><u>(22,393)</u></u>	<u><u>(32,393)</u></u>
Represented by:			
Reserves		<u><u>(22,393)</u></u>	<u><u>(32,393)</u></u>

Crisis is prepared to provide continuing support to the trading subsidiary.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2003

4. RESOURCES EXPENDED

Costs of activities in furtherance of the objects of the charity

	Direct costs £	Support costs £	2003 Total £	2002 Total £
Crisis Open House	-	-	-	175,236
Crisis Open Christmas	323,269	164,343	487,612	443,384
Campaigning	185,409	30,575	215,984	-
Winter services	220,764	105,013	325,777	492,102
Crisis SmartMove	535,252	112,028	647,280	576,421
Crisis FareShare London	251,945	85,161	337,106	305,651
Crisis FareShare Regional	365,113	118,148	483,260	534,509
National Development	12,175	14,735	26,910	145,196
Strategic Policy Research	288,446	132,298	420,744	349,063
Crisis ReachOut	79,385	62,455	141,840	234,849
Innovations	202,478	44,736	247,214	181,628
Urban Village/CityWell	34,502	-	34,502	102,394
Befriending	-	-	-	85,954
Changing Lives	170,963	117,996	288,959	371,472
Crisis Skylight	667,565	202,048	869,613	216,173
Opportunities for volunteers	142,425	-	142,425	141,057
Other direct	435	5,316	5,751	5,929
Management and administration	-	135,523	135,523	138,253
	<u>3,480,124</u>	<u>1,330,373</u>	<u>4,810,497</u>	<u>4,499,271</u>

The Innovations programme this year has been mostly in respect of the implementation of the In Search of Innovation scheme (SINN Programme). This programme ran for one year only.

Intangible income

As stated in note 2, intangible income is not included in the accounts, however we wish to disclose in the notes the value of our gift in kind donations. These are set out below together with a comparative figure for the previous year.

	2003 Total £	2002 Total £
Project and Event resources (includes Open Christmas and Square Mile Run resources)	497,000	553,000
Publicity	618,000	767,000
Receptions and conference facilities	35,000	54,000
Training	2,000	45,000
Legal costs	152,000	110,000
Buildings and Facilities	-	22,000
	<u>1,304,000</u>	<u>1,551,000</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

5 RESOURCES EXPENDED

Costs of generating funds are analysed as follows:

Consolidated	Staff Costs £	Other Expenses £	2003 Total £	2002 Total £
Fundraising & publicity	317,557	665,753	983,310	947,719
Trading subsidiary expenditure	-	92,174	92,174	36,934
	<u>317,557</u>	<u>757,927</u>	<u>1,075,484</u>	<u>984,653</u>
Direct charitable expenditure			4,810,497	4,499,271
Total expenditure			<u>5,885,981</u>	<u>5,483,924</u>

6 RESOURCES EXPENDED (continued)

Analysis of management and administration costs pre-SORP allocation:

a) General costs	2003 £	2002 £
Staff costs (excluding direct charitable expenditure)	1,078,613	1,041,481
Agency staff costs	41,045	67,648
Recruitment	81,858	92,301
Stationery & photocopying	44,702	59,549
Postage	41,209	40,563
Telephone	36,100	43,937
Establishment costs & office expenditure	261,263	257,396
Travel expenses	15,777	14,494
Training & conferences	26,164	39,160
Audit	4,600	4,800
Computer expenses	66,667	113,262
Depreciation (Total depreciation £108,512 - £40,000 in direct charitable)	68,512	64,368
Legal & professional advice/consultancy	17,413	12,849
Trading company expenditure - Christmas Tree project	50,608	-
Miscellaneous	79,790	49,411
	<u>1,914,321</u>	<u>1,901,219</u>
Communications & publicity	<u>111,634</u>	<u>95,455</u>
Fundraising	<u>379,902</u>	<u>414,481</u>
Direct charitable expenditure	<u>3,480,124</u>	<u>3,072,769</u>
Total expenditure	<u>5,885,981</u>	<u>5,483,924</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

7 STAFF COSTS

	2003	2002
	£	£
Wages and salaries	1,628,887	1,531,546
Social security costs	183,250	153,154
Pension costs	70,985	62,347
	<u>1,883,122</u>	<u>1,747,047</u>
Average number of staff in the year:	<u>55</u>	<u>53</u>

Trustees received reimbursed travel expenses in the amount of £891 (2002 - £522)
Trustees' liability insurance of £1,999 was paid in the year (2002: £1,890).

CLB prepare our payroll, one of the trustees - Nick Light is a salaried partner in this firm. The fees for the period were £2,858 (2002 : £1,816)

No other trustees were remunerated during the year.
Employees receiving remuneration in excess of £50,000 in the year:

£60,000	-	£69,999	<u>1</u>	<u>1</u>
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8 PAYMENTS TO PROJECTS

Crisis no longer awards grants but seeks to work in partnership with local and national partners. Strategic investment in such partnerships enables Crisis to develop sustainable models of good practice and solutions to homelessness that we have researched and piloted. Crisis rolls-out these project in the form of social franchises, providing training and networking opportunities and assisting with leveraging in long-term funding sources.

The total amount of funding distributed to such partnerships during the year was £1,326,848 (2002 - £1,475,879)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2003

9 TANGIBLE FIXED ASSETS

Consolidated

	Leasehold Improvements	Office equipment	Vehicles	Total
Cost	£	£	£	£
At 1 July 2002	-	563,683	124,075	687,758
Additions	173,203	128,633	-	301,837
Disposals	-	(96,532)	-	(96,532)
At 30 June 2003	<u>173,203</u>	<u>595,784</u>	<u>124,075</u>	<u>893,062</u>
Depreciation				
At 1 July 2002	-	367,236	74,160	441,396
Charge for year	17,321	68,396	22,795	108,512
Disposals	-	(43,594)	-	(43,594)
At 30 June 2003	<u>17,321</u>	<u>392,038</u>	<u>96,956</u>	<u>506,314</u>
Net Book Value at 30th June 2003	<u>155,883</u>	<u>203,746</u>	<u>27,119</u>	<u>386,749</u>
Net Book Value at 1 July 2002	<u>-</u>	<u>196,447</u>	<u>49,915</u>	<u>246,362</u>

Charity

	Leasehold Improvements	Office equipment	Vehicles	Total
Cost	£	£	£	£
At 1 July 2002	-	254,503	124,075	378,578
Additions	173,203	128,633	-	301,837
Disposals	-	(96,532)	-	(96,532)
At 30 June 2003	<u>173,203</u>	<u>286,604</u>	<u>124,075</u>	<u>583,882</u>
Depreciation				
At 1 July 2002	-	110,664	74,160	184,824
Charge for year	17,321	55,245	22,795	95,360
Disposals	-	(43,594)	-	(43,594)
At 30 June 2003	<u>17,321</u>	<u>122,314</u>	<u>96,956</u>	<u>236,590</u>
Net Book Value at 30th June 2003	<u>155,883</u>	<u>164,290</u>	<u>27,119</u>	<u>347,292</u>
Net Book Value at 1 July 2002	<u>-</u>	<u>143,839</u>	<u>49,915</u>	<u>193,754</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

	2003 Total £	2002 Total £
10 INVESTMENTS		
Market Value at 1 July 2002	299,986	10,458
Cash held on deposit	2,500,000	-
Donation received in the year	-	309,541
Loss on disposal	(10,458)	-
Unrealised loss on revaluation at 30 June 2003	(32,881)	(20,013)
Market Value at 30 June 2003	<u>2,756,647</u>	<u>299,986</u>

Detail of investments held

All investments are quoted on the UK stock exchange.

The following investments represented 5% or more of the share portfolio:

Barclays Plc Ord 25p shares	7%	Wolseley Plc ord 25p shares	5%
BP Plc US \$0.25 shares	5%	2% Index linked Treasury Stock 2006	10%
GlaxoSmithKline Plc Ord 25p shares	10%	2 1/2% Index-linked Treasury Stock 20C	15%
Smiths Group Plc ord 25p shares	7%		

11 OTHER DEBTORS

	Consolidated 2003 £	Crisis UK 2003 £	Consolidated 2002 £	Crisis UK 2002 £
Income tax recoverable	49,441	49,441	103,877	103,877
Crisis at Christmas	-	145,621	-	126,387
Sundry debtors	44,247	44,247	30,466	30,466
	<u>93,688</u>	<u>239,309</u>	<u>134,343</u>	<u>260,730</u>

12 CREDITORS: Amounts falling due within one year

	Consolidated 2003 £	Crisis UK 2003 £	Consolidated 2002 £	Crisis UK 2002 £
Other creditors	33,008	31,451	18,695	18,402
Deferred income	94,880	94,880	-	-
Accruals	214,387	214,387	528,345	528,343
	<u>342,275</u>	<u>340,718</u>	<u>547,040</u>	<u>546,745</u>

12 PROVISIONS AND CHARGES

Brought forward at 1 July	15,000	-
Provision in respect of potential Befriending repayment to the RSU	(15,000)	15,000
Carried forward at 30 June	<u>-</u>	<u>15,000</u>

12 CREDITORS: Amounts falling due after one year

	Consolidated 2003 £	Crisis UK 2003 £	Consolidated 2002 £	Crisis UK 2002 £
Deferred income	134,664	134,664	-	-

13 COMMITMENTS

	Consolidated 2003 £	Crisis UK 2003 £	Consolidated 2002 £	Crisis UK 2002 £
Annual commitments under non-cancellable operating leases for land and buildings:				
Within 1 year	-	-	30,138	30,138
In two to five years	56,250	56,250	44,650	44,650
In ten to fifteen years - Skylight	286,871	286,871	242,974	242,974
In ten to fifteen years - Head office	234,712	234,712	160,926	160,926
	<u>577,833</u>	<u>577,833</u>	<u>478,688</u>	<u>478,688</u>
Office equipment				
In two to five years	22,339	22,339	21,943	21,943

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

	2003 Total £	2002 Total £
14 CONSOLIDATED ACCUMULATED GENERAL FUND		
Fund brought forward		
Retained in charity	1,895,764	2,119,844
Retained in subsidiary undertaking	<u>(32,393)</u>	<u>(32,393)</u>
	1,863,371	2,087,451
Surplus/(deficit) for the year		
Retained by charity	(1,039,315)	(174,080)
Retained by subsidiary undertaking	<u>10,000</u>	<u>-</u>
	<u>(1,029,315)</u>	<u>(174,080)</u>
Transfer (to) Designated funds	785,000	(50,000)
Fund carried forward		
Retained by charity	1,641,449	1,895,764
Retained by subsidiary undertaking	<u>(22,393)</u>	<u>(32,393)</u>
	<u><u>1,619,056</u></u>	<u><u>1,863,371</u></u>

15 UNRESTRICTED FUNDS

	Beginning of Year £	Utilised in year £	Income/Gains in year £	Transfer Total £	Carried Year £
Crisis Skylight	285,000	(285,000)	-	-	-
City Well/Urban Village	15,000	-	-	-	15,000
Crisis Changing Lives	150,000	(150,000)	-	-	-
Crisis SmartMove	300,000	(300,000)	-	-	-
Crisis ReachOut	50,000	(50,000)	-	-	-
Crisis FareShare	300,000	(300,000)	-	300,000	300,000
	<u>1,100,000</u>	<u>(1,085,000)</u>	<u>-</u>	<u>300,000</u>	<u>315,000</u>
Accumulated general fund	<u>1,863,371</u>	<u>(4,390,522)</u>	<u>4,446,207</u>	<u>(300,000)</u>	<u>1,619,056</u>
	<u><u>2,963,371</u></u>	<u><u>(5,475,522)</u></u>	<u><u>4,446,207</u></u>	<u><u>-</u></u>	<u><u>1,934,056</u></u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2003

UNRESTRICTED FUNDS (CONTINUED)

Designated Funds:

- (a) Crisis Skylight** To provide funding to offer a range of activities to help homeless people build skills, motivation and self esteem. (Formerly known as Crisis Activity Centre)
- (b) CityWell/
Urban Village** To provide funding for the development of a housing project which would integrate homeless people with those on low incomes.
- (c) Changing Lives** National awards scheme enabling homeless people to access training or employment or to start up in business and to take greater control of their lives.
- (d) Crisis SmartMove** To provide funding for deposit guarantee schemes to help homeless people.
- (e) Crisis ReachOut** To provide funding for the establishment of mental health outreach services.
- (f) Crisis FareShare** To provide funding for setting up FareShare as a separate charity. This element would sustain the activities currently falling under Crisis' objects.

16 RESTRICTED INCOME FUNDS

	Beginning of Year £	Received in Year £	Utilised in Year £	End of Year £
Open Christmas	-	65,842	(65,842)	-
Winter services	-	42,355	(42,355)	-
Crisis SmartMove	-	65,000	(65,000)	-
Crisis FareShare Regional	-	71,437	(71,437)	-
Urban Village	-	3,758,485	-	3,758,485
Opportunities for Volunteers	5,953	144,420	(142,425)	7,948
Crisis Skylight	-	37,863	(37,863)	-
Changing Lives	-	101,443	(101,443)	-
Strategic Policy Unit	-	14,000	(14,000)	-
	<u>5,953</u>	<u>4,300,845</u>	<u>(540,365)</u>	<u>3,766,433</u>

During the year David Gilmour made a charitable donation of £3.6M to the Urban Village project. This project will aim to create an integrated community where homeless people live alongside key workers in a thriving complex of around 400 flats. This amount plus the related interest remains in restricted funds at the year end,

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2003

17 CAPITAL COMMITMENTS

There were no capital commitments at the year end.

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

18 RECONCILIATION OF CHANGES IN RESOURCES TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2003	2002
	Total	Total
	£	£
Net incoming/(outgoing) resources	2,861,071	20,289
Interest income	(274,085)	(107,094)
Depreciation	108,512	89,368
Non Merger costs (exceptional item)	-	(56,291)
Office move costs (exceptional item)	(44,087)	(63,389)
Increase/(decrease) in creditors	(70,100)	347,561
Increase in provisions	(15,000)	15,000
(Increase)/decrease in debtors	(43,708)	46,379
Increase in investments	-	(309,541)
Write off of expired premium bonds	10,458	-
Net cash flow from operating activities	<u>2,533,061</u>	<u>(17,718)</u>

19 ANALYSIS OF CHANGES IN CASH DURING THE YEAR

	At 1 July	Cash	2003
	2002	Flows	Total
	Total	£	£
	£	£	£
Cash in hand, at bank	<u>2,812,689</u>	<u>(2,494,691)</u>	<u>2,817,998</u>
Management of liquid resources			
Amounts held on treasury deposit	<u>-</u>	<u>2,500,000</u>	<u>2,500,000</u>

20 PENSIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £70,985 (2002 £62,346).

Contributions totalling £Nil (2002 £Nil) were payable to the fund at the year end.



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