



Alexander Sloan
Accountants and Business Advisers

Charity registration number SC032934 (Scotland)

Company registration number SC0229753 (Scotland)

COMMUNITY LINKS SCOTLAND

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



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

David Jeffcoat, F.C.C.A.
Alexander Sloan
Accountants & Business Advisers
180 St Vincent Street
Glasgow
G2 5SG

COMMUNITY LINKS SCOTLAND

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COMMUNITY LINKS SCOTLAND

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The Directors present their annual report and financial statements for the year ended 31 March 2022.

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

2021/22 saw Community Links Scotland (CLS) completing its 20th 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 and Glasgow. We worked on projects from Port Glasgow to Denny, Port Ellen to Royston, Dumbarton and Inverclyde, from long established clients to new groups and organisations.

The ongoing effect of the Covid-19 pandemic made long term planning difficult as the variety of strain fell and rose leaving to intermittent working in the office and continued working at home. Staff however continued to display an excellent work ethic and flexibility to cope with the variety of situations. Where necessary we used the Furlough scheme but in the main staff have been able to continue working with existing and new clients throughout the pandemic process. With varying staff levels available throughout the year, core staff were extremely busy meeting the demands of the pandemic for our clients. A variety of funders supported clients to provide ongoing food parcels, hot meals, activity packs etc which in turn meant that CLS staff were constantly busy trying to access funding for these short life funding streams alongside the more general longer term business plans and funding applications.

The types of projects CLS worked on varied over the year with an under current of Covid 19 activity. Projects trying to fund energy advice, to trying to establish new community facilities, sports facilities or preparing community consultation events, preparing business plans and preparing community development plans. CLS also accessed further funding directly with work progressing further on Healthy Pathways and Clydebank Can.

Our financial picture has steadied over the last two years and we now have a good cash flow position and increasing reserves going into the future. During the year we changed the computer systems and staff structure to reflect a smaller organisation and established a set of systems to enable blended 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 2022/23 and into the future.

Financial review

Per the Statement of Financial Activities, the charity reported Net Income (i.e. Surplus) for the year of £168,611 (2021- Deficit £126,177) and total funds at 31 March 2022 of £330,949 after the pension asset of £21,000.

COMMUNITY LINKS SCOTLAND

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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 £184,914 after recognising an asset of £21,000 which was the Charity's share of the Scottish Housing Association Pension Scheme.

Excluding the pension asset (pension liability in 2021), the General Fund (Unrestricted) had operating reserves of £163,914 (2021 - £177,160) as at 31 March 2022.

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.

Independent examiner

The Trustees recommend that David Jeffcoat FCCA, a Partner in Alexander Sloan, Accountants and Business Advisers, remains in office as independent examiner until further notice.

COMMUNITY LINKS SCOTLAND

DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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

Stephen Singer

.....
Stephen Singer
Secretary 29/8/2022
Dated:

Sephton MacQuire

.....
Sephton MacQuire
Director 29/8/2022
Dated:.....

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 2022, which are set out on pages 5 to 24.

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.

David Jeffcoat

David Jeffcoat, F.C.C.A.
Alexander Sloan
Accountants & Business Advisers
180 St Vincent Street
Glasgow
G2 5SG
29/8/2022

Dated:

COMMUNITY LINKS SCOTLAND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes					
Income from:						
Donations and legacies	3	9,300	-	-	9,300	9,205
Income from charitable activities	4	186,875	-	165,073	351,948	303,177
Total income		196,175	-	165,073	361,248	312,382
Expenditure on:						
Cost of charitable activities	5	177,196	34	109,407	286,637	287,559
Net income before transfers		18,979	(34)	55,666	74,611	24,823
Gross transfers between funds		(1,225)	1,225	-	-	-
Net income		17,754	1,191	55,666	74,611	24,823
Other recognised gains and losses						
Actuarial gain/(loss) on defined benefit pension schemes		94,000	-	-	94,000	(151,000)
Net movement in funds		111,754	1,191	55,666	168,611	(126,177)
Fund balances at 1 April 2021		73,160	89,178	-	162,338	288,515
Fund balances at 31 March 2022		184,914	90,369	55,666	330,949	162,338

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 24 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 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes				
Income from:					
Donations and legacies	3	9,205	-	-	9,205
Income from charitable activities	4	223,995	-	79,182	303,177
Total income		<u>233,200</u>	<u>-</u>	<u>79,182</u>	<u>312,382</u>
Expenditure on:					
Cost of charitable activities	5	191,136	-	96,423	287,559
Net income before transfers		<u>42,064</u>	<u>-</u>	<u>(17,241)</u>	<u>24,823</u>
Gross transfers between funds		<u>34,754</u>	<u>7,784</u>	<u>(42,538)</u>	<u>-</u>
Actuarial gain/(loss) on defined benefit pension schemes		(151,000)	-	-	(151,000)
Net movement in funds		<u>(74,182)</u>	<u>7,784</u>	<u>(59,779)</u>	<u>(126,177)</u>
Fund balances at 1 April 2020		<u>147,342</u>	<u>81,394</u>	<u>59,779</u>	<u>288,515</u>
Fund balances at 31 March 2021		<u><u>73,160</u></u>	<u><u>89,178</u></u>	<u><u>-</u></u>	<u><u>162,338</u></u>

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 24 form an integral part of these financial statements.

COMMUNITY LINKS SCOTLAND

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		1,191		-
Investments	10		100		100
			<u>1,291</u>		<u>100</u>
Current assets					
Debtors	11	60,088		49,079	
Cash at bank and in hand		284,136		239,166	
		<u>344,224</u>		<u>288,245</u>	
Creditors: amounts falling due within one year	12	(35,566)		(22,007)	
Net current assets			308,658		266,238
Total assets less current liabilities			<u>309,949</u>		<u>266,338</u>
Net assets excluding pension surplus/(deficit)			309,949		266,338
Defined benefit pension surplus/(deficit)	15		21,000		(104,000)
Net assets			<u>330,949</u>		<u>162,338</u>
Income funds					
Restricted funds	14		55,666		-
<u>Unrestricted funds</u>					
Designated funds	16	90,369		89,178	
General unrestricted funds		<u>184,914</u>		<u>73,160</u>	
			<u>275,283</u>		<u>162,338</u>
			<u>330,949</u>		<u>162,338</u>

COMMUNITY LINKS SCOTLAND

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2022

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 2022.

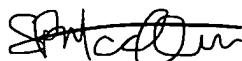
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

29/8/2022

The financial statements were approved by the Directors on



Sephton MacQuire
Trustee

Company Registration No. SC0229753

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Community Links Scotland is a private company limited by guarantee incorporated in Scotland. The registered office and principal place of business 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

At the time of approving the financial statements, the Directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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 the statement of financial activities.

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 2022

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 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.

1.10 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.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.11 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.

1.12 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.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Donations and gifts	9,300	9,205

Donated goods and services

Donations and gifts include a gift-in-kind of £9,300 (2021: £9,205) in respect of rent free use of office.

4 Income from charitable activities

	2022 £	2021 £
Services provided under contract	170,842	164,595
Performance related grants	172,396	108,053
Other income	8,710	30,529
	<u>351,948</u>	<u>303,177</u>

Analysis by fund

Unrestricted funds - general	186,875	223,995
Restricted funds	165,073	79,182
	<u>351,948</u>	<u>303,177</u>

Performance related grants

Climate Challenge Fund	7,323	49,400
Investing in Communities Fund	57,627	58,653
Robertson Trust	18,500	-
People's Postcode Lottery	17,018	-
National Lottery	41,047	-
Community Renewal Fund (UK Government)	14,690	-
No One Left Behind (Scottish Government)	16,191	-
	<u>172,396</u>	<u>108,053</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Cost of charitable activities

	2022 £	2021 £
Staff costs	221,334	207,146
Depreciation and impairment	34	-
Project and activities costs	22,593	44,638
Premises costs	21,460	17,922
Running costs	11,658	11,650
Legal and professional	2,702	1,710
Interest and finance charges	3,000	1,000
Governance costs	3,856	3,493
	<u>286,637</u>	<u>287,559</u>
Analysis by fund		
Unrestricted funds - general	177,196	191,136
Unrestricted funds - designated	34	-
Restricted funds	<u>109,407</u>	<u>96,423</u>
	<u>286,637</u>	<u>287,559</u>

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

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>7</u>	<u>8</u>
Employment costs	2022 £	2021 £
Wages and salaries	199,496	183,711
Social security costs	12,623	13,644
Other pension costs	9,215	9,791
	<u>221,334</u>	<u>207,146</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Employees

(Continued)

The remuneration of key management personnel during the year, including wages and salaries and employer's contributions to national insurance and pensions, was £59,135 (2021 - £56,503).

During the year redundancy costs totalling £23,509 were paid and is included within wages and salaries.

There were no employees whose annual remuneration was £60,000 or more.

8 Net income/(expenditure) for the year

	2022	2021
	£	£
Net income/(expenditure) for the year is stated after charging:		
Independent Examiner's remuneration	3,597	3,493
Depreciation of owned tangible fixed assets	34	-
	<u>3,631</u>	<u>3,493</u>

9 Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2021	10,385
Additions	1,225
Disposals	(4,145)
At 31 March 2022	<u>7,465</u>
Depreciation and impairment	
At 1 April 2021	10,385
Depreciation charged in the year	34
Eliminated in respect of disposals	(4,145)
At 31 March 2022	<u>6,274</u>
Carrying amount	
At 31 March 2022	<u>1,191</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Fixed asset investments

			Other investments £
Cost or valuation			
At 1 April 2021 & 31 March 2022			100
Carrying amount			
At 31 March 2022			100
At 31 March 2021			100
Other investments comprise:	Notes	2022 £	2021 £
Investments in subsidiaries	21	100	100

11 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	44,780	45,795
Other debtors	-	1,567
Prepayments and accrued income	15,308	1,717
	<u>60,088</u>	<u>49,079</u>

12 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		11,384	11,008
Deferred income	13	14,690	-
Trade creditors		5,792	7,436
Other creditors		100	100
Accruals		3,600	3,463
		<u>35,566</u>	<u>22,007</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Deferred income

			2022 £	2021 £
Other deferred income			14,690	-
	1 Apr '21 £	Receipts in year £	Released in year £	31 Mar '22 £
Grants				
Community Renewal Fund (UK Government)	-	14,690	-	14,690
	-	14,690	-	14,690

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 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:

	Movement in funds				Movement in funds			
	Balance at 1 April 2020	Income	Expenditure	Transfers	Balance at 1 April 2021	Income	Expenditure	Balance at 31 March 2022
	£	£	£	£	£	£	£	£
Volunteers in Progress	45,404	-	(3,631)	(41,773)	-	-	-	-
Traininglinks Redundancy Fund	14,375	-	(13,610)	(765)	-	-	-	-
Job Retention Scheme Fund	-	20,529	(20,529)	-	-	-	-	-
Investing in Communities Fund	-	58,653	(58,653)	-	-	57,627	(53,477)	4,150
Healthy Pathways Fund	-	-	-	-	-	107,446	(55,930)	51,516
	<u>59,779</u>	<u>79,182</u>	<u>(96,423)</u>	<u>(42,538)</u>	<u>-</u>	<u>165,073</u>	<u>(109,407)</u>	<u>55,666</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Restricted funds

(Continued)

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. The Volunteers in Progress programme ceased during the year ended 31 March 2021 at which time the Lottery Fund approved the release of the remaining funds of £41,773 from Restricted Funds to General Fund to cover CLS Healthy Pathways project 2020/21.

Traininglinks Redundancy Fund

This fund represents the potential liability for redundancies should the project cease its operations. Transfer of £765 represents money from the General Fund to cover the short fall in a redundancy payout during the year. The fund was expended at 31 March 2021.

Job Retention Scheme Fund

This fund represents furlough funding from UK Government to support salary costs during COVID-19 pandemic.

Investing in Communities Fund

This fund represents monies received to cover costs associated with local community projects including assisting with food poverty.

Healthy Pathways Fund

This fund represents monies received from The Big Lottery, The Robertson Trust, The People's Postcode and West Dunbartonshire Council, to deliver a programme of activities that will bring together socially isolated and vulnerable people, who experience social stigma and lack of self-worth and typically are disengaged from statutory services. Expenditure includes employment costs.

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 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.

Key assumptions

	2022 %	2021 %
Discount rate	2.79	2.20
Expected rate of salary increases	4.16	3.87
Inflation (RPI)	3.51	3.25
Inflation (CPI)	3.16	2.87
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:

	2022 Years	2021 Years
Retiring today		
- Males	21.6	21.5
- Females	23.9	23.4
Retiring in 20 years		
- Males	22.9	22.8
- Females	25.4	25.0

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Retirement benefit schemes

(Continued)

Amounts recognised in the profit and loss account:

	2022 £	2021 £
Net interest on defined benefit liability/(asset)	2,000	-
Other costs and income	1,000	1,000
Total costs	3,000	1,000

Amounts taken to other comprehensive income:

	2022 £	2021 £
Actual return on scheme assets	(31,000)	(100,000)
Less: calculated interest element	27,000	26,000
Return on scheme assets excluding interest income	(4,000)	(74,000)
Actuarial changes related to obligations	(90,000)	225,000

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

	2022 £	2021 £
Present value of defined benefit obligations	1,250,000	1,340,000
Fair value of plan assets	(1,271,000)	(1,236,000)
(Surplus)/deficit in scheme	(21,000)	104,000

Movements in the present value of defined benefit obligations:

	2022 £
Liabilities at 1 April 2021	1,340,000
Benefits paid	(30,000)
Actuarial gains and losses	(90,000)
Interest cost	29,000
Other	1,000
At 31 March 2022	1,250,000

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

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

15 Retirement benefit schemes

(Continued)

Movements in the fair value of plan assets:

	2022 £
Fair value of assets at 1 April 2021	1,236,000
Interest income	27,000
Return on plan assets (excluding amounts included in net interest)	4,000
Benefits paid	(30,000)
Contributions by the employer	34,000
At 31 March 2022	<u>1,271,000</u>

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

	2022 £	2021 £
Growth Assets	766,000	718,000
Matching Plus	197,000	211,000
Liability Driven Investment	304,000	298,000
Net Current Assets	4,000	9,000
	<u>1,271,000</u>	<u>1,236,000</u>

16 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 2020 £	Transfers £	Balance at 1 April 2021 £	Expenditure £	Transfers £	Balance at 31 March 2022 £
Redundancy Fund	81,394	7,784	89,178	-	-	89,178
Fixed Assets	-	-	-	(34)	1,225	1,191
	<u>81,394</u>	<u>7,784</u>	<u>89,178</u>	<u>(34)</u>	<u>1,225</u>	<u>90,369</u>

Purposes of Designated Funds

Redundancy Fund

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

Fixed Asset Fund

Represents the net book value of the fixed assets held by the charity. The transfer of £1,225 relates to fixed asset additions as financed by the General Fund (Unrestricted).

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:								
Tangible assets	-	1,191	-	1,191	-	-	-	-
Investments	100	-	-	100	100	-	-	100
Current assets/(liabilities)	163,814	89,178	55,666	308,658	177,060	89,178	-	266,238
Provisions and pensions	21,000	-	-	21,000	(104,000)	-	-	(104,000)
	<u>184,914</u>	<u>90,369</u>	<u>55,666</u>	<u>330,949</u>	<u>73,160</u>	<u>89,178</u>	<u>-</u>	<u>162,338</u>

COMMUNITY LINKS SCOTLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

18 Financial commitments, guarantees and contingent liabilities

Contingent liability

The Trustees of The Pension Trust ('the Trust') have completed a review of the changes made to the benefit structure of the defined benefit schemes within the Trust. The result of this review is that, in some cases, it is unclear whether the changes were made to the scheme benefits in accordance with the Trust's governing documentation.

The Trustees have been advised to seek direction from the Court on the effect of these changes. This process is ongoing and is unlikely to be resolved until late 2024 at the earliest. This may result in a contingent liability for the organisation. However, the extent of this is unknown at this time and no allowance for this has been included in these accounts.

19 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

20 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:

	2022 £	2021 £
Within one year	9,580	9,205

21 Subsidiaries

Details of the charity's subsidiaries at 31 March 2022 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	