

# Community Links Trust Limited

Report and financial statements  
For the year ended 31 August 2021

Company number: 2661182  
Charity number: 1018517

# Community Links Trust Limited

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Company no. 2661182

### As at 31 August 2021

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## Community Links Trust Limited

### Reference and administrative details

Company no. 2661182

As at 31 August 2021

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**Company number** 2661182

**Charity number** 1018517

**Registered office and operational address** 105 Barking Road  
London  
E16 4HQ

**Trustees** The Trustees, who are also directors under company law, and who served during the period and up to the date of this report, were as follows:  
Gillian Budd (resigned 31 January 2021)  
Radhika Bynon (resigned 25 November 2020)  
Chris Wright  
Alan Lazarus – Chair (resigned 31 January 2021)  
Javid Canteenwala – Treasurer (resigned 31 January 2021)  
Pria Rai (resigned 31 January 2021)  
Paul Williams (resigned 31 January 2021)  
Elaine Bailey (resigned 31 January 2021)  
Chibweka Kavindele (appointed 1 February 2021)  
Nigel Richards (appointed 1 February 2021)

**Company Secretary** Nigel Richards

**Principal Staff** Chibweka Kavindele (Director) – to 31 January 2021

<b>Bankers</b>	The Co-operative Bank 70–80 Cornhill London EC3V 3RD	Barclays Bank Level 27, 1 Churchill Place London E14 5HP
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**Auditor** Moore Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

**Community Links Trust Limited**  
**Trustees' annual report**

**For the year ended 31 August 2021**

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The Trustees present their report and the audited financial statements for the year ended 31 August 2021.

Reference and administrative details set out on page 1 form part of this report. The financial statements comply with current statutory requirements, the Memorandum of Association and Articles of Association and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (the FRS 102 Charities SORP).

**Structure, governance and management**

The organisation is a charitable company limited by guarantee, incorporated on 7 November 1991 and registered as a Charity on 12 March 1993. The company was established under a memorandum which set out the objects and powers of the charitable company and is governed under its Articles of Association. Catch22 Charity Limited is the sole member of Community Links and Chris Wright, Chief Executive of Catch22 is on the Board of Trustees of Community Links. The principal member of staff up to the date of transfer of assets to Catch22 Charity Limited was Chi Kavindele

Through becoming part of the Catch22 group, Community Links had access to a range of support services and a strategic framework to operate within. Community Links simultaneously remained close to its community roots, retained its charity registration, appointed its lead officer/s and set its own values and strategic direction. The principal objects of the charitable company (Community Links) as set out in its Memorandum of Association are to:

- Promote any charitable purpose for the benefit of the community;
- Provide such information, advice and assistance as is charitable, to groups and individuals for the public benefit;
- Promote, assist and co-ordinate voluntary activities for the benefit of the community (whether on the part of individuals or the organisation) in any part of England and Wales with particular reference to health, housing, safety, education, training, rehabilitation and recreation of the sections of community in need of assistance, and to provide care and facilities connected with any of those matters;
- Promote the efficient use of the resources provided voluntarily or by central or local government for the benefit of the community (or any section or section thereof) in connection with the said or similar matters; and
- Undertake or support research into the allocation and use of resources with a view to ensuring that the maximum benefit to the community is obtained therefrom.

On 1 February 2021, the trustees agreed that, in the best interests of the complementary charitable objects of Community Links Trust Limited and Catch22 Charity Limited and the integrated operations of the Catch22 group, for the public benefit, the charitable undertaking of Community Links Trust should be transferred, as a going concern, from Community Links Trust to Catch22 Charity Limited. All assets and trade of Community Links Trust were transferred to Catch22 Charity on this date and Community Links Trust Limited ceased to trade as a separate company from 1 February 2021. The merger will bring tangible benefits to both organisations and ultimately benefit the 60,000 service users we support each year, in Newham, across Greater London, and further afield through our policy work. We will recognise the benefits in three broad areas;

**For the year ended 31 August 2021**

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- **Sustainability** – merging with Catch22 gives Community Links more protection in this uncertain environment, in which many charities of all sizes face an uncertain future.
- **Scope** – merging with Catch22 opens more opportunities for Community Links' service users and staff.
- **Scale** – merging with Catch22 gives us the opportunity to build upon and apply our place-based community approach to Catch22's many services across England and Wales.

Community Links' brand (our name, logo etc) and history established over 40 years will continue, as will our commitment (through our mission) to the community and to sharing local lessons to influence wider policy. There will still be a ring-fenced Community Links team within Catch22 and we will also continue to fundraise for much needed funds to carry on our important work. Our activities will be overseen by an Advisory Committee tasked with safeguarding the legacy and future of Community Links. The Committee will also help ensure local knowledge, experience and expertise continues to drive what we do.

**Board of Trustees**

The Board is recruited in line with good practice within the Charities sector, currently via an application process or to maintain an appropriate balance, and by nomination by Catch22. Appointments to the Board are recommended by the Board of Trustees in the first instance and approved by the Catch22 Board. The Board endeavours to ensure that its membership covers the range and experience and skills that are required and that the backgrounds of the members of the Board reflect a balance that is appropriate to Community Links' mission, activities and location. The Catch22 Board have the right to appoint Trustees to Community Links' Board, and such Trustees are required to act in the best interests of the organisation.

The Board retained one standing Committee, the Resources Committee and a subsidiary Board for the Trading Company. The Resources Committee was chaired by Javid Canteenwala (Treasurer). The Trading Board may co-opt members.

Day-to-day management of the Charity is delegated to Director/s and other employees who operated within defined terms of reference and delegated authorities. The Director of the Charity, Chi Kavindele was in post until the date of transfer.

The Resources Committee recommend to the Board the salary of the Director / Accountable Officer and approve the overall salaries budget with regard to remuneration. This is based on benchmarking with similar organisations within the sector. The Resources Committee approves the cost-of-living increases for all staff, in line with the annual budget. The annual budget is also approved by the Community Links Board before being further approved by the Catch22 Board.

Performance is also reviewed by the Senior Management Team and shared with Managers.

The charity keeps a strategic risk register which is reviewed at the Resources Committee and by Trustees. Policies are reviewed and approved on a rolling basis, which ensures that key policies are reviewed no less frequently than every two years.

## **Investments**

Community Links had one wholly-owned subsidiary company, Community Links Trading Limited. The Charity owned one ordinary £1 share representing 100% of the share capital of the company. This subsidiary carries out trading activities in order to generate funds which were then gift-aided to Community Links Trust Limited. This was transferred to Catch22 Charity Limited at the date of transfer.

Community Links Trust held 5000 ordinary £1 shares in Allia Ltd, which were purchased on 3 September 2009. Allia Ltd is a community benefit society registered with the Financial Conduct Authority. The investment was made in order to access fundraising support provided by that company.

Community Links Trust held 21,300 class 'A' shares in Historypin Community Interest Company (formerly Shift Design Community Interest Company). These shares entitled the charity to appoint one Director to the Board of Directors of Historypin.

## **Achievements and performance in the delivery of public benefit**

The Charities Act 2011 sets out twelve kinds of activity that are recognised as 'charitable' provided there is sufficient demonstrable public benefit deriving from them. All the Charity's beneficiaries are individuals or communities that are socially and economically disadvantaged. The Charity conducts activities in the following areas identified in the act.

The Charity's main activities, all of which were transferred to Catch22 charity on 1 February 2021 are described below:

- The prevention or relief of poverty: The Charity's activities address both the causes and consequences of poverty.
- The Charity's advice work enables individuals in need to secure their rights to welfare support and legal support, housing support, and support to deal with debt and other disadvantage.
- The advice team works with families in crisis through a number of supportive interventions.
- Programmes of work under key categories of Youth, Employability, Health and Community are undertaken to support the community. For example, to reduce health inequalities, build emotional resilience and reduce hunger.
- The Charity's employment work supports those who are furthest from the labour market to move closer to the point of employment, secure employment and maintain employment.
- The Charity's work with young people focuses on the issues affecting them including the challenges of serious violence.
- Working with the 50+ population, the Charity enables training in digital technologies to enhance life experience and provide new opportunities.
- The Charity's Policy work is driven by the policies of Early Action and Encouraging Agency and this results in a number of programmes in different social settings, including schools and community centres. Early action underpins much of Community Links' work. Early action refers to any service or activity that prevents problems occurring or getting worse, tackling a problem's causes rather than its consequences. It is not limited to prevention: it is also a positive approach that enables people to fulfil their potential at every life stage by building resourceful communities that collectively overcome challenges and ultimately flourish. Encouraging Agency is a way of operating that involves the communities we work with, builds capacity, increases understanding in the social systems and civic systems that affect lives in the neighbourhood and crucially promotes empowerment to engage and affect these, and advocates in line with the principle 'Nothing about us, without us.'

**For the year ended 31 August 2021**

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The Charity's national research and policy work addresses the 'service design' need for better policies that prevent people being trapped in poverty and promote the case for early action in system change.

The Charity's community work is for the advancement of citizenship or community development. Through two hubs (at Rokeby and Asta) and its head-quarters at 105 Barking Road, the Charity encourages participation in civic life and wider civil society.

The work is for the relief of those in need or suffering inequality because of age, ill-health, disability, financial hardship or other disadvantage, this manifests in practical support programmes.

The advancement of health or saving of lives is primarily delivered through a wide range of community-based health activities that encourage healthy lifestyles, alongside a focused prevention programme that encourages the take up of health screening services in the most 'at risk' communities.

The youth, employability and community programmes encourage the elimination of barriers to advancements via skills development, knowledge transfer, confidence building, raising of aspirations and cultural understanding.

Trading activities that are directly aimed at producing or enabling a clear social or public benefit are conducted by the Charity's subsidiary company (Links Events Solutions.)

**Overview of specific activities and achievements in 2020/21**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities and confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The Board were aware that pre-existing issues such as entrenched poverty and deprivation worsened during the Covid-19 crisis, throwing up a whole new set of challenges for our community, our partners, and our staff who work tirelessly to be there for people in their time of need. This was in the face of significant increased demand for our services – in some cases up to 400%. The Board were grateful of the tremendous support received from so many which meant that Community Links was able to ensure continued service delivery of essential programmes for our community, as well as the safety of our service users and staff alike throughout the pandemic and subsequent lockdowns.

The Board kept up its cadence of meeting regularly, given the heightened risk due to Covid 19. Ad hoc board meetings took place in September 2020, October 2020, November 2020 and January 2021.

During this period the Board kept the focus on delivery of the One Year Stabilisation Plan which was instigated in July 2020, in lieu of a longer term strategy. This was due to the uncertainty and disruption caused by Covid 19. Strides were taken to progress all areas of the Plan, and in particular point 5: "make significant steps toward further integration with Catch22". The case for full integration of Community Links was put to the Board of Trustees (noting that in 2017 Catch22 Charity Limited became the sole company member of Community Links Trust, with the responsibility to ensure that Community Links is a viable going concern).

## **Community Links Trust Limited Trustees' annual report**

### **For the year ended 31 August 2021**

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In November 2020, following independent legal advice, the Board confirmed that they were satisfied to proceed with the merger subject to three safeguards being put in place. These concerned; Catch22's continued commitment to Newham, the establishment of the Advisory Board, and continued use of the Community Links brand. Accordingly, the Board resolved to approve the transfer agreement and authorised the Chair to execute and complete the transfer.

It was agreed that the majority of the Board would resign from 31st January 2021, following the transfer of assets and liabilities to Catch22 from 1st February 2021. Three board members continued to support the establishment of the advisory committee and one board member continued to provide technical support to the Building Project.

As well as specific governance issues the Board, during this time, also kept a close eye on programmatic output and the safety of staff given the risks posed by Covid-19.

### **Employees**

The Charity is a London Living Wage Employer and has supported TELCO in their recent campaigning work. The Charity has a staff development plan with resources set aside for investment in the professional development of staff. This includes development goals set for each member of staff within the appraisal system. Learning and development opportunities that are offered through Catch22's learning and development offer and external trainers in an annual programme. Mandatory training covers the following safeguarding, equality and diversity, health and safety and GDPR/ data protection.

The Charity is an equal opportunities employer and gives full and fair consideration of applications for employment made by disabled persons. Policies also include the training, development and promotion of disabled persons, and the ongoing employment and training of employees who become disabled whilst employed.

The Charity has a commitment and system to provide staff with the information they need and to consult them on decisions that affect their interests. This includes, team and organisation collective learning opportunities and away days, managers meetings, programme development meetings, senior management team meetings, monthly line management meetings, women's meetings and group communication when required.

All staff were transferred to Catch22 on 1 February 2021.

### **Fundraising and Policies**

We have continued to maintain relationships with a range of key stakeholders including local government, health commissioners, private companies, charitable trusts, foundations and individual donors. The Charity continues to prioritise these important partnerships, from a range of sectors, in a challenging fundraising climate, because without our many supporters we would not be able to continue our important work.

The Charity does not engage in direct marketing and fundraising with members of the public, however, if donations are made they are accepted.

The Charity is registered with the Fundraising Regulator and adheres to its code of fundraising practice.

The Charity's privacy policy, published on the website, clearly states what personal data Community Links Trust will hold in relation to those we engage with and how this data will be used.



**Community Links Trust Limited**  
**Trustees' annual report**

**For the year ended 31 August 2021**

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The Charity's process on how individuals can raise concerns or complaints is also included on the website.

The Charity received no complaints about its fundraising activities during the year. The Charity received one other complaint during the period which was satisfactorily resolved.

**Financial Review, Income and Expenditure and Reserves**

Total income for the period to date of transfer was £0.899m, compared with £2.364m for the year to 31 August 2020. Total expenditure for the period to date of transfer was £0.695m compared with £2.098m for the year to 31 August 2020. At the date of transfer, the charity transferred total funds of £3.641m to Catch22 Charity Limited leaving nil assets remaining.

**Risk management**

The Trustees have in place a robust risk management process. The process identifies the types of risk that the Charity faces, priorities them in terms of likelihood of occurrence and potential impact, identifies the means of managing these risks and monitors how the mitigations are managed. Development and review of risk management arrangements are the responsibility of the Resources Committee and are reviewed every six months. The strategic risk register is also presented to Trustees. All operational activity is risk mapped regularly and on a quarterly basis is presented in a Red, Amber, Green rating to the Resources Committee.

The key organisational risks and key mitigations are divided into categories, the main risks in each category are drawn to the attention of the Board and scored for impact and likelihood before and after mitigations are applied. The categories are as follows: External, Governance, Compliance, Facilities, Financial and Organisational.

The Board have paid particular attention to taking a forward view of strategy and to clarify and realise the potential of the strategic relationship with Catch22. There has been a strong focus on ensuring that the three hubs (Barking Road, Rokeby and Asta) are well used and that that all pressing maintenance issues have been met in line with health and safety requirements. There has been an emphasis on administrative systems to monitor risks to finances, contracting, support services and compliance. During the organisational review all staff were consulted to minimise impact on the operations of unplanned departures.

**Plans for the future**

Following the integration of the Charity's operations into Catch 22 Charity Limited Community Links' work will be continued as a distinct delivery hub within Catch22 and will benefit from Catch22's wider reach and influence.

## Community Links Trust Limited

### Trustees' annual report

**For the year ended 31 August 2021**

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#### Statement of responsibilities of the Trustees

The Trustees (who are also Directors of Community Links, for the purposes of company law) are responsible for preparing the Report of the Trustees, including the Strategic Report and the Financial Statements, in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
  - Observe the methods and principles in the Charities SORP;
  - Make judgements and estimates that are reasonable and prudent;
  - State whether applicable UK Accounting Standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
  - Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.
- The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy, at any time, the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor are unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 August 2021 was 1. Catch22 is the sole member of the Charity. The Trustees have no beneficial interest in the Charity.

Signature on behalf of the Board of Trustees on 24 May 2022



Chris Wright (Trustee)

# Independent Auditors' Report to the Members of Community Links Trust Limited

## Opinion

We have audited the financial statements of Community Links Trust Limited ('the company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of matter – basis of preparation

We draw attention to Note 1 C) to the financial statements which explains that on 1 February 2021 the charity transferred its trade and assets to its parent charity. As the charity ceased its operations, the trustees do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 1 C). Our opinion is not modified in this respect of this matter.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# Independent Auditors' Report to the Members of Community Links Trust Limited

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

# Independent Auditors' Report to the Members of Community Links Trust Limited

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

# Independent Auditors' Report to the Members of Community Links Trust Limited

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

Neil Finlayson (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

26 May 2022  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

**Community Links Trust Limited**
**Statement of financial activities** (incorporating an income and expenditure account)

**For the year ended 31 August 2021**

				2021	2020
	Note	Restricted £	Unrestricted General £	Total £	Total £
<b>Income from:</b>					
Donations and legacies	3	–	94,823	<b>94,823</b>	708,739
Charitable activities					
Advice and Health	4	122,837	367,641	<b>490,478</b>	809,732
Youth and Employability	4	129,578	84,378	<b>213,956</b>	420,736
Policy and Learning	4	41,500	1,800	<b>43,300</b>	155,835
Other trading activities	5	–	38,794	<b>38,794</b>	110,019
Investments	6	–	58	<b>58</b>	293
Government Grant Income		–	17,096	<b>17,096</b>	158,947
<b>Total income</b>		<b>293,915</b>	<b>604,590</b>	<b>898,505</b>	<b>2,364,301</b>
<b>Expenditure on:</b>					
Raising funds	7	–	3,654	<b>3,654</b>	63,549
Charitable activities					
Advice and Health	7	108,190	229,838	<b>338,028</b>	844,342
Youth and Employability	7	135,664	141,918	<b>277,582</b>	994,001
Policy and Learning	7	69,000	7,105	<b>76,105</b>	196,105
Transfer to Catch22 Charity	1 (c)	1,148,215	2,492,879	<b>3,641,094</b>	–
<b>Total expenditure</b>		<b>1,461,069</b>	<b>2,875,394</b>	<b>4,336,463</b>	<b>2,097,997</b>
Net (losses) on investments		–	–	–	(1,526)
<b>Net (expenditure) /income for the year</b>	8	<b>(1,167,154)</b>	<b>(2,270,804)</b>	<b>(3,437,958)</b>	<b>264,778</b>
Transfers between funds				–	–
<b>Net movement in funds</b>	19	<b>(1,167,154)</b>	<b>(2,270,804)</b>	<b>(3,437,958)</b>	<b>264,778</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,167,154	2,270,804	<b>3,437,958</b>	3,173,180
<b>Total funds carried forward</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>3,437,958</b>

# Community Links Trust Limited

## Balance sheet

Company no. 2661182

As at 31 August 2021

	Note	2021 £	2020 £
<b>Fixed assets:</b>			
Tangible assets	12	-	1,259,426
Investments	13	-	9,023
		-	1,268,449
<b>Current assets:</b>			
Debtors	15	-	2,945,645
Cash at bank and in hand	16	-	128,553
		-	3,074,198
<b>Liabilities:</b>			
Creditors: amounts falling due within one year	17	-	(904,689)
<b>Net current assets</b>		-	2,169,509
<b>Total net assets</b>	19	-	3,437,958
<b>Funds:</b>	19		
Restricted income funds		-	1,167,154
Unrestricted income funds:			
Designated funds		-	51,141
Revaluation reserve		-	873,000
General funds		-	1,346,663
Total unrestricted funds		-	2,270,804
<b>Total funds</b>		-	3,437,958

Approved by the trustees on 24 May 2022 and signed on their behalf by



Chris Wright  
Trustee



Community Links Trust Limited

Statement of cash flows

For the year ended 31 August 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
<b>Net cash provided by / (used in) operating activities</b>	20	44,647	(20,523)
<b>Cash flows from investing activities:</b>			
Purchase of fixed assets		(100,406)	–
Transfer of cash to Catch 22		<u>(72,794)</u>	<u>–</u>
<b>Net cash provided by / (used in) investing activities</b>		(173,200)	–
<b>Change in cash and cash equivalents in the year</b>		(128,553)	(20,523)
Cash and cash equivalents at the beginning of the year	21	<u>128,553</u>	<u>149,076</u>
		<u>–</u>	<u>128,553</u>

**1 Accounting policies**

Community Links Trust Limited is a charitable company limited by guarantee and registered in England and Wales. The address of the registered office is 105 Barking Road, London, E16 4HQ.

**a) Basis of preparation**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The Charitable Company is a public benefit entity for the purposes of FRS102 and therefore the charity has prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS012 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are recorded to the nearest pound.

**b) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**c) Going concern**

On 1 February 2021, it was agreed that, in the best interests of the complementary charitable objects of Community Links Trust Limited and Catch22 Charity Limited, its parent charity, and the integrated operations of the Catch22 group, for the public benefit, the charitable undertaking of Community Links Trust should be transferred, as a going concern, from Community Links Trust to Catch22 Charity Limited. All assets and trade of Community Links Trust were transferred to Catch22 Charity on this date and Community Links Trust Limited ceased to trade as a separate company from 1 February 2021. Therefore the financial statements have been prepared on a basis other than that of a going concern. No adjustments have been required to be made to the financial statements as a result of them being prepared on a basis other than that of a going concern.

**d) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Trading income generated from events and activities is recognised when the events and activities are held. Income is recognised net of value added tax.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**e) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**1 Accounting policies (continued)**

**f) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**g) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

**h) Expenditure and irrecoverable VAT**

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of Early Action, Employment Hubs and Links UK undertaken to further the purposes of the charity and their associated support costs

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

**i) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on income, of each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Raising Funds	0%
● Advice and Health	39%
● Youth and Employability	33%
● Policy and Learning	10%
● Support	18%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on income, of the amount attributable to each activity

● Raising Funds	1%
● Advice and Health	49%
● Youth and Employability	40%
● Policy and Learning	11%

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

**1 Accounting policies (continued)**

**j) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**k) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Long and short leasehold	Over the length of the lease
● Leasehold improvements	2 to 50% per annum
● Motor vehicles	25% per annum
● Computers, fixtures and fittings	25% per annum
● Assets under construction	none

**l) Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

**Investments in subsidiaries**

Investments in subsidiaries are at cost or written down value if lower. The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the charitable company as an individual and not about its group. Community Links Trust Limited is a wholly owned subsidiary of Catch22 Charity Limited and the results of Community Links Trust Limited are included in the consolidated financial statements of Catch22 Charity Limited.

**m) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1 Accounting policies (continued)**

**n) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**o) Creditors and provisions**

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

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**p) Pensions**

The charitable company makes pension contributions to the Flexible Retirement Plan, a multi-employer defined contribution pension scheme which is operated by the Pensions Trust. The charitable company became a member of the Pensions Trust effective 1 October 2012. The charitable company pays employer's contributions of 5% of pensionable salary provided that an employee pays employee contributions of at least 3% of pensionable salary. Employer's pension contributions are charged to the Statement of Financial Activities as incurred.

## 2 Detailed comparatives for the statement of financial activities

	2020		
	Restricted £	Unrestricted General £	Total £
<b>Income from:</b>			
Donations and legacies	407,233	301,507	708,739
Charitable activities			
Advice and Health	185,056	624,676	809,732
Youth and Employability	177,740	242,996	420,736
Policy and Learning	109,790	46,045	155,835
Other trading activities	–	110,019	110,019
Investments	–	293	293
Government Grant Income	158,947	–	158,947
<b>Total income</b>	<b>1,038,766</b>	<b>1,325,535</b>	<b>2,364,301</b>
<b>Expenditure on:</b>			
Raising funds	–	63,549	63,549
Charitable activities			
Advice and Health	268,221	576,121	844,342
Youth and Employability	626,121	367,880	994,001
Policy and Learning	165,933	30,172	196,105
<b>Total expenditure</b>	<b>1,060,275</b>	<b>1,037,722</b>	<b>2,097,997</b>
Net (losses) on investments		(1,526)	(1,526)
<b>Net income / expenditure</b>	<b>(21,509)</b>	<b>286,287</b>	<b>264,778</b>
Transfers between funds	–	–	–
<b>Net movement in funds</b>	<b>(21,509)</b>	<b>286,287</b>	<b>264,778</b>
<b>Total funds brought forward</b>	<b>1,188,663</b>	<b>1,984,517</b>	<b>3,173,180</b>
<b>Total funds carried forward</b>	<b>1,167,154</b>	<b>2,270,804</b>	<b>3,437,958</b>

**3 Income from donations and legacies**

			<b>2021</b>	<b>2020</b>
	Restricted £	Unrestricted £	<b>Total £</b>	<b>Total £</b>
Gifts	–	94,823	<b>94,823</b>	708,739
	–	94,823	<b>94,823</b>	708,739

**4 Income from charitable activities**

			<b>2021</b>	<b>2020</b>
	Restricted £	Unrestricted £	<b>Total £</b>	<b>Total £</b>
Legal Aid Agency	–	–	–	8,001
Screening Project	–	–	–	379,856
Help Through Crisis	56,212	–	<b>56,212</b>	76,316
Other	66,625	367,641	<b>434,266</b>	345,559
Sub-total for Advice and Health	122,837	367,641	<b>490,478</b>	809,732
More than Mentors	–	–	–	100,000
Other income	129,578	84,378	<b>213,956</b>	320,736
Sub-total for Youth and Employability	129,578	84,378	<b>213,956</b>	420,736
BIG Lottery Fund	41,500	1,800	<b>43,300</b>	109,790
Other income	–	–	–	46,045
Sub-total for Policy and Learning	41,500	1,800	<b>43,300</b>	155,835
Total income from charitable activities	293,915	453,819	<b>747,734</b>	1,386,303

Community Links Trust Limited

Notes to the financial statements

For the year ended 31 August 2021

<b>5</b>	<b>Income from other trading activities</b>	Unrestricted £	<b>2021 Total £</b>	2020 Total £
	Other income	38,794	<b>38,794</b>	110,019
		<u>38,794</u>	<u><b>38,794</b></u>	<u>110,019</u>
<b>6</b>	<b>Income from investments</b>	Unrestricted £	<b>2021 Total £</b>	2020 Total £
	Interest	58	<b>58</b>	293
		<u>58</u>	<u><b>58</b></u>	<u>293</u>



## 7. Analysis of expenditure

	Cost of raising funds £	Charitable activities			Support costs £	2021 Total £	2020 Total £
		Advice and Health £	Youth and Employability £	Policy and Learning £			
Staff costs (Note 9)	–	238,748	151,746	56,705	59,332	<b>506,531</b>	1,282,048
Other staff costs	–	727	–	–	1,024	<b>1,751</b>	15,870
Direct project costs	1,000	4,198	52,251	11,000	15,050	<b>83,499</b>	426,392
Travel and subsistence	–	22	82	–	26	<b>130</b>	5,386
Rent and rates	–	–	269	–	(15,280)	<b>(15,011)</b>	5,795
Legal and professional	–	–	–	185	6,960	<b>7,145</b>	13,288
Office costs	2,008	27,227	12,299	2,110	34,608	<b>78,250</b>	274,734
Audit and accountancy	–	–	–	–	12,765	<b>12,765</b>	24,960
Depreciation	–	–	11,863	–	8,444	<b>20,308</b>	49,523
	3,008	270,922	228,510	70,000	122,929	695,368	2,097,996
Support costs	646	67,106	49,072	6,105	(122,929)	–	–
<b>Total expenditure for 2021</b>	<b>3,654</b>	<b>338,028</b>	<b>277,582</b>	<b>76,105</b>	<b>–</b>	<b>695,368</b>	2,097,996
Total expenditure for 2020	63,549	844,342	994,001	196,105	–	2,097,997	

## Notes to the financial statements

For the year ended 31 August 2021

**8 Expenditure for the year**

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	20,480	49,938
Auditors' remuneration (excluding VAT):		
Audit	12,765	14,600
	<u>12,765</u>	<u>14,600</u>

**9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	454,517	1,136,711
Redundancy and termination costs	5,209	20,159
Social security costs	37,379	100,327
Employer's contribution to defined contribution pension schemes	9,427	24,851
	<u>506,532</u>	<u>1,282,048</u>

Employees earning more than £60,000 (excluding employer pension costs) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	–	–
£70,000 – £79,999	–	–
£80,000 – £89,999	–	–
	<u>–</u>	<u>–</u>

The total employee benefits including pension contributions and employers NI of the key management personnel for 2021 was £24,802 (2020: £111,155).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £nil) incurred by 0 (2020: 0) members relating to attendance at meetings of the trustees.

Aggregate donations from trustees was £nil (2020: £nil).

**10 Staff numbers**

	2021 No.	2020 No.
Average number of employess during the year was as follows:	<u>43.0</u>	<u>78.0</u>

**11 Related party transactions**

During the year, the charity had transactions of £118,927 (2020: £178,217) relating to salaries and other costs recharged to Community Links Trading Limited, its wholly owned subsidiary.

## 12 Tangible fixed assets

	Assets under construction £	Long leasehold £	Short leasehold £	Leasehold improvements £	Computer equipment, fixtures & fittings £	Total £
<b>Cost/ valuation</b>						
At the start of the year	-	900,000	540,797	263,974	41,507	<b>1,746,278</b>
Additions in year	93,002	-	7,404	-	-	<b>100,406</b>
Transferred to parent charity	(93,002)	(900,000)	(548,201)	(263,974)	(41,507)	<b>(1,846,684)</b>
At the end of the year	-	-	-	-	-	-
<b>Depreciation</b>						
At the start of the year	-	27,000	321,958	99,138	33,753	<b>481,849</b>
Charge for the year	-	3,750	11,605	3,678	1,447	<b>20,480</b>
Transferred to parent charity	-	(30,750)	(333,563)	(102,816)	(35,200)	<b>(502,329)</b>
At the end of the year	-	-	-	-	-	-
<b>Net book value</b>						
<b>At the end of the year end</b>	-	-	-	-	-	-
At the start of the year	-	873,000	218,839	164,836	7,753	<b>1,264,428</b>

During the year, Community Links Trust transferred all of their assets to Catch22 Charity Limited, its parent charity (see note 1c)).

13	Investments	2021 £	2020 £
	Fair value at the start and end of the year	9,023	10,548
	Change in market value	-	(1,525)
	Disposals at carrying value	(9,023)	-
		-	9,023
	Historic cost at the end of the year	-	12,295
	Investments comprise:		
		2021 £	2020 £
	Listed investments	-	4,022
	Unlisted investments	-	5,001
		-	9,023

Community Links Trading Limited

The charity owned one ordinary £1 share representing 100% of the share capital of the company. The shares are valued at the cost of the investment. The company operates trading activities in order to generate funds for the charity.

The company generated an operating loss of £107,355 (2020: loss of £75,239) during the year. No funds were gift aided to the charity in the year (2020: £nil).

**14 Subsidiary undertaking**

The charitable company owns the whole of the issued ordinary share capital of Community Links Trading Limited, a company registered in England and Wales (Company no: 05737749 Registered Office: 105 Barking Road, London, E16 4HQ). The subsidiary is used for non-primary purpose trading activities. Available profits are gift aided to the charitable company. As part of the transfer of assets and trade to Catch 22 Charity Limited, the shares was transferred to Catch22 Charity Limited on 1 February 2021. A summary of the results of the subsidiary for the year is shown below:

	2021 £	2020 £
Turnover	249,514	273,114
Cost of sales	(256,477)	(310,407)
Gross profit	(6,963)	(37,293)
Administrative expenses	(100,392)	(37,946)
Operating profit	(107,355)	(75,239)
Interest receivable	–	–
Profit for the financial year	(107,355)	(75,239)
Corporation Tax	–	–
Profit after Tax	(107,355)	(75,239)
Retained profit bought forward	(62,949)	12,290
Profit after Tax	(107,355)	(75,239)
Amount distributed to Community Links Trust	–	–
Retained profit	(170,304)	(62,949)
The aggregate of the assets, liabilities and funds was:		
Fixed Assets	28,461	43,077
Current Assets	113,378	73,996
Current Liabilities	(312,142)	(180,021)
Funds	(170,303)	(62,948)

A Deed of Covenant was signed in the year ended 31st August 2019 creating an obligation for the company to pay taxable profits as a giftaid distribution to Community Links Trust. As there were no taxable profits in this financial year no distributions have been accrued at year end.

Community Links Trust Limited

Notes to the financial statements

For the year ended 31 August 2021

<b>15</b>	<b>Debtors</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Trade debtors	-	218,448
	Accrued income	-	70,827
	Prepayments	-	13,189
	Amount owed by group undertaking	-	2,643,181
		<hr/>	<hr/>
		-	2,945,645
		<hr/>	<hr/>
<b>16</b>	<b>Cash at bank and in hand</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Cash at bank and in hand	-	128,553
		<hr/>	<hr/>
<b>17</b>	<b>Creditors: amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Trade creditors	-	93,080
	Taxation and social security	-	32,192
	Other creditors	-	8,913
	Accruals and deferred income	-	770,504
		<hr/>	<hr/>
		-	904,689
		<hr/>	<hr/>
	Amounts included in deferred income as it relates to future periods:	<b>£</b>	
	Balance at 1 September	<b>674,433</b>	175,339
	Amounts (released)/deferred in year	<b>(674,433)</b>	499,094
	Balance at 31 August	<hr/>	<hr/>
		-	674,433
		<hr/>	<hr/>

## 18 Analysis of group net assets between funds

2020	Restricted Funds £	Designated Funds £	General Funds £	Revaluation reserve £	Total Funds £
Tangible fixed assets	-	-	-	-	-
Investments	-	-	-	-	-
Net current assets	-	-	-	-	-
<b>Net assets at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2019	Restricted Funds £	Designated Funds £	General Funds £	Revaluation reserve £	Total Funds £
Tangible fixed assets	335,285	51,141	-	873,000	1,259,426
Investments	-	-	9,023	-	9,023
Net current assets	831,869	-	1,337,640	-	2,169,509
<b>Net assets at the end of the year</b>	<b>1,167,154</b>	<b>51,141</b>	<b>1,346,663</b>	<b>873,000</b>	<b>3,437,958</b>

## 19 Movements in funds

	At 1 September 2020 £	Income £	Expenditure £	Transfer/Transfer to Catch 22 Charity £	At 31 August 2021 £
<b>Restricted funds:</b>					
Youth and Employability	157,227	129,580	(133,681)	(153,126)	-
Advice and Health	48,940	122,836	(108,190)	(63,586)	-
Policy and Learning	102,656	41,500	(69,000)	(75,156)	-
Anonymous Donations	523,046		(1,984)	(521,062)	-
Fixed Assets	335,285	-		(335,285)	-
<b>Total restricted funds</b>	<b>1,167,154</b>	<b>293,916</b>	<b>(312,855)</b>	<b>(1,148,215)</b>	<b>-</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Fixed Assets	51,141	-	-	(51,141)	-
Revaluation reserve	873,000	-	(3,750)	(869,250)	-
<b>Total designated funds</b>	<b>924,141</b>	<b>-</b>	<b>(3,750)</b>	<b>(920,391)</b>	<b>-</b>
<b>General funds</b>	<b>1,346,663</b>	<b>604,590</b>	<b>(378,765)</b>	<b>(1,572,488)</b>	<b>-</b>
<b>Total unrestricted funds</b>	<b>2,270,804</b>	<b>604,590</b>	<b>(382,515)</b>	<b>(2,492,879)</b>	<b>-</b>
<b>Total funds</b>	<b>3,437,958</b>	<b>898,506</b>	<b>(695,370)</b>	<b>(3,641,094)</b>	<b>-</b>



#### **Purposes of restricted funds**

The charity receives restricted income from a very large number of donors and it is not practical to disclose the opening balances, movements, transfers and closing balances on every individual restricted fund. Restricted funds are disclosed in aggregate for each area of charitable activity.

##### Fixed Assets

The restricted Fixed Assets Fund represents the net book value of fixed assets purchased by the charitable company using restricted funds. Depreciation relating to such fixed assets is charged to this fund.

##### Transfer of funds

At 31.08.21, all of the assets and liabilities were transferred to Catch 22 Charity, its parent charity.

#### **Purposes of designated funds**

##### Revaluation Reserve

This represents the surplus arising from the revaluation of freehold property owned by the charity less depreciation charge.

##### Fixed assets

This represents the net book value of fixed assets which has not been purchased with restricted funds. Depreciation relating to such fixed assets is charged to this fund.

##### Transition Funding

This represents funds to be used in the transition of the charity. These funds will be spent in the coming year.

#### **Unrestricted Funds**

##### General funds

The General Fund represents the accumulated net surpluses of the charity which have neither been restricted by conditions imposed by donors, nor have been designated by the Board of Trustees for specific purposes.

## 19 Movements in funds 2020

	At 1 September 2019 £	Income £	Expenditure £	Transfers £	At 31 August 2020 £
<b>Restricted funds:</b>					
Youth and Employability	79,848	547,473	(470,094)	-	157,227
Advice and Health	30,411	185,056	(166,527)	-	48,940
Policy and Learning	158,799	109,790	(165,933)	-	102,656
Support	-	37,500	(37,500)	-	-
Anonymous Donations	547,590	-	(24,544)	-	523,046
Furlough Grant	-	158,947	(158,947)	-	-
Fixed Assets	372,015	-	(36,730)	-	335,285
<b>Total restricted funds</b>	<b>1,188,663</b>	<b>1,038,766</b>	<b>(1,060,275)</b>	<b>-</b>	<b>1,167,154</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Fixed Assets	55,350	-	(4,209)	-	51,141
Revaluation reserve	882,000	-	(9,000)	-	873,000
<b>Total designated funds</b>	<b>937,350</b>	<b>-</b>	<b>(13,209)</b>	<b>-</b>	<b>924,141</b>
<b>General funds</b>	<b>1,047,167</b>	<b>1,325,535</b>	<b>(1,026,039)</b>	<b>-</b>	<b>1,346,663</b>
<b>Total unrestricted funds</b>	<b>1,984,517</b>	<b>1,325,535</b>	<b>(1,039,248)</b>	<b>-</b>	<b>2,270,804</b>
<b>Pension fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total funds</b>	<b>3,173,180</b>	<b>2,364,301</b>	<b>(2,099,523)</b>	<b>-</b>	<b>3,437,958</b>

20	Reconciliation of net (expenditure) /income to net cash flow from operating activities	2021 £	2020 £
	<b>Net (expenditure)/income for the reporting period (as per the statement of financial activities)</b>	<b>(3,437,958)</b>	264,778
	Depreciation charges	20,480	49,938
	Net (losses) on investments	-	1,527
	Decrease/(Increase) in debtors	1,669	(722,363)
	(Increase)/ (decrease) in creditors	(180,638)	385,597
	Transfer of assets to Catch22	3,641,094	-
	<b>Net cash provided by / (used in) operating activities</b>	<b>44,647</b>	(20,523)

## 21 Analysis of cash and cash equivalents

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	128,553	(128,553)	0
<b>Total cash and cash equivalents</b>	<b>128,553</b>	<b>(128,553)</b>	<b>0</b>

## 22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1. The registered office is 105 Barking Road, London.

## 23 Ultimate parent charity

The charity's ultimate parent company is Catch22 Charity Limited, incorporated in England and Wales, charity number 1124127, company number 06577534. The principle purpose of Catch22 Charity Limited is a social business that designs and delivers services that build resilience and aspiration in people and communities. Catch22 Charity Limited is the sole member of Community Links Trust and approves all trustee appointments. Group consolidated accounts are prepared and publicly available from the company secretary at the registered office 27 Pear Tree Street, London, EC1V 3AG.

## 24 Transfer of assets

On 1 February 2021, it was agreed that, in the best interests of the complementary charitable objects of Community Links Trust Limited and Catch22 Charity Limited, its parent charity, and the integrated operations of the Catch22 group, for the public benefit, the charitable undertaking of Community Links Trust should be transferred, as a going concern, from Community Links Trust to Catch22 Charity Limited. All assets and trade of Community Links Trust were transferred to Catch22 Charity on this date and Community Links Trust Limited ceased to trade as a separate company from 1 February 2021.