

The Blue Cross

Reference and administrative details

For the year ended 31st December 2011

Company number 363197

Charity number in England and Wales 224392

Charity number in Scotland SC040154

Registered office and operational address Shilton Road
Burford
Oxfordshire
OX18 4PF

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Zair Berry FCA	(Chairman)
Dr David Watt PhD FRICS	(Vice-chairman from 08/12/11)
Walter Beswick MRCVS	(Deceased 01/02/11)
Peter Brooks	
Tom Corran	(Co-opted from 20/09/11)
Dr Andrew Edney MRCVS	(Retired 20/09/11)
Roger Green MRCVS	
Tim Hutton MRCVS	
Julie Hyde RGN MA	
Tim Porter FCA	(Co-opted from 20/09/11)
Andrew Prebble	
Mervyn Reed FCA	
The Hon Henrietta Roper-Curzon	
Adrian Rowbotham	
Diane Sinclair LLB QDR	(Resigned 15/02/12)
Neil C Smith MRCVS	(Co-opted from 20/09/11)
Stephen Swift	(Co-opted from 20/09/11)

Honorary President Tom Vyner CBE

Secretary to the Board Kim Hamilton

Bankers National Westminster Bank Plc
141 Ebury Street
London
SW1W 9QP

Solicitors	Bircham Dyson Bell LLP 50 Broadway Westminster London SW1H 0BL	Wilsons Solicitors LLP 4 Lincoln's Inn Fields London WC2A 3AA
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Reference and administrative details

For the year ended 31st December 2011

External Auditors	The Gallagher Partnership LLP Chartered Accountants Registered Auditors Titchfield House 69/85 Tabernacle Street London EC2A 4RR
Internal Auditors	Grant Thornton UK LLP Enterprise House 115 Edmund Street Birmingham B3 2HJ
Investment Managers	Rathbones Investment Management Limited 1 Curzon Street London W1J 5FB

The Blue Cross

Report of the Trustees

For the year ended 31st December 2011

The Trustees present their report and the audited financial statements for the year ended 31 December 2011.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005).

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 11 September 1940 and registered as a Charity on 8 February 1965.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Blue Cross is governed by a Board of Trustees, all of whom are Members of the Charity. The Trustees meet a minimum of four times per year. The Articles of Association require a minimum of five Trustees with no upper limit. During the year the actual number of Trustees varied between 12 and 15, as shown on page 1.

New members of the Board are co-opted by existing Trustees to maintain or augment the range of skills and experience appropriate to the needs and activities of the Charity and subsequently proposed for election by the Members at the AGM.

On appointment new Trustees are provided with appropriate Charity Commission guides, The Blue Cross Handbook, a copy of the Memorandum and Articles of Association, a full set of the Charity's policies, the current strategic plan, the latest statutory accounts and an outline of their duties and responsibilities. New Trustees meet with the Chief Executive to undertake an induction process.

In addition to the main Board there are five sub-committees which operate under the delegated authority of the full Board and advise or make recommendations to the Board. These committees are: Finance and Support Committee (FISCO), Audit Committee (AUDIT), Service Delivery Committee (SEDCO), Commercial and Retail Committee (COMCO), Investment Sub Committee (ISC). Membership of these sub-committees at 31 December 2011 is shown below:

Peter Brooks	AUDIT, SEDCO
Tom Corran	COMCO, FISCO
Roger Green MRCVS	AUDIT, SEDCO
Tim Hutton MRCVS	AUDIT, SEDCO (Chairman)
Julie Hyde RGN MA	AUDIT (Chairman), SEDCO
Tim Porter FCA	COMCO, FISCO, ISC
Andy Prebble	COMCO, FISCO, ISC (Chairman)
Mervyn Reed FCA	COMCO, FISCO (Chairman), ISC
The Hon Henrietta Roper-Curzon	COMCO, FISCO
Adrian Rowbotham	COMCO (Chairman), FISCO
Diane Sinclair LLB QDR	AUDIT, SEDCO
Neil C Smith MRCVS	AUDIT, SEDCO
Stephen Swift	COMCO, SEDCO
Dr David Watt PhD FRICS	AUDIT, FISCO

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Report of the Trustees

For the year ended 31st December 2011

As Chairman of the Board of Trustees, Zair Berry is an ex-officio member of all sub-committees.

All Trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in note 8 to the accounts.

The Articles of Association require that a third of the Board of Trustees retires by rotation. The following Trustees retired by rotation and, all being eligible, were re-elected to the Board at the Annual General Meeting held on 20 September 2011:

Tim Hutton MRCVS
Mervyn Reed FCA
Diane Sinclair LLB QDR

The risk and control framework

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to The Blue Cross policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. Whilst risk has been managed using local arrangements within individual areas of the Charity's operations, a more formal and enterprise-wide approach was introduced during 2010 and continues to be embedded across the organisation.

The Blue Cross has a structured risk management process and responsibility lies with the Executive Team for the identification, assessment and management of the risks. The risk appetite is set by the Board of Trustees and is applied on a risk-by-risk basis.

The risk management policy:

- explains the organisation's approach to risk management;
- provides risk definitions;
- raises awareness of the principles and benefits involved in the risk management process;
- establishes a common language and the different levels of risk appetite, impact and likelihood;
- establishes the responsibilities towards risk for both officers and Trustees; and,
- identifies the main reporting procedures and promotes good risk management practice within The Blue Cross.

Significant progress was made during 2011 in implementing a comprehensive, enterprise-wide approach to managing risk which built on the work started in 2010. During the year, key risks for the Charity were identified and the strategic risk register is a document that is subject to regular scrutiny by the Executive and the Trustees.

Further work took place in the period to align the strategic risks with the Corporate Plan and reporting formats were refined to analyse this information on that basis. The understanding and application of risk appetite as a concept has improved with each key risk having an agreed appetite. All key risks have an assigned owner and the controls by which each risk is mitigated have been documented and evaluated through management assessments.

Directorate-based registers are now being developed and populated.

The Blue Cross

Report of the Trustees

For the year ended 31st December 2011

During 2011, Grant Thornton provided the internal audit service. The internal auditors report regularly on internal audit activity within The Blue Cross. The work of the internal auditors for 2011 was informed by their own analysis of the key risk exposures facing The Blue Cross and through discussion with Executive Team members and the Audit Committee. From January 2012, Internal Audit services have been provided by Sayer Vincent.

The Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of the internal auditors and comments made by the external auditors in their management letter and other reports. A plan to address weaknesses and ensure continuous improvement of the system is in place.

Day to day management

The Trustees delegate responsibility for the day to day management of the Charity to the Chief Executive and the Executive Team (ET) who also attend Board meetings and sub-committee meetings as required. The ET reports to the Board on the performance of their respective Directorates against the Strategic Plan set out by the Trustees and financial and operational trends measured against the annually approved budget. Key performance indicators are in place to facilitate this process. Members of the ET at the 31 December 2011 were as follows:

Chief Executive	Kim Hamilton
Director of Service Delivery (resigned 01/09/2011)	Christian Bamber
Director of Service Delivery (appointed 01/09/2011)	Kerstin Alford
Director of People and Development	Rachel Briggs
Director of Fundraising (appointed 17/01/2011)	Mike Crossley
Director of Commercial and Retail	Mark Evans
Director of External Affairs	Steve Goody
Director of Finance and Resources (resigned 31/01/2011)	Neil A Smith
Director of Finance and Resources (appointed 31/05/2011)	Huw Davies

Objectives and activities

Mission statement: We provide happy homes for abandoned and unwanted pets, and we keep pets healthy by promoting welfare and providing treatment.

The principal objective of the Charity is to encourage and promote kindness to and the protection of animals and to educate the public in responsible animal ownership.

Our key goals to achieve this mission are to increase our impact by helping more animals and their owners, to have a greater recognition of The Blue Cross and what we do, to operate as a single integrated organisation and to be financially sound and thereby have a sustainable future.

The Trustees review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the Charity has brought to those groups that it is set up to help. The review also helps the Trustees ensure the Charity's aims, objectives and activities remained focused on its stated purposes.

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Report of the Trustees

For the year ended 31st December 2011

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

Membership

On 31 December 2011 there were 61 members of the Blue Cross, each paying an annual subscription and entitled to vote at the AGM. Admission to membership requires approval from the Trustees.

Volunteers

We are very aware of the importance of our volunteers in all aspects of the Charity's current activity and the part that they will play in our future growth. We recognise the need to continue to invest in the resourcing and management of our volunteer programmes to enable them to support the Charity in the years ahead. 2011 was another year of significant growth for our volunteer programme. We now have approximately 2,250 registered volunteers (2010 - 2,000) who provided a total of over 210,215 hours to the Charity in 2011, a 20% increase on the 175,000 hours given in 2010. Our volunteers help in many areas of the Charity from animal care through to administrative work and the value of this contribution is worth over £1.4 million to the Charity.

Employees

Our staff are vital to the delivery of our charitable objectives. We encourage a culture of openness, honesty and respect, which is achieved through clear and transparent communication. The Charity continues to hold Investors in People accreditation, which is evidence of its commitment to and practical application of, staff communication and development.

Supporters

Our loyal supporters are the lifeblood of the Charity, without whom we would not exist. The Charity does not receive any government funding and therefore is dependent on the generous donations, whether through lifetime giving or legacies to sustain the charity.

Equality and diversity statement

The Blue Cross recognises and encourages the valuable and important contribution made by all who volunteer and work here. We believe that people from a range of backgrounds and experiences can enhance the work we do and that all individuals should be treated on the basis of individual merit and without prejudice.

We will provide services which actively promote equality of opportunity and freedom from discrimination on the grounds of age, cultural background, class, disability, ethnicity, gender, religion or sexual orientation in both volunteer opportunities and employment.

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Report of the Trustees

For the year ended 31st December 2011

Achievements and performance in the delivery of public benefit

The Charity's main activities and who it tries to help are described below. All its charitable activities focus on our mission and are undertaken to further The Blue Cross's charitable purposes for the public benefit.

Primary beneficiaries of our services are pets and their owners.

Service Delivery

Rehoming

The demand for our services at our rehoming centres was steady during the year, and we cared for 4,368 cats (2010 – 3,890), 2,712 dogs (2010 - 2,507) and 509 other domestic pets (2010 - 401) through our 12 rehoming centres, Rehoming Pet Fostering Scheme, Hospitals and Home Direct Scheme.

Our horse welfare services had a total of 620 horses (2010 - 621) under guardianship, including 533 horses (2010 - 495) out on loan. 166 horses and ponies (2010 - 158) were admitted to guardianship in our three equine centres, many of them undergoing rehabilitation prior to rehoming.

Clinical

Our four animal hospitals carried out 97,024 (2010 - 97,887) consultations, diagnostic procedures and operations including 2,727 (2010 - 2,545) consultations at our mobile clinics and 2,134 (2010 - 1,977) at our animal welfare clinics.

The Blue Cross Neuter Grants Scheme gave £26,669 (2010 - £15,039) to help 533 (2010 - 256) pet owners in need of financial help towards the cost of neutering.

Behaviour

Our animal behaviour team conducted 2,460 (2010 - 2,400) consultations, assessments, telephone calls and site visits.

Subsidiary Companies

The Blue Cross Trading Company Limited donated its profit of £35k (2010 - £34k) by way of gift to the Charity. In addition donations received by the Trading Company from supporters and passed directly to the Charity amounted to £369k (2010 - £478k).

The Blue Cross (D&B) Limited oversees the management and cost effectiveness of major building projects on behalf of the Charity. There were no building projects in 2011.

Connected Charities

The Irish Blue Cross

We continued to provide grant funding to The Irish Blue Cross (based in Eire), further details are in note 17.

The Blue Cross

Report of the Trustees

For the year ended 31st December 2011

The Society for Companion Animal Studies (SCAS)

The Blue Cross, with SCAS continued to promote the benefits of the human-animal bond and through direct funding by the Blue Cross, the jointly-run Pet Bereavement Support Service provided support and information to bereaved pet owners through responding to 6,013 phone calls (2010 – 6,560) and 519 emails (2010 - 554).

Following the Blue Cross brand refresh where it has been recognised that the Blue Cross core business is to focus on pets it was decided that funding from the Blue Cross to SCAS would cease from the end of the 2012 financial year and SCAS are actively seeking alternate funding arrangements.

Assisi Animal Charities Foundation

The Blue Cross, in conjunction with four other animal charities, continued to benefit from its association with Assisi, which promotes payroll giving for the benefit of all five charities.

Welfare Associates

The Blue Cross has supported three smaller charities by giving them grants to assist in the execution of their work. Further details are shown in note 17.

Other Charities

We continue to promote, and practise, active cooperation with other major animal welfare charities for mutual benefit through shared knowledge of best practice and coordinated responses to animal welfare issues and proposed legislation.

Financial review

Principal sources of income

Our income has increased during the year to £28,604 million (2010: £26,878 million) and the principal sources are as follows:

	£'000
Donations and gifts	7,981
Legacies received	14,363
Investment income	739
Income from Blue Cross shops	1,963
Other activities for generating funds	924
Income from Charitable Activities	2,634
Total income	<u>28,604</u>

Investment policy and performance

The value of the Charity's investments have grown by £3.521 million (2010 - £2.127 million). The Board of Trustees is satisfied with this performance.

The investment portfolio is managed externally by the Charity's investment managers on a discretionary basis, subject to appropriate policies and limits established by the Trustees within the Investment and Treasury Management policy.

The Blue Cross

Report of the Trustees

For the year ended 31st December 2011

The Investment sub-committee meet with the Investment Managers on a quarterly basis to review investments and ensure that they are in accordance with the Investment and Treasury Management policy. All investments must be held in accordance with the Blue Cross Ethical Investment policy. Investments are allocated into four investment categories, namely: Long term, Restricted and Endowment Funds, Medium Term Reserves and Cash.

The Charity holds cash as part of its liquid reserves and ensures an appropriate balance between minimising risk of loss of cash holdings with maximising the return on those holdings. Treasury holdings are only permitted if they are in accordance with specific criteria which are laid out in the Investment and Treasury management policy.

Reserves policy

The Charity holds general reserves to support the organisation in countering short term financial risk whilst recognising the interaction between reserves and long term strategic objectives and capital plans.

The Board's policy is to maintain liquid reserves sufficient to counter the most significant short term financial risk to the organisation, which has been identified as a sudden fall in income. The appropriate benchmark has been determined as the ratio of liquid reserves to the amount required to cover the following expenditure:

- 6 months future budgeted expenditure which has been determined as being a sufficient timeframe to manage material cost reductions or fund emergency appeals whilst minimising the impact on our service delivery and core organisational capabilities;
- all contracted capital expenditure;
- all expenditure committed under leases through to their expiry;

The Board has reviewed this measure and decided that the minimum target ratio is 1.00. The Executive will provide justification for any material variation from this target and, where appropriate, take corrective action.

Against this measure, at 31 December 2011 the organisation is operating at a ratio of 1.8 and therefore exceeds the target reserves policy.

Plans for the future

There are ambitious plans for the future in order to meet the growing and changing needs in pet welfare. We are looking to expand our geographic footprint by delivering services in areas of the country where we do not have a presence. We are seeking to become more accessible to the pet owning public and are looking to grow awareness of The Blue Cross and our vital work.

Plans to invest in our people and grow our supporter base through a staff training programme and brand refresh are expected to result in an operating deficit for 2012. Planned growth in geographic spread will require additional capital investment, the plans for which are being prepared in 2012.

The Blue Cross

Report of the Trustees

For the year ended 31st December 2011

Statement of responsibilities of the Trustees

The Trustees are required to prepare the annual report and financial statements for each financial year in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. The Trustees are also required to prepare financial statements which give a true and fair view of the state of affairs of the Charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the Trustees are required to:

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

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

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

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Auditors

The Gallagher Partnership LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the Trustees on 29 March 2012 and signed on their behalf by



Kim Hamilton - Secretary

Independent auditors' report

To the members of The Blue Cross

We have audited the group and parent company financial statements of The Blue Cross for the year ended 31 December 2011 set out on pages 13 to 30. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable 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 charitable 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 Trustees and auditors

The trustees' (who are also the directors of The Blue Cross for the purpose of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 2006 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if in our opinion the information given in the Trustees' Annual Report is not consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the Charity's financial statements are not in agreement with those records, if we have not received all the information and explanations we require for our audit or if certain disclosures of Trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) 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 judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

Independent auditors' report

To the members of The Blue Cross

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 the group's and the parent company's affairs as at 31 December 2011 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.



Samuel Clarke
Senior Statutory Auditor
For and on behalf of
The Gallagher Partnership LLP
Statutory Auditors
London

3 APRIL 2012

The Blue Cross

Consolidated Statement of Financial Activities (incorporating an Income & Expenditure Account)

For the year ended 31st December 2011

	Unrestricted Funds Note £'000	Restricted Funds £'000	2011 Total £'000	2010 Total £'000
Incoming resources				
<i>Incoming resources from generated funds</i>				
Voluntary Income				
Donations and gifts	7,757	224	7,981	7,095
Legacies received	10,224	4,139	14,363	15,074
Activities for generating funds				
Raffle and sponsorship	332	69	401	507
Income from Blue Cross shops	1,963	-	1,963	1,325
Income from trading subsidiaries	4	523	-	184
Investment income	3	739	-	739
Incoming resources from charitable activities				
Clinical	1,318	289	1,607	1,114
Rehoming	868	79	947	910
Rehabilitation	80	-	80	115
Total incoming resources	23,804	4,800	28,604	26,878
Resources Expended				
<i>Cost of generating funds</i>				
Costs of generating voluntary income	6,080	73	6,153	5,796
Costs of Blue Cross shops	2,424	-	2,424	1,635
Investment management cost	77	-	77	50
<i>Charitable activities</i>				
Clinical	7,604	1,530	9,134	8,211
Rehoming	5,113	2,307	7,420	6,788
Rehabilitation	965	475	1,440	2,047
Advice and support	226	5	231	572
Governance Costs	148	-	148	50
Total resources expended	22,637	4,390	27,027	25,149
Net incoming resources before other recognised gains and losses	1,167	410	1,577	1,729
Realised (losses) / gains on investment assets	11	(71)	-	(71)
Net income for the year	1,096	410	1,506	1,858
Unrealised (losses) / gains on investment assets	11	(1,377)	-	(1,377)
Net movement in funds	(281)	410	129	4,144
Reconciliation of funds				
Funds brought forward at 1 January 2011	49,839	6,946	56,785	52,641
Funds carried forward at 31 December 2011	49,558	7,356	56,914	56,785

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

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Balance sheet

For the year ended 31st December 2011

		The Group		The Charity	
	Note	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Fixed assets					
Tangible assets	10	18,127	18,162	18,093	18,162
Investments	11	24,337	20,816	24,337	20,816
		42,464	38,978	42,430	38,978
Current assets					
Stocks	12	64	64	64	64
Debtors	13	1,428	1,604	1,587	1,712
Short-term deposits		7,500	10,500	7,500	10,500
Cash at bank and in hand		7,566	7,956	7,370	7,782
		16,558	20,124	16,521	20,058
Liabilities					
Creditors: Amounts falling due within one year	14	(2,108)	(2,317)	(2,072)	(2,251)
Net current assets		14,450	17,807	14,449	17,807
Net assets	15	56,914	56,785	56,879	56,785
Restricted funds	16	7,356	6,946	7,356	6,946
Unrestricted Charity funds	16	49,558	49,839	49,523	49,839
Total funds		56,914	56,785	56,879	56,785

Approved by the Trustees on 29 March 2012 and signed on their behalf by



Zair Berry FCA
Chairman
Board of Trustees



Mervyn Reed FCA
Chairman
Finance and Support Committee

Company Number 363197

The Blue Cross

Consolidated cashflow statement

For the year ended 31st December 2011

	2011 £'000	2010 £'000
Net cash inflow from operating activities	1,794	3,533
Investment income	739	554
Capital expenditure	(954)	(289)
Net movement in investment funds	<u>(4,969)</u>	<u>288</u>
(Decrease) / Increase in cash	<u>(3,390)</u>	<u>4,086</u>

Reconciliation of Operating surplus to Net cash inflow from operating activities

Net incoming resources for the year	1,577	1,729
Depreciation	989	898
(Increase)/Decrease in stocks	-	(22)
Decrease/(Increase) in debtors	176	845
Increase/(Decrease) in creditors	(209)	637
Investment income	<u>(739)</u>	<u>(554)</u>
Net cash inflow from operating activities	<u>1,794</u>	<u>3,533</u>

Analysis of cashflows for headings netted in the Cashflow Statement

Investment income

Investment income received & receivable	672	462
Interest received & receivable	<u>67</u>	<u>92</u>
	<u>739</u>	<u>554</u>

Capital expenditure

Purchase of tangible fixed assets	<u>(954)</u>	<u>(289)</u>
	<u>(954)</u>	<u>(289)</u>

Investment Funds

Purchase of investments	(7,073)	(3,797)
Sale of investments	<u>2,104</u>	<u>4,085</u>
Net movement on investment funds	<u>(4,969)</u>	<u>288</u>

	At 1 Jan 2011 £'000	Changes £'000	At 31 Dec 2011 £'000
Analysis of changes in net funds			
Net cash:			
Cash held by investment managers	2,394	(1,898)	496
Short term deposits	10,500	(3,000)	7,500
Cash in hand	<u>5,562</u>	<u>1,508</u>	<u>7,070</u>
	<u>18,456</u>	<u>(3,390)</u>	<u>15,066</u>

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

1. Accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below:

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005), applicable accounting standards and the Companies Act 2006.

The financial statements consolidate the results of the Charity and its wholly-owned subsidiaries Blue Cross (D&B) Limited and Blue Cross Trading Limited on a line by line basis. Transactions and balances between the Charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the organisations are disclosed in the notes. Detailed profit and loss accounts of The Blue Cross Trading Company and The Blue Cross (D&B) Company's activity are disclosed in notes 4 and 5 respectively.

A separate statement of financial activities, or income and expenditure account, for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded by paragraph 397 of SORP 2005.

b) Income

Charitable income is recognised on a cash received basis other than where an accruals basis provides a more accurate basis or will give a fairer representation of the underlying nature of the transaction. Income is recognised so far as there is entitlement to the income, there is certainty of its receipt and the amount is quantifiable.

c) Legacies

Legacies are treated as income when the Charity is legally entitled to the bequest and the amount can be quantified with reasonable accuracy. The date of entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. Bequests received for specific hospitals, centres and other purposes are included as restricted funds income and utilised to meet their respective costs.

d) Tangible Fixed Assets

Tangible fixed assets represent freehold land and buildings, motor vehicles and equipment. All fixed assets purchased for more than £5,000 and with an expected life of more than one year are included at cost and depreciated on the bases outlined below. Freehold land and buildings are stated at cost or at valuation. Property additions since the last revaluation are stated at cost.

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

1. Accounting policies (continued)

e) Depreciation

The Trustees have set depreciation rates that are prudent and realistic and use the following rates, all on a straight line basis, to reduce by annual instalments the cost of the tangible assets over their estimated useful lives. The land element of buildings is not depreciated.

Freehold buildings - hospitals and administration	50 years
Freehold buildings - adoption and equine centres	25 years
Leasehold improvements	5 years
Equipment	4 years
Motor vehicles	3 years
Computers	4 years

f) Listed Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date. The gain or loss for the period is taken to the Statement of Financial Activities.

g) Stocks

Stocks are valued at the lower of cost and net realisable value. Full provision is made for slow moving and obsolete items.

h) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the minimum lease term.

i) Expenditure

Costs of generating funds relate to those incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

1. Accounting policies (continued)

i) Expenditure (continued)

The support cost of management and administration of the Charity, comprising the salary and overhead costs of the central function, is apportioned to charitable activities on the basis of an estimate of staff time attributable to each activity as follows:

	2011	2010
	%	%
Cost of generating funds	10.67	5.18
Blue Cross shops	8.13	3.83
Service Delivery:		
Clinical	32.86	36.92
Rehoming	39.14	40.88
Rehabilitation	7.61	10.99
Advice and support	1.33	1.98
Governance Costs	0.26	0.22
	<u>100.00</u>	<u>100.00</u>

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

j) Pensions

The Charity contributes to a 'money purchase' pension scheme for salaried employees. Payments made to the scheme and charged in the accounts comprise current contributions. Pension contributions are charged to the statement of financial activities as incurred. The pension cost charge represents contributions payable under the terms of the employees' contracts. The Charity has no pension liabilities other than for the payment of those contributions.

k) Funds

Restricted income funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria, together with a fair allocation of overheads and support costs, are charged to these funds.

Restricted capital funds are to be used for specific capital projects as laid down by the donor or as expressed in appeal literature. Expenditure, including associated depreciation costs, is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

2. Net incoming resources for the year

	2011 £'000	2010 £'000
The net incoming resources for the year is stated after charging:		
Depreciation	989	898
External auditor's remuneration: Audit	<u>22</u>	<u>22</u>

3. Income from investments

	2011 £'000	2010 £'000
Investment income received & receivable	672	462
Interest received & receivable	<u>67</u>	<u>92</u>
	<u>739</u>	<u>554</u>

4. The Blue Cross Trading Company Limited

The Blue Cross Trading Company Ltd is a wholly owned subsidiary which primarily generates its income through commission on the sales of gifts and Christmas cards by mail order. Turnover also includes sales at the Charity's rehoming centres. Net taxable profits are transferred to The Blue Cross by way of Gift. A summary of the trading results is shown in note 6.

5. The Blue Cross (D&B) Company Limited

The Charity has set up a wholly owned subsidiary incorporated in the UK, whose main activity is to undertake the design and building of the Charity's hospitals and adoption centres in the most cost effective manner for the benefit of the Charity. Its turnover is derived from invoicing the Charity at cost for each major capital project as the costs are incurred. Any net profits would be transferred to The Blue Cross by way of Gift. A summary of the trading results is shown in note 6.

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

6. Subsidiary Companies Results

A summary of the trading results for the Blue Cross Trading Company Limited and The Blue Cross (D&B) Company are shown below:

Profit and Loss Account	The Blue Cross Trading Company Limited		The Blue Cross (D&B) Company Limited	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
Turnover	486	184	37	-
Cost of Sales	(305)	(118)	(37)	-
Operating profit	181	66	-	-
Administrative Expenses	(146)	(32)	-	-
Profit on ordinary activities	35	34	-	-
Tax on profit on ordinary activities	-	-	-	-
Profit on ordinary activities after taxation	35	34	-	-
Gifted to The Blue Cross	(35)	(34)	-	-
Retained Profit brought forward and carried forward	-	-	-	-

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

7. Total resources expended

	Generating voluntary income £'000	Blue Cross Shops £'000	Clinical £'000	Rehoming £'000	Rehabilitation £'000	Advice and support £'000	Governance £'000	Support costs £'000	Group 2011 Total £'000	Group 2010 Total £'000
Staff costs (note 8)	1,699	1,040	5,554	3,742	479	142	32	1,725	14,413	12,752
Other staff costs	59	18	141	64	32	1	53	127	495	489
Service delivery	-	-	1,440	941	198	-	-	-	2,579	2,444
PR and marketing	3,080	94	7	13	144	14	16	8	3,376	1,894
Trading costs	446	-	-	-	-	-	-	-	446	149
Appeal costs	232	-	-	-	-	-	-	-	232	2,229
Transportation costs	105	84	100	159	120	4	8	132	712	487
Administration	70	16	-	-	16	13	2	260	377	738
Grants	-	-	-	91	-	-	-	85	176	22
Property	10	713	354	586	96	-	-	285	2,044	1,758
Equipment and IT	6	69	148	119	28	-	1	369	740	796
Legal and professional	61	42	(18)	28	1	-	25	310	449	493
Depreciation	5	-	-	-	-	-	-	983	988	898
Total	5,773	2,076	7,726	5,743	1,114	174	137	4,284	27,027	25,149
Support costs reallocation	457	348	1,408	1,677	326	57	11	(4,284)	-	-
Total	6,230	2,424	9,134	7,420	1,440	231	148	-	27,027	25,149

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

8 Staff costs

	2011 Group £'000	2010 Group £'000
Wages and salaries	12,295	10,679
Social security costs	1,168	1,015
Pension contributions	454	439
	13,917	12,133
Other staff costs	496	619
	14,413	12,752

The average weekly number of employees engaged in the activities of the Charity during the year, calculated on full time equivalents, was:

	2011 Group Number	2010 Group Number
Generating voluntary income	49	24
Blue Cross shops	38	17
Clinical	152	168
Rehoming	181	186
Rehabilitation	35	50
Advice and support	6	9
Governance	1	1
	462	455

The number of employees whose emoluments (including benefits in kind) were in excess of £60,000 for the year were:

	2011 Group Number	2010 Group Number
£60,001 - £70,000	4	2
£70,001 - £80,000	4	2
£80,001 - £90,000	-	-
£90,001 - £100,000	-	2
£100,001 - £110,000	-	-
£110,001 - £120,000	1	-

Contributions made in the year for the provision of money purchase pension schemes totalled £41,598 for these 9 employees (2010 - £34,910 for 6 employees).

In accordance with the Memorandum of Association of The Blue Cross, the Trustees received no remuneration for their services during the year.

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

Total expenses incurred during the year for 14 Trustees was £8,099 (2010 - 14 Trustees £12,334).

Trustee Indemnity Insurance was provided in the year at a total cost of £2,291 to the Charity (2010 - £2,703).

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

Group	Freehold Land & Buildings £'000	Leasehold improvement £'000	Equipment £'000	Motor Vehicles £'000	Computers £'000	Total £'000
Cost						
At 1 January 2011	25,800	289	461	94	-	26,644
Additions	445	136	39	-	334	954
Disposals	-	-	-	-	-	-
At 31 December 2011	26,245	425	500	94	334	27,598
Depreciation						
At 1 January 2011	7,923	58	422	79	-	8,482
Charge for the year	802	64	28	15	80	989
Disposals	-	-	-	-	-	-
At 31 December 2011	8,725	122	450	94	80	9,471
Net Book Value						
At 31 December 2011	17,520	303	50	-	254	18,127
Net Book Value						
At 31 December 2010	17,877	231	39	15	-	18,162

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

Charity	Freehold Land & Buildings £'000	Leasehold improvement £'000	Equipment £'000	Motor Vehicles £'000	Computers £'000	Total £'000
Cost						
At 1 January 2011	25,800	289	461	94	-	26,644
Additions	445	136	0	-	334	915
Disposals	-	-	-	-	-	-
At 31 December 2011	26,245	425	461	94	334	27,559
Depreciation						
At 1 January 2011	7,923	58	422	79	-	8,482
Charge for the year	802	64	23	15	80	984
Disposals	-	-	-	-	-	-
At 31 December 2011	8,725	122	445	94	80	9,466
Net Book Value						
At 31 December 2011	17,520	303	16	-	254	18,093
Net Book Value						
At 31 December 2010	17,877	231	39	15	-	18,162
11 Fixed asset investments				Group and Charity 2011 £'000	Group and Charity 2010 £'000	
Market value at 1 January 2011				20,816	18,689	
Disposals at brought forward market value				(2,175)	(3,956)	
Acquisitions at cost				7,073	3,797	
Unrealised gains on revaluation				(1,377)	2,286	
Market value at 31 December 2011				24,337	20,816	
The above investments consist of:						
		UK	Non-UK	2011 £'000	2010 £'000	
Fixed Interest securities		5,426	783	6,209	3,131	
Other listed shares and securities		11,124	7,004	18,128	17,685	
Investments in subsidiary undertakings		-	-	-	-	
		16,550	7,787	24,337	20,816	
Historical cost as at 31 December 2011				23,511	18,471	

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

12 Stocks	Group 2011 £'000	Group 2010 £'000	Charity 2011 £'000	Charity 2010 £'000
Veterinary drugs for charitable purposes	<u>64</u>	<u>64</u>	<u>64</u>	<u>64</u>
13 Debtors	Group 2011 £'000	Group 2010 £'000	Charity 2011 £'000	Charity 2010 £'000
Income Tax Recoverable	94	200	93	200
Trade debtors	44	44	-	-
Amounts owed by group undertakings	-	-	114	52
Other debtors	21	662	21	662
Prepayments and accrued income	1,129	538	1,119	538
Loan to The Blue Cross (D&B) Co Ltd	-	-	100	100
Loan to the Irish Blue Cross	<u>140</u>	<u>160</u>	<u>140</u>	<u>160</u>
	<u>1,428</u>	<u>1,604</u>	<u>1,587</u>	<u>1,712</u>

At the balance sheet date a loan of £100k (2010 - £100k) was outstanding to The Blue Cross (D&B) Company Limited. Repayment is due by 31st December 2012.

At the balance sheet date a loan of £140k (2010 - £160k) was outstanding to The Irish Blue Cross, a registered Charity in Eire. The loan is interest free and repayment is due by 2019. The grant given to the Irish Blue Cross shown in note 17 is used to offset loan repayments.

14 Creditors: amounts falling due within one year

	Group 2011 £'000	Group 2010 £'000	Charity 2011 £'000	Charity 2010 £'000
Trade creditors	984	1,024	958	978
Social security and other taxes	329	307	329	307
Other creditors	4	84	4	74
Accruals	<u>791</u>	<u>902</u>	<u>781</u>	<u>892</u>
	<u>2,108</u>	<u>2,317</u>	<u>2,072</u>	<u>2,251</u>

15 Analysis of net assets between funds

	Restricted £'000	Unrestricted £'000	Total funds £'000
Tangible fixed assets	-	18,127	18,127
Investments	204	24,133	24,337
Net current assets	<u>7,152</u>	<u>7,298</u>	<u>14,450</u>
Net assets at the end of the year	<u>7,356</u>	<u>49,558</u>	<u>56,914</u>

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

16. Movement in funds

Purposes of restricted funds

The principal restricted funds are those held in respect of the following funds. Investment income is credited to funds where applicable. Annual depreciation and other relevant costs related to buildings and equipment are charged against the appropriate capital fund over the lifetime of the asset or until the fund is fully utilised.

	At 1 January 2011 £'000	Incoming resources £'000	Outgoing resources £'000	Gains and transfers £'000	At 31 December 2011 £'000
Restricted funds:					
<i>Restricted capital funds:</i>					
Victoria Hospital	2,988	-	-	-	2,988
Bromsgrove Adoption	167	-	-	-	167
Grimsby Hospital	1,284	-	-	-	1,284
Northiam Adoption Centre	274	-	-	-	274
Subsidiary Charities	204	-	-	-	204
Kimpton Centre	-	10	-	-	10
Thirsk Adoption Centre	1,010	3	-	-	1,013
Veterinary Equipment	82	-	-	-	82
Mobile Clinic	66	-	-	-	66
General Capital	-	34	-	-	34
Burford	-	250	-	-	250
Burford Equine	2	-	-	-	2
Southampton Centre	211	-	-	-	211
Felixstowe Centre	28	-	-	-	28
Or There's Ghillie	500	-	-	-	500
Sandbach Endowment	27	-	-	-	27
Lewknor Capital	-	279	-	-	279
Felixstowe Rebuild	-	1	-	-	1
Land at Grimsby	-	48	(48)	-	-
Total restricted capital	6,843	625	(48)	-	7,420

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

16. Movement in funds (continued)

	At 1 January 2011 £'000	Incoming resources £'000	Outgoing resources £'000	Gains and transfers £'000	At 31 December 2011 £'000
<i>Restricted income funds:</i>					
Burford Adoption Centre	82	680	(762)	-	-
Thirsk Adoption Centre	-	64	(64)	-	-
Torbay Adoption Centre	21	104	(125)	-	-
Victoria Hospital	-	1,322	(1,312)	-	10
Other Adoption Centres	-	1,356	(1,356)	-	-
Other Equine Centres	-	474	(474)	-	-
Other Hospitals	-	170	(170)	-	-
General	-	5	(5)	-	-
Spend in Year	-	-	(74)	-	(74)
<i>Total restricted income</i>	<u>103</u>	<u>4,175</u>	<u>(4,342)</u>	<u>-</u>	<u>(64)</u>
<i>Total restricted capital</i>	<u>6,843</u>	<u>625</u>	<u>(48)</u>	<u>-</u>	<u>7,420</u>
Total restricted funds	<u>6,946</u>	<u>4,800</u>	<u>(4,390)</u>	<u>-</u>	<u>7,356</u>
Unrestricted funds	<u>49,839</u>	<u>23,804</u>	<u>(22,637)</u>	<u>(1,448)</u>	<u>49,558</u>
Total funds	<u>56,785</u>	<u>28,604</u>	<u>(27,027)</u>	<u>(1,448)</u>	<u>56,914</u>

17. Related parties, subsidiary charities and welfare associates

Related parties

The Irish Blue Cross	2011 £'000	2010 £'000
Grant in the year	<u>20</u>	<u>20</u>

The Irish Blue Cross provides veterinary care in the city of Dublin and an equine welfare service for race meetings and other events in Eire.

The following Trustees of the Irish Blue Cross were also Trustees or employees of The Blue Cross:

- Kerstin Alford (Appointed 15/12/11)
- Zair Berry
- Andrew Edney (Resigned 15/12/11)
- Kim Hamilton
- Neil C Smith (Appointed 15/12/11)

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

The Society for Companion Animal Studies (SCAS)	2011	2010
	£'000	£'000
Grant in the year	<u>85</u>	<u>85</u>

The Blue Cross is a member of SCAS which is a registered Charity incorporated as a company limited by guarantee and not having a share capital. The Blue Cross liability as a member is restricted to £1. SCAS provides funding for academic studies into the interaction between people and their companion animals, publishes and distributes the results and facilitates an annual conference which brings together the leading experts and advocates in the field of the human-animal bond.

Following a review of Strategic partnerships it was agreed that funding from The Blue Cross to SCAS would cease from the end of the 2012 financial year and SCAS are actively seeking alternate funding arrangements.

The following Trustees of SCAS were also Trustees or employees of the The Blue Cross during the year:

Walter Beswick (Deceased 01/02/2011)
Andrew Edney (Retired from the Blue Cross 20/09/11)
Steve Goody
Kim Hamilton
Diane Sinclair
Neil A Smith (Resigned 31/01/2011)

Jo-Ann Fowler is the Executive Director of SCAS and is also an employee of the Blue Cross.

Subsidiary Charities

The following Charities are classified as subsidiary charities on the Charity Commission's Register and are included in the accounts. In accordance with the provisions of the Charities Acts regarding small charities, the Charity aims to utilise any small funds held by its Subsidiary Charities.

The War Horses Fund
Annie Gordon Fund
London Institute Mrs Morgan's Fund
Bertie Copinger Prichard Fund (Captive and Performing Animals Fund)
Mary Margaret Baroness Seaforth of Brahan (Sister Mabel's Free Dispensary for Sick Animals)

Edith Alice Bromley-Bourne Fund
Rosie May Hare Winton Fund
Amy Alice Baldwin Fund
Louisa Snow Fund
Lucy Anne Fraser Oldfield Fund
M I S Hounsell Fund

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

Welfare Associates

The Blue Cross has supported the following charities by giving them grants to assist in the execution of their work:

<u>Charity name</u>	<u>Amount of grant</u>
The Mayflower Sanctuary	£20,000
Mountains Animal Sanctuary	£26,000
Pet Fostering Service Scotland (PFSS)	£25,000

Connected charity

The Blue Cross is a member of Assisi Animal Charities Foundation which is a registered charity incorporated as a company limited by guarantee and not having a share capital. The Blue Cross liability as a member is restricted to £10. Assisi co-ordinates and promotes payroll giving to benefit the work of five animal charities, including The Blue Cross, on a scale that would not be economic for the charities to carry out on an individual basis.

18. Pension costs

The Charity contributes to a 'money purchase' pension scheme for salaried employees. Payments made to the scheme and charged in the accounts comprise current contributions. These contributions payable by the Charity amounted to £454k (2010 - £439k). All contributions were paid in the year.

19. Legacies

At the year-end the Charity was aware that it was a beneficiary of an estimated 534 (2010 - 542) estates where, either it was not certain that the legacy would be received, or the value could not be reliably measured. The current estimate of the total amount concerned is £11.6m (2010 - £17.1m).

20. Company status

The Blue Cross is a registered charity constituted as a Company limited by guarantee, and does not have share capital. The liability of each member is limited to £1.

The Blue Cross

Notes to the financial statements

For the year ended 31st December 2011

21. Commitments

Details of commitments at the accounting date are as follows:

Contracted for but not provided for:	2011 £'000	2010 £'000
Lewknor Admissions Unit	250	-
Torbay Veterinary Facility	61	-
IT Infrastructure Projects	128	-
	<u>439</u>	<u>-</u>

The commitments contracted for but not provided represent the contract values, less payments made for building projects in progress.

	2011 £'000	2010 £'000
Expenditure planned over next 5 years but not contracted for:		
Clinical	905	11,300
Rehoming	1,280	13,150
Blue Cross Shops	706	-
Infrastructure	590	-
Total Planned Expenditure	<u>3,481</u>	<u>24,450</u>

The reduction in planned expenditure shown above is as a result of a review of our long term capital investment programme.

22. Contingent liabilities

The Blue Cross, on occasion, is required to give indemnities to the Executors of estates where The Blue Cross is a beneficiary. The Charity does not expect these indemnities to crystallise before expiry and aims to ensure that such indemnities are limited to the value of The Blue Cross share of the legacy, have the earliest possible expiry date, and are not given on a joint and several basis. The total value of indemnities given, but not provided in the accounts, outstanding at 31 December 2011 is £443k (2010 - £155k).

23. Other financial commitments

At 31 December 2011 the Charity was committed to making the following payments under operating leases in the year to 31 December 2012:

	2011 £'000	2010 £'000
Operating leases which expire:		
Within 1 year	42	103
Within 2 to 5 years	249	258
More than 5 years	467	252
	<u>758</u>	<u>613</u>