

Crosslinks

Charity information

Registered charity number 249986

President Rev. Dr. C. Wright

General Secretary Rev. Canon A. Lines

General Council

Trustees

Mr. D.J. Mills
Mrs. E. Clift
Rev. T. Anderson
Rev. T. Blackshaw
Rev. C. Blair
Rev. E.J. Durham
Miss M. Gibbons
Mrs. S. Hinton
Rev. B. Kerr
Rev. G. Kovoov
Rev. S. Moore
Rev. M. Payne
Miss K. Reid
Rev. S. Smallwood
Mr. B.J. Tombs
Mr. J. Wain
Rev. T. Wambunya
Mrs. M. West

Chair
Vice Chair
(to 29 June 2006)

(from 29 June 2006)

(to 20 June 2006)

(resigned 20 June 2006)

(from 20 June 2006)

Treasurer

(resigned 1 October 2006)

(co-opted 5 December 2006)

Committee Membership

Church Partnerships
Mission Personnel
Mission Personnel
Mission Resources
Mission Personnel
Mission Personnel
Ireland
Mission Resources
Mission Resources
Church Partnerships
Mission Resources
Church Partnerships
Mission Resources
Mission Resources
Mission Personnel
Ireland

General Synod (not Trustee) Rev. Dr. J. Cook

Church Partnerships

The General Secretary and Deputy are also non-voting members of General Council with other Senior staff present by invitation.

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Charity information (continued)

Principal address

251 Lewisham Way
London SE4 1XF

Bankers

Lloyds TSB Bank Plc
1 Butler Place
PO Box 132
Coxton Street
London SW1H 0PR

Allied Irish Bank
40-42 Ranelagh
Dublin 6

Royal Bank of Scotland
Victoria Branch
London SW1

Northern Bank
Donegall Square North
Belfast

Auditors

Mazars LLP
Times House
Throwley Way
Sutton
Surrey SM1 4JQ

Solicitors

Lewis & Dick
443 Kingston Road
Ewell
Surrey KT19 0DG

Investment advisors

UBS Wealth Management (UK) Limited
1 Curzon Street
London W1J 5UB

Brewin Dolphin Securities Limited
12 Smithfield Street
London EC1A 9BD

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Trustees' annual report For the year ended 31 December 2006

The trustees are pleased to present their report together with the financial statements for the year ended 31 December 2006.

Structure, governance and management

The charity is governed by a TRUST DEED dated 18th October 1928 and a constitution adopted on 16th September 1946 and updated in 2003 following an independent professional report on the charity structure.

Anyone can be a Member of Crosslinks if prepared to sign the Society's Basis and Statement of Faith and signifying support the Society by prayer and gifts for at least a year. The number of Members in May 2007 was 1,231. (May 2006 - 840)

The Board of Trustees (known as the General Council) is elected annually by members of the society by postal vote immediately prior to the society's Annual Meeting of Members held in June. The number of trustees is being reduced from 16 in 2006 to 12 in June 2007. Trustees are appointed for a period of three years and can be re-elected for a further three years but there must be a minimum gap of one year before being eligible for a further appointment. No-one who has reached the age of 70 is eligible for election to the Board. Profiles of members standing for election are sent to all members prior to the Annual Meeting of Members. The Board have the option to co-opt two members in addition to elected members and care is taken to ensure there is a balance of skills and representation on the Board.

During the year various aspects of the activities of the society are presented to the Trustees so they gain a more in-depth appreciation of them. All Trustees are required to serve on one of the four sub-committees of the society covering the four teams being Church Partnerships, Mission Personnel, Mission Resources and Ireland Teams. The Trustees meet four times a year. There is also a standing committee made up of Chair, Vice Chair and all the Chairs of the sub-committees (and the Treasurer if not already included) and they also meet four times a year.

The Board of Trustees are responsible for the strategy and direction of the society, guarding its doctrinal position in the Christian world and monitoring performance on a regular basis. Trustees have received a Governance review including recommendations on a range of matters including Trustee induction and training which will be taken forward in the coming year.

The General Secretary is not a Trustee but attends all General Council and Standing Committee meetings. He, with the assistance of his staff are responsible for the day to day running of the society with the policies set by the Board of Trustees.

Responsibilities of the trustees

Charity 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 Crosslinks as at the balance sheet date and of its incoming resources and application of resources for the financial 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 Crosslinks will continue in operation.

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Trustees' annual report For the year ended 31 December 2006 (continued)

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of Crosslinks and to enable them to ensure that the financial statements comply with the Charities Act 1993 and the Statement of Recommended Practice (SORP) 2000. They are also responsible for safeguarding the assets of Crosslinks and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Objectives and activities

In accordance with our Distinctive Statement and Vision Statement 2005-2015 our main objectives and activities are:

1. Sponsoring Mission partners and associates.
2. Short term programmes, camps and youth work.
3. Projects and grants.
4. Biblical training and Study Partners.
5. Mission education.

We have continued to develop the following programmes within these areas:

- a. Schools of Biblical Training and Study Partner Programme (BEST)
- b. Short-Term Programmes (Next, Smile and Challenge)
- c. Catalyst for mission between regions and continents
- d. Assisting indigenous mission endeavours
- e. Promoting active engagement in mission amongst UK and Irish Churches

We also decided to be more rigorous in the application of our priorities of evangelistic opportunities and training trainers throughout all of our programmes, and to strategise within regions and countries.

Achievements and performance

1. During 2006 we conducted or participated in Schools of Biblical Training in Myanmar, Tanzania, South Africa, Kenya and Nigeria. We have also begun to co-ordinate our efforts more with other like-minded groups, as well as systematising procedures.
2. During 2006 we sent out 16 under the Next programme to five different countries, 5 individuals and 4 teams under the Smile programme and teams to Serbia and Ethiopia under the Challenge Scheme.
3. We are currently supporting 121 students in 12 different countries under the BEST programme. We have also revamped the application form to reflect the priorities.
4. As a catalyst for mission between regions and continents we are funding the production and translation of materials for Latin America and for the Khumi Chin peoples of Western Myanmar and are involved in supporting a Chilean working in Cuba.
5. In order to assist indigenous mission endeavours we took on the support of mission desks in the Anglican Provinces of Tanzania and Kenya. We also took on the support of two African faculty members and an apprentice in South Africa, faculty members in Uganda, and the support of Indian workers in Chandigarh and Bangalore.

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Trustees' annual report For the year ended 31 December 2006 (continued)

6. As part of our efforts to promote active engagement in mission amongst UK and Irish churches we have:
 - a. Organised two significant conferences: one in the South West and a first Church Planters' Conference.
 - b. Preached more than 70 times.
 - c. Carried out 16 mission consultations.
 - d. Produced a 'Partnership in the Gospel' study booklet and developed material on 7 key mission texts.
 - e. Taught on courses in Oak Hill Theological College.
7. In addition long-term workers were deployed to Thailand, East Asia, Uganda, Zimbabwe, Tanzania and to work in church plants in England.
8. We have produced strategy papers with guidelines for Africa and East Asia.

Financial review

Incoming resources were £2,558,069 being £191,493 higher than those received in 2005 of £2,366,576. Donations from individuals amounted to £927,038 being an increase of 26% over 2005 but donations from churches of £1,025,248 showed a decrease of 1% compared to 2005. The rise in donations also reflected the response to the Famine Appeal and gifts to be used for restricted purposes.

Expenditure amounted to £2,776,111 being £242,608 higher than that incurred in 2005 of £2,533,503. The main difference was accounted for by the payment out of the additional restricted funds received in the year.

The NET OUTGOING RESOURCES (DEFICIT) was £218,042 compared to £166,927 in 2005. A further provision of £56,700 was required following the actuarial valuation of the pension liability at 31 December 2006. However there were investment gains from sales and revaluation at 31 December 2006, of £122,937 for the year which reduced the FINAL DEFICIT for the year to £151,805 (£20,973 surplus for 2005).

The original budget set for the year 2006 was a surplus of £8,000. We are thankful for the considerable impact of the grants given by Irish Aid (the government of Ireland's programme of assistance to developing countries) towards the support of mission partners engaged in development work.

Grant-making policies

Crosslinks makes grants in various categories:

1. BEST programme. A panel meets twice a year to review applications and make decisions in the light of priorities.
2. Projects. Currently we are meeting once a year as a panel to agree grants under this programme.

Reserves policy

The Trustees have established that the level of reserves that the society ought to have is six months of budgeted expenditure for the following year, which amounts to £1,312,500.

The unrestricted reserves at 31 December 2006 were £1,156,815 which is 12% under the required level.

The Trustees have prepared a budget for 2007 showing income of £2,625,000 and expenditure of £2,625,000 in order to achieve a break even position. A further member of staff will be employed during 2007 to raise additional income sufficient to ensure there is no deficit in 2007.

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Trustees' annual report For the year ended 31 December 2006 (continued)

Investment policy

The Trustees have delegated day to day management of the Society's general investment portfolio to Stockbrokers (see page 2 for details) who have authority to make investment decisions within the terms of the society's investment policy. The portfolios are mainly in UK based equity holdings, held for capital growth rather than income, and should be in companies having positive ethical criteria. The value of the portfolios increased by 12.8% in 2006 compared to an increase of 10.9% for the FTSE 100. The combined value of the portfolio at 31 December 2006 was £864,826. The Treasurer of the society meets with both Stockbrokers twice a year to discuss their performance.

Cash of £421,847 at 31 December 2006 was held by the Charities Official Investment Fund to meet day to day expenditure.

A freehold property occupied by the owner during her lifetime valued professionally at £60,000 is held as an investment.

The society also owns property for its own use as offices or accommodation for staff and this was professionally valued at 31 December 2005 at £1,560,538 and is shown under the heading of Tangible Fixed Assets in the Balance Sheet.

The Investments and Tangible Fixed Assets cover the Long Term Pension liability of £1,842,400 and provide cover of 88% for the Reserve policy agreed by the Trustees mentioned above.

Risk management

The Trustees have a RISK MANAGEMENT STRATEGY which comprises:

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

Following the annual review the Trustees are satisfied that systems are in place to manage or mitigate exposure to major risks. However the Trustees are undertaking a major review of all risk management processes and procedures during 2007.

Plans for future periods

We have agreed the following objectives for 2007 in line with our vision statement:

1. Rigorously apply our priorities of evangelistic opportunities and training trainers across all programmes.
2. Strategise within regions and countries. To produce guidelines for engagement in India, Europe and South East Asia.
3. Develop Schools of Biblical Training: the number of schools and facilitators.
4. Develop Short-Term Programmes.
5. Develop the Study Partner programme by increasing the budget by 10% and making further improvements to the scheme.

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Trustees' annual report For the year ended 31 December 2006 (continued)

6. Assist indigenous mission endeavours especially in India.
7. Promote active engagement in local mission by UK and Irish Churches through mission consultations, participation in and organising conferences.
8. Run a balanced budget.

Such 'plans' will only be achievable if supporters continue to pray and give sacrificially to the society and the need to keep income and expenditure under constant supervision.

Auditors

A resolution will be proposed at the Annual Meeting that Mazars LLP be reappointed as auditors to the charity for the ensuing year.

Approved by the Trustees on
and signed on their behalf by:

.....
Mr. D.J. Mills, MBE, Chairman

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Statement of financial activities For the year ended 31 December 2006

	Notes	Unrestricted £	2006 Restricted £	Total £	2005 Total Restated £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	2,065,876	209,200	2,275,076	2,101,169
Investment income	3	45,330	2,338	47,668	38,813
Incoming resources from charitable activities					
		139,327	60,721	200,048	167,774
Other incoming resources					
		24,088	11,189	35,277	58,820
Total incoming resources		2,274,621	283,448	2,558,069	2,366,576
Resources expended					
Costs of generating funds					
Cost of generating voluntary income					
	4	124,256	-	124,256	141,956
Investment management costs		6,999	-	6,999	5,828
Charitable activities	5,6,7	2,380,713	239,162	2,619,875	2,362,722
Governance costs	8	24,981	-	24,981	22,997
Total resources expended		2,536,949	239,162	2,776,111	2,533,503
Net (outgoing)/incoming resources before transfers					
		(262,328)	44,286	(218,042)	(166,927)
Transfers					
Gross transfers between funds					
		(17,129)	17,129	-	-
Net (outgoing)/incoming resources before other recognised gains and losses					
		(279,457)	61,415	(218,042)	(166,927)
Other recognised gains/losses					
Gains on revaluation of fixed assets for charity's use					
		-	-	-	209,266
Gains on investment assets	15	122,681	256	122,937	141,534
Actuarial (loss) on pension scheme	14	(56,700)	-	(56,700)	(162,900)
Net movement in funds		(213,476)	61,671	(151,805)	20,973
Total funds brought forward	15/16	1,370,291	121,660	1,491,951	1,470,978
Total funds carried forward	15/16	1,156,815	183,331	1,340,146	1,491,951

The charity's incoming resources and resources expended all relate to continuing operations.

The charity has no recognised gains or losses other than those included above.

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Balance sheet at 31 December 2006

		2006		2005	
	Notes	£	£	£	£
Fixed assets					
Tangible fixed assets	10	1,623,425		1,603,250	
Investments	11	1,349,641		1,472,369	
		<u>2,973,066</u>		<u>3,075,619</u>	
Current assets					
Debtors	12	116,377		123,319	
Cash at bank and in hand		313,998		177,393	
		<u>430,375</u>		<u>300,712</u>	
Creditors – Amounts falling due within one year	13	(220,895)		(98,680)	
Net current assets			209,480		202,032
			<u>3,182,546</u>		<u>3,277,651</u>
Total assets less current liabilities					
Provision for liabilities and charges	14	(1,842,400)		(1,785,700)	
Net assets			<u>1,340,146</u>		<u>1,491,951</u>
Funds					
Restricted	15,16		183,331		121,660
General:					
Unrestricted	16		1,156,815		1,370,291
			<u>1,340,146</u>		<u>1,491,951</u>

Approved by the Trustees on
and signed on their behalf by:

.....
Mr. B.J. Tombs
Treasurer

.....
Mr. D.J. Mills, MBE, Chairman

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Notes to the financial statements For the year ended 31 December 2006

1 Accounting policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities” (SORP 2005), issued in March 2005, and applicable accounting standards.

These financial statements comply with the new SORP for the first time this year and the comparative figures have been restated accordingly.

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention modified to include the revaluation of investments and properties.

1.2 Income

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

Interest receivable is dealt with on an accruals basis.

Investment income is dealt with on a cash basis.

1.3 Charitable expenditure

Cost of generating funds

This comprises all costs incurred in attracting voluntary income.

Grants payable

Grants payable include all voluntary payments made by Crosslinks to both individuals and institutions.

Costs of charitable activities

This comprises all costs directly related to the objects of Crosslinks.

Support costs

Support costs include costs incurred in supporting the objects of Crosslinks.

Governance costs

Governance costs comprise all costs relating to organisational administration and compliance with constitutional requirements.

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Notes to the financial statements For the year ended 31 December 2006

1 Accounting policies (continued)

1.4 Depreciation

Material individual fixed assets are capitalised at cost. Depreciation is calculated to write off the cost of fixed assets in use at the balance sheet date on the basis described in note 10.

Depreciation and profits or losses on the disposal of fixed assets used for charitable purposes are reflected in the Statement of Financial Activities before stating net incoming resources before transfers. The charity adopts a policy of revaluation for its properties. Further detail is provided in note 10.

1.5 Pension contributions

The Society makes use of a defined benefits scheme administered by the Church of England Pensions Board. Contributions payable to the pension schemes are charged to the Statement of Financial Activities so as to spread the cost of pensions over the service lives of employees in the scheme. The pension charge is calculated on the basis of actuarial advice. However Mission Partners and home staff who are ordained are members of the Church of England Clergy Pension Fund for whom the Society made no contributions. See note 17 for further information. Contributions are also paid to The Representative Church Body in Ireland in respect of one member of staff.

The Society also provides unfunded pensions for some former Mission Partners and home staff (see note 14).

1.6 Branch offices

The results of the offices in Belfast and Dublin for the year to 31 December 2006 have been incorporated into these financial statements.

1.7 Investments

Investments are stated at market value on the last day of business in the accounting period.

Gains and losses on the disposal of investments together with unrealised gains or losses on the annual revaluation are disclosed in aggregate in the Statement of Financial Activities.

1.8 Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred over the term of the lease.

1.9 Foreign currencies

Transactions in foreign currencies are translated at the rates prevailing at the date of the transaction. Balances denominated in foreign currency are translated at the rate of exchange prevailing at the year end.

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Notes to the financial statements For the year ended 31 December 2006

1 Accounting policies (continued)

1.10 Funds accounting

General unrestricted funds

These are funds which can be used in accordance with the charity's objects at the discretion of the trustees.

Restricted funds

These are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions may arise when specified by the donor or when funds are raised for particular restricted purposes.

2 Voluntary income

	Unrestricted	2006 Restricted	Total	2005 Total Restated
	£	£	£	£
Donations direct to Crosslinks	818,710	108,328	927,038	732,920
Donations through Parishes	989,225	36,023	1,025,248	1,038,224
Legacies	167,733	47,683	215,416	271,939
Non specific grants	90,208	17,166	107,374	58,086
	<u>2,065,876</u>	<u>209,200</u>	<u>2,275,076</u>	<u>2,101,169</u>

3 Investment income

	Unrestricted	2006 Restricted	Total	2005 Total Restated
	£	£	£	£
Investment income is made up as follows:				
From:				
Rental income	10,000	-	10,000	6,000
Stock Exchange investments in the UK	30,482	-	30,482	24,141
Cash held as part of the investment portfolio	4,848	2,338	7,186	8,672
	<u>45,330</u>	<u>2,338</u>	<u>47,668</u>	<u>38,813</u>

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Notes to the financial statements For the year ended 31 December 2006

4 Costs of generating voluntary income

	Unrestricted	2006 Restricted	Total	2005 Total Restated
	£	£	£	£
Salaries and pension contributions	84,785	-	84,785	94,695
Mission education travel	2,567	-	2,567	2,678
Magazines and other literature	27,287	-	27,287	35,960
Other costs	9,617	-	9,617	8,623
	<u>124,256</u>	<u>-</u>	<u>124,256</u>	<u>141,956</u>

The above costs include 30% of the costs and overheads of the communications department and the church partnerships team. It is estimated that this proportion relates to the cost of generating voluntary income.

5 Grants

Top 50

Recipient	Used in	Amount £	Purpose
Africa Famine Appeal	East Africa	85,568	Financial Support
New Cathedral Tabora	Tanzania	49,895	Financial Support
Meknes Association Project	North Africa	47,568	Financial Support
South African Apprentices	United Kingdom	24,918	Financial Support & S P Fees
Action for Behavioural Change	Malawi	24,875	Financial Support
Poole Car Fund	Kenya	23,180	Financial Support
Martin Whittingham	United Kingdom	13,081	Financial Support
George Whitefield College	South Africa	11,256	Financial Support & S P Fees
Maunsell's Literature Fund	Ethiopia	10,744	Financial Support
Anglican Church of Tanzania	Tanzania	10,668	Study Partner Fees
St. Paul's College	Kenya	10,184	Study Partner Fees
Noj and Mary Northway	Tanzania	10,046	Financial Support
Church Training Serbia	Serbia	8,767	Financial Support
TAFTEE	India	8,000	Financial Support & S P Fees
Anglican Church of Kenya	Kenya	7,521	Financial Support
Diocese of the Arctic	Canada	7,434	Financial Support
Barnabas Trust	South Africa	7,016	Financial Support
Centre De Re-Education	North Africa	6,900	Financial Support
TEE Kilimanjaro	Tanzania	6,721	Financial Support
Bible Institute Eastern Cape	South Africa	6,450	Financial Support & S P Fees
Kayanga Church Building	Kenya	6,355	Financial Support
Navjeevan Seva Mandal	India	5,719	Study Partner Fees
Bishop Ntiruka Writing Fund	United Kingdom	5,065	Financial Support
Archdiocese of Myanmar	Myanmar	4,659	Financial Support & S P Fees

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Notes to the financial statements For the year ended 31 December 2006

5 Grants (continued)

Recipient	Used in	Amount £	Purpose
Berea Theological College	Kenya	4,258	Study Partner Fees
Uganda Christian University	Uganda	4,239	Study Partner Fees
Mike and Safaa Cloud	Morocco	4,061	Financial Support
Myanmar Project	Myanmar	4,000	Financial Support
Northway Car Fund	Tanzania	3,946	Financial Support
Amani College	Tanzania	3,741	Study Partner Fees
Diocese of Karamoja	Uganda	3,451	Financial Support
UK BEST	United Kingdom	3,333	Study Partner Fees
Berega Irish Aid	Tanzania	3,067	Financial Support
Karagwe Community Care Progamme	Tanzania	3,028	Financial Support
Trinity Theological College	Singapore	2,845	Study Partner Fees
AMADET supporting Carlile College	Kenya	2,837	Study Partner Fees
Diocese of Kilimanjaro	Tanzania	2,816	Financial Support
Jem and Lucy Hovil	Uganda	2,810	Financial Support
Northway Land Rover	Tanzania	2,804	Financial Support
Diocese of Tabora	Tanzania	2,658	Financial Support
Pradip and Amita Sudra	Zimbabwe	2,585	Financial Support
Carlile College	Kenya	2,568	Study Partner Fees
Gillian Murphy	Uganda	2,407	Financial Support
Kowak Lay Training Centre	Tanzania	2,275	Financial Support
Pam Chandra	United Kingdom	2,255	Financial Support
Trinity College Bristol	United Kingdom	2,236	Study Partner Fees
Kagera Christian Theological College	Kenya	2,164	Financial Support
Dawn Styles	United Kingdom	2,148	Financial Support
SMILE	Gambia	2,100	Financial Support
Car Fund	North Africa	2,051	Financial Support

Geographical analysis

Canada	7,750
Ethiopia	17,518
Gambia	2,100
India	20,790
Kenya	83,412
Malawi	25,955
Myanmar	10,458
North Africa	60,580
Serbia	10,180
South Africa	26,487
S.E Asia	3,450
Sudan	1,081
Tanzania	159,901
Uganda	19,808
United Kingdom	56,104
Zimbabwe	15,589
	521,163
	521,163

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Notes to the financial statements For the year ended 31 December 2006

5 Grants (continued)

The above figure comprises grants, and includes £93,014 relating to fees and financial support for Study Partners and the South African Apprentices.

6 Costs of charitable activities

	Direct costs	Support costs	2006 Total Restated
	£	£	£
Sponsoring Mission Partners and Associates	1,131,584	285,850	1,417,434
Short term programmes, camps and youth work	115,223	101,994	217,217
Projects and grants	428,149	75,204	503,353
Biblical training and Study Partners	104,740	33,861	138,601
Mission education	289,933	53,337	343,270
	<u>2,069,629</u>	<u>550,246</u>	<u>2,619,875</u>

7 Support costs allocation

	Mission Personnel team £	Mission Resource team £	Church Partnership team £	Ireland team £	2006 Total Restated £
Salaries and pensions	163,375	249,582	137,401	125,462	675,820
Office expenses and other costs	37,414	59,242	43,278	45,705	185,639
Communication costs	-	103,319	-	4,657	107,976
	<u>200,789</u>	<u>412,143</u>	<u>180,679</u>	<u>175,824</u>	<u>969,435</u>
Less: Mission education costs (Note 6)	-	(144,992)	(105,959)	(38,982)	(289,933)
Less: Costs relating to generating Voluntary income (Note 4)	-	(62,140)	(45,411)	(16,705)	(124,256)
Less: Governance costs (Note 8)	-	(5,000)	-	-	(5,000)
	<u>200,789</u>	<u>200,011</u>	<u>29,309</u>	<u>120,137</u>	<u>550,246</u>
				=	=

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Notes to the financial statements For the year ended 31 December 2006

7 Support costs allocation (continued)

	Mission Personnel team £	Mission Resource team £	Church Partnership team £	Ireland team £	2006 Total Restated £
Sponsoring Mission Partners and Associates	120,473	133,341	-	32,036	285,850
Short term programmes, camps and youth work	40,158	11,112	-	50,724	101,994
Projects and grants	20,079	44,446	-	10,679	75,204
Biblical training and Study Partners	20,079	11,112	-	2,670	33,861
Mission education	-	-	29,309	24,028	53,337
	<u>200,789</u>	<u>200,011</u>	<u>29,309</u>	<u>120,137</u>	<u>550,246</u>
				=	=

The costs relating to the generation of voluntary income and Mission education have been deducted before apportioning the remaining support costs over five charitable activity headings shown in note 6 above. The allocation is based mainly on the members of staff involved in each activity.

8 Governance costs

	2006 Total £	2005 Total Restated £
Cost of Council and other meetings	9,665	12,214
Auditors' fees	5,616	5,783
Consultancy fees	4,700	-
Support costs – preparation of accounts	5,000	5,000
	<u>24,981</u>	<u>22,997</u>

No trustees were remunerated during the year (2005 : None) for their services as trustees but £ 4,700 was paid as a consultant's fee to a trustee for professional work in connection with Governance.

A total of £ 5,413 (2005 : £4,893) was reimbursed to 14 (2005 : 14) trustees to cover out of pocket expenses, mainly travelling.

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Notes to the financial statements For the year ended 31 December 2006

9 Staff costs

	2006 £	2005 £
Salaries	529,688	535,416
Social security costs	48,843	42,924
Pension contributions and other pension costs	86,430	57,708
	<u>664,961</u>	<u>636,048</u>

Staff numbers:	2006		2005	
	Full time	Part time	Full time	Part time
Generating income and education	8	-	8	-
Mission support	12	5	10	7
	<u>20</u>	<u>5</u>	<u>18</u>	<u>7</u>

In addition there are 77 (2005: 81) Mission Partners and 47 (2005: 40) Associate Mission Partners for whom the charity is responsible.

No employees were paid at a rate in excess of £35,000 (2005: £35,000) per annum.

10 Fixed assets

	Freehold property £	Furniture and equipment £	Total £
Cost or valuation			
At 1 January 2006	1,560,538	214,876	1,775,414
Additions	574	53,323	53,897
Disposals	-	(50,701)	(50,701)
At 31 December 2006	<u>1,561,112</u>	<u>217,498</u>	<u>1,778,610</u>
Depreciation			
At 1 January 2006	-	172,164	172,164
Charge for the year	18,653	15,069	33,722
Disposals	-	(50,701)	(50,701)
At 31 December 2006	<u>18,653</u>	<u>136,532</u>	<u>155,185</u>
Net book value			
At 31 December 2006	<u>1,542,459</u>	<u>80,966</u>	<u>1,623,425</u>
At 31 December 2005	<u>1,560,538</u>	<u>42,712</u>	<u>1,603,250</u>

Crosslinks

Notes to the financial statements For the year ended 31 December 2006

10 Fixed assets (continued)

The historical cost of the freehold property shown above is £694,080 (2005 : £693,506).

The building element of freehold properties is written off on a straight line basis over 50 years. Furniture and equipment is depreciated at 15% per annum on reducing balance basis or 20-25% per annum on cost depending upon the estimated useful life of the assets.

The freehold properties and the investments are registered in the name of the Bible Churchmen's Missionary Trust Limited which holds them as bare trustee.

All the fixed assets are used for charitable purposes apart from one property which is included within investments as it is a property held for investment purposes.

The last property revaluation was performed for fixed asset freehold properties on 31 December 2005 by Fenton Associates, Chartered Surveyors, on the basis of open market value, with the exception of 251 Lewisham Way which was valued according to its market value due to its commercial nature.

11 Investments

	2006		2005	
	Cost £	Market value £	Cost £	Market value £
Investment property	40,000	60,000	78,450	380,000
Listed on the Stock Exchange	491,194	864,826	621,251	961,265
Cash held as part of the investment portfolio:-				
Charities Official Investment Fund	421,847	421,847	95,964	95,964
Other	2,968	2,968	35,140	35,140
	<u>956,009</u>	<u>1,349,641</u>	<u>830,805</u>	<u>1,472,369</u>

The donor of the investment property with a value of £ 60,000 (2005 : £60,000) has the right to occupy the property during her lifetime,

The last property revaluation was performed for investment properties on 31 December 2005 by Fenton Associates, Chartered Surveyors, on the basis of open market value.

Crosslinks

Notes to the financial statements For the year ended 31 December 2006

11 Investments (continued)

Movement in investments during the year:

Value at 1 January 2006	1,472,369	1,386,661
Additions of listed investments	96,155	175,310
Disposals of listed investments	(293,058)	(180,361)
Movement in cash	(32,172)	27,691
Unrealised gains on revaluation of investments	100,464	133,858
Increase in COIF cash deposits	325,883	84,210
Disposal of property	(320,000)	(150,000)
Loss on revaluation of property	-	(5,000)
	<hr/>	<hr/>
Value at 31 December 2006	1,349,641	1,472,369

Included in the portfolio are the following investments which represent more than 5% of the total portfolios.

	2006	2005
	Market value	Market value
	£	£
HSBC Holdings	49,855	66,560
BP	-	49,768
Tesco	50,562	49,725
Rio Tinto	43,352	67,517
Royal Dutch Shell	45,867	52,070
	<hr/>	<hr/>

12 Debtors

	2006	2005
	£	£
Income tax recoverable	27,198	10,677
Other debtors	14,648	5,100
Prepayments and accrued income	74,531	107,542
	<hr/>	<hr/>
	116,377	123,319
	<hr/>	<hr/>

Crosslinks

Notes to the financial statements For the year ended 31 December 2006

13 Creditors

	2006 £	2005 £
Loans	6,400	18,992
Grants approved but not yet paid	113,154	19,570
Accrued expenses	101,341	60,118
	<u>220,895</u>	<u>98,680</u>

Included in Loans is an amount of £5,400 (2005 £6,492) which falls due after more than one year.

14 Provisions for liabilities and charges

	2006 £	2005 £
Provision for pensions at 1 January 2006	1,785,700	1,622,800
Unfunded pensions paid in the year	(98,051)	(97,639)
Increase in provision for the year	154,751	260,539
	<u>1,842,400</u>	<u>1,785,700</u>

This represents the trustees' estimate of the discounted value of future liabilities for unfunded pension payments. The provision relates to the potential liability to members and former members of the B C M S in-house pension scheme, including those who were transferred to the Scottish Amicable scheme in 1983.

The main assumptions used in the valuation of this liability are the discount rate applied and the annual increase in the RPI. The discount rate was estimated at 5.2% (2005: 4.7%) for the year. The annual increase in the RPI has been estimated at 2.5% per annum for 2007 and 2008 and 3.1% per annum thereafter (2005: 2.9%).

Unfunded pension payments

The charity has agreed to make certain pension payments to former mission partners and home staff which are not funded by the arrangements with The Church of England Pension Board described in Note 17.

As at 31 December 2006 the liability for the pensions is estimated by the trustees at £1,842,400 and this has been provided in full, in accordance with Financial Reporting Standard 12 "Provisions, contingent liabilities and contingent assets". The overall provision was increased by £56,700 in the year (2005: increase £162,900).

Crosslinks

Notes to the financial statements For the year ended 31 December 2006

15 Restricted funds

	Karamoja £	Other £	Total £
Incoming resources	949	282,497	283,446
Resources expended	-	(239,160)	(239,160)
Gain on revaluation and disposal of investment assets	256	-	256
Transfers between funds	-	17,129	17,129
	<u>1,205</u>	<u>60,466</u>	<u>61,671</u>
Balance as at 1 January 2006	<u>52,611</u>	<u>69,049</u>	<u>121,660</u>
Balance as at 31 December 2006	<u>53,816</u>	<u>129,515</u>	<u>183,331</u>

The Karamoja fund represents donations received to fund lump sum payments to Ugandan pastors on retirement within the diocese of Karamoja.

Other funds comprise some 64 (2005: 59) individual funds of which only the Maunsell Literature Fund exceeded £20,000 at the year end. These funds represent appeals made by Crosslinks for specific projects and other income for which Crosslinks acted in a trustee capacity.

16 Allocation of net assets between funds

	Restricted £	Unrestricted £	2006 Total £	2005 Total £
Tangible fixed assets	-	1,623,425	1,623,425	1,603,250
Investments	95,363	1,254,278	1,349,641	1,472,369
Net current assets	87,968	121,512	209,480	202,032
Provision	-	(1,842,400)	(1,842,400)	(1,785,700)
Total funds at 31 December 2006	<u>183,331</u>	<u>1,156,815</u>	<u>1,340,146</u>	<u>1,491,951</u>

Crosslinks

Notes to the financial statements For the year ended 31 December 2006

17 Pension commitments

Crosslinks participates in the Church of England Defined Benefits Scheme as part of the Church Workers Pension Fund and makes contributions into two schemes, one provided for UK home staff and another for mission staff members. At 31 December 2006, Crosslinks had 17 active home staff members, 41 active mission partner members, 20 deferred home staff members and 51 deferred mission partner members. Contributions to both schemes are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent actuarial valuation for both schemes was carried out on 31 December 2004.

Both schemes are classified as multi employer schemes under Financial Reporting Standard 17 "Retirement benefits". Although the employer's contributions are affected by a surplus or deficit in either scheme, the employer is unable to identify its share of the underlying assets and liabilities in the schemes on a consistent reasonable basis.

As a result, both schemes are accounted for as if they were defined contribution pension schemes as required by Financial Reporting Standard 17. The pension cost charge therefore represents contributions payable by the Society in respect of both funds and amounted to £84,057 for staff and £133,110 for mission partners (2005: £53,131 for staff and £105,909 for mission partners).

Crosslinks also makes contributions to The Representative Church Body in Ireland in respect of one member of staff. These amounted to £2,373 during the year (2005: £4,577).

18 Other financial commitments

At 31 December 2006 the charity was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2007:

	2006	Other	2005
	£		£
Operating leases which expire within 2 to 5 years	2,918		1,612

Independent auditors' report to the trustees of

Crosslinks

We have audited the financial statements of Crosslinks for the year ended 31 December 2006 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the trustees in accordance with sections 43 and 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the trustees 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 charity and the charity's trustees, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' Responsibilities the trustees are responsible for the preparation of the 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 Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity 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 transactions with the charity is not disclosed.

We read the Trustees' Report, and consider the implications for our report if we become aware of any apparent misstatement 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 in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

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

Independent auditors' report to the trustees of

Crosslinks

Opinion

In our opinion the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the charity's state of affairs as at 31 December 2006 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993.

CHARTERED ACCOUNTANTS
and Registered Auditors

Mazars LLP
Times House
Throwley Way
Sutton, Surrey SM1 4JQ

Date:

Charity No. 249986

Reports & Financial Statements

For the year ended 31 December 2006

Crosslinks

Times House, Throwley Way,
Sutton, Surrey, SM1 4JQ