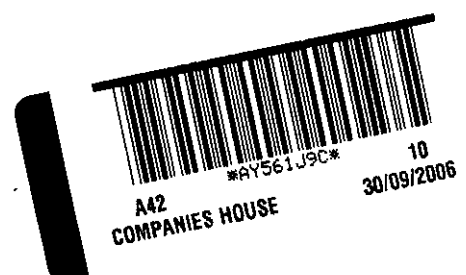


Registered Number 1544708

CROSSROADS ASSOCIATION
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006



CROSSROADS ASSOCIATION

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2006

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CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

The trustees, who are also directors of the charity for the purposes of the Companies Act 1985, present their annual report and the audited financial statements for the year ended 31 March 2006.

Reference and Administrative details

Charity number 282102
Company number 1544708
Principal address 10 Regent Place, Rugby, Warwickshire CV21 2PN

Directors and trustees

The directors of the company who served during the year ended 31 March 2006 are listed as follows:

Pauline Adams
Ezra Bennett (Resigned 2nd November 2005)
Gerald Bland (Co-opted, Appointed 19th July 2005)
Valerie Bond
David Bowler
Graham Bradshaw (Resigned 30th September 2005)
Ralph Cartwright (Treasurer) (Appointed 19th July 2005)
Patricia Collinson
Robin Foster
David Gawne
Rita Godwin
Susan Gower
Michael Hill (Appointed 19th July 2005)
Peter Mayer
Merfyn Roberts (Appointed 2nd November 2005)
John Oldham (Vice Chair)
David Wright (Chair)

There were no appointments since the year-end.

None of the directors has any interest in the share capital of the company.

Chief Executive Officer Anne Roberts

Company Secretary Carolyn Robb

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

Auditors;

Murphy Salisbury
15 Warwick Road, Stratford upon Avon
Warwickshire, CV37 6YW

Solicitors;

Reed Smith
Park House, Station Square, Coventry, CV1 2FL

Bankers;

Barclays Bank Plc
PO Box 11, North Street, Rugby, Warwickshire, CV21 2AN

Co-Operative Bank
PO Box 101, 1 Balloon Street, Manchester, M60 4EP

Investment Advisors;

Barclays Personal Investment Management
Eagle Court, Lynch Wood, Peterborough, PE2 6WY

Structure, Governance, and Management

Governing Document

The company is limited by guarantee and a registered charity governed by its Memorandum and Articles of Association dated 11 February 1981 and amended by special resolution on 3 November 1999 and 5 November 2003.

Appointment of Trustees

The Memorandum and Articles of Association of Crossroads Association state that the number of trustees shall be not less than five and will not exceed seventeen, the precise number of trustees shall be determined by the Board having regard to the geographical spread of member schemes.

At every Annual General Meeting, one third of the Board of Trustees or if their number is not three or a multiple of three, the number nearest to one third, shall retire from office but if there is only one trustee who is subject to retirement by rotation, he shall retire.

At least two months before the Annual General Meeting, notice is given to member schemes of any vacant Board positions for them to nominate individuals. The names and pen portraits are then sent to all schemes through the Electoral Reform Society who conduct the electoral process.

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

Trustees can be re-elected for a second three year period if they are successful in the election process, however, trustees will cease to hold office when they have served for a continuous period of six years except by special resolution of the Board of Trustees to the contrary.

The Board of Trustees appoints a Chair, Vice-Chair and Treasurer as unremunerated executive officers. These trustees are not subject to retirement by rotation. In addition the Board may appoint a person willing to act to fill a casual vacancy or as additional trustees if specific skills are required. These extra trustees will not exceed three in number and will not cause the total number of trustees to exceed seventeen.

The charity maintains insurance for the trustees in respect of their duties as trustees of the charity.

	2006	2005
	£	£
Insurance cost	364	364

Trustee Induction and Training

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external and internal training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees administers the charity. The board meets quarterly and there are sub-committees covering strategy and planning, finance and general purposes, policy performance and membership, operational services, and Wales, all of which meet at least quarterly. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including care provision, fundraising, finance and employment.

Related Parties

The charity's wholly owned subsidiary, Crossroads Enterprises Limited was established to operate the commercial activities including provision of insurance cover for Crossroads carer support and general merchandising. The surplus arising is transferred by deed of covenant to the charity (see note 6 to the accounts).

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

The delivery of services to carers must take account of local and national policy and regulatory requirements. Crossroads Association participates in a range of statutory and voluntary initiatives at a national level in England, Wales and Isle of Man in order to contribute to and influence the development of those services.

A strategic priority has been to identify appropriate partnerships and promote effective relationships with other organisations that seek to support carers and the people they care for.

- A national strategic partnership has been established with Macmillan Cancer Relief. The partnership has stimulated the development of palliative care services within selected Crossroads schemes in order to develop an evaluated model of such provision.
- The ACE (Action for Carers in Employment) project, led by Carers UK, has brought together a range of provider organisations in the statutory and voluntary sectors to provide services that support carers in employment.
- The Association has worked closely with Carers UK and the Princess Royal Trust for Carers to respond with a joint voice on key strategic issues that impact on carers and also to consider how best to promote more effective joint work at a local level.

Risk Management

The trustees have a risk management strategy, which comprises:

- An annual review of the risks the charity may face.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Objectives and Activities

Principal Objects

Crossroads Association's objects are to relieve the stresses experienced by carers and children and adults who have care needs as a result of disability, illness or age by offering a respite service through the provision of community-based support workers.

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

Aims

Crossroads – Caring for Carers aims to provide a range of high quality services that enable carers to take a much needed break from their caring responsibilities.

As the umbrella organisation the Association aims to provide support to the Crossroads schemes so that they are able to develop and deliver those services.

The Association also works at a national level in England, Wales and Isle of Man to raise awareness of the contribution made by carers.

Objectives for the Year

The main objectives for the year were:

- To ensure the continuing expansion of Crossroads coverage and service delivery.
- To ensure Crossroads branch schemes are sustainable and have the capability and capacity to develop.
- To ensure Crossroads Association (including in-house projects) is sustainable and has the opportunity and capacity to develop.
- To ensure that carers inform and influence the sustainable development of the organisation at all levels.
- To increase awareness of the vital role carers and Crossroads fulfil.
- To influence policy makers to ensure the needs of carers are met.
- To create an environment where everyone within Crossroads – trustees, staff and volunteers feel valued and supported.

Strategies

In order to achieve our objectives, the Association has continued to provide a range of organisational and administrative support to Crossroads schemes in England, Wales and Isle of Man.

The Association has recognised the changes in the external environment and provided a forum for debate with Crossroads schemes so that we can identify the most appropriate structures across the network to sustain existing provision, achieve growth of services and access to those services for more carers.

The quality assurance and policy framework has undergone review so that schemes are able to meet the regulatory requirements and have worked with government and the voluntary sector at a national level in England, Wales and Isle of Man to raise awareness of carers needs and contribute to policy development.

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

Significant Activities

There are two significant areas of activity:

Support to the Crossroads network through the provision of an operational framework that enables Crossroads schemes to deliver and develop services that support carers.

And

Direct Services to Carers

The Association has provided direct services to carers through the direct management of eleven local schemes. In these sites a range of different services have been provided and developed according to local need.

The Association also operated a number of local projects. As an example these include a Young Carers Project in Norfolk, the development of services for ethnic minority carers in Essex and in the North West of England a pilot carers' panel has been established to provide direct input from carers to the activities of Crossroads.

Achievements and Performance

Expanding service delivery across the network will be measured through analysis of the annual statistics submitted by schemes. This will be completed by September 2006. During the last year there has not been significant extension of geographical coverage across areas where no schemes exist, and in the light of the continued changes in the external market for the delivery of social care we continue to address this through Foundation for the Future.

The establishment of 9 regional development groups in England and the Wales Development Forum has brought together trustees and senior staff from Crossroads schemes to consider the operation of services in those areas.

Through CROQUET (Crossroads Quality Evaluation Tool) the Association has continued to support the governance and management of schemes and a detailed risk register has been developed to support trustees in their strategic planning. A comprehensive review of the care practice framework has been undertaken and nine key policies have been finalised so that they fully reflect the requirements of the Commission for Social Care Inspection (CSCI) in England and the Care Standards Inspectorate in Wales. Five more policies remain to be completed. In England we are working with CSCI to gain national endorsement of the policy framework, which will in turn facilitate inspection at a local level.

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

In order to stimulate the development of services in Wales the Association has produced guidance for the provision of Black and Minority Ethnic Support Services, and has begun a three year collaborative research project with Bangor University to support carers of people with mental health problems.

Trustees and senior staff at all 184 schemes have received monthly information mailings intended to ensure they have the appropriate range of information to *enable them to effectively govern and manage their schemes*. Specialist advice has been provided in areas such as human resources, charity law and children's services.

The In-Houses schemes have provided 132,835 hours of care and 1,226 carers have been served representing respectively an increase of 0.6% and 8.5% over the previous year. During the year the Association has reviewed the performance of the in-house schemes and taken action where it proved impossible to finalise appropriate contract conditions. In line with the agreed strategy of transferring schemes to the network Suffolk Coastal has been joined with Ipswich to create a larger scheme that will be able to develop and expand services for carers.

Norfolk Crossroads Young Carers Project is funded by Norfolk County Council's Carers Grant to give help and support to young carers. The aim of the Project is to provide a specialist and voluntary service for children and young people under the age of eighteen and resident in the county of Norfolk who provide, or intend to provide care, assistance or support to someone else, often a family member.

The project has been supporting young carers in Norfolk for over ten years working with 510 young carers and has a current caseload of 250. During the period July 2004 – June 2005 Crossroads Norfolk Young Carers Project has received 160 new referrals, an increase of 28% on the previous year.

The Project provides a range of service options including young carers' groups and individual and group outings. A key element of provision is one to one support sessions for young carers and 381 of these were provided during the year – an increase of 15.5%. The frequency and numbers of sessions is dependant on the needs of young carers and their families' wishes. Some may be seen initially on a weekly basis for up to six weeks and a few may be seen over a longer period if necessary.

Usually one to one support takes place at home or at school. It stops when the young carer joins a local support group, is supported by another agency or declines further help. When asked if the service had helped her, a young carer aged fourteen said:

"Well it gives me time away from it all and makes me more confident in going to school and getting my attendance back up"

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

Through the ACE and Macmillan national partnerships the Association has piloted services designed to support carers to remain in employment and to support carers who are caring for someone affected by cancer.

The importance of carer participation in Crossroads is acknowledged and the establishment of the North West (NW) Carers Panel has been an important step forward. Members of the panel joined a planning day in the North West of England to work with schemes to look at the range of Crossroads services and are currently planning a regional conference for 2006. Plans are in place to set up groups across the region. At a sub regional level the Association has highlighted areas of good practice in schemes in terms of carer participation – a particular example of which is the service provided in North Somerset.

A key piece of research was undertaken in Norfolk into the needs of carers supporting people with drug and alcohol problems.

Financial review

This is the first year the accounts have been prepared adopting the Accounting and Reporting by Charities: Statement of Recommended Practice (2005) issued in March 2005. Accordingly the prior comparative figures have been restated for consistency.

Summary

There was a surplus of £3,871 (2005 - surplus £85,128) of consolidated incoming resources over resources used in the financial year ending 31 March 2006. A surplus on unrestricted activities of £201,981 (2005 - £138,889), before transfers *was eliminated by the deficit from In House schemes and the utilisation of Designated Funds.* Funding levels from trusts and corporate donors will be difficult to maintain at this level and plans for expansion of committed giving are presented in "plans for the future" section.

In House schemes deficit at £183,327 (2005 - £100,381), before transfers, was significantly higher than in the previous year. During the year two non-viable schemes were closed and agreement was reached for a third scheme to merge with a network scheme. The combined deficit including closure costs of these three schemes was £93,045. Future plans for the remaining schemes are detailed in "plans for the future" section.

Designated Fund expenditure totalled £6,600 during the financial year. The surplus on the unrestricted activities of the Association has enabled a further £70,869 to be designated to support the committed giving campaign, whilst still maintaining the General Reserves of the Association at the agreed level. In addition there was a further transfer to Restricted Activities of £52,341 to absorb deficits on projects as per Note 14.

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

Statement of financial activities

Consolidated incoming resources from generated funds were £1,427,505 for the year (2005 - £1,396,792), whilst income resources from charitable activities were £3,468,865 (2005 - £3,290,062).

Income from generated funds for Unrestricted Activities was £1,067,540 (2005 - £1,119,096) reflecting an increase in trust and corporate funding of £84,865 and a fall in general donations and insurance income of £97,461 and £36,202 respectively over the previous year. Income from charitable activities, which comprises mainly membership fees, increased by £48,688 during the year. In addition there was a gift-in-kind of £50,000 to support the cost of the London Office.

Income from charitable activities received by our In House schemes was £1,911,189, an increase of £121,691 compared to the previous year and included significant increases in funding for Leicester and North West Hertfordshire schemes. Of the remaining nine schemes, four had reduced levels of funding from the previous year. In some schemes, including those now closed, services were provided at an uneconomic level. Financial targets have been set for each of the remaining schemes which, if not met, will lead to further closures.

Income from Restricted Activities from generated funds was £279,769, with an increase of £71,975 over the prior year. A lottery funding increase of £28,229 provided a major part of the increase. Income from charitable activities at £1,150,947 was at a similar level to the previous year.

The cost of generating funds at £704,616 (inclusive of insurance costs of £468,924) was £25,562 lower than last year whilst the incoming resources from voluntary income rose by £62,724. These costs consist mainly of the fundraising and PR department. It has not been possible to retrospectively split the costs between the department's twin functions to enable an appropriate comparison of income raised and its attendant cost.

In total the resources expended on charitable activities increased by £310,363 to £4,117,311.

Resources expended on supporting the network were £1,127,204 (2005 - £1,032,907) and reflected an increase on project spending within Restricted Funds. The two major contributors to this increase were:

- A research project on mental health costing £47,080

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

- £34,102 spent on a pilot project to support carers who are caring for someone affected by cancer

Resources expended on carers were £2,990,107 (2005 - £2,774,041). Within In House schemes, providing care to carers direct from the Association, expenditure increased by £214,934. The major cost increase was payroll costs of £132,999. This reflected the increased activity of these schemes. Project spending within Restricted Funds was marginally higher than last year at £815,395. Within this total there is a major project for supporting the Norfolk help line at £228,715.

Total expenditure within unrestricted activities for the Association itself, rather than the group, was £789,648 net of management fee income of £213,308

Balance Sheet

The consolidated net incoming resources for the year of £3,871 (2005 – incoming £85,128) was adjusted by a net increase in the market value of investments of £71,185. This provides a total consolidated net asset value for the Association at 31 March 2006 of £2,083,334 (2005 - £2,009,050, see Note 12).

Current Assets included cash and cash equivalents held by the group at 31 March 2006 of £1,249,289 (2005 - £1,308,077). This sum included a number of cash balances, which were held in interest bearing accounts in support of restricted projects listed in Note 14.

Reserves policy and performance

During the year the trustees have made two changes to reserve policies:

- The reserves of the In House schemes have previously been shown within restricted reserves. These reserves have been reclassified and transferred in to unrestricted reserves and shown separately. Where funds have been provided to schemes with restrictions these have then be transferred back into restricted reserves and shown in note 18 to the accounts as £4,486.
- The Board have had an established policy that the General Reserve Fund should be approximately equal to six months of the Association's forecasted unrestricted expenditure and that funds in excess of this level should be used to assist the Association's development. The policy has now been changed so that the General Reserve Fund should be approximately equal to six months of the Association's forecasted unrestricted expenditure excluding the unrestricted expenditure of the In House schemes.

The reserves of the Group increased by £74,284 over the financial year and totalled £2,083,334 at 31 March 2006 as described in note 12 to the Accounts.

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

As shown in note 18 to the Accounts transfers from unrestricted reserves of £123,210 were made to:

- Restricted funds to absorb deficits on restricted projects of £52,341.
- Designated funds of £70,869 for development of the Association.

Much of the designated fund has been allocated to income generation through a programme of committed giving. It is anticipated that 55% of the fund will be spent during the next twelve months primarily in this area. Further activity in the following year is anticipated. Additional reference to this activity is made in the "plans for the future" section.

Investment policy and performance

Cash resources that are not required to support the Association in the short to medium term are invested through the Association's appointed Investment advisors. The advisors have the following investment guidelines approved by the Association's Board of Directors and Trustees:

- At least 50% of the investments should be in gilts or other fixed interest securities. The remainder should be invested in equities of medium to low risk nature and generally should be FTSE 100.
- Although growth is an objective, annual income is essential.
- Any individual equity holding should not be more than 5% of the total portfolio and multiple holdings in an individual market sector should not exceed 10% of the investment.

The fund managers are not required to consider social, environmental, or ethical matters in stock selection.

During the year all investments in equities and bonds were transferred into a collective fund.

Growth of 11% (2005 - 5%) was achieved on the market value of investments during the financial year reflecting the buoyant market conditions, whilst investment income was £26,458 providing a 4% return on the capital invested.

Crossroads Enterprises Limited

A summary of the trading results for Crossroads Enterprises Limited is shown in Note 6 to the accounts.

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

A surplus of £8,511 was transferred by deed of covenant to the Association (2005 - £24,835). With the exception of the supporting costs and activity for the insurance cover required for Crossroads carer support, the other trading activities of Crossroads Enterprises continue at a reduced level remaining on a care and maintenance only basis.

Plans for the Future

The change in the external environment and the way that health and social care will be delivered will remain an important issue for the Crossroads network. The Association will continue to lead the change agenda through Foundation for the Future so that sustainable operational units will be well placed to deliver more services to more carers. We will pursue opportunities to bring additional investment into the network so that we can stimulate services in areas where there is currently no coverage – such as the South West of England.

A major campaign for committed giving is planned in the next twelve months. A commercial organisation has been retained to increase the donor base and as a first step an increase of 2,000 donors is planned. This organisation is remunerated with a fee per donor on sign up. Income, which is anticipated to take around thirteen months to be cash neutral, will be allocated as unrestricted whilst the cost will be met from the designated fund.

At the start of the new financial year there are nine in house schemes providing carer support. It is planned that these will transfer and merge within the external network of schemes enabling the Association to concentrate more on supporting the network. Where there are no opportunities to transfer schemes they will be retained to provide care services providing they are financially viable.

Trustees Responsibilities

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the charity for that period. 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable to ensure that the financial statements comply with the Companies Act 1985. 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.

CROSSROADS ASSOCIATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2006

Statement as to Disclosure of Information to Auditors

In accordance with company law, as the company's directors, we certify that:

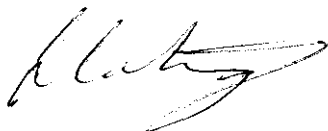
- So far as we are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware.
- As the directors of the company we have taken all the steps that we ought to have taken in order to make the auditors aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting to remove Murphy Salisbury as auditors. It will be recommended that BDO Stoy Hayward be appointed as auditors for the ensuing year.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005).

By order of the Board.



Ralph Cartwright
Trustee
19 July 2006

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CROSSROADS ASSOCIATION

We have audited the financial statements of Crossroads Association for the year ended 31 March 2006 on pages 17 to 43. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, 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 auditors' 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 Directors and Auditors

As described on page 13, the charity's trustees who are also the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK 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 the Companies Act 1985. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK 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 judgements made by the directors 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.

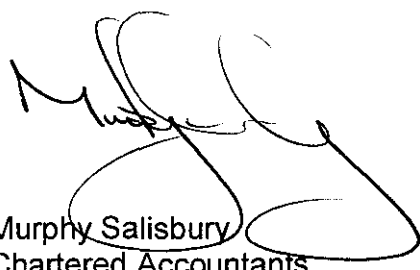
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF CROSSROADS
ASSOCIATION**

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2006 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



Murphy Salisbury
Chartered Accountants
Registered Auditors
15 Warwick Road
Stratford-Upon-Avon
Warwickshire
CV37 6YW

19 July 2006

CROSSROADS ASSOCIATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2006

		Consolidated					
	NOTE	Unrestricted Funds £	In house schemes Funds £	Designated Funds £	Restricted Funds £	Total Funds 31 Mar 06 £	Total Funds 31 Mar 05 Restated £
<u>Incoming resources</u>							
<u>Incoming resources from generated funds</u>							
Voluntary income							
Funding from trusts & corporate donors		272,039	5,832	-	66,725	344,596	233,357
General donations including committed giving & other sundry income (inc Gift Aid)		131,023	50,565	-	22,623	204,211	273,985
National Gardens Scheme		65,000	-	-	-	65,000	62,170
Grants for core funding		700	-	-	-	700	10,500
Lottery funding		-	-	-	171,997	171,997	143,768
Gifts in kind		50,000	-	-	-	50,000	50,000
		518,762	56,397	-	261,345	836,504	773,780
Activities for generating funds							
Income from training & publications		2,938	2,220	-	18,424	23,582	28,376
Merchandising		14,568	-	-	-	14,568	17,812
Insurance		468,924	-	-	-	468,924	505,126
		486,430	2,220	-	18,424	507,074	551,314
Investment income							
Dividends		26,458	-	-	-	26,458	17,277
Interest		35,890	21,579	-	-	57,469	54,421
		62,348	21,579	-	-	83,927	71,698
Total incoming resources from generated funds							
		1,067,540	80,196	-	279,769	1,427,505	1,396,792
Incoming resources from charitable activities							
Income to support the network	16	406,729	-	-	394,725	801,454	698,363
Income to support carers	17	-	1,911,189	-	756,222	2,667,411	2,591,699
Total incoming resources from charitable activities							
		406,729	1,911,189	-	1,150,947	3,468,865	3,290,062
Total incoming resources							
		1,474,269	1,991,385	-	1,430,716	4,896,370	4,686,854
Less: Costs of generating funds	5	704,616	-	-	-	704,616	730,178
Governance costs	5	70,572	-	-	-	70,572	64,600
Total incoming resources available for charitable application							
		699,081	1,991,385	-	1,430,716	4,121,182	3,892,076

	NOTE	Unrestricted Funds £	In house schemes Funds £	Designated Funds £	Restricted Funds £	Total Funds 31 Mar 06 £	Total Funds 31 Mar 05 Restated £
<u>Resources expended</u>							
Resources expended on charitable activities							
Costs to support the network	5	497,100	-	6,600	623,504	1,127,204	1,032,907
Costs to support carers	5	-	2,174,712	-	815,395	2,990,107	2,774,041
		497,100	2,174,712	6,600	1,438,899	4,117,311	3,806,948
Total resources expended							
		1,272,288	2,174,712	6,600	1,438,899	4,892,499	4,601,726
<u>Net incoming/(outgoing) resources before transfers</u>							
		201,981	(183,327)	(6,600)	(8,183)	3,871	85,128
Gross Transfers Between Funds	18	(123,210)	(4,486)	70,869	56,827	-	-
<u>Net incoming/(outgoing) resources before other recognised gains and losses</u>							
		78,771	(187,813)	64,269	48,644	3,871	85,128
Other recognised gains/losses							
Gains on revaluation of fixed assets for charity's own use		-	-	-	-	-	103,690
Gains/losses on investments	9	70,413	-	-	-	70,413	31,301
<u>Net movement in funds</u>							
		149,184	(187,813)	64,269	48,644	74,284	220,119
Reconciliation of funds							
Total funds brought forward (restated)		693,517	506,095	351,736	457,702	2,009,050	1,788,931
<u>Total funds carried forward</u>							
		842,701	318,282	416,005	506,346	2,083,334	2,009,050

Continuing Operations

None of the activities were acquired or discontinued during the current and previous years

The notes on pages 26 to 43 form part of these accounts.

**CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR
THE YEAR ENDED 31 MARCH 2006**

	Note	2006 £	2005 Restated £
Total income of continuing activities		4,838,901	4,632,433
Total expenditure of continuing activities		<u>(4,892,499)</u>	<u>(4,601,726)</u>
Operating (deficit)/surplus		(53,598)	30,707
Interest receivable		<u>57,469</u>	<u>54,421</u>
Surplus on ordinary activities before taxation		3,871	85,128
Taxation		-	-
Retained surplus for the year		<u><u>3,871</u></u>	<u><u>85,128</u></u>

Total income of continuing activities comprises £3,408,185 for unrestricted funds and £1,430,716 for restricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities.

Turnover of non-charitable trading activities amounted to £483,261. A detailed analysis is shown in note 6.

Detailed analyses of the expenditure are provided in the Statement of Financial Activities and note 5.

The Summary of Income and Expenditure account is derived from the Statement of Financial Activities on pages 17 and 18, which together with the notes to the accounts on pages 26 to 43 provides full information on the movements during the year on all the funds of the group.

CROSSROADS ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2006

		Association					
	NOTE	Unrestricted Funds £	In house schemes Funds £	Designated Funds £	Restricted Funds £	Total Funds 31 Mar 06 £	Total Funds 31 Mar 05 Restated £
<u>Incoming resources</u>							
<u>Incoming resources from generated funds</u>							
Voluntary income							
Funding from trusts & corporate donors		272,039	5,832	-	66,725	344,596	233,357
General donations including committed giving & other sundry income (inc Gift Aid)		131,023	50,565	-	22,623	204,211	273,470
National Gardens Scheme		65,000	-	-	-	65,000	62,170
Grants for core funding		700	-	-	-	700	10,500
Lottery funding		-	-	-	171,997	171,997	143,768
Gifts in kind		50,000	-	-	-	50,000	50,000
		518,762	56,397	-	261,345	836,504	773,265
Activities for generating funds							
Income from training & publications		2,938	2,220	-	18,424	23,582	28,376
Merchandising		231	-	-	-	231	283
		3,169	2,220	-	18,424	23,813	28,659
Investment income							
Subsidiary income		8,511	-	-	-	8,511	24,835
Dividends		26,458	-	-	-	26,458	17,277
Interest		28,000	21,579	-	-	49,579	45,719
		62,969	21,579	-	-	84,548	87,831
Total incoming resources from generated funds		584,900	80,196	-	279,769	944,865	889,755
Incoming resources from charitable activities							
Income to support the network	16	406,729	-	-	394,725	801,454	698,363
Income to support carers	17	-	1,911,189	-	756,222	2,667,411	2,591,699
Total incoming resources from charitable activities		406,729	1,911,189	-	1,150,947	3,468,865	3,290,062
Total incoming resources		991,629	1,991,385	-	1,430,716	4,413,730	4,179,817

		Association					
		Unrestricted Funds £	In house schemes Funds £	Designated Funds £	Restricted Funds £	Total Funds 31 Mar 06 £	Total Funds 31 Mar 05 Restated £
NOTE							
Less: Costs of generating funds	5	213,465	-	-	-	213,465	198,306
Governance costs	5	70,572	-	-	-	70,572	64,600
Total incoming resources available for charitable application		707,592	1,991,385	-	1,430,716	4,129,693	3,916,911
Resources expended							
Resources expended on charitable activities							
Costs to support the network	5	505,611	-	6,600	623,504	1,135,715	1,057,742
Costs to support carers	5	-	2,174,712	-	815,395	2,990,107	2,774,041
		505,611	2,174,712	6,600	1,438,899	4,125,822	3,831,783
Total resources expended		789,648	2,174,712	6,600	1,438,899	4,409,859	4,094,689
Net incoming/(outgoing) resources before transfers		201,981	(183,327)	(6,600)	(8,183)	3,871	85,128
Gross Transfers Between Funds	18	(123,210)	(4,486)	70,869	56,827	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		78,771	(187,813)	64,269	48,644	3,871	85,128
Other recognised gains/losses							
Gains on revaluation of fixed assets for charity's own use		-	-	-	-	-	103,690
Gains/losses on investments	9	70,413	-	-	-	70,413	31,301
Net movement in funds		149,184	(187,813)	64,269	48,644	74,284	220,119
Reconciliation of funds							
Total funds brought forward (restated)		686,381	506,095	351,736	457,702	2,001,914	1,781,795
Total funds carried forward		835,565	318,282	416,005	506,346	2,076,198	2,001,914

Continuing Operations

None of the activities were acquired or discontinued during the current and previous years

The notes on pages 26 to 43 form part of these accounts.

CROSSROADS ASSOCIATION
CONSOLIDATED BALANCE SHEET AT 31 MARCH 2006

	Note	2006 £	2005 Restated £
<u>Fixed Assets</u>			
Tangible fixed assets	8	214,972	204,185
<u>Investments</u>			
Investments	9	690,312	602,529
Total fixed assets		905,284	806,714
<u>Current Assets</u>			
Stocks and work in progress		8,272	7,161
Debtors	10	292,993	269,368
Short term deposits		820,584	661,930
Cash at bank and in hand		428,705	646,147
		1,550,554	1,584,606
<u>Creditors:</u> amounts falling due within one year	11	372,504	382,270
<u>Net Current Assets</u>		1,178,050	1,202,336
<u>Net Assets</u>		2,083,334	2,009,050
<u>Funds</u>			
<u>Restricted income funds</u>	12,14	506,346	457,702
<u>Unrestricted income funds:</u>			
General reserve	12	667,826	555,118
In house scheme reserves	12,15	318,282	506,095
Designated reserve	12	416,005	351,736
Revaluation reserve	12	174,875	138,399
Total unrestricted income funds		1,576,988	1,551,348
		2,083,334	2,009,050

The financial statements were approved by the board on 19th July 2006 and were signed on its behalf by:



David Wright
Chair

CROSSROADS ASSOCIATION

BALANCE SHEET AT 31 MARCH 2006

	Note	2006 £	2005 Restated £
<u>Fixed Assets</u>			
Tangible fixed assets	8	214,972	204,185
<u>Investments</u>			
Investments	9	690,313	602,530
Total fixed assets		905,285	806,715
<u>Current Assets</u>			
Debtors	10	325,663	290,570
Short term deposits		820,584	661,930
Cash at bank and in hand		391,804	618,769
		1,538,051	1,571,269
<u>Creditors:</u> amounts falling due within one year	11	367,138	376,070
<u>Net Current Assets</u>		1,170,913	1,195,199
<u>Net Assets</u>		2,076,198	2,001,914
<u>Funds</u>			
<u>Restricted income funds</u>	12,13	506,346	457,702
<u>Unrestricted income funds:</u>			
General reserve	13	660,690	547,982
In house scheme reserves	12,15	318,282	506,095
Designated reserve	13	416,005	351,736
Revaluation reserve	13	174,875	138,399
<u>Total unrestricted income funds</u>		1,569,852	1,544,212
		2,076,198	2,001,914

The financial statements were approved by the board on 19th July 2006 and were signed on its behalf by:



David Wright
Chair

CROSSROADS ASSOCIATION

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2006

	Note	2006 £	2005 £
Net cash outflow from operating activities	1	(103,114)	(124,933)
Returns on investment and the servicing of finance			
Dividends		26,458	23,097
Interest		57,469	54,421
		83,927	77,518
Investing activities			
Purchase of tangible fixed assets		(23,026)	(33,593)
Proceeds from sale of tangible fixed assets		23	150
Purchase of investments		(619,127)	(55,265)
Proceeds from sale of investments		602,529	59,875
		(39,601)	(28,833)
(Decrease) in cash and cash equivalents	2	(58,788)	(76,248)
Cash and cash equivalents at 31 March 2005		1,308,077	1,384,325
Cash and cash equivalents at 31 March 2006		1,249,289	1,308,077

1. Reconciliation of Changes in Resources to Net Cash Outflow from Operating Activities

Change in resources before revaluations	3,871	85,127
Depreciation	12,239	10,172
(Gain) from sale of tangible fixed assets	(23)	(150)
(Loss) on disposal of investments	(772)	-
(Increase)/Decrease in stocks	(1,111)	725
(Increase) in debtors	(23,625)	(126,608)
(Decrease) in creditors	(9,766)	(16,681)
Dividends	(26,458)	(23,097)
Interest	(57,469)	(54,421)
	(103,114)	(124,933)

2. Analysis of Changes in Cash and Cash Equivalents during the year

	2006	2005	Change in year
Cash at bank and in hand	1,249,289	1,308,077	(58,788)

CROSSROADS ASSOCIATION

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2006

	Note	2006 £	2005 £
Net cash outflow from operating activities	1	(113,258)	(142,703)
Returns on investment and the servicing of finance			
Subsidiary income		8,511	24,835
Dividends		26,458	23,097
Interest		49,579	45,719
		84,548	93,651
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(23,026)	(33,593)
Proceeds from sale of tangible fixed assets		23	150
Purchase of investments		(619,127)	(55,265)
Proceeds from sale of investments		602,529	59,875
Net cash (outflow) from investing activities		(39,601)	(28,833)
(Decrease) in cash and cash equivalents	2	(68,311)	(77,885)
Cash and cash equivalents at 31 March 2005		1,280,699	1,358,584
Cash and cash equivalents at 31 March 2006		1,212,388	1,280,699

1. Reconciliation of Changes in Resources to Net Cash Outflow from Operating Activities

Changes in resources before revaluations	3,871	85,127
Depreciation	12,239	10,172
(Gain) from sale of tangible fixed assets	(23)	(150)
(Loss) on disposal of investments	(772)	-
(Increase) in debtors	(35,093)	(128,252)
(Decrease) in creditors	(8,932)	(15,949)
Subsidiary income	(8,511)	(24,835)
Dividends	(26,458)	(23,097)
Interest	(49,579)	(45,719)
	(113,258)	(142,703)

2. Analysis of Changes in Cash and Cash Equivalents during the year

	2006	2005	Change in year
Cash at bank and in hand	1,212,388	1,280,699	(68,311)

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments and freehold property which are included at market value, and in accordance with the Statement of *Recommended Practice, Accounting and Reporting by Charities* (SORP 2005) issued in March 2005, applicable accounting standards and the Companies Act 1985. The consolidated financial statements incorporate the full results of the charity's trading subsidiary.

The principal accounting policies adopted in the preparation of the financial statements are as follows:-

b) Tangible Fixed Assets

Individual tangible fixed assets costing £100 or more are capitalised at their purchase cost, together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:-

	%
Motor vehicles	25
Fixtures and fittings	10 – 33⅓

Gifted assets are not capitalised unless they have a material value.

Freehold land and buildings are shown in the balance sheet at valuation rather than historical cost. The company has chosen a policy of revaluation in accordance with FRS 15.

This contravenes the Companies Act 1985 which states that all tangible fixed assets should be depreciated. It has been adopted to provide a true and fair view.

Had this policy not been adopted freehold buildings would have depreciated at 2.5% per annum on a straight line basis giving an annual charge of £2,126.

c) Investments

Quoted Investments are stated at their market value as determined by our investment advisors. Any gain or loss is taken to the Statement of Financial Activities.

Investments in subsidiary undertakings are stated at cost.

d) Stock

Stock is stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis. Where necessary provision is made for obsolete, slow moving and defective stock.

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

e) Pension and Retirement Benefits

The company operates a defined contribution pension scheme for employees. The company funds pension liabilities by payments to a separately managed pension fund. Payments made to the fund are charged in the financial statements in the period to which they relate.

f) Incoming Resources

Incoming resources are accounted for on an invoiced basis by the company, net of Value Added Tax. Donations and legacies are included in incoming resources when they are receivable. The income from any fundraising activities is shown gross, with associated costs included in costs of generating funds. Grants are accounted for on an accruals basis.

g) Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, exclusive of any Value Added Tax. Expenditure is recognised when a liability is incurred either explicitly or constructively.

- Costs of generating funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds,
- Charitable expenditure is divided into that spending which supports the network of affiliated schemes and that which provides support to carers directly, either through the in house schemes or through projects which are based on direct support to carers,
- Governance costs include direct spending on expenses for trustees and also an appropriate proportion of the costs of departments which support the governance of the charity,
- Support costs include central functions which have been allocated to activities on the basis of the use of resources.

h) Operating Leases

Rentals payable under operating leases are charged in the Statement of Financial Activities as incurred.

i) Prior Period Adjustments

- (i) Following the introduction of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005), the 2005 comparative figures have been re-analysed in line with the requirements of the SORP 2005.

There is no effect on the surplus for either the current or previous years.

- (ii) During the year, the Trustees have undertaken a review of the classification of various funds. This review resulted in the adoption of a revised presentation, which the Trustees believe provides a more meaningful categorisation of funds.

The Trustees now consider the activities of the in house schemes constitute a Designated Fund. This has resulted in the reclassification of reserves brought forward between In House and Restricted Funds. In

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

House Funds brought forward have been increased by £506,095 and Restricted Funds have been reduced by a similar amount. The effect on this year's results has been to decrease the In House Funds deficit by £187,813 and decreasing the Restricted Funds deficit by a similar amount. The overall effect on the reserves carried forward has been to increase In house Funds by £318,282 and reduce Restricted Funds by a similar amount.

j) Taxation

Crossroads Association is registered with the Charity Commission and under the provisions of Section 505, Income and Corporation Taxes Act 1988, is exempt from liability to taxation.

k) Fund accounting

The Charity's funds comprise:

Unrestricted Funds -	these are funds that can be used in accordance with the Charity's objects at the discretion of the Trustees.
Restricted Funds -	these are funds received under a specific trust and <i>can only be used for the specific purposes</i> determined by the donors.
Designated Funds -	these are funds that can be used in accordance with the Charity's objects which have been specifically allocated by the Trustees.
In House Funds -	these are designated funds.

l) Valuation of donated services

Where goods and services have been donated to the Charity, the trustees value these on a deemed market value basis.

2. OPERATING RESULTS

	2006		2005	
	Group £	Company £	Group £	Company £
The operating results are stated after charging:				
Depreciation of owned fixed assets	12,239	12,239	10,172	10,172
Auditors remuneration	14,000	12,000	14,250	12,000
Operating lease rentals:				
Land and buildings	123,565	123,565	113,794	113,794
Other	10,965	10,965	10,965	10,965

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

3. TRUSTEES' REMUNERATION

Group and company

The trustees neither received nor waived any emoluments during the year (2005: £nil)

Out of pocket expenses were reimbursed to trustees as follows:

2006 Number	2005 Number	2006 £	2005 £
15	15	21,203	8,146

4. STAFF COSTS

	Group 2006	Company 2006	Group 2005	Company 2005
Wages, Salaries & Redundancy costs	2,624,121	2,620,380	2,365,040	2,358,894
Social security costs	196,067	194,420	172,172	170,525
Pension costs	67,944	66,986	65,304	64,346
	2,888,132	2,881,786	2,602,516	2,593,765

Note: Redundancy costs included in above amount to £8,596 (2005 - £nil).

No employee earned more than £60,000.

The average monthly number of employees during the year was:-

	Group <u>2006</u>	Company <u>2006</u>	Group <u>2005</u>	Company <u>2005</u>
Central Structure (Central office, appeals & area staff)	23	22	26	25
In House projects & schemes	212	212	220	220
Total	<u>235</u>	<u>234</u>	<u>246</u>	<u>245</u>

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

5. RESOURCES EXPENDED

Company

	Employment costs including training £	Facility and service costs £	Compliance costs £	Fundraising and PR costs £	Other costs inc project costs £	Total £
Costs of generating funds	97,792	63,952	-	48,194	3,527	213,465
Governance costs	41,740	27,296	-	984	552	70,572
Charitable activities						
Support to network	779,794	218,731	12,000	1,095	124,095	1,135,715
Support to carers	2,194,525	391,560	1,236	9,184	393,602	2,990,107
Total charitable activities	2,974,319	610,291	13,236	10,279	517,697	4,125,822
Total resources expended	3,113,851	701,539	13,236	59,457	521,776	4,409,859
Total resources expended 2005	2,830,974	524,300	18,775	55,005	665,636	4,094,689

Group

	Employment costs including training £	Facility and service costs £	Compliance costs £	Fundraising and PR costs £	Other costs inc project costs £	Total £
Costs of generating funds	104,139	538,246	2,000	48,194	12,037	704,616
Governance costs	41,740	27,296	-	984	552	70,572
Charitable activities						
Support to network	779,794	218,731	12,000	1,095	115,584	1,127,204
Support to carers	2,194,525	391,560	1,236	9,184	393,602	2,990,107
Total charitable activities	2,974,319	610,291	13,236	10,279	509,186	4,117,311
Total resources expended	3,120,198	1,175,833	15,236	59,457	521,775	4,892,499
Total resources expended 2005	2,839,724	1,020,587	20,775	55,005	665,635	4,601,726

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

6. NET INCOME FROM SUBSIDIARY UNDERTAKING

The Charity has one wholly owned trading subsidiary, Crossroads Enterprises Limited, which operates as a general trading commercial company selling merchandise. A summary of its trading results is shown below. Audited financial statements are available from Companies House.

Profit & Loss Account - Crossroads Enterprises Limited

	2006	2005
Turnover	483,261	523,170
Cost of Sales	472,552	480,420
Gross Profit	10,709	42,750
Administrative Costs	18,599	51,452
Operating (Loss)	(7,890)	(8,702)
Interest receivable and similar income	7,890	8,702
Net Profit before taxation	-	-
Taxation	-	-
Retained in subsidiary	-	-

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

7. GRANTS RECEIVED

Group and Company

	2006	2005
	£	£
The following material grants were received in the year:		
Welsh Assembly Government S64	187,370	187,286
Hertfordshire County Council	-	294,000
Norfolk County Council	398,906	428,697
Leicester City Council	232,186	229,600
Essex County Council	95,640	119,881
Suffolk County Council	115,876	93,982
Blackburn with Darwen Council	82,348	90,535
Cheshire County Council	77,000	73,000
Milton Keynes Council	20,000	15,000
Gwynedd Council	62,648	62,648
Isle of Wight Council	121,862	94,335
Northamptonshire County Council	38,577	26,474
Zurich	40,000	20,000
Northampton PCT	30,908	30,361
Epping Forest PCT	26,189	26,189
Macmillan	94,000	100,000

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

8. TANGIBLE FIXED ASSETS

Group and company

	Leasehold land & buildings £	Motor Vehicles £	Fixtures & Fittings £	Total £
Cost or valuation				
At 1 April 2005	170,000	18,995	62,946	251,941
Additions	-	-	23,026	23,026
At 31 March 2006	170,000	18,995	85,972	263,127
Depreciation				
At 1 April 2005	-	12,229	35,527	47,756
Charge for the year	-	3,999	8,240	12,239
At 31 March 2006	-	16,228	43,767	59,995
Net Book Values				
At 31 March 2006	170,000	2,767	42,205	214,972
At 31 March 2005	170,000	6,766	27,419	204,185

The freehold land and buildings were revalued on 1 June 2005 at £170,000, by the external estate agents Hawkins Smith and Green, members of RICS. The basis of the valuation is at market value with vacant possession. The trustees consider that the value of the freehold land and buildings at the year-end was not materially different to that at the date of valuation. The historical cost of this asset is £85,060.

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

9. INVESTMENTS

All investments are held primarily to provide an investment return for the charity

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Market value or cost at 1 April 2005	602,529	575,837	602,530	575,838
Less: disposals at opening book value	(602,529)	(57,907)	(602,529)	(57,907)
Add: Acquisitions at cost	619,127	55,265	619,127	55,265
Add: Net surplus on revaluations at 31 March 2006	71,185	29,334	71,185	29,334
Market Value or cost at 31 March 2006	690,312	602,529	690,313	602,530
Historical cost at 31 March 2006	619,127	567,820	619,128	567,821

Market Value or cost at 31 March 2006 is represented by:

Market value of UK listed investments	690,312	602,529	690,312	602,529
Cost of unlisted investment in subsidiary company	-	-	1	1
	690,312	602,529	690,313	602,530

Market value of UK listed investments includes the following significant individual investments:

Barclays portfolios (IRL) UK Balanced portfolio GBP 'B' Dist	628,098	-	628,098	-
Barclays portfolios (IRL) Income portfolio GBP 'B' Dist	62,214	-	62,214	-

The cost of the unlisted investment in the subsidiary represents a 100% holding in Crossroads Enterprises Limited, a company which carries on the business of a general commercial company, whose profits are covenanted in full to support the work of Crossroads Association. The aggregate capital and reserves of Crossroads Enterprises Limited at 31 March 2006 was £7,137 (2005 - £7,137).

Total gains and losses on investments

	Group		Company	
	2006	2005	2006	2005
	£	£	£	£
Realised (losses)/gains	(772)	1,967	(772)	1,967
Unrealised gains as above	71,185	29,334	71,185	29,334
	70,413	31,301	70,413	31,301

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

10. DEBTORS

	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
Trade debtors	138,796	138,120	228,070	224,437
Other debtors	125,370	125,370	24,970	24,970
Prepayments	28,827	28,827	16,328	16,328
Amounts due from group undertaking	-	33,346	-	24,835
	292,993	325,663	269,368	290,570

11. CREDITORS: Amounts falling due within one year

	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
Trade creditors	41,067	36,187	56,351	54,849
Social security & other taxation	34,014	34,014	17,194	16,746
Accruals	281,068	280,582	293,370	288,120
Other creditors	16,355	16,355	16,355	16,355
	372,504	367,138	382,270	376,070

Both group and company creditors include an amount of £10,742 (2005 - £8,951) relating to outstanding pension contributions.

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

12. RESERVES FOR THE GROUP

	General Fund £	In house schemes £	Designated Funds £	Restricted Funds £	Revaluation Reserve £	Total £
At 1 April 2005 (Restated)	555,118	506,095	351,736	457,702	138,399	2,009,050
Net incoming/(outgoing) resources for the year before transfers	201,981	(183,327)	(6,600)	(8,183)	-	3,871
Revaluation gains on investments	-	-	-	-	71,185	71,185
Realisation of gains on investments	34,709	-	-	-	(34,709)	-
Losses on investments in the year	(772)	-	-	-	-	(772)
Transfers	(123,210)	(4,486)	70,869	56,827	-	-
At 31 March 2006	667,826	318,282	416,005	506,346	174,875	2,083,334

13. RESERVES FOR THE COMPANY

	General Fund £	In house schemes £	Designated Funds £	Restricted Funds £	Revaluation Reserve £	Total £
At 1 April 2005 (Restated)	547,982	506,095	351,736	457,702	138,399	2,001,914
Net incoming/(outgoing) resources for the year before transfers	201,981	(183,327)	(6,600)	(8,183)	-	3,871
Revaluation gains on investments	-	-	-	-	71,185	71,185
Realisation of gains on investments	34,709	-	-	-	(34,709)	-
Losses on investments in the year	(772)	-	-	-	-	(772)
Transfers	(123,210)	(4,486)	70,869	56,827	-	-
At 31 March 2006	660,690	318,282	416,005	506,346	174,875	2,076,198

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

14. RESTRICTED FUNDS

Group and company

	Balance at 1 April 2005 £	Reclassification as in house funds £	Transfer from in house schemes £	Net movement in funds £	Transfers from unrestricted funds £	Balance at 31 March 2006 £
East Herts Scheme	21,658	(21,658)	-	-	-	-
Wales	93,522	-	-	20,873	-	114,395
Young carer projects	14,569	-	-	-	-	14,569
Other projects	2,351	-	-	-	-	2,351
Norfolk Projects	140,903	-	-	7,310	-	148,213
Leicester City Scheme	24,307	(24,307)	-	-	-	-
Epping Forest Scheme	99,079	(99,079)	-	-	-	-
Suffolk Coastal Scheme	1,001	(1,001)	-	-	-	-
Blackburn with Darwen Scheme	36,984	(36,984)	-	-	-	-
Cheshire Project	10,252	-	-	15,853	-	26,105
North & North West Herts Scheme	198,990	(198,990)	-	-	-	-
Northampton Scheme	105,692	(105,692)	-	-	-	-
Gwynedd Scheme	34,196	(34,196)	-	-	-	-
Big Lottery Fund (1)	16,285	-	-	(66,495)	50,210	-
Kidz Out Funding	1,464	-	-	-	-	1,464
TOPPS Funding	3,083	-	-	(565)	-	2,518
Big Lottery Fund (2)	8,235	-	-	(10,366)	2,131	-
Big Lottery Fund (3)	59,887	-	-	(10)	-	59,877
Hertfordshire Money	48,990	-	-	(43,403)	-	5,587
Isle of Wight Scheme	(15,812)	15,812	-	-	-	-
Wales Committee	6,712	-	-	7,695	-	14,407
Wales Lottery Project	-	-	-	23,597	-	23,597
Play scheme	9,915	-	-	-	-	9,915
Time Please Project	1,762	-	-	6,000	-	7,762
Learning Skills	21,366	-	-	(9,294)	-	12,072
Black & Ethnic Worker	13,137	-	-	11,067	-	24,204
Carers Panels	5,269	-	-	1,506	-	6,775
Hertfordshire Officer	-	-	-	28,049	-	28,049
In house schemes - misc restricted funds	-	-	4,486	-	-	4,486
	963,797	(506,095)	4,486	(8,183)	52,341	506,346

Big Lottery Fund (1)

This project is enabling Crossroads Association to monitor and evaluate the operational practices and service delivery of Crossroads schemes, leading to the best quality service for the carers we support. It is also supporting the development of our policy and procedure framework, thus ensuring high quality services and compliance with regulatory requirements.

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

Big Lottery Fund (2)

This project has enabled Crossroads schemes throughout England to meet the training requirements of the National Care Standards for the staff they employ.

New managers in Crossroads were able to access the two day residential induction programme, which has also been utilised by some scheme trustees. In addition, we have been able to work with Skills for Care to ensure specialised units on working with carers were included in the revised NVQs in care.

Big Lottery Fund (3)

This three year research project aims to describe and explore arrangements to support carers for people with mental health problems in three contrasting areas of Wales. It will identify factors which hinder and factors which facilitate the social inclusion of carers for people with mental health problems and aims to inform the planning, development and implementation of a voluntary sector service to support carers for people with mental health problems.

Wales

Crossroads Wales is in part funded by the Welsh Assembly Government for its contribution to facilitate Assembly policy objectives, in its work in the Social Sector for development and delivery of services to carers in Wales.

Hertfordshire County Officer

A new post in 2005, funded by Hertfordshire Adult Care Services, the role is to work with the four Crossroads schemes across the county, exploring ways of them collaborating and working ever more closely to benefit Carers living in Hertfordshire. This is achieved by working closely with the trustees and staff of the four member schemes and also our partners in adult care and other voluntary organisations. The schemes are working with the County Officer to achieve a higher profile for Crossroads in the area and improved services to Carers as a result.

Norfolk Young Carers Project

Crossroads Young Carers project started in 1993 and is funded by the Carers' Grant.

We aim to provide a holistic approach to young carers work. We offer support to the families where there are young carers by listening to their needs and coordinating services to make life easier for all family members. The Project provides advocacy, emotional and practical support to young carers on all aspect of daily living affected by their caring responsibilities. We also enable young

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

carers to have a break from their caring tasks by enjoying leisure and cultural pursuits.

In addition the Project raises awareness about young carers and the issues they face thereby enabling other agencies to identify them and develop suitable services.

Norfolk County Officer & 24 hour Helpline

The Norfolk County Officer for Crossroads post is funded for 25 hours per week by Norfolk County Council to 2007. The project mainly funds the postholder to manage the 24 hour helpline which provides information and emotional support over the telephone to carers of people who live in Norfolk and to assist Norfolk schemes to reconfigure into more sustainable units by providing both information and assistance.

Norfolk Crossroads Workforce Development Officer

The postholder's role has been to assess the training needs of the Norfolk Crossroads staff and to arrange a training programme.

Macmillan Partnership Officer

The Crossroads/Macmillan Partnership Project supports Crossroads schemes to develop services for the carers of people living with cancer and form a major element of Macmillan's social care programme. The schemes are adopting Macmillan's 'Total Care' approach in the delivery of services which places the needs of service users (in this case, carers and cancer patients) at the centre, and attempts to support access to all other sources of support available in the cancer services area.

Action for Carers in Employment (ACE) Project

This project is concerned with supporting working carers and is based on three service delivery pilots located at four Crossroads schemes who are testing these services effectiveness in reaching the needs of carers who are either working or seeking to return to work.

Cheshire Carers Development Initiative

The Cheshire Carers Development Initiative promotes and supports the development of better services for all carers in Cheshire. It assists Cheshire County Council in implementing its Carers Strategy, focusing on promoting flexibility of services with increased control for carers.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

Black & Ethnic Community Outreach Development Officer for Basildon, Harlow & Epping

This project is concerned with developing links with ethnic communities and carers in Epping Forest District, Basildon and Harlow; identifying the needs of carers in these communities and helping them access information, support and breaks.

15. IN HOUSE SCHEME RESERVES

Group and company

	Balance at 1 April 2005 £	Net movement in funds £	Balance at 31 March 2006 £
East Herts Scheme	21,658	(18,675)	2,983
Leicester City Scheme	24,307	8,295	32,602
Epping Forest Scheme	99,079	(45,158)	53,922
Suffolk Coastal Scheme	1,001	(9,762)	(8,761)
Blackburn with Darwen Scheme	36,984	4,461	41,445
North & North West Herts Scheme	198,990	63,070	262,059
Northampton Scheme	105,692	(6,442)	99,250
Milton Keynes Scheme	-	(79,779)	(79,779)
Gwynedd Scheme	34,196	(20,540)	13,656
Basildon Scheme	-	(57,586)	(57,586)
Isle of Wight Scheme	(15,812)	(25,697)	(41,509)
	506,095	(187,813)	318,282

The in house schemes are schemes which are directly managed by Crossroads Association and are concerned with the direct delivery of services to carers in their local area.

16. INCOME TO SUPPORT THE NETWORK

Group and company

	Unrestricted Funds £	In house schemes Funds £	Designated Funds £	Restricted Funds £
Statutory grants	-	-	-	187,370
Other support grants	-	-	-	151,483
Membership Fees	402,606	-	-	55,872
ACE Income	4,123	-	-	-
	406,729	-	-	394,725

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

17. INCOME TO SUPPORT CARERS

Group and company

	Unrestricted Funds £	In house schemes Funds £	Designated Funds £	Restricted Funds £
Grants for Direct Care & Support	-	1,409,175	-	654,528
Other Direct Care & Support Income	-	502,013	-	101,694
	-	1,911,188	-	756,222

18. TRANSFERS OF FUNDS

Group and company

	Unrestricted Funds £	In house schemes Funds £	Designated Funds £	Restricted Funds £
Transfers of funds from in house schemes regarded as restricted	-	(4,486)	-	4,486
Transfers of deficits from restricted funds to unrestricted funds: - Human Resources	(52,341)	-	-	52,341
Transfers between unrestricted and designated funds	(70,869)	-	70,869	-
	(123,210)	(4,486)	70,869	56,827

Transfers from in house schemes to restricted funds represent the funds held by in house schemes which are at 31 March 2006 restricted within the accepted definition of the term.

Transfers from restricted to unrestricted are in respect of the human resources and training function whose funding ended during 2005/06 and whose costs were subsequently taken into the core of the Association.

Transfers between unrestricted and designated represent a transfer to assist with the development of the Association.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Company

	Unrestricted funds inc Revaluation Reserves £	In house schemes funds £	Designated Funds £	Restricted Funds £
Fixed Assets	214,972	-	-	-
Investments	690,313	-	-	-
Current assets	53,042	520,250	416,005	548,754
Current liabilities	(122,762)	(201,968)	-	(42,408)
	835,565	318,282	416,005	506,346

Group

	Unrestricted funds inc Revaluation Reserves £	In house schemes funds £	Designated Funds £	Restricted Funds £
Fixed Assets	214,972	-	-	-
Investments	690,312	-	-	-
Current assets	65,545	520,250	416,005	548,754
Current liabilities	(128,128)	(201,968)	-	(42,407)
	842,701	318,282	416,005	506,346

CROSSROADS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2006

20. OPERATING LEASE COMMITMENTS

The Group and Company have the following annual commitments under non-cancellable operating leases:

	2006		2005	
	Land and Buildings	Other	Land and Buildings	Other
	£	£	£	£
Expiring:				
Within one year	28,260	-	18,310	-
In two to five years	17,375	7,200	15,815	7,200
	<u>45,635</u>	<u>7,200</u>	<u>34,125</u>	<u>7,200</u>

21. GIFTS IN KIND

Group and company

Gifts in kind represent the trustees' valuation of rent and services of the London office, being £40,000 and £10,000 respectively for both the current and previous periods.