



Alexander Sloan
Accountants and Business Advisers

Company Registration No. SC0229753 (Scotland)

COMMUNITY LINKS SCOTLAND

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

Charity Registration No. SC032934 (Scotland)

FRIDAY



S9IPGNMG

SCT

27/11/2020

#108

COMPANIES HOUSE

COMMUNITY LINKS SCOTLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Laurie MacKay Sandra Loney Sephton MacQuire James Weir Meg Harrison
Secretary	Stephen Singer
Charity number (Scotland)	SC032934
Company number	SC0229753
Registered office	63 Kilbowie Road Clydebank Glasgow G81 1BL
Independent examiner	Mark Mulholland, F.C.C.A. Alexander Sloan Accountants and Business Advisers 180 St Vincent Street Glasgow G2 5SG

COMMUNITY LINKS SCOTLAND

CONTENTS

	Page
Directors' report	1 - 2
Statement of Directors' responsibilities	3
Independent examiner's report	4
Statement of financial activities	5 - 6
Balance sheet	7 - 8
Notes to the financial statements	9 - 22

COMMUNITY LINKS SCOTLAND

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2020

The Directors present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

The Company's objectives are to relieve poverty by promoting employment and education opportunities, to improve the environment and to promote social welfare.

The organisation uses a methodology of staff/tenant involvement which produces a Wider Role Strategy, Evaluation and Funding Plan which is the basis of the work that will be carried out on behalf of individual RSLs.

Achievements and performance

2019/20 saw Community Links Scotland completing its 18th year of working with Registered Social Landlords, community development trusts and other not for profit community organisations who are too small or who cannot afford to employ their own regeneration staff directly. Throughout the year we worked on a large variety of projects in West Dunbartonshire, East Dunbartonshire, Argyll & Bute, Inverclyde, Glasgow, and North Lanarkshire. Projects were worked on Islay, Port Glasgow, Royston and Torglen from long established clients to new organisations still being formed or only just being formed.

Not only was the geography varied but the types of project also varied over the year from trying to support welfare reform, to trying to establish new community facilities, sports facilities or preparing community consultation events and preparing community development plans. This year is also a reflection of the reduced amount of capital and revenue funding available from both the public and private sectors. IT also saw the start of home working as a result of the Covid 19 pandemic.

As a result of the above, tender opportunities for new work were limited in 2019/20, and when available were extremely competitive. Despite this we had a successful year and in the process generating a small surplus. During the year we re-organised the office space to reflect a smaller organisation and established a set of systems to enable home working for all staff. With support from the board we hope to build on this year and meet the next challenges, however these may present themselves. I would like to thank the Management Board and staff for their continued commitment, hard work and dedication to retaining CLS as a leading provider of regeneration services in 2019/20 and into the future.

Financial review

The charity had net movement in funds of £307,860 for the year and has total accumulated funds of £288,515 at the balance sheet date after the pension asset of £15,000.

Reserves policy

It is the policy of the Charity to maintain unrestricted funds at a level to provide sufficient funds to cover management, administration and support costs.

As per the Statement of Financial Activities on page 5, the General Fund (Unrestricted) amounted to £147,342 after recognising an asset of £15,000 which was the Charity's share of the Scottish Housing Associate Pension Scheme. The pension asset was triggered by a change in method of accounting for pension liabilities in 2019 which has no impact on the charity's cash position.

Excluding the pension asset (pension liability in 2019), the General Fund (Unrestricted) had **operating** reserves of £132,342 (2019 - £96,408) as at 31 March 2020.

COMMUNITY LINKS SCOTLAND

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Risk Management

The Directors has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for future periods

Given the uncertainty of future Scottish Government funding, Community Links Scotland continues to develop its consultancy arm as an alternative source of revenue, in the main working with small not-for-profit community groups and trusts across Scotland.

Structure, governance and management

Governing document

The Charity is a company limited by guarantee (No. SC229753) and a recognised Scottish Charity (No. SC032934) and governed by its Memorandum and Articles of Association.

The Directors who served during the year and up to the date of signature of the financial statements were:

Laurie MacKay

Sandra Loney

Sephton MacQuire

James Weir

Meg Harrison

Directors are elected from client RSLs and relevant groups and individuals and nominated onto the Board.

Organisational structure

The Management Board make all policy decisions on a bi-monthly basis with staff implementing day to day actions. A staffing sub-committee is in place to deal with recruitment and serious staffing issues. Both Boards are serviced by the Director. The Treasurer meets with the finance officer on a weekly basis to authorise cheques and discuss financial issues relating to the charity.

The organisation continues to be managed by a participatory Management Board with new Board members inducted in line with the Trustees Induction and Training Policy.

Covid-19

At the date on which the financial statements were approved, the United Kingdom was being impacted by the Coronavirus pandemic. The Directors are monitoring the position and updating their plans accordingly. Like most organisations, the virus is likely to affect the charity's activities in the current accounting year.

Independent examiner

The Trustees recommend that Mark Mulholland ACCA, a Partner in Alexander Sloan, Accountants and Business Advisers, remains in office as independent examiner until further notice.

The Directors' report was approved by the Board of Directors.

Stephen Singer

Stephen Singer

Secretary 13/11/2020

Dated:

COMMUNITY LINKS SCOTLAND

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2020

The Directors, who also act as trustees for the charitable activities of #cd2, are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Directors 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 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 Directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COMMUNITY LINKS SCOTLAND

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS OF COMMUNITY LINKS SCOTLAND

I report on the financial statements of the charity for the year ended 31 March 2020, which are set out on pages 5 to 22.

Respective responsibilities of Directors and examiner

The charity's directors, who also act as trustees for the charitable activities of Community Links Scotland, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The Directors consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Mark Mulholland

Mark Mulholland, F.C.C.A.
Alexander Sloan
Accountants and Business Advisers
180 St Vincent Street
Glasgow
G2 5SG

18/11/2020

Dated:

COMMUNITY LINKS SCOTLAND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Current financial year						
		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
	Notes					
Income from:						
Donations and legacies	3	32,559	-	117,520	150,079	165,240
Income from charitable activities	4	257,866	-	-	257,866	174,151
Total income		290,425	-	117,520	407,945	339,391
Expenditure on:						
Cost of charitable activities	5	228,491	14,369	85,225	328,085	380,308
Net income/(expenditure)		61,934	(14,369)	32,295	79,860	(40,917)
Other recognised gains and losses						
Actuarial gain/(loss) on defined benefit pension schemes		228,000	-	-	228,000	(29,000)
Net movement in funds		289,934	(14,369)	32,295	307,860	(69,917)
Fund balances at 1 April 2019		(142,592)	95,763	27,484	(19,345)	50,572
Fund balances at 31 March 2020		147,342	81,394	59,779	288,515	(19,345)

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 9 to 22 form an integral part of these financial statements.

COMMUNITY LINKS SCOTLAND

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Prior financial year

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes				
Income from:					
Donations and legacies	3	55,468	-	109,772	165,240
Income from charitable activities	4	174,151	-	-	174,151
Total income		229,619	-	109,772	339,391
Expenditure on:					
Cost of charitable activities	5	269,769	12,233	98,306	380,308
Gross transfers between funds		(8,967)	8,967	-	-
Actuarial gain/(loss) on defined benefit pension schemes		(29,000)	-	-	(29,000)
Net movement in funds		(78,117)	(3,266)	11,466	(69,917)
Fund balances at 1 April 2018		(64,475)	99,029	16,018	50,572
Fund balances at 31 March 2019		(142,592)	95,763	27,484	(19,345)

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 9 to 22 form an integral part of these financial statements.

COMMUNITY LINKS SCOTLAND

BALANCE SHEET

AS AT 31 MARCH 2020

		2020		2019 as restated	
	Notes	£	£	£	£
Fixed assets					
Investments	9		100		100
Current assets					
Debtors	10	68,060		45,479	
Cash at bank and in hand		223,305		190,875	
		<u>291,365</u>		<u>236,354</u>	
Creditors: amounts falling due within one year	11	<u>(17,950)</u>		<u>(16,799)</u>	
Net current assets			273,415		219,555
Total assets less current liabilities			273,515		219,655
Provisions for liabilities					
Defined benefit pension liability	12	-		239,000	
		<u>-</u>	<u>-</u>	<u>239,000</u>	(239,000)
Net assets excluding pension surplus/(deficit)			273,515		(19,345)
Defined benefit pension surplus/(deficit)	12		15,000		-
Net assets/(liabilities)			<u>288,515</u>		<u>(19,345)</u>
Income funds					
Restricted funds	13		59,779		27,484
<u>Unrestricted funds</u>					
Designated funds	14	81,394		95,763	
General unrestricted funds	16	147,342		(142,592)	
		<u>228,736</u>		<u>(46,829)</u>	
		<u>288,515</u>		<u>(19,345)</u>	

COMMUNITY LINKS SCOTLAND

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2020.

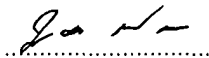
The Directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

18/11/2020

The financial statements were approved by the Directors on



James Weir
Trustee

Company Registration No. SC0229753

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

Community Links Scotland is a private company limited by guarantee incorporated in Scotland. The registered office is 63 Kilbowie Road, Clydebank, Glasgow, G81 1BL.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Companies Act 2006 and "Accounting and Reporting by Charities: 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Directors are obliged to consider the appropriateness of the going concern assumption when preparing the financial statements. Given that the Covid-19 pandemic has created a degree of uncertainty, the Directors have assessed its potential impact on the finances and future of the charity. Consequently, the Directors believe that there are no material uncertainties affecting the charity's ability to continue as a going concern and, accordingly, the financial statements are prepared on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured or estimated reliably.

Liabilities are measured on recognition at historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date. The exception is that certain financial instruments must be adjusted to their present value; these include financial liabilities where settlement is deferred for more than 12 months after the reporting date.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Raising Funds

Expenditure on raising funds includes all expenditure incurred by a charity to raise funds for its charitable purposes. It includes the costs of all fundraising activities and events together with those costs incurred in seeking donations, grants and legacies and investment management costs.

Charitable activities

Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. The costs of charitable activities presented in the Statement of Financial Activities includes the costs of both direct service provision and the payments of grant awards if applicable.

Governance costs

Governance costs (which are included as a component of support costs in accordance with SORP) comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include those related to constitutional and statutory requirements, external scrutiny (audit or independent examination), strategic management, and other legal and professional fees.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	Straight line over 3 years
--------------------	----------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

Existing employees of the charity were entitled to join the Scottish Housing Association Pension Scheme which is funded by contributions from employee and employer. Members of the Pension Scheme may also contribute added years to that scheme or take out an Additional Voluntary Contribution scheme, each of which is funded by the employee alone.

The Scottish Housing Association Pension Scheme is a multi-employer defined benefit scheme administered for the benefit of Local Authorities and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 2013 (as amended). Past and present employees are covered by the provisions of the Scheme.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.11 Retirement benefits

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	32,559	117,520	150,079	55,468	109,772	165,240
Donations and gifts						
Traininglink Income	-	117,520	117,520	-	109,772	109,772
Housing Associations	32,559	-	32,559	55,468	-	55,468
	32,559	117,520	150,079	55,468	109,772	165,240

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

4 Income from charitable activities

	2020 £	2019 £
Services provided under contract	190,654	152,754
Performance related grants	43,362	-
Other income	23,850	21,397
	<u>257,866</u>	<u>174,151</u>

Performance related grants

Climate Challenge Fund	43,362	-
Other	-	-
	<u>43,362</u>	<u>-</u>

5 Cost of charitable activities

	2020 £	2019 £
Staff costs	182,332	230,086
Depreciation and impairment	-	1,417
Project and activities costs	94,806	99,536
Premises costs	22,706	23,666
Running costs	15,635	15,224
Legal and professional	1,710	-
Interest and finance charges	6,000	7,000
Governance costs	4,896	3,379
	<u>328,085</u>	<u>380,308</u>

	<u>328,085</u>	<u>380,308</u>
--	----------------	----------------

Analysis by fund

Unrestricted funds - general	228,491	269,769
Unrestricted funds - designated	14,369	12,233
Restricted funds	85,225	98,306
	<u>328,085</u>	<u>380,308</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

6 Directors

None of the Directors (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	8	8

Employment costs

	2020 £	2019 £
Wages and salaries	158,302	196,664
Social security costs	16,380	22,884
Other pension costs	7,650	10,538
	<u>182,332</u>	<u>230,086</u>

The remuneration of key management personnel during the year, including wages and salaries and employer's contributions to national insurance and pensions, was £50,421 (2019 - £49,576).

8 Net income/(expenditure) for the year

	2020 £	2019 £
Net income/(expenditure) for the year is stated after charging:		
Independent Examiner's remuneration	4,397	2,888
Depreciation of owned tangible fixed assets	-	1,417

9 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2019 & 31 March 2020	100
Carrying amount	
At 31 March 2020	100
At 31 March 2019	100

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

9 Fixed asset investments		(Continued)	
	Notes	2020 £	2019 £
Other investments comprise:			
Investments in subsidiaries	20	100	100
		<u>100</u>	<u>100</u>
10 Debtors		2020	2019
		£	£
Amounts falling due within one year:			
Trade debtors		66,343	43,796
Prepayments and accrued income		1,717	1,683
		<u>68,060</u>	<u>45,479</u>
11 Creditors: amounts falling due within one year		2020	2019
		£	£
Other taxation and social security		12,928	10,478
Trade creditors		1,622	-
Other creditors		100	4,268
Accruals and deferred income		3,300	2,053
		<u>17,950</u>	<u>16,799</u>
12 Retirement benefit schemes			

Defined benefit schemes

Community Links Scotland participated in the Scottish Housing Association Pension Scheme (the scheme) a multi-employer defined benefit scheme which provides benefits to some 150 non-associated employers. The Scheme is a defined benefit scheme in the UK.

The Scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined occupational pension schemes in the UK.

The last valuation of the Scheme was performed as at 30th September 2018 by a professionally qualified actuary using the Projected Unit Credit method. The market value of the Scheme's assets at the valuation date was £877m. The valuation revealed a shortfall of assets compared with the value of liabilities of £121m (equivalent to a past service funding level of 89%). A recovery plan is on place to eliminate the past service deficit which runs to 28 February 2022.

The Scheme operates on a 'last man standing' basis, meaning that in the event of an employer withdrawing from the Scheme and being unable to pay its share of the debt on withdrawal. Then the liability of the withdrawing employer is re-apportioned amongst the remaining employer. Therefore in certain circumstances the Association may become liable for the obligations of a third party.

In 2019 the Pensions Trust, the administrator of the Scheme developed a method of determining the share of assets and liabilities for individual employers. This method was adopted by Community Links Scotland in 2019 and resulted in an adjustment to the opening pension liability recognised in the Statement of Financial Activity of £232,000.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

12 Retirement benefit schemes

(Continued)

Key assumptions

	2020	2019
	%	%
Discount rate	2.35	2.35
Expected rate of salary increases	2.56	3.25
Inflation (RPI)	2.56	3.25
Inflation (CPI)	1.56	2.25
Allowance for commutation of pension for cash at retirement (maximum allowance)	75	75

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2020	2019
	Years	Years
Retiring today		
- Males	21.5	21.7
- Females	23.2	23.4
Retiring in 20 years		
- Males	22.8	23.1
- Females	24.5	24.7

Amounts recognised in the profit and loss account:

	2020	2019
	£	£
Net interest on defined benefit liability/(asset)	5,000	6,000
Other costs and income	1,000	1,000
Total costs	6,000	7,000

Amounts taken to other comprehensive income:

	2020	2019
	£	£
Actual return on scheme assets	(133,000)	(32,000)
Less: calculated interest element	23,000	23,000
Return on scheme assets excluding interest income	(110,000)	(9,000)
Actuarial changes related to obligations	(118,000)	38,000

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

12 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2020 £	2019 £
Present value of defined benefit obligations	1,091,000	1,183,000
Fair value of plan assets	(1,106,000)	(944,000)
(Surplus)/deficit in scheme	<u>(15,000)</u>	<u>239,000</u>

Movements in the present value of defined benefit obligations:

	2020 £
Liabilities at 1 April 2019	1,183,000
Benefits paid	(3,000)
Actuarial gains and losses	(118,000)
Interest cost	28,000
Other	1,000
At 31 March 2020	<u>1,091,000</u>

The defined benefit obligations arise from plans which are wholly or partly funded.

Movements in the fair value of plan assets:

	2020 £
Fair value of assets at 1 April 2019	944,000
Interest income	23,000
Return on plan assets (excluding amounts included in net interest)	110,000
Benefits paid	(3,000)
Contributions by the employer	32,000
At 31 March 2020	<u>1,106,000</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

12 Retirement benefit schemes

(Continued)

The fair value of plan assets at the reporting period end was as follows:

	2020 £	2019 £
Growth Assets	595,000	473,000
Matching Plus	198,000	110,000
Liability Driven Investment	305,000	360,000
Net Current Assets	8,000	1,000
	<u>1,106,000</u>	<u>944,000</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2018	Movement in funds			Balance at 1 April 2019	Movement in funds			Balance at 31 March 2020
	£	Income £	Expenditure £	Transfers £	£	Income £	Expenditure £	Transfers £	£
Volunteers in Progress	7,234	109,772	(98,306)	(2,861)	15,839	117,520	(85,225)	(2,730)	45,404
Traininglinks Redundancy Fund	8,784	-	-	2,861	11,645	-	-	2,730	14,375
	<u>16,018</u>	<u>109,772</u>	<u>(98,306)</u>	<u>-</u>	<u>27,484</u>	<u>117,520</u>	<u>(85,225)</u>	<u>-</u>	<u>59,779</u>

Purposes of restricted funds

Volunteers in Progress

This fund represents monies to be used to cover the staffing cost of the Volunteers in Progress programme. Transfer represents money set aside for redundancies should the charity cease its operations.

Traininglinks Redundancy Fund

This fund represents the potential liability for redundancies should the project cease its operations. Transfer represents money set aside for redundancies should the charity cease its operations.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2018	Expenditure	Transfers	Balance at 1 April 2019	Expenditure	Balance at 31 March 2020
	£	£	£	£	£	£
Redundancy Fund	99,029	(12,233)	8,967	95,763	(14,369)	81,394
	<u>99,029</u>	<u>(12,233)</u>	<u>8,967</u>	<u>95,763</u>	<u>(14,369)</u>	<u>81,394</u>

Purposes of Designated Funds

Redundancy Fund

This fund represents the potential liability for redundancies should the charity cease its operations.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

15 Analysis of net assets between funds

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Designated funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 March 2020 are represented by:								
Investments	100	-	-	100	100	-	-	100
Current assets/(liabilities)	132,242	81,394	59,779	273,415	96,308	95,763	27,484	219,555
Provisions and pensions	15,000	-	-	15,000	(239,000)	-	-	(239,000)
	<u>147,342</u>	<u>81,394</u>	<u>59,779</u>	<u>288,515</u>	<u>(142,592)</u>	<u>95,763</u>	<u>27,484</u>	<u>(19,345)</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

16 General unrestricted fund

The Unrestricted general fund as at 31 March 2020 amounted to £112,988 (2019 - Deficit £142,592) which includes the pension asset balance of £15,000 (2019 - Liability £239,000).

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	9,205	13,864

18 Covid-19

At the date on which the financial statements were approved, the financial implications arising from the Coronavirus (Covid-19) outbreak, which has affected the UK from February 2020, were uncertain. The Directors are reviewing income and expenditure forecasts for an anticipated change in the charity's operational activities in the short term. The Directors are of the opinion that the Covid-19 outbreak is a non-adjusting Post Balance Sheet event and that the charity remains a going concern.

19 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

20 Subsidiaries

Details of the charity's subsidiaries at 31 March 2020 are as follows:

The charity also has significant holdings in undertakings which are not subsidiaries of the charity and are not classified as joint ventures or associated undertakings:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
GroundLinks Limited	United Kingdom	Dormant	Ordinary	100.00	