CHILDREN'S LINKS

England & Wales · Charity number 1071058

Details

Other names	CHILDREN'S LINKS', KIDS' CLUB FOR LINCOLNSHIRE, KIDS' CLUBS FOR LINCOLNSHIRE
Status	Registered
Legal form	Charitable company
Company number	03484661
Registered	1998-08-17
Register	View on the Charity Commission register

Contact

Address	Bert House 7 Bull Ring Horncastle Lincolnshire LN9 5HX
Phone	01507528300
Email	bdm@childrenslinks.org.uk
Website	www.childrenslinks.org.uk

Activities

Objects: TO PROMOTE THE CARE AND EDUCATION OF CHILDREN, YOUNG PEOPLE AND ADULTS AND THE PROVISION OF FACILITIES FOR THE RECREATION, CARE, EDUCATION AND OTHER LEISURE TIME OCCUPATION OF CHILDREN, YOUNG PEOPLE, AND ADULTS, IN THE INTERESTS OF SOCIAL WELFARE WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE.TO ADVANCE THE EDUCATION AND TRAINING OF PERSONS PROVIDING SUCH CARE, EDUCATION AND RECREATIONAL FACILITIES.TO CONDUCT RESEARCH INTO ALL ASPECTS OF THE CARE, EDUCATION AND RECREATION OF SUCH CHILDREN, YOUNG PEOPLE AND ADULTS AND TO PUBLISH THE USEFUL RESULTS OF SUCH RESEARCH.

Activities: As an innovative and growing organisation, focused on customers and stakeholders, we have grown a wide range of services in response to needs and identified gaps. Our services include those that support babies, children, young people, their parents and carers, the communities they live in, employers, and other children and young people organisations.

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Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Arts/culture/heritage/science, Amateur Sport, Environment/conservation/heritage, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity, Recreation
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,501,000	£3,327,000	£224,000	163
2024-03-31	£1,669,000	£1,778,000	£18,000	98
2023-03-31	£1,871,000	£1,912,000	£127,000	119
2022-03-31	£2,219,000	£2,072,000	£207,000	142
2021-03-31	£1,484,000	£1,446,000	£60,000	74

Trustees

Name	Role	Appointed
Alistair John Wright		2016-11-22
Dr Jonathan Mark Wainwright		2022-08-09
Dr Katie Ruane		2022-08-09
Helena Kucharczyk		2024-01-10
Jessica Mary Brown		2022-08-09
RACHEL CROFT		2013-01-15

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CHILDREN'S LINKS

England & Wales - Charity number 1071058

Accounts

Registration No. 03484661 (England and Wales)
Charity No. 1071058

CHILDREN'S LINKS

(a company limited by guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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CHILDREN'S LINKS

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CHILDREN'S LINKS

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY REGISTRATION NUMBER	1071058
COMPANY REGISTRATION NUMBER	03484661
TRUSTEES	H Kucharczyk – Chair (appointed 10.01.2025) J Wainwright – Vice-chair R Croft A Wright J Firth-Brown K Ruane V Lofthouse (resigned 30.7.2025)
CHIEF EXECUTIVE OFFICER	R Aylmer
PRINCIPAL / REGISTERED OFFICE	7 Bull Ring Horncastle LN9 5HX
INDEPENDENT AUDITORS	Xeinadin Audit Limited Station Street Bingham Nottinghamshire NG13 8AQ
BANKERS	Santander UK plc Bridle Road Bootle Merseyside L30 4GB
SOLICITORS	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

CHILDREN'S LINKS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their report and the financial statements for the year ended 31 March 2025.

Chair's Introduction

I am delighted to introduce this year's Children's Links Trustee Report. The work that Children's Links does in supporting children and families through challenging times, helping parents build their skills, and striving to improve outcomes for those who need it most makes a real difference to the lives of children and families. It is a privilege to work with, challenge, and support such a dedicated team as they continue to provide much-needed services.

This year, the sector has continued to face challenges, with funding pressures and increasing demand as the cost of living continues to affect families. Despite this, Children's Links has had another positive year, expanding our childcare provision, strengthened our financial position, and continued to invest in our staff and volunteers.

I have every confidence that our skilled and committed staff will continue to dedicate themselves to supporting children and families. I look forward to working alongside them and our partners as we continue this important journey together.

Thank you to everyone—staff, volunteers, trustees, partners, and supporters—who make our work possible.

Helena Kucharczyk
Chair of Trustees

How we are run

Children's Links is a registered charity and company limited by guarantee, established in 1997. Our mission is to improve children's lives by supporting their development, confidence, and wellbeing.

The Board of Trustees is responsible for the overall direction and oversight of the charity, ensuring that we deliver public benefit and comply with all legal and regulatory requirements.

This report covers the year ended 31 March 2025 and sets out our structure, governance, and management arrangements. It also explains our aims, activities, achievements, and financial performance for the year.

Structure, Governance and Management

Children's Links is a registered charity and company limited by guarantee, established on 1 January 1997.

The Board of Trustees sets the charity's strategic direction and oversees its activities. Day-to-day management is delegated to the Chief Executive and senior management team.

Volunteers play a vital role in our delivery model. We recruit, train, and support volunteers to ensure they can contribute safely and effectively across our services. All volunteers receive appropriate training, coaching, and opportunities to develop their skills.

The charity's governing document is its memorandum of association. In the event of winding up, each member is required to contribute up to £10.

Trustee recruitment and induction

Trustees are recruited through an open process to ensure a suitable mix of skills and local representation.

All trustees receive a full induction and ongoing training. The Board regularly reviews its effectiveness and conducts an annual skills audit to identify any gaps.

CHILDREN'S LINKS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Aims and objectives

Our Purpose

Children's Links aims to improve children's lives. We work to help children reach their potential, build confidence and resilience, and make a lasting difference.

The Charity's purposes, as set out in its governing document, is to benefit the public by:

- Promoting the care and education of children, young people, families, and communities. This includes providing facilities for recreation, care, education, and other leisure activities, all aimed at improving their quality of life.
- Advancing the education and training of people who provide care, educational, and recreational services.
- Carrying out research into all aspects of care, education, and recreation for children, young people, families, and communities, and sharing the useful results of this research.

These objectives guide all our activities and ensure that our work delivers clear public benefit. Each year, we design our services and projects to reflect these aims and respond to the needs of children, families, and communities.

Public benefit

The Board of Trustees has considered and had regard to the Charity Commission's guidance on public benefit when reviewing the charity's aims and activities. Children's Links' work focuses on promoting the care, education, and training of children, young people, and adults, which directly benefits the public.

The trustees are satisfied that the charity's aims, objectives, and activities provide clear public benefit.

Activities, achievements, and performance

Children's Links is guided by four strategic goals, which shape our work and ensure we deliver lasting benefit for children, families, and communities:

1. Deliver high quality services that meet the needs of children, young people, and adults.
2. Have a skilled workforce that embodies our values.
3. Make best use of our resources to ensure long-term sustainability.
4. Optimise partnership opportunities.

Our activities are aligned with these goals, and our achievements and performance outcomes demonstrate that we have, for the most part, met them. This report provides a summary of our activities and outcomes against our strategic goals. For in-depth stories, data, and case studies, please refer to our 2025 Impact Report.

CHILDREN'S LINKS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Summary of activities

The year ending 31 March 2025 was a year of growth and development in which we undertook a wide range of activities, expanded our work with separated families, and established four new childcare settings. We worked hard to meet the increasing needs of children and families, whilst ensuring that we had clear plans to improve our financial stability.

Supporting separated families
We delivered the Improving Child and Family Arrangements (ICFA) service and operated contact centres in the East Midlands and East, enabling children to spend time with their parents. (Goals 1, 4)

Providing early years and out-of-school childcare
We supported the care and wellbeing of children in out-of-school settings and nurseries in Lincolnshire, North Lincolnshire, and Hampshire. (Goals 1, 3)

Supporting children with complex needs
We delivered holiday respite care in North Lincolnshire for children with complex needs. (Goal 1)

Community-based play and learning
We ran the Lincoln Toy Library, provided play services, and advanced the care and education of families and communities in Lincolnshire. (Goals 1, 4)

Building skills and confidence
We increased the numeracy skills of parents and grandparents and supported professionals and volunteers across the region. (Goals 2, 4)

Staff development
We supported employees' personal development through informal and accredited training, including role-specific qualifications and degrees. (Goal 2)

Partnership and sector engagement
We engaged with local, regional, and sector networks to increase the sector's ability to deliver social welfare, produced an Impact Report, and developed partnership funding bids to strengthen our work. (Goal 4)

Financial stability
We had clear financial goals which were closely monitored to ensure that Children's Links is on a firm financial footing after several challenging years, including redefining the purpose and future activity of our subsidiary, Linking Up Limited (LUL). (Goal 3)

Achievements and performance

During the year we have worked directly with:

- 3,032 children (target 3,018)
- 1,213 parents (target 1,006)
- 263 learners (target 246),
- 220 professionals (target 234)
- 22 volunteers

The number of children supported increased as we expanded our childcare and family support work. Growth in our work with separated families also led to more parents being supported.

Our learner numbers exceeded target due to strong uptake of outreach delivery. However, reduced funding in the voluntary sector led to slightly fewer professionals supported than targeted, reflecting wider sector challenges. We continue to seek new funding sources and support for professionals to address these issues.

To deliver high quality services that meet the needs of children, young people, and adults, we secured funding through grants, contracts, and fundraising; took over four childcare settings; expanded contact centre provision; developed new community training courses and improved our offer for children with special educational needs and disabilities.

We engaged with wider community developments across Lincolnshire to ensure children and families have a voice in shaping services which meet their needs and enhanced our internal processes and quality assurance, working with teams to improve quality and engaging with our accrediting bodies, including Ofsted, NACCC and Matrix.

To build a skilled workforce that embodies our values, we improved recruitment accessibility and worked with an HR Consultant to further our policies and procedures and strengthened supervision to include greater accountability and identity of individual support needs.

We prioritised training, development, and staff wellbeing, including training 14 staff in Mental Health First Aid, and introduced a lone working app to ensure staff safety. We engaged with staff through surveys and monthly newsletters, introduced a staff recognition platform, and held our annual staff awards ceremony.

Our volunteers played a significant role in the delivery of our contact centres, supporting childcare settings, fundraising, and governance. We ensure volunteers receive appropriate training and support as well as opportunity to develop their skills and knowledge. Their contribution is significant and highly valued.

To ensure best use of our resources to ensure long term sustainability, we moved our head office, upgraded our finance system, adopted cloud-based solutions, opened a higher interest bank account, and improved our reserves.

To optimise partnership opportunities, we sent partner newsletters, produced an Impact Report, engaged with local, regional and sector networks, and developed partnership funding bids.

These achievements reflect our commitment to improving outcomes for children, families, and communities. We will build on this progress in the coming year by continuing to expand our services, strengthen our workforce, and develop new partnerships.

Financial review

Income, expenditure, and reserves

After several challenging years, we achieved a surplus in 2024–25. This has enabled the charity to hold reserves above our minimum requirement of three months' central running costs which will ensure financial stability and continuity of services in the event of unforeseen circumstances. At the end of March 2025, reserves stood at £317,265.

Our main source of income is our childcare settings and contracts and is supplemented by grants and fundraising. We are reviewing our strategy to decide how best to use any surplus funds to support the charity's aims. The Board has started investing in refurbishing our childcare settings and has agreed a plan for further improvements.

Our subsidiary, Linking Up Limited (LUL), saw a planned reduction in childcare voucher income. We are seeking new business opportunities to replace this income and will continue to review LUL's activities and viability to manage any associated risks.

Fundraising

We are registered with the Fundraising Regulator and work in a way that is compliant with the Code of Fundraising Practice. Any internal fundraising is carried out in line with our fundraising policy and additionally vulnerable people are covered by our safeguarding policies. Volunteers continue to play a key role in supporting our fundraising activities.

Where we benefit from external platforms, they are registered with the Lotteries Council and the Gambling Commission. No fundraising complaints were received during the year.

Risks and Uncertainties

We recognise that there are a number of key risks and uncertainties that will not just affect Children's Links but that are present in the third sector as a whole including; economic uncertainty, the ongoing cost of living crisis, families with increasingly complex needs, scarcity of qualified staff within the sector, upcoming and planned national changes within the Early Years and Family Law sectors and contract renewals.

However, our strategy review and planning indicate that the charity can continue to generate a reasonable trading surplus while meeting our charitable objectives, based on realistic budgets, effective systems and processes, strong partnerships and networks, and robust action plans with senior management and trustee oversight.

Statement of going concern

Whilst recognising the difficulties due to the wider economic situation, the board consider that the charity is a going concern. This is based on the assumptions and actions of the last 12 months, as well as the forecast over the next 12 months.

The board has satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations and will continue to monitor the financial position and risks on an ongoing basis.

Plans for the future

Looking ahead, our priorities for the next year are:

- Continue to develop, improve, and expand our existing services, with a focus on supporting the wellbeing of children and families.
- Focus on recruiting and retaining a skilled workforce that embodies our values.
- Investigate ways to develop our income streams and making best use of our resources to ensure long term sustainability, including improving and developing our communication, engagement, and marketing strategies.
- Continue to work with partners and communities to ensure that we can deliver quality services that deliver positive outcomes.

Trustee responsibilities

The Children's Links Board of Trustees (who are also directors of Children's Links Limited for the purposes of company law) are responsible for preparing the Trustees' 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 board to prepare financial statements for each financial year. Under company law the board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing those financial statements the board are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice (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 in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The board are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved, has confirmed that:

- So far as that Trustee is aware, there is no audit information of which the Group's auditor is unaware,
- That they have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Group's auditor in connection with preparing its report and to establish that the Group's auditor is aware of that information.

This report was approved by the Board on 12-11-2025 and signed on it's behalf by

H Kucharczyk
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHILDREN'S LINKS

Opinion

We have audited the financial statements of Children's Links for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 31 March 2025, and of the Group's 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 the 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 the provisions available for small entities, in respect of the fact we provide non-audit services in the preparation of these financial statements, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the Trustees' report. The Trustees are responsible for this other information. Our opinion of 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.

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' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with the applicable legal requirements.

Matters on which we are required to report by exception

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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- 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 Directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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 it 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.

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:

Firstly, our assessment of the risk applicable to the entity's financial statements from material misstatements, including fraud, is low. Consequently, the risks identified are primarily concerned with dominant influence by management, income recognition and classification as well as adequacy and completeness of the disclosure for related parties. In response, we have:

- Reviewed minutes of meetings of management and those charged with governance;
- Tested journal entries and other adjustments for appropriateness, evaluating the rationale behind transactions outside the normal course of activities;
- Vouched a sample of grants receivable to source documentation checking income recognition criteria as well as any restrictions for appropriate fund classification;
- Obtained related party grid responses from connected parties and reviewed transactions during the year for evidence of additional, unidentified related parties.

Auditor's responsibilities for the audit of the financial statements (continued)

Whilst the procedures listed aid us in detecting irregularities, there exists the inherent difficulty in detecting irregularities, particularly those related to fraud. However, we believe the above risks to be the particular areas most susceptible to material misstatement.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 charitable 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

J. CAIN

Jordan Cain ACA (Senior Statutory Auditor)

for and on behalf of
XEINADIN AUDIT LIMITED

Chartered Accountants
Statutory Auditors

Cabourn House
Station Street
Bingham
Nottinghamshire
NG13 8AQ

Date: 13 November 2025

CHILDREN'S LINKS

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

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted £'000	Restricted £'000	2025 Total £'000	2024 Total £'000
INCOME					
Donations	2	61	-	61	2
Charitable activities	3	3,194	170	3,364	1,532
Other trading activities	4	64	-	64	79
Other income	5	-	-	-	48
Investment income	6	12	-	12	8
Total income		**3,331**	**170**	**3,501**	**1,669**
EXPENDITURE					
Charitable activities	7	(3,143)	(126)	(3,269)	(1,697)
Other trading activities	4	(58)	-	(58)	(81)
Total expenditure		**(3,201)**	**(126)**	**(3,327)**	**(1,778)**
Net income/(expenditure)		130	44	174	(109)
Transfers between funds		-	-	-	-
Net movement in funds		**130**	**44**	**174**	**(109)**
Reconciliation of funds:					
Total funds brought forward	19b	5	13	18	127
Total funds carried forward	19a	**135**	**57**	**192**	**18**

All amounts relate to continuing activities of the group.

The Statement of Financial Activities includes all gains and losses recognised in the year.

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Notes	2025 £'000	2024 £'000
FIXED ASSETS			
Tangible fixed assets	14a	17	8
TOTAL FIXED ASSETS		**17**	**8**
CURRENT ASSETS			
Debtors	16	53	126
Cash at bank and in hand	22	452	137
TOTAL CURRENT ASSETS		**505**	**263**
LIABILITIES			
Creditors: amounts falling due within one year	17	(330)	(253)
NET CURRENT ASSETS		**175**	**10**
Creditors: amounts falling due in over one year		-	-
TOTAL NET ASSETS		**192**	**18**
FUNDS OF THE CHARITY:			
Unrestricted funds	19	57	(34)
Designated funds	19	78	39
Restricted funds	19	57	13
TOTAL FUNDS		**192**	**18**

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The attached notes on pages 15 to 31 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 18/09/2025 and signed on their behalf by:

H Kucharczyk
Chair

CHILDREN'S LINKS
REGISTERED COMPANY NUMBER: 03484661

COMPANY BALANCE SHEET
AS AT 31 MARCH 2025

	Notes	2025 £'000	2024 £'000
FIXED ASSETS			
Tangible fixed assets	14b	17	8
TOTAL FIXED ASSETS		**17**	**8**
CURRENT ASSETS			
Debtors	16	51	122
Cash at bank and in hand		406	81
TOTAL CURRENT ASSETS		**457**	**203**
LIABILITIES			
Creditors: amounts falling due within one year	17	(250)	(155)
NET CURRENT ASSETS		**207**	**48**
Creditors: amounts falling due in over one year		-	-
TOTAL ASSETS		**224**	**56**
FUNDS OF THE CHARITY:			
Unrestricted funds	19	89	4
Designated funds	19	78	39
Restricted funds	19	57	13
TOTAL FUNDS		**224**	**56**

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

The attached notes on pages 15 to 31 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 18/09/2025 and signed on their behalf by:

H Kucharczyk
Chair

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £'000	2024 £'000
Cash Flows from/(used in) Operating Activities			
Net cash provided by/(used in) operating activities	21	329	(113)
Cash Flows used in Investing Activities			
Purchase of property, plant and equipment		(14)	-
Change in cash and cash equivalents in the reporting period		**315**	**(113)**
Cash and cash equivalents at the beginning of the reporting period		137	250
Cash and cash equivalents at the end of the reporting period	22	**452**	**137**

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with 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) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis and are presented in sterling, which is the functional currency of the Charity.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going concern

The Children's Links Board consider that the organisation is a going concern. This is based on the following assumptions and actions that have been made in the last twelve months as well as the forecast and new business opportunities over the next twelve months. The charitable group has a surplus of £174,000 in the year ended 31 March 2025 and a deficit of £109,000 for the comparative year.

The Trustee Board has satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations. The main sources of funding are:

- Local Authority Contracts
- Central Government
- European funds, including European Social Fund
- Grant making trusts
- Childcare Fees from parents
- Charitable donations

Further details regarding the future success of the organisation are given in the Trustee's report.

c) Legal status of the Charity

There is no share capital as the company is limited by guarantee. Each member has guaranteed an amount, not exceeding £10, towards the company's liabilities in the event of a winding up, provided that a member has not ceased to be a member one year prior to any winding up order.

1 Accounting policies (continued)

d) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

e) Income

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

Voluntary income – donations are accounted for as received, sponsorship income represents amounts receivable. Gifts in kind to the Charity are included at the value specified by the donor or, if this is not available, at what the estimated cost to the Charity would have been. Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Grants – grants are included as incoming resources when these are received/receivable. Government grants are recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Furthermore, any and all conditions attached to the grant will need to be met.

Income from trading activities includes income earned from activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Income from donated goods is recognised on sale of those goods.

f) Expenditure

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. All expenditure is accounted for on an accruals basis.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

1 Accounting policies (continued)

g) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Computer	20% straight line & 33% straight line
Furniture and equipment	20% straight line

Assets are reviewed for any indications of impairment at each balance sheet date.

h) 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. Accrued income and tax recoverable are included at the best estimate of the amounts receivable at the balance sheet date.

i) 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.

j) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due. Concessionary loans received at below market rates are received in order to further the charitable objectives of the organisation and are therefore included at the amount received and are not discounted.

k) Financial instruments

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.

l) Pensions

Employees of the Charity are entitled to join a defined contribution pension scheme. The Charity contribution is restricted to the contributions disclosed in note 11.

m) Operating leases

Operating leases are recognised over the period of which the lease falls due.

2 Donations

	2025 £'000	2024 £'000
Donations	61	2
	61	**2**

All donations received in 2025 and 2024 relate to unrestricted funds. Included above is £56,000 received from Burton Play. The sum was transferred as Children's Links has taken over the running of the nursery.

3 Income from charitable activities

	2025 £'000	2024 £'000
Childcare fees	2,562	905
Training fees	-	7
Grants (see below)	611	491
Fundraising income	3	2
Contact centre fees	126	76
Other fees	62	51
	3,364	**1,532**

Income from charitable activities was £3,364,000 (2024: £1,532,000) of which £170,000 (2024: £108,000) was attributable to restricted and £3,194,000 (2024: £1,424,000) was attributable to unrestricted funds.

Grants

	2025 £'000	2024 £'000
Local authority income	53	54
CYPVSF	20	20
NACCC	22	18
ICFA	340	297
The National Lottery Community Fund – RC Midlands Region	39	42
Lincoln City Foundation	54	25
Theddlethorpe GDF Community	14	-
Employer Incentive Autumn 2024	29	-
Other grants and awards	40	35
	611	**491**

4 Other trading activities

The Charity has a wholly owned trading subsidiary, Linking Up Limited, a Company incorporated and registered in England and Wales (Company number: 05830401). The principal activity of the Company is the provision of a childcare voucher scheme. The income and expenditure attributable to the Company are as follows:

	2025 £'000	2024 £'000
Turnover	64	78
Payment to childcare settings	(55)	(75)
Wages, salaries and recruitment	(2)	(3)
Administrative expenses	(1)	(1)
Accountancy fees	-	(2)
Net income/(expenditure) for the year	**6**	**(3)**

The Charity also operated a shop in Horncastle which is now closed and sold donated goods:

	2025 £'000	2024 £'000
Shop takings	1	1
	1	**1**

All trading income received in 2025 and 2024 relates to unrestricted funds.

5 Other income

	2025 £'000	2024 £'000
Insurance claim	-	9
Coronavirus/lockdown support grants	-	5
Reimbursed early termination charges	-	34
	-	**48**

The insurance claim was for flood damages. The coronavirus grants are household Covid support grants for the nursery settings. Early termination charges arose on changing the telecoms provider. These were reimbursed in full by the provider.

6 Investment Income

All investment income has arisen from monies held in interest bearing accounts.

7 Analysis of expenditure on charitable activities

7a Analysis of expenditure on charitable activities – current year

Charitable activities:	Direct costs £'000	Support costs £'000	2025 costs £'000
Care and education of young people	2,855	414	3,269
	2,855	**414**	**3,269**

7b Analysis of expenditure on charitable activities – prior year

Charitable activities:	Direct costs £'000	Support costs £'000	2024 costs £'000
Care and education of young people	1,382	315	1,697
	1,382	**315**	**1,697**

8 Analysis of support costs

	2025 £'000	2024 £'000
Staff travel and subsistence	33	23
Staff training	12	5
Stationery and postage	2	3
Premises costs and equipment	68	32
ICT costs	37	10
Insurance	18	14
Legal and professional	20	22
Wages and salaries	204	191
Recruitment and other staff costs	1	-
Pension costs	5	4
Governance costs	15	10
Bad debts	(1)	1
	414	**315**

9 Analysis of governance costs

	2025 £'000	2024 £'000
Audit fees	9	7
Other accountancy services	6	3
Cost of Trustees' meetings	-	-
	15	**10**

10 Analysis of staff costs and key management personnel

	2025 £'000	2024 £'000
Wages and salaries	2,329	1,088
Social security costs	145	60
Pension	47	20
	2,521	**1,168**

The Charity Trustees were not paid and did not receive any benefits from the Charity or its subsidiary in the year 2025 (2024: £nil). During the year, no Trustees were reimbursed expenses (2024: £nil).

The key management personnel of the Charity and the Group comprise the Trustees, the Chief Executive and the Senior Management Team. The total employee benefits of the key management personnel of the Charity were £120,251 (2024: £128,513).

No employee (2024: nil) had employee benefits in excess of £60,000.

The average monthly head count was as follows:

	2025 Number	2024 Number
Operational	153	88
Administration	10	10
	163	**98**

11 Pension costs

The Charity operates defined contribution pension schemes. The assets of these schemes are held separately from those of the charitable company in independently administered funds. Contributions payable by Children's Links amounted to £47,000 (2024: £20,000). Amounts payable of £9,000 (2024: £nil) was due to the pension funds at the balance sheet date.

12 Net incoming resources

	2025 £'000	2024 £'000
Net incoming resources is stated after charging:		
Depreciation of charitable assets owned by group	5	9
Operating lease charges	96	65
Auditor's remuneration:		
- for audit services	9	7
- for other accountancy services	6	3

13 Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

14 Tangible fixed assets

14a Tangible fixed assets – group

	Computers	Furniture & Equipment	Total
	£'000	£'000	£'000
Cost:			
At 1 April 2024	95	43	138
Additions	-	14	14
Disposals	(13)	-	(13)
At 31 March 2025	**82**	**57**	139
Depreciation:			
At 1 April 2024	88	42	130
Charge for the year	4	1	5
Eliminated on disposal	(13)	-	(13)
At 31 March 2025	79	43	122
Net book value:			
At 1 April 2024	**7**	**1**	**8**
At 31 March 2025	**3**	**14**	**17**

14b Tangible fixed assets – charity

	Computers	Furniture & Equipment	Total
	£'000	£'000	£'000
Cost:			
At 1 April 2024	89	43	132
Additions	-	14	14
Disposals	(13)	-	(13)
At 31 March 2025	76	57	133
Depreciation:			
At 1 April 2024	82	42	124
Charge for the year	4	1	5
Eliminated on disposal	(13)	-	(13)
At 31 March 2025	73	43	116
Net book value:			
At 1 April 2024	**7**	**1**	**8**
At 31 March 2025	**3**	**14**	**17**

15 Investment in trading subsidiary

The Charity holds 1,000 shares of £1 each in its wholly owned trading subsidiary Linking Up Ltd which is incorporated in the United Kingdom. The principal activity of the subsidiary is the provision of a childcare voucher scheme. These activities were considered to be compatible with the aims and charitable objectives of Children's Links.

A summary of the results of the subsidiary is shown below:

Profit and Loss Account	**2025 £'000**	**2024 £'000**
Turnover	64	78
Payment to childcare settings	(55)	(75)
Wages, salaries and recruitment	(2)	(3)
Administrative expenses	(1)	(1)
Accountancy fees	-	(2)
Net income/(expenditure) for the year	**6**	**(3)**
Balance Sheet		
Current assets	47	60
Liabilities	(79)	(98)
Net liabilities	**(32)**	**(38)**

16 Debtors

Due within one year	**Group**		**Company**	
	2025 £'000	**2024 £'000**	**2025 £'000**	**2024 £'000**
Trade debtors	16	91	16	90
Other debtors	-	3	-	-
Prepayments and accrued income	37	32	35	32
	53	**126**	**51**	**122**

17 Creditors: amounts falling due within one year

	Group		Company	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Trade creditors	148	132	68	36
Taxation and social security	27	11	27	11
Other creditors	9	5	9	3
Accruals	75	41	75	41
Deferred income	71	64	71	64
	330	**253**	**250**	**155**

Deferred income

Deferred income comprises monies received in advance, primarily for programme deliveries and equipment purchases for which funding has been banked. Amount deferred in year is £71,000 (2024: £64,000). All deferred income brought forward was released during the year.

18 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and Buildings		Other	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
No later than one year	6	36	1	4
Later than one year and not later than five years	-	6	-	1
	6	**42**	**1**	**5**

19 Funds analysis

19a Funds analysis – current year

	Balance at 1/4/2024 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2025 £'000
Unrestricted funds					
Children's Links	4	3,211	(3,132)	6	89
Linking Up Limited	(38)	64	(58)	-	(32)
Total unrestricted funds	**(34)**	**3,275**	**(3,190)**	**6**	**57**
Designated funds					
Damian fund	1	-	-	-	1
Linking Up Limited fund	38	-	-	(6)	32
Burton Play	-	56	(11)	-	45
Total designated funds	**39**	**56**	**(11)**	**-**	**78**
Total unrestricted funds	**5**	**3,331**	**(3,201)**	**-**	**135**
Restricted funds					
Adrian Worsley fund	1	-	-	-	1
CYPVSF	-	20	(20)	-	-
NACCC	-	21	(21)	-	-
The National Lottery Community Fund – RC Midlands region	12	40	(39)	-	13
Horncastle Wellbeing Fund	-	1	(1)	-	-
Early Play and Toy Library	-	16	(1)	-	15
Theddlethorpe GDF Community	-	18	(14)	-	4
Employer Incentive Autumn 2024	-	29	(29)	-	-
Armed Forces Covenant RAF Waddington	-	25	(1)	-	24
Total restricted funds	**13**	**170**	**(126)**	**-**	**57**
Total funds	**18**	**3,501**	**(3,327)**	**-**	**192**

19b Funds analysis – prior year

	Balance at 1/4/2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2024 £'000
Unrestricted funds					
Children's Links	151	1,483	(1,592)	(38)	4
Linking Up Limited	(35)	78	(81)	-	(38)
Total unrestricted funds	**116**	**1,561**	**(1,673)**	**(38)**	**(34)**
Designated funds					
Damian fund	1	-	-	-	1
Linking Up Limited fund	-	-	-	38	38
Total designated funds	**1**	**-**	**-**	**38**	**39**
Total unrestricted funds	**117**	**1,561**	**(1,673)**	**-**	**5**
Restricted funds					
Adrian Worsley fund	1	-	-	-	1
Big Lottery and European	5	-	(5)	-	-
CYPVSF	-	20	(20)	-	-
NACCC	-	18	(18)	-	-
The National Lottery Community Fund – RC Midlands region	2	42	(32)	-	12
AWA Play Scape	-	7	(7)	-	-
AEB Level 2 Early Years	2	-	(2)	-	-
Holiday Activities & Food (HAF) Programme	-	16	(16)	-	-
RAF Nursery Equipment	-	5	(5)	-	-
Total restricted funds	**10**	**108**	**(105)**	**-**	**13**
Total funds	**127**	**1,669**	**(1,778)**	**-**	**18**

19c Analysis of assets/(liabilities) between funds

General fund:	Unrestricted £'000	Restricted £'000	Total 2025 £'000	Unrestricted £'000	Restricted £'000	Total 2024 £'000
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	17	-	17	8	-	8
Current assets	391	114	505	186	77	263
Creditors falling due within one year	(273)	(57)	(330)	(189)	(64)	(253)
Creditors falling due in over one year	-	-	-	-	-	-
	135	**57**	**192**	**5**	**13**	**18**

Designated funds are included in the unrestricted funds in the above analysis and are wholly held in cash.

19d Funds analysis – description of funds

Designated funds

Damian fund

This was established by a legacy left to Children's Links which is used to commemorate the life of a young man who was very active in the Lincolnshire community. The interest on the legacy is used to reward young people for their community endeavour, usually as part of the Children's Awards ceremony.

Linking Up Limited fund

This fund was established to support the existing and future cashflow requirements of the subsidiary, Linking Up Limited.

Burton Play fund

This fund was established following the transfer of cash and management of the Burton Play nursery in order to support the development of the nursery.

19d Funds analysis – description of funds (continued)

Restricted funds

Adrian Worsley fund

This commemorates the life of a supporter of Children's Links and the interest on the fund is used to reward young people for their community endeavour, usually as part of the annual Children's Awards ceremony.

Big Lottery and European Social Fund Building Better Opportunities Move Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into employment. The project is delivered across the whole of Greater Lincolnshire.

Big Lottery and European Social Fund Building Better Opportunities Engagement into Learning Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into learning. The project is delivered across the whole of Greater Lincolnshire.

CYPVSF (Children and Young People's Voluntary Sector Forum)

This is funded by Lincolnshire County Council to provide support for voluntary and community sector (VCS) organisations working with children, young people and their families in Lincolnshire.

NACCC (National Association of Child Contact Centres)

This funding has now replaced the Children and Family Court Advisory and Support Services funding and is to provide supported contact centres in Gainsborough, Grantham, Lincoln, Skegness, Spalding, Notts & Derby, Retford and Peterborough.

Big Lottery and European Social Fund – Building Better Opportunities Building Connections Grant

This funding is to tackle loneliness in the rural areas of East Lindsey by providing a campervan which travels to villages to provide a focal point for people to meet.

The National Lottery Community Fund – RC Midlands Region

A National Lottery Community Fund project that aims to build a network across Lincolnshire to develop the leadership skills of women working in the third sector.

AWA Play Scape

A National Lottery Awards for All funded project to deliver toy library outreach and provide fun play sessions for parents and young children.

19d Funds analysis – description of funds (continued)

Restricted funds (continued)

AEB Level 2 Early Years

For the delivery of Level 2 Diploma for the Early Years practitioner.

Holiday Activies & Food Programme (HAF)

Delivery of free holiday provisions including healthy food and enriching activities for school aged children. Funded by Lincolnshire County Council.

RAF - Nursery Equipment

Funds received from the RAF to purchase necessary equipment and other items for RAF nursery settings in advance of them opening.

Horncastle Wellbeing Fund

For the delivery of early years soft play and creative sessions.

Early Play and Toy Library

Funding received to support the running of the Toy Library which is from The National Lottery Community Fund.

Theddlethorpe GDF Community

To provide safe spaces for women to meet, make friendships, develop confidence and learn new skill in and around Theddlethorpe.

Employer Incentive Autumn 2024

Funding received to support a trainee to complete Early Years Initial Teacher Training.

Armed Forces Covenant RAF Waddington

To provide specialist support at the nursery in order to provide better learning environments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

20 Related party transactions

On the basis that this is a wholly owned Group and that consolidated financial statements have been prepared, the Group has taken advantage of the exemption not to disclose intra group transactions.

There were no other related party transactions.

21 Reconciliation of net expenditure to net cash flow from operating activities

	2025 £'000	2024 £'000
Net movement in funds (as per the statement of financial activities)	**174**	**(109)**
Adjustments for:		
Depreciation of tangible fixed assets	5	9
Loss on disposal of property, plant and equipment	-	-
Decrease/(Increase) in debtors	73	(56)
Increase in creditors	77	43
Net cashflow from/(used in) operating activities	**329**	**(113)**

22 Analysis of cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank and in hand	452	137
Total cash and cash equivalents	**452**	**137**

23 Net debt reconciliation

Net debt reconciliation for the Group 2025

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	137	315	-	452

Net debt reconciliation for the Charity 2024

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	250	(113)	-	137

CHILDREN'S LINKS

England & Wales - Charity number 1071058

Accounts

Registration No. 03484661 (England and Wales)
Charity No. 1071058

CHILDREN'S LINKS

(a company limited by guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

WEDNESDAY

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A14 30/10/2024 #114

COMPANIES HOUSE

CHILDREN'S LINKS

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CHILDREN'S LINKS

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY REGISTRATION NUMBER	1071058
COMPANY REGISTRATION NUMBER	03484661
TRUSTEES	H Kucharczyk – Chair (appointed 10.01.2024) J Wainwright – Vice-chair R Croft A Wright J Firth-Brown K Ruane V Lofthouse H Bradbury (resigned 16.08.2023) S Buik (resigned 02.06.2023)
CHIEF EXECUTIVE OFFICER	R Aylmer
PRINCIPAL / REGISTERED OFFICE	7 Bull Ring Horncastle LN9 5HX
INDEPENDENT AUDITORS	Xeinadin Audit Limited 12 Conqueror Court Sittingbourne Kent ME10 5BH
BANKERS	Santander UK plc Bridle Road Bootle Merseyside L30 4GB
SOLICITORS	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

CHILDREN'S LINKS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report and the financial statements for the year ended 31 March 2024.

Structure, Governance and Management

The company is a registered charity and a company limited by guarantee.

It was established by a memorandum of association on 1 January 1997. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

The Children's Links Board of Trustees ('the board') is responsible for the strategic direction, activities and performance of the charity. However, the board delegates the day to day management of the charity to a senior management team, headed by the Chief Executive.

The Charity uses an appraisal process to identify the skills required by the board and any skills gaps. Board members are recruited through an open recruitment process and strives to ensure that there is adequate local representation as well as a relevant mix of skills.

Members of the board receive a full induction programme on joining, ongoing training and briefing sessions. The board completes an annual evaluation of its effectiveness against the Code of Governance, including a skills audit.

Aims, objectives and activities

Purpose

Children's Links aims to change children's lives for the better.

In order to achieve this, we work together to:

- Help children reach their potential
- Build confidence and resilience
- Have a lasting impact

The Charity's purposes, as set out in the objects contained in the company's memorandum of association, are to benefit the public by:

- The promotion of the care and education of children, young people, families and communities and the provision of facilities for the recreation, care, education and other leisure time occupation of children, young people and families in the interests of social welfare with the object of improving their conditions of life.
- The advancement of the education and training of persons providing such care and educational and recreational facilities.
- Conducting research into all aspects of the care, education and recreation of such children, young people, families and communities and to publish the useful results of such research.

Summary of activities

The Charity has supported employees' personal development through both informal and accredited training, including role specific qualifications and degrees.

During the year the Charity has undertaken activities that contribute in the following ways to the aims and objectives of the charity:

Hampshire

- Supporting the care and wellbeing of Early Years children within nursery provision

Summary of activities (continued)

North Lincolnshire

- Supporting the care and wellbeing of children with complex needs through the delivery of holiday respite care

East Midlands and East

- Supporting separated families by delivering an Improving Child and Family Arrangements (ICFA) service
- Delivering contact centres to support separated families by enabling children to spend time with their parents

Lincolnshire

- Supporting the care and wellbeing of children within early years nursery provision
- Supporting school aged children in out of school childcare
- Advancing the education and training of persons providing care
- Supporting women in third sector leadership positions
- Supporting the voluntary and community sectors to engage in strategic partnerships that enhance and improve social welfare
- Providing community-based play services that promote wellbeing
- Increasing the confidence of numeracy skills of parents and grandparents

Public benefit

The board have considered and regarded the Charity Commission's public benefit guidance in relation to the aims and objectives of the charity. As all of Children's Links' charitable activities focus on the promotion of the care and education of children, young people and adults and as a result also directly benefit the public sector, the board is satisfied that the charity's aims, objective and activities are of public benefit.

Volunteers

Twenty-five volunteers are actively engaged in supporting the work of the charity through a range of services. The contribution made by volunteers is significant, providing the bedrock of our delivery of contact centres across Lincolnshire, support and additional resource in our childcare settings, fundraising and supporting our governance arrangements. We ensure volunteers receive appropriate training, coaching and support as well as opportunity to develop their skills and knowledge.

Achievements and performance

To help us achieve our aims and objectives we have 4 strategic goals

- Deliver high quality services that meets the needs of children, young people and adults
- Have a skilled workforce that embodies our values
- Make best use of our resources to ensure long term sustainability
- Optimise partnership opportunities

The year ending 31 March 2024 has been challenging financially, with the charity facing both increasing costs and increasing complexity in the needs of our service users. We have invested in our structures to support our long term sustainability, whilst continuing to be successful in promoting the care and education of children, young people and adults.

Achievements and Performance (continued)

During the year we have directly supported:

- 84 organisations (target 80),
- 273 learners (target 198),
- 1416 parents (target 915)
- 2747 children (target 2620).

These numbers do not include people who have accessed support our social media.

To help us deliver ***high quality services that meet the needs of children, young people and adults*** we have

- reviewed and improved our data gathering and recording
- worked with teams to improve quality assurance
- secured funding through grants, contracts and fundraising
- reviewed and improved our internal processes
- recruited new trustees with specialist expertise
- engaged with wider community developments across Lincolnshire in order to ensure children and families have a voice and their needs are met effectively
- opened new contact centres in Nottingham and Peterborough
- expanded our delivery of Multiply
- secured a 'Good' Ofsted rating at Little Explorers and Shining Stars nurseries
- arranged to run a new childcare setting in North Lincolnshire from April 2024
- successfully tendered to run 3 RAF settings in Lincolnshire from April 2024

To enable us to ***have a skilled workforce that embodies our values*** we have

- delivered training designed to embed our values of Learning, Innovation, Nurturing, Kindness and Striving for Success
- organised staff awards based on our values
- carried out a staff survey
- developed a monthly staff newsletter
- reviewed our employment package
- prioritised the training and development of staff
- worked with an HR Consultant to review our HR policies
- improved our staff support and supervision process

To ensure we ***make best use of our resources to ensure long term sustainability*** we have

- reviewed and improved our internal procedures
- restructured our staffing to enable improved business development
- reviewed overheads and put plans in place to change the ICT.
- agreed plans to move the head office in 2024-25

To allow us to ***optimise partnership opportunities*** we have

- developed a communication plan that includes a partner newsletter
- produced an Impact Report
- engaged with local, regional and sector networks
- been proactive in developing partnership funding bids

Financial review

Income, expenditure and results

Although we have made a loss this year, this has largely been as a result of investing in structures to support future growth, which has led to significant new business starting in 2024-25.

The charity's subsidiary Linking Up Limited (LUL) had an anticipated reduction in childcare voucher income, however, we continue to seek opportunities to develop new business to replace this income. The board will continue to review the activity and viability of the LUL and take any appropriate action.

Reserves

The charity is an operational organisation and needs to hold sufficient reserves to fund its current operations, to provide for unforeseen events and invest for the future. The policy, which is to hold reserves calculated on three months of central running costs, is monitored by the board.

At the end of March 2024, the reserves were not at the levels stated in the policy due to additional demand and investment as stated above. To rectify this the Board has requested that the senior management team take appropriate action in 2024 and actively build up the funds in line with the policy.

Statement of going concern

Whilst recognising the difficulties due to the wider economic situation and additional investment undertaken this year, the board consider that the charity is a going concern. This is based on the assumptions and actions of the last 12 months, as well as the forecast over the next 12 months.

The board has satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations.

Fundraising

We are registered with the Fundraising Regulator and work in a way that is compliant with the Code of Fundraising Practice.

Any internal fundraising is carried out in line with our fundraising policy and additionally vulnerable people are covered by our safeguarding policies.

Where we benefit from external platforms they are registered with the Lotteries Council and the Gambling Commission.

The future

We have produced a plan that indicates that the charity can generate a reasonable trading profit in the future.

We believe this is achievable based on

- New services that start in 2024-25
- Previous successes with new business
- Effective systems and processes
- Good partnerships and networks
- Investment in future growth

Financial review (continued)

Within the next year we will be:

- Continuing to develop, improve and expand our existing services, with a focus on supporting the wellbeing of children and families.
- Focusing on recruiting and retaining a skilled workforce that embodies our values
- Investigating ways to develop our income streams and making best use of our resources to ensure long term sustainability, including improving and developing our communication, engagement and marketing strategies.
- Continuing to work with partners and communities to ensure that we are able to deliver quality services that deliver positive outcomes.

Responsibilities of the trustees

The Children's Links Board of Trustees (who are also directors of Children's Links Limited for the purposes of company law) are responsible for preparing the Trustees' 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 board to prepare financial statements for each financial year. Under company law the board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing those financial statements the board are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice (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 in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The board are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved, has confirmed that:

- So far as that Trustee is aware, there is no audit information of which the Group's auditor is unaware,
- That they have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Group's auditor in connection with preparing its report and to establish that the Group's auditor is aware of that information.

This report was approved by the Board on 12th September 2024 and signed on it's behalf by

H Kucharczyk
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHILDREN'S LINKS

Opinion

We have audited the financial statements of Children's Links for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 31 March 2024, and of the Group's 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 the 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 the provisions available for small entities, in respect of the fact we provide non-audit services in the preparation of these financial statements, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the Trustees' report. The Trustees are responsible for this other information. Our opinion of 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.

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' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law; for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with the applicable legal requirements.

Matters on which we are required to report by exception

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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- 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 Directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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 it 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.

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:

Firstly, our assessment of the risk applicable to the entity's financial statements from material misstatements, including fraud, is low. Consequently, the risks identified are primarily concerned with dominant influence by management, income recognition and classification as well as adequacy and completeness of the disclosure for related parties. In response, we have:

- Reviewed minutes of meetings of management and those charged with governance;
- Tested journal entries and other adjustments for appropriateness, evaluating the rationale behind transactions outside the normal course of activities;
- Vouched a sample of grants receivable to source documentation checking income recognition criteria as well as any restrictions for appropriate fund classification;
- Obtained related party grid responses from connected parties and reviewed transactions during the year for evidence of additional, unidentified related parties.

Auditor's responsibilities for the audit of the financial statements (continued)

Whilst the procedures listed aid us in detecting irregularities, there exists the inherent difficulty in detecting irregularities, particularly those related to fraud. However, we believe the above risks to be the particular areas most susceptible to material misstatement.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 charitable 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

J. CAIN

Jordan Cain ACA (Senior Statutory Auditor)

for and on behalf of
XEINADIN AUDIT LIMITED

Chartered Accountants
Statutory Auditors

Cabourn House
Station Street
Bingham
Nottinghamshire
NG13 8AQ

Date: 21/10/2024

CHILDREN'S LINKS

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

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted £'000	Restricted £'000	2024 Total £'000	2023 Total £'000
INCOME					
Donations	2	2	-	2	3
Charitable activities	3	1,424	108	1,532	1,720
Other trading activities	4	79	-	79	139
Other income	5	48	-	48	5
Investment income	6	8	-	8	4
Total income		**1,561**	**108**	**1,669**	**1,871**
EXPENDITURE					
Charitable activities	7	(1,592)	(105)	(1,697)	(1,791)
Other trading activities	4	(81)	-	(81)	(121)
Total expenditure		**(1,673)**	**(105)**	**(1,778)**	**(1,912)**
Net income/(expenditure)		(112)	3	(109)	(41)
Transfers between funds		-	-	-	-
Net movement in funds		**(112)**	**3**	**(109)**	**(41)**
Reconciliation of funds:					
Total funds brought forward	20	117	10	127	168
Total funds carried forward	20	**5**	**13**	**18**	**127**

All amounts relate to continuing activities of the group.

The Statement of Financial Activities includes all gains and losses recognised in the year.

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

	Notes	2024 £'000	2023 £'000
FIXED ASSETS			
Intangible assets	14	-	-
Tangible fixed assets	15	8	18
TOTAL FIXED ASSETS		**8**	**18**
CURRENT ASSETS			
Debtors	17	126	69
Cash at bank and in hand	24	137	250
TOTAL CURRENT ASSETS		**263**	**319**
LIABILITIES			
Creditors: amounts falling due within one year	18	(253)	(210)
NET CURRENT ASSETS		**10**	**109**
Creditors: amounts falling due in over one year		-	-
TOTAL NET ASSETS		**18**	**127**
FUNDS OF THE CHARITY:			
Unrestricted funds	20	(34)	116
Designated funds	20	39	1
Restricted funds	20	13	10
TOTAL FUNDS		**18**	**127**

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The attached notes on pages 15 to 33 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 12th September 2024 and signed on their behalf by:

H Kucharczyk
Chair

CHILDREN'S LINKS
REGISTERED COMPANY NUMBER: 03484661

COMPANY BALANCE SHEET
AS AT 31 MARCH 2024

	Notes	2024 £'000	2023 £'000
FIXED ASSETS			
Tangible fixed assets	15	8	17
TOTAL FIXED ASSETS		**8**	**17**
CURRENT ASSETS			
Debtors	17	122	69
Cash at bank and in hand		81	184
TOTAL CURRENT ASSETS		**203**	**253**
LIABILITIES			
Creditors: amounts falling due within one year	18	(155)	(108)
NET CURRENT ASSETS		**48**	**145**
Creditors: amounts falling due in over one year		-	-
TOTAL ASSETS		**56**	**162**
FUNDS OF THE CHARITY:			
Unrestricted funds	20a	4	151
Designated funds	20a	39	1
Restricted funds	20a	13	10
TOTAL FUNDS		**56**	**162**

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

The attached notes on pages 15 to 33 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 12th September 2024 and signed on their behalf by:

H Kucharczyk
Chair

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £'000	2023 £'000
Cash Flows from Operating Activities			
Net cash provided by/(used in) operating activities	23	(113)	(81)
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		-	(2)
Change in cash and cash equivalents in the reporting period		**(113)**	**(83)**
Cash and cash equivalents at the beginning of the reporting period		250	333
Cash and cash equivalents at the end of the reporting period	24	**137**	**250**

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with 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) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis and are presented in sterling, which is the functional currency of the Charity.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going concern

The Children's Links Board consider that the organisation is a going concern. This is based on the following assumptions and actions that have been made in the last twelve months as well as the forecast and new business opportunities over the next twelve months. The charitable group has a deficit of £109,000 in the year ended 31 March 2024 and a deficit of £41,000 for the comparative year.

The Trustee Board has satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations. The main sources of funding are:

- Local Authority Contracts
- Central Government
- European funds, including European Social Fund
- Grant making trusts
- Childcare Fees from parents
- Charitable donations

Further details regarding the future success of the organisation are given in the Trustee's report.

c) Legal status of the Charity

There is no share capital as the company is limited by guarantee. Each member has guaranteed an amount, not exceeding £10, towards the company's liabilities in the event of a winding up, provided that a member has not ceased to be a member one year prior to any winding up order.

1 Accounting policies (continued)

d) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

e) Income

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

Voluntary income – donations are accounted for as received, sponsorship income represents amounts receivable. Gifts in kind to the Charity are included at the value specified by the donor or, if this is not available, at what the estimated cost to the Charity would have been. Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Grants – grants are included as incoming resources when these are received/receivable. Government grants are recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Furthermore, any and all conditions attached to the grant will need to be met.

Income from trading activities includes income earned from activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Income from donated goods is recognised on sale of those goods.

f) Expenditure

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. All expenditure is accounted for on an accruals basis.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

g) Intangible assets – goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. Goodwill arising on business combinations is capitalised, classified as an asset on the Balance sheet and amortised on a straight line basis over its useful life. The period chosen for writing off goodwill is 10 years, being its estimated useful life. Provision is made for any impairment.

1 Accounting policies (continued)

h) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment	20% straight line
Computer equipment	20% straight line & 33% straight line
Furniture	20% straight line
Vehicles	50% straight line

Assets are reviewed for any indications of impairment at each balance sheet date.

i) 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. Accrued income and tax recoverable are included at the best estimate of the amounts receivable at the balance sheet date.

j) 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.

k) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due. Concessionary loans received at below market rates are received in order to further the charitable objectives of the organisation and are therefore included at the amount received and are not discounted.

l) Financial instruments

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.

m) Pensions

Employees of the Charity are entitled to join a defined contribution pension scheme. The Charity contribution is restricted to the contributions disclosed in note 11.

n) Operating leases

Operating leases are recognised over the period of which the lease falls due.

2 Donations

	2024 £'000	2023 £'000
Donations	2	3
	2	**3**

All donations received in 2024 and 2023 relate to unrestricted funds.

3 Income from charitable activities

	2024 £'000	2023 £'000
Childcare fees	905	825
Training fees	7	9
Grants (see below)	491	826
Fundraising income	2	6
Contact centre fees	76	24
Other fees	51	30
	1,532	**1,720**

Income from charitable activities was £1,532,000 (2023: £1,720,000) of which £108,000 (2023: £143,000) was attributable to restricted and £1,424,000 (2023: £1,577,000) was attributable to unrestricted funds.

Grants

	2024 £'000	2023 £'000
Local authority income	54	41
Big Lottery and European Social Fund - Building Better Opportunities Move Grant	-	20
Big Lottery and European Social Fund - Building Better Opportunities Engagement into Learning Grant	-	6
CYPVSF	20	20
CAFCASS	-	13
NACCC	18	-
Mass Vaccination Programme – Lincolnshire	-	332
ICFA	297	306
Youth Music	-	10
The National Lottery Community Fund – RC Midlands Region	42	20
Lincoln City Foundation	25	-
Other grants and awards	35	58
	491	**826**

4 Other trading activities

The Charity has a wholly owned trading subsidiary, Linking Up Limited, a Company incorporated and registered in England and Wales (Company number: 05830401). The principal activity of the Company is the provision of a childcare voucher scheme. The income and expenditure attributable to the Company are as follows:

	2024 £'000	2023 £'000
Turnover	78	125
Payment to childcare settings	(75)	(114)
Wages, salaries and recruitment	(3)	(5)
Administrative expenses	(1)	-
Accountancy fees	(2)	(2)
Net (loss)/profit for the year	**(3)**	**4**

The Charity also operated a shop in Horncastle which is now closed and sold donated goods:

	2024 £'000	2023 £'000
Shop takings	1	14
	1	**14**

All trading income received in 2024 and 2023 relates to unrestricted funds.

5 Other income

	2024 £'000	2023 £'000
Insurance claim	9	-
Coronavirus/lockdown support grants	5	5
Reimbursed early termination charges	34	-
	48	**5**

The insurance claim was for flood damages. The coronavirus grants are household Covid support grants for the nursery settings. Early termination charges arose on changing the telecoms provider. These were reimbursed in full by the provider.

6 Investment Income

All investment income has arisen from monies held in interest bearing accounts.

7 Analysis of expenditure on charitable activities

7a Analysis of expenditure on charitable activities – current year

Charitable activities:	Direct costs £'000	Support costs £'000	2024 costs £'000
Care and education of young people	1,382	315	1,697
	1,382	**315**	**1,697**

7b Analysis of expenditure on charitable activities – prior year

Charitable activities:	Direct costs £'000	Support costs £'000	2023 costs £'000
Care and education of young people	1,449	342	1,791
	1,449	**342**	**1,791**

8 Analysis of support costs

	2024 £'000	2023 £'000
Staff travel and subsistence	23	21
Staff training	5	3
Stationery and postage	3	2
Premises costs and equipment	32	23
ICT costs	10	10
Insurance	14	13
Legal and professional	22	19
Wages and salaries	191	232
Recruitment and other staff costs	-	2
Pension costs	4	5
Governance costs	10	10
Bad debts	1	2
	315	**342**

9 Analysis of governance costs

	2024 £'000	2023 £'000
Audit fees	7	7
Other accountancy services	3	3
Cost of Trustees' meetings	-	-
	10	**10**

10 Analysis of staff costs and key management personnel

	2024 £'000	2023 £'000
Wages and salaries	1,088	1,237
Social security costs	60	64
Pension	20	14
	1,168	**1,315**

The Charity Trustees were not paid and did not receive any benefits from the Charity or its subsidiary in the year 2024 (2023: £nil). During the year, no Trustees were reimbursed expenses (2023: £37 to one Trustee).

The key management personnel of the Charity and the Group comprise the Trustees, the Chief Executive and the Senior Management Team. The total employee benefits of the key management personnel of the Charity were £128,513 (2023: £96,688).

No employee (2023:0) had employee benefits in excess of £60,000.

The average monthly head count was as follows:

	2024 Number	2023 Number
Operational	88	111
Administration	10	8
	98	**119**

11 Pension costs

The Charity operates defined contribution pension schemes. The assets of these schemes are held separately from those of the charitable company in independently administered funds. Contributions payable by Children's Links amounted to £20,000 (2023: £14,000). No contributions were payable to the pension funds at the balance sheet date (2023: £Nil).

12 Net incoming resources

	2024 £'000	2023 £'000
Net incoming resources is stated after charging:		
Depreciation of charitable assets owned by group	9	11
Operating lease charges	65	41
Auditor's remuneration:		
- for audit services	7	7
- for other accountancy services	3	3

13 Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

14 Intangible fixed assets - group

	Goodwill £'000
Cost less impairment:	
At 1 April 2023	97
Disposals	(97)
At 31 March 2024	-
Amortisation:	
At 1 April 2023	97
Eliminated on disposal	(97)
At 31 March 2024	-
Net book value:	
At 1 April 2023	-
At 31 March 2024	-

The Charity acquired the entire share capital of Linking Up Limited on 1 April 2011 for £nil consideration as part of the demerger from Sadeh Lok Housing Group. The goodwill arising on the acquisition was amortised over its presumed economic life of 10 years.

15 Tangible fixed assets

15a Tangible fixed assets – group

	Computers	Furniture & Equipment	Total
	£'000	£'000	£'000
Cost:			
At 1 April 2023	96	43	139
Additions	-	-	-
Disposals	(1)	-	(1)
At 31 March 2024	95	43	138
Depreciation:			
At 1 April 2023	82	39	121
Charge for the year	6	3	9
Eliminated on disposal	-	-	-
At 31 March 2024	88	42	130
Net book value:			
At 1 April 2023	14	4	18
At 31 March 2024	7	1	8

15b Tangible fixed assets – charity

	Computers	Furniture & Equipment	Total
	£'000	£'000	£'000
Cost:			
At 1 April 2023	89	43	132
Additions	-	-	-
Disposals	-	-	-
At 31 March 2024	89	43	132
Depreciation:			
At 1 April 2023	76	39	115
Charge for the year	6	3	9
Eliminated on disposal	-	-	-
At 31 March 2024	82	42	124
Net book value:			
At 1 April 2023	13	4	17
At 31 March 2024	7	1	8

16 Investment in trading subsidiary

The Charity holds 1,000 shares of £1 each in its wholly owned trading subsidiary Linking Up Ltd which is incorporated in the United Kingdom. The principal activity of the subsidiary is the provision of a childcare voucher scheme. These activities were considered to be compatible with the aims and charitable objectives of Children's Links.

A summary of the results of the subsidiary is shown below:

Profit and Loss Account	**2024 £'000**	**2023 £'000**
Turnover	78	125
Payment to childcare settings	(75)	(114)
Wages, salaries and recruitment	(3)	(5)
Administrative expenses	(1)	-
Accountancy fees	(2)	(2)
Net (loss)/profit for the year	**(3)**	**4**
Balance Sheet		
Fixed assets	-	1
Current assets	60	69
Liabilities	(98)	(105)
Net liabilities	**(38)**	**(35)**

17 Debtors

Due within one year	**Group**		**Company**	
	2024 £'000	**2023 £'000**	**2024 £'000**	**2023 £'000**
Trade debtors	91	28	90	28
Other debtors	3	-	-	-
Prepayments and accrued income	32	41	32	41
	126	**69**	**122**	**69**

18 Creditors: amounts falling due within one year

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade creditors	132	134	36	32
Taxation and social security	11	8	11	8
Other creditors	5	8	3	6
Accruals	41	24	41	26
Deferred income	64	36	64	36
	253	**210**	**155**	**108**

Deferred income

Deferred income comprises monies received in advance, primarily for programme deliveries and equipment purchases for which funding has been banked. Amount deferred in year is £64,000 (2023: £36,000). All deferred income brought forward was released during the year.

19 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and Buildings		Other	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
No later than one year	36	35	4	4
Later than one year and not later than five years	6	21	1	6
	42	**56**	**5**	**10**

20 Funds analysis

20a Funds analysis – current year

	Balance at 1/4/2023 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2024 £'000
Unrestricted funds					
Children's Links	151	1,483	(1,592)	(38)	4
Linking Up Limited	(35)	78	(81)	-	(38)
Total unrestricted funds	**116**	**1,561**	**(1,673)**	**(38)**	**(34)**
Designated funds					
Damian fund	1	-	-	-	1
Linking Up Limited fund	-	-	-	38	38
Total designated funds	**1**	**-**	**-**	**38**	**39**
Total unrestricted funds	**117**	**1,561**	**(1,673)**	**-**	**5**
Restricted funds					
Adrian Worsley fund	1	-	-	-	1
Big Lottery and European Social Fund Building Better Opportunities Move Grant	5	-	(5)	-	-
CYPVSF	-	20	(20)	-	-
NACCC	-	18	(18)	-	-
The National Lottery Community Fund – RC Midlands region	2	42	(32)	-	12
AWA Play Scape	-	7	(7)	-	-
AEB Level 2 Early Years	2	-	(2)	-	-
Holiday Activities & Food (HAF) Programme	-	16	(16)	-	-
RAF Nursery Equipment	-	5	(5)	-	-
Total restricted funds	**10**	**108**	**(105)**	**-**	**13**
Total funds	**127**	**1,669**	**(1,778)**	**-**	**18**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

20b Funds analysis – prior year

	Balance at 1/4/2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2023 £'000
Unrestricted funds					
Children's Links	170	1,603	(1,626)	-	147
Linking Up Limited	(39)	125	(121)	-	(35)
Total unrestricted funds	**131**	**1,728**	**(1,747)**	**-**	**112**
Designated funds					
Damian fund	1	-	-	-	1
Total designated funds	**1**	**-**	**-**	**-**	**1**
Total unrestricted funds	**132**	**1,728**	**(1,747)**	**-**	**113**

20b Funds analysis – prior year (continued)

Restricted funds					
Adrian Worsley fund	1	-	-	-	1
Big Lottery and European Social Fund Building Better Opportunities Move Grant	11	20	(26)	-	5
Big Lottery and European Social Fund Building Better Opportunities Engagement Into Learning Grant	4	6	(10)	-	-
Big Lottery and European Social Fund Building Better Opportunities Building Connections Grant	2	-	(2)	-	-
CYPVSF	-	20	(20)	-	-
CAFCASS	4	13	(17)	-	-
CLORE Lincolnshire Chapter	1	-	(1)	-	-
GLLEP and ESF Community Grant	1	2	(3)	-	-
Virtual Outdoor Challenge	2	-	(2)	-	-
Family Explorers Tackling Inequalities 2	1	-	(1)	-	-
Shine CAD Camper	-	10	(10)	-	-
MCN Grant Mum's Fit	-	5	(5)	-	-
Youth Music	9	11	(20)	-	-
The National Lottery Community Fund – RC Midlands region	-	20	(18)	-	2
AWA Play Scape	-	3	(3)	-	-
AEB First Aid	-	1	(1)	-	-
AEB Level 2 Early Years	-	5	(3)	-	2
MCM Women Supporting Women	-	7	(7)	-	-
Holiday Activities & Food (HAF) Programme	-	20	(20)	-	-
Total restricted funds	**36**	**143**	**(169)**	**-**	**10**
Total funds	**168**	**1,871**	**(1,912)**	**-**	**127**

20c Analysis of assets/(liabilities) between funds

General fund:	Unrestricted £'000	Restricted £'000	Total 2024 £'000	Unrestricted £'000	Restricted £'000	Total 2023 £'000
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	8	-	8	18	-	18
Current assets	186	77	263	285	34	319
Creditors falling due within one year	(189)	(64)	(253)	(184)	(26)	(210)
Creditors falling due in over one year	-	-	-	-	-	-
	5	**13**	**18**	**119**	**8**	**127**

Designated funds are included in the unrestricted funds in the above analysis and are wholly held in cash.

20d Funds analysis – description of funds

Designated funds

Damian fund

This was established by a legacy left to Children's Links which is used to commemorate the life of a young man who was very active in the Lincolnshire community. The interest on the legacy is used to reward young people for their community endeavour, usually as part of the Children's Awards ceremony.

Linking Up Limited fund

This fund was established to support the existing and future cashflow requirements of the subsidiary, Linking Up Limited.

20d Funds analysis – description of funds (continued)

Restricted funds

Adrian Worsley fund

This commemorates the life of a supporter of Children's Links and the interest on the fund is used to reward young people for their community endeavour, usually as part of the annual Children's Awards ceremony.

Big Lottery and European Social Fund Building Better Opportunities Move Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into employment. The project is delivered across the whole of Greater Lincolnshire.

Big Lottery and European Social Fund Building Better Opportunities Engagement into Learning Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into learning. The project is delivered across the whole of Greater Lincolnshire.

CYPVSF (Children and Young People's Voluntary Sector Forum)

This is funded by Lincolnshire County Council to provide support for voluntary and community sector (VCS) organisations working with children, young people and their families in Lincolnshire.

CAFCASS (Children and Family Court Advisory and Support Service)

This funding is to provide supported contact centres in Gainsborough, Grantham, Lincoln, Skegness and Spalding.

NACCC (National Association of Child Contact Centres)

This funding has now replaced the CAFCASS funding above and is to provide supported contact centres in Gainsborough, Grantham, Lincoln, Skegness, Spalding, Notts & Derby and Peterborough.

Big Lottery and European Social Fund – Building Better Opportunities Building Connections Grant

This funding is to tackle loneliness in the rural areas of East Lindsey by providing a campervan which travels to villages to provide a focal point for people to meet.

CLORE Lincolnshire Chapter

The fund aims to promote, support and strengthen the network of Social Leaders in the social, voluntary and charitable sectors around the country.

GLLEP and ESF Community Grant

This funding is to deliver support programmes to women in Gainsborough. The support is linked to developing skills and confidences with the aim to get women into work or further training.

Virtual Outdoor Challenge

This funding is to encourage parents/carers and children to spend more time outdoors by providing them with a range of activities

20d Funds analysis – description of funds (continued)

Family Explorers – Tackling Inequalities 2

This programme aims to support those facing challenges due to the COVID-19 pandemic from lower socio-economic groups, BAME communities, those with long term health conditions and people with disabilities.

Shine CAD Camper

To utilise the camper in providing activities and services that promote mental health and wellbeing outcomes.

MCN Grant Mum's Fit

To support the mental wellbeing of mums through specialist fitness classes and peer support.

Youth Music

To aid in supporting children and young people facing barriers to make, learn and earn in music.

The National Lottery Community Fund – RC Midlands Region

A National Lottery Community Fund project that aims to build a network across Lincolnshire to develop the leadership skills of women working in the third sector.

AWA Play Scape

A National Lottery Awards for All funded project to deliver toy library outreach and provide fun play sessions for parents and young children.

AEB First Aid

For the delivery of three Emergency First Aid at Work courses.

AEB Level 2 Early Years

For the delivery of Level 2 Diploma for the Early Years practitioner.

Women Supporting Women

For the facilitation of weekly groups for women that offer emotional and wellbeing support in order to build confidence and self-esteem. Funded by the Managed Care Network Fund.

Holiday Activies & Food Programme (HAF)

Delivery of free holiday provisions including healthy food and enriching activities for school aged children. Funded by Lincolnshire County Council.

RAF - Nursery Equipment

Funds received from the RAF to purchase necessary equipment and other items for RAF nursery settings in advance of them opening.

21 Related party transactions

On the basis that this is a wholly owned Group and that consolidated financial statements have been prepared, the Group has taken advantage of the exemption not to disclose intra group transactions.

There were no other related party transactions.

22 Post Balance Sheet Events

Shortly after the year end in April 2024, the Charity entered into an asset purchase agreement for the transfer of charitable assets from 'Burton Play'.
No consideration was payable for the assets, but it was agreed that the Charity would also take on the creditors. Burton Play was effectively transferred in to be continued operationally as a going concern. Although other assets were acquired, principally the assets received were in cash, with transfers totalling £55,853 received in April 2024.

23 Reconciliation of net expenditure to net cash flow from operating activities

	2024 £'000	2023 £'000
Net movement in funds (as per the statement of financial activities)	**(109)**	**(41)**
Adjustments for:		
Depreciation of tangible fixed assets	9	11
Loss on disposal of property, plant and equipment	-	-
Increase in debtors	(56)	(26)
Increase/(Decrease) in creditors	43	(25)
Net cashflow from operating activities	**(113)**	**(81)**

24 Analysis of cash and cash equivalents

	2024 £'000	2023 £'000
Cash at bank and in hand	137	250
Total cash and cash equivalents	**137**	**250**

25 Net debt reconciliation

Net debt reconciliation for the Group 2024

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	250	(113)	-	137

Net debt reconciliation for the Charity 2023

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	333	(83)	-	250

CHILDREN'S LINKS

England & Wales - Charity number 1071058

Accounts

Registration No. 03484661 (England and Wales)
Charity No. 1071058

CHILDREN'S LINKS

(a company limited by guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CHILDREN'S LINKS

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CHILDREN'S LINKS

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY REGISTRATION NUMBER	1071058
COMPANY REGISTRATION NUMBER	03484661
TRUSTEES	S Buik – Chair (resigned 02.06.2023) J Wainwright – Vice-chair (appointed 09.08.2022) R Croft A Wright T Nicholds (resigned 10.01.2023) J Firth-Brown (appointed 09.08.2022) K Ruane (appointed 09.08.2022) V Lofthouse (appointed 09.08.2022) K Truscott (resigned 04.10.2022) H Bradbury (appointed 21.03.2023)
CHIEF EXECUTIVE OFFICER	R Aylmer
PRINCIPAL / REGISTERED OFFICE	Suite 1 & 4 Gymphlex Buildings Boston Road Horncastle LN9 6HU
INDEPENDENT AUDITORS	Xeinadin Audit Limited 12 Conqueror Court Sittingbourne Kent ME10 5BH
BANKERS	Santander UK plc Bridle Road Bootle Merseyside L30 4GB
SOLICITORS	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

CHILDREN'S LINKS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and the financial statements for the year ended 31 March 2023.

Structure, Governance and Management

The company is a registered charity and a company limited by guarantee.

It was established by a Memorandum of Association on 1 January 1997. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

The Trustee Board is responsible for the strategic direction, activities and performance of the Charity. However, the Trustee Board delegates the day to day management of the Charity to a senior management team, which is headed by the Chief Executive.

The company follows an appraisal process to identify the skills required for the Trustee Board and to identify any skills gap on the Board. The Trustee Board uses open recruitment and strives to ensure that there is adequate local representation on it.

Members of the Trustee Board receive a full induction programme on joining the trustee board and thereafter receive ongoing training and briefing sessions. The Board completes an annual evaluation of its effectiveness against the Code of Governance, including a skills audit.

Objectives and Activities

Purpose

Children's Links aims to change children's lives for the better.

The Charity's purposes, as set out in the objects contained in the company's memorandum of association, are to benefit the public by:

- The promotion of the care and education of children, young people, families and communities and the provision of facilities for the recreation, care, education and other leisure time occupation of children, young people and families in the interests of social welfare with the object of improving their conditions of life.
- The advancement of the education and training of persons providing such care and educational and recreational facilities.
- Conducting research into all aspects of the care, education and recreation of such children, young people, families and communities and to publish the useful results of such research.

Summary of activities

The Charity has supported employees' personal development through both informal and accredited training, including role specific qualifications and degrees.

During the year the Charity has undertaken activities that contribute in the following ways to the aims and objectives of the charity:

Hampshire

- Supporting the care and wellbeing of Early Years children within nursery provision

North Lincolnshire

- Supporting the care and wellbeing of children with complex needs through the delivery of holiday respite care

OBJECTIVES AND ACTIVITIES (continued)

East Midlands and East

- Supporting separated families by Improving Child and Family Arrangements (ICFA)

Lincolnshire

- Supporting the care and wellbeing of Early Years children within nursery provision.
- Supporting school aged children in out of school childcare.
- Advancing the education and training of persons providing care.
- Reducing the likelihood of poverty by supporting the most vulnerable to develop their skills and improve their employability prospects.
- Supporting those in rural communities at risk of loneliness and isolation.
- Supporting women in third sector leadership positions.
- Supporting the voluntary and community sectors to engage in strategic partnerships that enhance and improve social welfare.
- Providing community-based play services that promote wellbeing.
- Supporting separated families by enabling children to spend time with their parents.
- Helping new mums improve their physical and mental wellbeing.
- Promoting musical inclusion.
- Increasing the confidence of numeracy skills with parents and grandparents.
- Supporting the Covid mass vaccination programme.
- Running a Charity shop.

Public Benefit

All our charitable activities focus on the promotion of the care and education of children, young people and adults and are undertaken to further our activities for public benefit. The Trustees have considered the Charity Commission guidance on delivering public benefit and believe that the Charity's objects are of public benefit.

By delivering responsive services that meet needs, the public sector also benefits. The Trustees have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims.

Volunteers

Twenty volunteers are actively engaged in supporting the work of the Charity through a range of services. The contribution made by volunteers is of significance and provides the bedrock of our delivery of contact centres across Lincolnshire, as well as providing support and additional resource in our childcare, and fundraising as well as our governance arrangements. We ensure volunteers receive appropriate training, coaching and support as well as opportunity to develop skills and knowledge.

Achievements and Performance

Corporate objectives for 2020-2023 to be achieved by delivering the following:

Outcome 1: Increase the number of people benefitting from our services.
Outcome 2: Achieve a thriving and sustainable organisation.
Outcome 3: Develop products and services to meet community needs.
Outcome 4: Create attractive packages of support for our people.
Outcome 5: Be a go to organisation for enabling services that make a positive difference.

ACHIEVEMENTS AND PERFORMANCE (continued)

The year ended 31 March 2023 has been one of transition post Covid. It has been challenging financially coping with increasing costs and making some difficult decisions about some of our services, in order to put us in the best place to move forward sustainably. Against this background we have still been successful in promoting the care and education of children, young people and adults.

During the year we have directly supported 77 organisations (target 60), 938 adults (target 964) and 2803 children (target 2370). These numbers do not include people who have accessed our social media or people using the Covid vaccination service. This number is slightly down on the previous year due to changes in the services delivered and the increased needs of the families we have supported.

To help us be a thriving and sustainable organisation we have

- closed services that were not financially sustainable, including our charity shop and a nursery;
- secured funding through grants, contracts and fundraising;
- reviewed and improved our internal processes;
- recruited new trustees with specialist expertise;
- worked towards our Sustainable Development Goals;
- engaged with wider community developments across Lincolnshire in order to ensure the voluntary sector has a voice and community needs are met effectively.

To ensure that we have attractive packages of support for our people we have

- worked with a HR Consultant;
- reviewed and improved our internal processes;
- reviewed our remuneration and reward package.

We have met community needs and made a positive difference through our service delivery. This has included:

- Securing a 'Good' Ofsted at Maple Vue Nursery.
- Extending our delivery at Shining Stars to support school aged children through the Holiday Activities and Food (HAF) programme.
- Set up a sensory area at Little Explorers.
- Building on our Toy Library work around positive early years play experiences to deliver disability sessions, outreach sessions and sessions targeted at new mums.
- Used music to enhance children's play and imagination.
- Enabled 120 children to spend time with the parent they don't live with through our supported and supervised contact centres.
- Improved family relationships for over 250 children engaging in our ICFA service.
- Building Better Opportunities, our employability support programmes came to an end, many participants told us the project had been life changing for them and lead to positive outcomes.
- Career Net helped young people to re-engage in school when at risk of no longer engaging in education, funding came to an end in 2022.
- The Shine 'Community Campervan & Coffee' successfully drew vulnerable individuals out from their homes and reintegrated communities after the pandemic.
- Shine Woman to Woman was a project devised to provide a safer space for women to develop new skills, gain confidence and make friendships.
- Through our Multiply project we have been helping people develop their numeracy skills and mental agility
- The Children & Young People's Voluntary Sector Forum continued to provide regular meeting opportunities, shared funding information & addressed sector specific needs.
- Women in the Third Sector Leadership provided meeting opportunities which addressed topics in support of women in leadership roles.
- Our vaccination project role came to an end, after supporting thousands of individuals across the county to access Covid vaccinations.

FINANCIAL REVIEW

Income, Expenditure and Results

Whilst we have made a loss this year, a significant element of this is expenditure made in this financial year, against income recognised in the previous year's accounts. There have also been loss making services, which have now closed.

The Charity's subsidiary Linking Up Limited had the anticipated reduction in childcare voucher income. We continue to seek opportunities to develop new business to replace this income.

Reserves

The Charity is an operational organisation and needs to hold sufficient reserves to fund its current operations, to provide for unforeseen events and invest for the future. The policy is monitored by the Trustees and is to hold reserves calculated on three months of central running costs.

Statement of Going Concern

Whilst recognising the difficulties due to the wider economic situation the Children's Links Board consider that the organisation is a Going Concern. This is based on the assumptions and actions of the last 12 months, as well as the forecast and new business opportunities over the next 12 months.

The Trustee Board has satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations.

Fundraising

We are registered with the Fundraising Regulator and work in a way that is compliant with the Code of Fundraising Practice.

Any internal fundraising is carried out in line with our Fundraising policy and additionally vulnerable people are covered by our safeguarding adults policy.

Where we benefit from external platforms they are registered with the Lotteries Council and the Gambling Commission.

The Future

We have produced a plan that indicates that the Charity can generate a reasonable trading profit in the future.

We believe this is achievable based on:

- Previous successes with new business;
- New services that are now running successfully;
- Effective systems and processes;
- Good partnerships and networks.

Within the next year we will be:

- Continuing to develop, improve and expand our existing services, with a focus on supporting the wellbeing of children and families.

THE FUTURE (CONTINUED)

- Focusing on recruiting and retaining a skilled workforce that embodies our values
- Investigating ways to develop our income streams and making best use of our resources to ensure long term sustainability
- Continuing to work with partners and communities to ensure that we are able to deliver quality services that deliver positive outcomes.

Responsibilities of the Trustees

The Trustees (who are also directors of Children's Links Limited for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing those 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 have been followed, subject to any material departures disclosed in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved, has confirmed that:

- So far as that Trustee is aware, there is no audit information of which the Group's auditor is unaware,
- That they have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Group's auditor in connection with preparing its report and to establish that the Group's auditor is aware of that information.

This report was approved by the Board on 26/9/23 and signed on it's behalf by

J Wainright
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHILDREN'S LINKS

Opinion

We have audited the financial statements of Children's Links for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 31 March 2023, and of the Group's 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 the 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 the provisions available for small entities, in respect of the fact we provide non-audit services in the preparation of these financial statements, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the Trustees' report. The Trustees are responsible for this other information. Our opinion of 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.

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' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with the applicable legal requirements.

Matters on which we are required to report by exception

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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- 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 Directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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 it 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.

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:

Firstly, our assessment of the risk applicable to the entity's financial statements from material misstatements, including fraud, is low. Consequently, the risks identified are primarily concerned with dominant influence by management, income recognition and classification as well as adequacy and completeness of the disclosure for related parties. In response, we have:

- Reviewed minutes of meetings of management and those charged with governance;
- Tested journal entries and other adjustments for appropriateness, evaluating the rationale behind transactions outside the normal course of activities;
- Vouched a sample of grants receivable to source documentation checking income recognition criteria as well as any restrictions for appropriate fund classification;
- Obtained related party grid responses from connected parties and reviewed transactions during the year for evidence of additional, unidentified related parties.

Auditor's responsibilities for the audit of the financial statements (continued)

Whilst the procedures listed aid us in detecting irregularities, there exists the inherent difficulty in detecting irregularities, particularly those related to fraud. However, we believe the above risks to be the particular areas most susceptible to material misstatement.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 charitable 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Antony Charles Bostock FCA CF (Senior Statutory Auditor)

for and on behalf of
XEINADIN AUDIT LIMITED

Chartered Accountants
Statutory Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date 9/10/23

CHILDREN'S LINKS

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

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted £'000	Restricted £'000	2023 Total £'000	2022 Total £'000
INCOME					
Donations	2	3	-	3	4
Charitable activities	3	1,577	143	1,720	2,008
Other trading activities	4	139	-	139	192
Other income	5	5	-	5	15
Investment income	6	4	-	4	-
Total income		**1,728**	**143**	**1,871**	**2,219**
EXPENDITURE					
Charitable activities	7	(1,622)	(169)	(1,791)	(1,895)
Other trading activities	4	(121)	-	(121)	(177)
Total expenditure		**(1,743)**	**(169)**	**(1,912)**	**(2,072)**
Net income/expenditure		**(15)**	**(26)**	**(41)**	**147**
Transfers between funds		**-**	-	-	-
Net movement in funds		**(15)**	**(26)**	**(41)**	147
Reconciliation of funds:					
Total funds brought forward	20	132	36	168	21
Total funds carried forward	20	**117**	**10**	**127**	**168**

All amounts relate to continuing activities of the group.

The Statement of Financial Activities includes all gains and losses recognised in the year.

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	2023 £'000	2022 £'000
FIXED ASSETS			
Intangible assets	14	-	-
Tangible fixed assets	15	18	27
TOTAL FIXED ASSETS		**18**	**27**
CURRENT ASSETS			
Debtors	17	69	43
Cash at bank and in hand	23	250	333
TOTAL CURRENT ASSETS		**319**	**376**
LIABILITIES			
Creditors: amounts falling due within one year	18	(210)	(235)
NET CURRENT ASSETS		**109**	**141**
Creditors: amounts falling due in over one year		-	-
TOTAL NET ASSETS		**127**	**168**
FUNDS OF THE CHARITY:			
Unrestricted funds	20	116	131
Designated funds	20	1	1
Restricted funds	20	10	36
TOTAL FUNDS		**127**	**168**

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The attached notes on pages 14 to 32 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 12/9/23

and signed on their behalf by:

J Wainwright

J Wainwright
Trustee

CHILDREN'S LINKS
REGISTERED COMPANY NUMBER: 03484661

COMPANY BALANCE SHEET
AS AT 31 MARCH 2023

	Notes	2023 £'000	2022 £'000
FIXED ASSETS			
Tangible fixed assets	15	17	26
TOTAL FIXED ASSETS		**17**	**26**
CURRENT ASSETS			
Debtors	17	69	40
Cash at bank and in hand		184	242
TOTAL CURRENT ASSETS		**253**	**282**
LIABILITIES			
Creditors: amounts falling due within one year	18	(108)	(101)
NET CURRENT ASSETS		**145**	**181**
Creditors: amounts falling due in over one year		-	-
TOTAL ASSETS		**162**	**207**
FUNDS OF THE CHARITY:			
Unrestricted funds	20a	151	170
Designated funds	20a	1	1
Restricted funds	20a	10	36
TOTAL FUNDS		**162**	**207**

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

The attached notes on pages 14 to 32 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 12/9/23

and signed on their behalf by:

J Wainwright
Trustee

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £'000	2022 £'000
Cash Flows from Operating Activities			
Net cash provided by/(used in) operating activities	22	(81)	136
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(2)	(4)
Change in cash and cash equivalents in the reporting period		**(83)**	**132**
Cash and cash equivalents at the beginning of the reporting period		333	201
Cash and cash equivalents at the end of the reporting period	23	**250**	**333**

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with 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) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis and are presented in sterling, which is the functional currency of the Charity.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going concern

The Children's Links Board consider that the organisation is a going concern. This is based on the following assumptions and actions that have been made in the last twelve months as well as the forecast and new business opportunities over the next twelve months. The charitable group generated a surplus of £147,000 in the year ended 31 March 2022 and a deficit of £41,000 for the year ended 31 March 2023.

The Trustee Board has satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations. The main sources of funding are:

- Local Authority Contracts
- Central Government
- European funds, including European Social Fund
- Grant making trusts
- Childcare Fees from parents
- Charitable donations

Further details regarding the future success of the organisation are given in the Trustee's report.

c) Legal status of the Charity

There is no share capital as the company is limited by guarantee. Each member has guaranteed an amount, not exceeding £10, towards the company's liabilities in the event of a winding up, provided that a member has not ceased to be a member one year prior to any winding up order.

1 **Accounting policies (continued)**

d) **Fund accounting**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

e) **Income**

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

Voluntary income – donations are accounted for as received, sponsorship income represents amounts receivable. Gifts in kind to the Charity are included at the value specified by the donor or, if this is not available, at what the estimated cost to the Charity would have been. Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Grants – grants are included as incoming resources when these are received/receivable. Government grants are recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Furthermore, any and all conditions attached to the grant will need to be met.

Income from trading activities includes income earned from activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Income from donated goods is recognised on sale of those goods.

f) **Expenditure**

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. All expenditure is accounted for on an accruals basis.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

g) **Intangible assets – goodwill**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. Goodwill arising on business combinations is capitalised, classified as an asset on the Balance sheet and amortised on a straight line basis over its useful life. The period chosen for writing off goodwill is 10 years, being its estimated useful life. Provision is made for any impairment.

1 **Accounting policies (continued)**

h) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment	20% straight line
Computer equipment	20% straight line & 33% straight line
Furniture	20% straight line
Vehicles	50% straight line

Assets are reviewed for any indications of impairment at each balance sheet date.

i) **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. Accrued income and tax recoverable are included at the best estimate of the amounts receivable at the balance sheet date.

j) **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.

k) **Creditors**

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due. Concessionary loans received at below market rates are received in order to further the charitable objectives of the organisation and are therefore included at the amount received and are not discounted.

l) **Financial instruments**

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.

m) **Pensions**

Employees of the Charity are entitled to join a defined contribution pension scheme. The Charity contribution is restricted to the contributions disclosed in note 11.

n) **Operating leases**

Operating leases are recognised over the period of which the lease falls due.

2 Donations

	2023 £'000	2022 £'000
Donations	3	4
	3	4

All donations received in 2023 and 2022 relate to unrestricted funds.

3 Income from charitable activities

	2023 £'000	2022 £'000
Childcare fees	825	809
Training fees	9	6
Grants (see below)	826	1,141
Fundraising income	6	3
Other fees	54	49
	1,720	2,008

Income from charitable activities was £1,720,000 (2022: £2,008,000) of which £143,000 (2022: £124,000) was attributable to restricted and £1,577,000 (2022: £1,884,000) was attributable to unrestricted funds.

Grants

	2023 £'000	2022 £'000
Local authority income	41	51
Big Lottery and European Social Fund - Building Better Opportunities Move Grant	20	29
Big Lottery and European Social Fund - Building Better Opportunities Engagement into Learning Grant	6	24
CYPVSF	20	20
CAFCASS	13	13
Big Lottery and European Social Fund - Building Better Opportunities Building Connections Grant	-	6
Mass Vaccination Programme – Lincolnshire	332	861
ICFA	306	66
Youth Music	10	9
The National Lottery Community Fund – RC Midlands Region	20	-
Other grants and awards	58	62
	826	1,141

4 Other trading activities

The Charity has a wholly owned trading subsidiary, Linking Up Limited, a Company incorporated and registered in England and Wales (Company number: 05830401). The principal activity of the Company is the provision of a childcare voucher scheme. The income and expenditure attributable to the Company are as follows:

	2023 £'000	2022 £'000
Turnover	125	177
Payment to childcare settings	(114)	(166)
Wages, salaries and recruitment	(5)	(4)
Administrative expenses	-	(5)
Accountancy fees	(2)	(2)
Net profit for the year	**4**	**-**

The Charity also operates a shop in Horncastle, selling donated goods:

	2023 £'000	2022 £'000
Shop takings	14	15
	14	**15**

All trading income received in 2023 and 2022 relates to unrestricted funds.

5 Other income

	2023 £'000	2022 £'000
Coronavirus Job Retention Scheme	-	1
Coronavirus/lockdown support grants	5	14
	5	**15**

All 'other income' above is from government grants received in connection with COVID-19, the nature of which is disclosed in the table above. There are no unfulfilled conditions or other contingencies attached to these grants.

6 Investment Income

All investment income has arisen from monies held in interest bearing accounts.

7 Analysis of expenditure on charitable activities

7a Analysis of expenditure on charitable activities – current year

Charitable activities:	Direct costs £'000	Support costs £'000	2023 costs £'000
Care and education of young people	1,449	342	1,791
	1,449	**342**	**1,791**

7b Analysis of expenditure on charitable activities – prior year

Charitable activities:	Direct costs £'000	Support costs £'000	2022 costs £'000
Care and education of young people	1,668	227	1,895
	1,668	**227**	**1,895**

8 Analysis of support costs

	2023 £'000	2022 £'000
Staff travel and subsistence	21	10
Staff training	3	6
Stationery and postage	2	2
Premises costs and equipment	23	30
ICT costs	10	11
Insurance	13	14
Legal and professional	19	11
Wages and salaries	232	125
Recruitment and other staff costs	2	4
Pension costs	5	4
Governance costs	10	10
Bad debts	2	-
	342	**227**

9 Analysis of governance costs

	2023 £'000	2022 £'000
Audit fees	10	10
Cost of Trustees' meetings	-	-
	10	**10**

10 Analysis of staff costs and key management personnel

	2023 £'000	2022 £'000
Wages and salaries	1,237	1,434
Social security costs	64	68
Pension	14	15
	1,315	**1,517**

The Charity Trustees were not paid and did not receive any benefits from the Charity or its subsidiary in the year 2023 (2022: £nil). During the year, one Trustee was reimbursed a general expense of £37 (2022: £nil).

The key management personnel of the Charity and the Group comprise the Trustees, the Chief Executive and the Deputy Chief Executive. The total employee benefits of the key management personnel of the Charity were £96,688 (2022: £110,819).

No employee (2022:1) had employee benefits in excess of £60,000. Total employee benefits for this individual fell between £60,000 - £70,000 for the comparative year.

The average monthly head count was as follows:

	2023 Number	2022 Number
Operational	111	136
Administration	8	6
	119	**142**

11 Pension costs

The Charity operates defined contribution pension schemes. The assets of these schemes are held separately from those of the charitable company in independently administered funds. Contributions payable by Children's Links amounted to £14,000 (2022: £15,000). No contributions were payable to the pension funds at the balance sheet date (2022: £Nil).

12 Net incoming resources

	2023 £'000	2022 £'000
Net incoming resources is stated after charging:		
Depreciation of charitable assets owned by group	11	13
Operating lease charges	41	52
Auditor's remuneration:		
- for audit services	10	10

13 Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

14 **Intangible fixed assets - group**

	Goodwill £'000
Cost less impairment:	
At 1 April 2022 and 31 March 2023	97
Amortisation:	
At 1 April 2022	97
Charge for the year	-
At 31 March 2023	97
Net book value:	
At 1 April 2022	-
At 31 March 2023	-

The Charity acquired the entire share capital of Linking Up Limited on 1 April 2011 for £nil consideration as part of the demerger from Sadeh Lok Housing Group. The goodwill arising on the acquisition was amortised over its presumed economic life of 10 years.

15 Tangible fixed assets

15a Tangible fixed assets - group

	Computers £'000	Equipment £'000	Furniture £'000	Vehicles £'000	Total £'000
Cost:					
At 1 April 2022	94	-	43	17	154
Additions	2	-	-	-	2
Disposals	-	-	-	(17)	(17)
At 31 March 2023	96	-	43	-	139
Depreciation:					
At 1 April 2022	74	-	36	17	127
Charge for the year	8	-	3	-	11
Eliminated on disposal	-	-	-	(17)	(17)
At 31 March 2023	82	-	39	-	121
Net book value:					
At 1 April 2022	20	-	7	-	27
At 31 March 2023	14	-	4	-	18

15b Tangible fixed assets - charity

	Computers £'000	Equipment £'000	Furniture £'000	Vehicles £'000	Total £'000
Cost:					
At 1 April 2022	87	-	43	17	147
Additions	2	-	-	-	2
Disposals	-	-	-	(17)	(17)
At 31 March 2023	89	-	43	-	132
Depreciation:					
At 1 April 2022	68	-	36	17	121
Charge for the year	8	-	3	-	11
Eliminated on disposal	-	-	-	(17)	(17)
At 31 March 2023	76	-	39	-	115
Net book value:					
At 1 April 2022	19	-	7	-	26
At 31 March 2023	13	-	4	-	17

16 Investment in trading subsidiary

The Charity holds 1,000 shares of £1 each in its wholly owned trading subsidiary Linking Up Ltd which is incorporated in the United Kingdom. The principal activity of the subsidiary is the provision of a childcare voucher scheme. These activities were considered to be compatible with the aims and charitable objectives of Children's Links.

A summary of the results of the subsidiary is shown below:

Profit and Loss Account	**2023 £'000**	**2022 £'000**
Turnover	125	177
Payment to childcare settings	(114)	(166)
Wages, salaries and recruitment	(5)	(4)
Administrative expenses	-	(5)
Accountancy fees	(2)	(2)
Net profit for the year	**4**	**-**
Balance Sheet		
Fixed assets	1	1
Current assets	69	94
Liabilities	(105)	(134)
Net liabilities	(35)	(39)

17 Debtors

Due within one year	**Group**		**Company**	
	2023 £'000	**2022 £'000**	**2023 £'000**	**2022 £'000**
Trade debtors	28	17	28	16
Other debtors	-	2	-	-
Prepayments and accrued income	41	24	41	24
	69	**43**	**69**	**40**

Due after one year	**Group**		**Company**	
	2023 £'000	**2022 £'000**	**2023 £'000**	**2022 £'000**
Amounts owed by group undertakings	-	-	-	-

18 Creditors: amounts falling due within one year

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade creditors	134	167	32	35
Amounts owed to group undertakings	-	-	-	-
Taxation and social security	8	15	8	15
Other creditors	8	1	6	1
Accruals	24	19	26	19
Deferred income	36	33	36	31
	210	**235**	**108**	**101**

Deferred income

Deferred income comprises monies received in advance, primarily for programme deliveries for which funding has been banked. Amount deferred in year is £36,000 (2022: £31,000). All deferred income brought forward was released during the year.

19 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and Buildings		Other	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
No later than one year	35	41	4	4
Later than one year and not later than five years	21	36	6	10
	56	**77**	**10**	**14**

20 Funds analysis

20a Funds analysis – current year

	Balance at 1/4/2022 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2023 £'000
Unrestricted funds					
Children's Links	170	1,603	(1,626)	-	147
Linking Up Limited	(39)	125	(121)	-	(35)
Total unrestricted funds	**131**	**1,728**	**(1,747)**	**-**	**112**
Designated funds					
Damian fund	1	-	-	-	1
Total designated funds	**1**	**-**	**-**	**-**	**1**
Total unrestricted funds	**132**	**1,728**	**(1,747)**	**-**	**113**

20a **Funds analysis – current year continued**

Restricted funds					
Adrian Worsley fund	1	-	-	-	1
Big Lottery and European Social Fund Building Better Opportunities Move Grant	11	20	(26)	-	5
Big Lottery and European Social Fund Building Better Opportunities Engagement Into Learning Grant	4	6	(10)	-	-
Big Lottery and European Social Fund Building Better Opportunities Building Connections Grant	2	-	(2)	-	-
CYPVSF	-	20	(20)	-	-
CAFCASS	4	13	(17)	-	-
CLORE Lincolnshire Chapter	1	-	(1)	-	-
GLLEP and ESF Community Grant	1	2	(3)	-	-
Virtual Outdoor Challenge	2	-	(2)	-	-
Family Explorers Tackling Inequalities 2	1	-	(1)	-	-
Shine CAD Camper	-	10	(10)	-	-
MCN Grant Mum's Fit	-	5	(5)	-	-
Youth Music	9	11	(20)	-	-
The National Lottery Community Fund – RC Midlands region	-	20	(18)	-	2
AWA Play Scape	-	3	(3)	-	-
AEB First Aid	-	1	(1)	-	-
AEB Level 2 Early Years	-	5	(3)	-	2
MCM Women Supporting Women	-	7	(7)	-	-
Holiday Activities & Food (HAF) Programme	-	20	(20)	-	-
Total restricted funds	**36**	**143**	**(169)**	**-**	**10**
Total funds	**168**	**1,871**	**(1,912)**	**-**	**127**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

20b Funds analysis – prior year

	Balance at 1/4/2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2022 £'000
Unrestricted funds					
Children's Links	31	1,918	(1,779)	-	170
Linking Up Limited	(39)	177	(177)	-	(39)
Total unrestricted funds	**(8)**	**2,095**	**(1,956)**	**-**	**131**
Designated funds					
Damian fund	1	-	-	-	1
Total designated funds	**1**	**-**	**-**	**-**	**1**
Total unrestricted funds	**(7)**	**2,095**	**(1,956)**	**-**	**132**
Restricted funds					
Adrian Worsley fund	1	-	-	-	1
Big Lottery and European Social Fund Building Better Opportunities Move Grant	7	29	(25)	-	11
Big Lottery and European Social Fund Building Better Opportunities Engagement Into Learning Grant	-	24	(20)	-	4
Big Lottery and European Social Fund Building Better Opportunities Steps Forward Grant	12	-	(12)	-	-
Big Lottery and European Social Fund Building Better Opportunities Building Connections Grant	2	6	(6)	-	2
CYPVSF	-	20	(20)	-	-
CAFCASS	3	13	(12)	-	4
CLORE Lincolnshire Chapter	-	1	-	-	1
GLLEP and ESF Community Grant	-	9	(8)	-	1
Virtual Outdoor Challenge	3	-	(1)	-	2
Family Explorers Tackling Inequalities 2	-	4	(3)	-	1
This Girl Can Community Fund Award	-	5	(5)	-	-
Shine CAD Camper	-	3	(3)	-	-
MCN Grant Mum's Fit	-	1	(1)	-	-
Youth Music	-	9	-	-	9
Total restricted funds	**28**	**124**	**(116)**	**-**	**36**
Total funds	**21**	**2,219**	**(2,072)**	**-**	**168**

20c Analysis of assets/(liabilities) between funds

General fund:	Unrestricted £'000	Restricted £'000	Total 2023 £'000	Unrestricted £'000	Restricted £'000	Total 2022 £'000
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	18	-	18	27	-	27
Current assets	285	34	319	309	67	376
Creditors falling due within one year	(184)	(26)	(210)	(204)	(31)	(235)
Creditors falling due in over one year	-	-	-	-	-	-
	119	8	127	132	36	168

Designated funds are included in the unrestricted funds in the above analysis and are wholly held in cash.

20d Funds analysis – description of funds

Designated funds

Damian fund

This was established by a legacy left to Children's Links which is used to commemorate the life of a young man who was very active in the Lincolnshire community. The interest on the legacy is used to reward young people for their community endeavour, usually as part of the Children's Awards ceremony.

Restricted funds

Adrian Worsley fund

This commemorates the life of a supporter of Children's Links and the interest on the fund is used to reward young people for their community endeavour, usually as part of the annual Children's Awards ceremony.

Big Lottery and European Social Fund Building Better Opportunities Move Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into employment. The project is delivered across the whole of Greater Lincolnshire.

Big Lottery and European Social Fund Building Better Opportunities Engagement into Learning Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into learning. The project is delivered across the whole of Greater Lincolnshire.

Big Lottery and European Social Fund Building Better Opportunities Steps Forward Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into employment. The project is delivered across the whole of Greater Lincolnshire.

CYPVSF (Children and Young People's Voluntary Sector Forum)

This is funded by Lincolnshire County Council to provide support for voluntary and community sector (VCS) organisations working with children, young people and their families in Lincolnshire.

20d **Funds analysis – description of funds (continued)**

CAFCASS (Children and Family Court Advisory and Support Service)

This funding is to provide supported contact centres in Gainsborough, Grantham, Lincoln, Skegness and Spalding.

Big Lottery and European Social Fund – Building Better Opportunities Building Connections Grant

This funding is to tackle loneliness in the rural areas of East Lindsey by providing a campervan which travels to villages to provide a focal point for people to meet.

CLORE Lincolnshire Chapter

The fund aims to promote, support and strengthen the network of Social Leaders in the social, voluntary and charitable sectors around the country.

GLLEP and ESF Community Grant

This funding is to deliver support programmes to women in Gainsborough. The support is linked to developing skills and confidences with the aim to get women into work or further training.

Virtual Outdoor Challenge

This funding is to encourage parents/carers and children to spend more time outdoors by providing them with a range of activities.

Family Explorers – Tackling Inequalities 2

This programme aims to support those facing challenges due to the COVID-19 pandemic from lower socio-economic groups, BAME communities, those with long term health conditions and people with disabilities.

This Girl Can Community Award

To provide inactive mums with specialist post natal pelvic and core strength classes and support their mental wellbeing.

Shine CAD Camper

To utilise the camper in providing activities and services that promote mental health and wellbeing outcomes.

MCN Grant Mum's Fit

To support the mental wellbeing of mums through specialist fitness classes and peer support.

Youth Music

To aid in supporting children and young people facing barriers to make, learn and earn in music.

The National Lottery Community Fund – RC Midlands Region

A National Lottery Community Fund project that aims to build a network across Lincolnshire to develop the leadership skills of women working in the third sector.

20d **Funds analysis – description of funds (continued)**

AWA Play Scape

A National Lottery Awards for All funded project to deliver toy library outreach and provide fun play sessions for parents and young children.

AEB First Aid

For the delivery of three Emergency First Aid at Work courses.

AEB Level 2 Early Years

For the delivery of Level 2 Diploma for the Early Years practitioner.

Women Supporting Women

For the facilitation of weekly groups for women that offer emotional and wellbeing support in order to build confidence and self-esteem. Funded by the Managed Care Network Fund.

Holiday Activies & Food Programme (HAF)

Delivery of free holiday provisions including healthy food and enriching activities for school aged children. Funded by Lincolnshire County Council.

21 Related party transactions

On the basis that this is a wholly owned Group and that consolidated financial statements have been prepared, the Group has taken advantage of the exemption not to disclose intra group transactions.

There were no other related party transactions.

22 Reconciliation of net expenditure to net cash flow from operating activities

	2023 £'000	2022 £'000
Net movement in funds (as per the statement of financial activities)	(41)	147
Adjustments for:		
Amortisation of intangible fixed assets	-	-
Depreciation of tangible fixed assets	11	13
Loss on disposal of property, plant and equipment	-	-
Increase in debtors	(26)	(7)
(Decrease)/increase in creditors	(25)	(17)
Net cashflow from operating activities	(81)	136

23 Analysis of cash and cash equivalents

	2023 £'000	2022 £'000
Cash at bank and in hand	250	333
Total cash and cash equivalents	250	333

24 Net debt reconciliation

Net debt reconciliation for the Group 2023

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	333	(83)	-	250

Net debt reconciliation for the Charity 2023

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	242	(58)	-	184

CHILDREN'S LINKS

England & Wales - Charity number 1071058

Accounts

Registration No. 03484661 (England and Wales)
Charity No. 1071058

CHILDREN'S LINKS

(a company limited by guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CHILDREN'S LINKS

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CHILDREN'S LINKS

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY REGISTRATION NUMBER	1071058
COMPANY REGISTRATION NUMBER	03484661
TRUSTEES	S Buik - Chair R Croft - Vice-chair A Wright T Nicholds J Firth-Brown (appointed 09.08.2022) J Wainwright (appointed 09.08.2022) K Ruane (appointed 09.08.2022) V Lofthouse (appointed 09.08.2022) K Truscott (resigned 01.10.2022)
CHIEF EXECUTIVE OFFICER	R Aylmer
PRINCIPAL / REGISTERED OFFICE	Suite 1 & 4 Gymphlex Buildings Boston Road Horncastle LN9 6HU
INDEPENDENT AUDITORS	Xeinadin Audit Limited 12 Conqueror Court Sittingbourne Kent ME10 5BH
BANKERS	Santander UK plc Bridle Road Bootle Merseyside L30 4GB
SOLICITORS	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

CHILDREN'S LINKS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document and Structure

The company is registered as a charitable company limited by guarantee and was established by a Memorandum of Association on 1 January 1997. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

The company is a registered charity, number 1071058.

The principal object of the company is to promote the care and education of children, young people and adults.

The Trustee Board is responsible for the strategic direction, activities and performance of the Charity. However, the Trustee Board delegates the day to day management of the Charity to a senior management team, which is headed by the Chief Executive.

OBJECTIVES AND ACTIVITIES

The Charity's purposes, as set out in the objects contained in the company's Memorandum of Association, are to benefit the public by:

- The promotion of the care and education of children, young people, families and communities and the provision of facilities for the recreation, care, education and other leisure time occupation of children, young people and families in the interests of social welfare with the object of improving their conditions of life.
- The advancement of the education and training of persons providing such care and educational and recreational facilities.
- Conducting research into all aspects of the care, education and recreation of such children, young people, families and communities and to publish the useful results of such research.

It aims to improve the life quality and experiences of children, young people, their families and communities by:

- Being a leader and innovator providing support and promoting high quality services.
- Supporting, developing and training the leaders and workforce of direct and indirect services.

The Charity has supported employees through personal development, including management qualifications, adult education qualifications, role specific qualifications and degrees. We also participated in the Kickstart scheme.

During the year the Charity was awarded a range of contracts in the following geographical areas that contributed in the following ways to the aims and objectives of the charity:

Hampshire Supporting the care and wellbeing of Early Years children within nursery provision

North Lincolnshire Supporting the care and wellbeing of children with complex needs through the delivery of holiday respite care

East Midlands and East Supporting separated families by Improving Child and Family Arrangements (ICFA)

OBJECTIVES AND ACTIVITIES (continued)

Lincolnshire

- Supporting the care and wellbeing of Early Years children within nursery provision
- Supporting school aged children in out of school childcare
- Advancing the education and training of persons providing care, education and recreational facilities
- Providing community-based play services that promote physical and mental wellbeing
- Promoting musical inclusion
- Supporting the voluntary and community sectors to engage in strategic partnerships that enhance and improve social welfare
- Supporting vulnerable families
- Reducing the likelihood of poverty by supporting the most vulnerable to develop their skills and improve their employability prospects
- Supporting those in rural communities at risk of loneliness and isolation
- Supporting the Covid mass vaccination programme
- Running a Charity shop. This has enabled us to support some vulnerable members of our community with low cost or free shoes, clothing, school uniform and other essential items.

Delivering Public Benefit

Our main activities and who we try to help are described below under Achievements and Performance. All our charitable activities focus on the promotion of the care and education of children, young people and adults and are undertaken to further our activities for public benefit. The Trustees have considered the Charity Commission guidance on delivering public benefit and believe that the Charity's objects are of public benefit.

By delivering responsive services that meet needs, the public sector also benefits. The Trustees have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims.

Over twenty volunteers are actively engaged in supporting the work of the Charity through a range of services. The contribution made by volunteers is of significance and provides the bedrock of many of our services including delivery of contact centres across Lincolnshire, as well as providing support and additional resource in our childcare, services for children with complex needs, charity shop and fundraising as well as our governance arrangements. To demonstrate the value of our volunteers as an integral element of the Charity we ensure volunteers receive appropriate training, coaching and support as well as opportunity to develop skills and knowledge.

Our Values

Children's Links values are what we believe in. They guide our thinking and our decision-making. We navigate towards our vision whilst remaining true to these values and we aim to instil these values throughout our organisation.

Teamwork – We are a team where people unite behind a shared goal.

Pride – We have pride in our services and the quality of our work.

Respect – We hold our organisation, its values and its traditions in high esteem.

Openness – We believe in being open to new people, new ideas and new methods.

ACHIEVEMENTS AND PERFORMANCE

Covid-19

The services we deliver were all affected in different ways by Covid. However, all our staff worked hard to ensure that we continued to offer support to vulnerable children and families during the pandemic. We were also able to be responsive to meeting the new and additional needs of our beneficiaries.

Our childcare remained open throughout, providing support for the most vulnerable children. Many of our services were able to provide virtual support and find innovative ways to engage our service users within the changing guidelines. Other services worked closely with funders to agree changes to delivery and timescales to meet the new needs. Where necessary we utilised the furlough scheme.

Corporate objectives for 2020-2023 to be achieved by delivering the following:

Outcome 1: Increase the number of people benefitting from our services.
Outcome 2: Achieve a thriving and sustainable organisation
Outcome 3: Develop products and services to meet community needs
Outcome 4: Create attractive packages of support for our people
Outcome 5: Be a go to organisation for enabling services that make a positive difference.

The year ended 31 March 2022 has been a successful year for the Charity in promoting the care and education of children, young people and adults with excellent results across our key target areas.

In the field of Workforce and Sector Support the charity has:

- Supported 47 people into education or employment through our Move and Engagement into Learning Building Better Opportunities projects
- Provided intensive support to 10 young people to remain engaged in education or gain employment through our Career Net programme work with Year 11s.
- Supported 12 women to engage with education and training
- Provided support to over 50 vulnerable members of 4 rural communities through our outreach campervan project
- Engaged with over 80 partner organisations through the Children and Young People's Voluntary Sector Forum.

In the field of Children's Services, the charity has:

- Supported over 100 children to access positive community play experiences
- Provided positive play experiences at a specialist holiday scheme for 28 children with complex needs
- Supported over 2000 children through our Toy Library and developed our special needs provision by introducing a sensory room.
- Improved wellbeing for new mums and their babies through our Mum Fit programme, delivered in partnership with a physical wellbeing specialist.
- Supported nearly 200 children with separated parents, measurably improving outcomes for 81% of those on our ICFA programme.

ACHIEVEMENTS AND PERFORMANCE (continued)

In the field of Child Care services, the charity has:

- Generated £3,055 through grants and fundraising
- Developed and improved our outdoor play areas
- Rolled out an online learning system
- Provided welfare support to families and staff
- Successfully completed Early Health Care Plans for 3 children and started the process for several others
- Delivered intergenerational work supporting mental health, wellbeing and speech and language development
- Developed areas to provide safe, calming and engaging spaces for children with SEN

Coordinated by the Senior Management Team the group has been successful in:

- Engaging in wider community developments across Lincolnshire
- Securing a donation of new IT equipment
- Ensuring staff were supported and services continued to provide much needed help to children and families
- Developing new services and networks

Overall our target remains to increase the number of children and families benefitting from our services

	Target at 31 March 2022	**Actual at 31 March 2022**
Number of children, young people and families supported	3,870	5,390

Children's Links have focused on working with those who are most vulnerable, providing one to one support for individuals with high needs. We have been able to achieve higher numbers than targeted as a result of new services and numbers returning to normal sooner than anticipated following the lifting of Covid restrictions.

The figures do not include people supported through the mass vaccination programme.

Risk Management

The Board is responsible for the management of risks faced by the charity.

The Trustees review all risks to the organisation through the maintenance of an annual risk register and through strategic and business planning. These plans are reviewed quarterly to ensure that any emergent risks are dealt with appropriately. Internally, a robust cycle of financial and other controls ensure consistent delivery throughout the organisation. Detailed consideration of risk and mitigating action are addressed by the Board and supported by senior staff within the charity.

Key risks identified during the period were:-

Risk	Amelioration	Expected Outcome
Impact of Covid and lockdowns on income for nurseries, charity shop and fundraising	Marketing and other new business and grants to support recovery from Covid.	Diversification and re-engagement in services are replacing lost income.
Implementation of new service that included TUPE took longer than expected	Experienced team supporting implementation and working with funders and partners	Service now established and running effectively
Restructure due to CEO retiring.	Succession planning	Successful transition and new team in place

FINANCIAL REVIEW

Income, Expenditure and Results

Despite the difficult economic situation and Covid our income increased during the year from £1,484,000 to March 2021 to £2,219,000 for the year to March 2022. This was achieved despite the reduction in some services by developing others to meet the new needs. This enabled us to make a larger surplus than last year.

The Charity's subsidiary Linking Up Limited reported a decrease in turnover. The reduction in childcare voucher income was anticipated but the planned new business was not realised at the level expected.

Statement of Going Concern

Whilst recognising the difficulties due to the wider economic situation the Children's Links Board consider that the organisation is a Going Concern. This is based on the assumptions and actions of the last 12 months, as well as the forecast and new business opportunities over the next 12 months.

The Trustee Board has satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations.

REASONS FOR FUTURE SUCCESS

We have produced a detailed Business Plan that indicates that the Company can generate a reasonable trading profit in the future. The Business Plan comprises Summarised Trading and Cashflow Projections, and Projected Balance Sheets for the Company for the year ending 31 March 2023.

We believe these are achievable based on

- Previous successes with new business
- New services that are now running successfully
- Effective systems and processes
- Good partnerships and networks

Reserves Policy

The Charity is an operational organisation and needs to hold sufficient reserves to fund its current operations, to provide for unforeseen events and invest for the future. The policy is monitored by the Trustees and is to hold reserves calculated on three months of central running costs.

Investment Policy

The Charity's investment policy is to maintain all cash funds in current and deposit accounts with the organisation's appointed bankers.

Plans for the Future

Within the next year we will be:

- Continuing to develop, improve and expand our existing services, with a focus on supporting the wellbeing of children and families post Covid.
- Continuing to work with partners and communities to ensure that we are able to deliver quality services that deliver positive outcomes.
- Reviewing our long-term plan during 2022-23 in order to ensure that we are able to continue to best meet the needs of vulnerable children and families in the future.
- Investigating ways to develop our income streams to reduce our reliance on restricted income and enable us to develop innovative new services for children and families.

RECRUITMENT AND TRAINING OF TRUSTEES

The company follows an appraisal process to identify the skills required for the Trustee Board and to identify any skills gap on the Board.

Members of the Trustee Board receive a full induction programme on joining the trustee board and thereafter receive ongoing training and briefing sessions. The Board completes an annual evaluation of its effectiveness against the Code of Governance, including a skills audit.

The Trustee Board uses open recruitment and strives to ensure that there is adequate local representation on it.

Four new trustees joined our Board in August 2022.

RECRUITMENT AND TRAINING OF TRUSTEES (continued)

Arrangements for setting the pay and remuneration of key management personnel

Job descriptions and performance plans provide a clear outline of what is needed to fulfil each role effectively.

Training and development needs are identified and acted on.

Salary scales are reviewed every three years to ensure that as far as is affordable they are keeping up with changes in the market.

Benefits are reviewed at least every three years to ensure that they are valued and relevant and are keeping up with changes in the market.

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also directors of Children's Links Limited for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing those 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 have been followed, subject to any material departures disclosed in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

RESPONSIBILITIES OF THE TRUSTEES (continued)

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved, has confirmed that:

- So far as that Trustee is aware, there is no audit information of which the Group's auditor is unaware,
- That they have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Group's auditor in connection with preparing its report and to establish that the Group's auditor is aware of that information.

This report was approved by the Board on 04/10/22 and signed on it's behalf by

S Buik
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHILDREN'S LINKS

Opinion

We have audited the financial statements of Children's Links for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 31 March 2022, and of the Group's 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 the 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 the provisions available for small entities, in respect of the fact we provide non-audit services in the preparation of these financial statements, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the Trustees' report. The Trustees are responsible for this other information. Our opinion of 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.

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' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with the applicable legal requirements.

Matters on which we are required to report by exception

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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- 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 Directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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 it 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.

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:

Firstly, our assessment of the risk applicable to the entity's financial statements from material misstatements, including fraud, is low. Consequently, the risks identified are primarily concerned with dominant influence by management, income recognition and classification as well as adequacy and completeness of the disclosure for related parties. In response, we have:

- Reviewed minutes of meetings of management and those charged with governance;
- Tested journal entries and other adjustments for appropriateness, evaluating the rationale behind transactions outside the normal course of activities;
- Vouched a sample of grants receivable to source documentation checking income recognition criteria as well as any restrictions for appropriate fund classification;
- Obtained related party grid responses from connected parties and reviewed transactions during the year for evidence of additional, unidentified related parties.

Auditor's responsibilities for the audit of the financial statements (continued)

Whilst the procedures listed aid us in detecting irregularities, there exists the inherent difficulty in detecting irregularities, particularly those related to fraud. However, we believe the above risks to be the particular areas most susceptible to material misstatement.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 charitable 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anthony Charles Bostock FCA CF (Senior Statutory Auditor)

for and on behalf of
XEINADIN AUDIT LIMITED

Chartered Accountants
Statutory Auditors

12 Conqueror Court
Sittingbourne
Kent
ME10 5BH

Date 14/10/2022

CHILDREN'S LINKS

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

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted £'000	Restricted £'000	2022 Total £'000	2021 Total £'000
INCOME					
Donations	2	4	-	4	2
Charitable activities	3	1,884	124	2,008	1,107
Other trading activities	4	192	-	192	252
Other income	5	15	-	15	123
Total income		**2,095**	**124**	**2,219**	**1,484**
EXPENDITURE					
Charitable activities	6	(1,779)	(116)	(1,895)	(1,198)
Other trading activities	4	(177)	-	(177)	(248)
Total expenditure		**(1,956)**	**(116)**	**(2,072)**	**(1,446)**
Net income		139	8	147	38
Transfers between funds		-	-	-	-
Net movement in funds		139	8	147	38
Reconciliation of funds:					
Total funds brought forward	19b	(7)	28	21	(17)
Total funds carried forward	19a	**132**	**36**	**168**	**21**

All amounts relate to continuing activities of the group.

The Statement of Financial Activities includes all gains and losses recognised in the year.

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	2022 £'000	2021 £'000
FIXED ASSETS			
Intangible assets	13	-	-
Tangible fixed assets	14a	27	36
TOTAL FIXED ASSETS		**27**	**36**
CURRENT ASSETS			
Debtors	16	43	36
Cash at bank and in hand	22	333	201
TOTAL CURRENT ASSETS		**376**	**237**
LIABILITIES			
Creditors: amounts falling due within one year	17	(235)	(252)
NET CURRENT ASSETS/(LIABILITIES)		**141**	**(15)**
Creditors: amounts falling due in over one year		-	-
TOTAL NET ASSETS		**168**	**21**
FUNDS OF THE CHARITY:			
Unrestricted funds	19	131	(8)
Designated funds	19	1	1
Restricted funds	19	36	28
TOTAL FUNDS		**168**	**21**

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The attached notes on pages 17 to 34 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 04/10/22

and signed on their behalf by:

S Buik
Trustee

CHILDREN'S LINKS
REGISTERED COMPANY NUMBER: 03484661

COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	2022 £'000	2021 £'000
FIXED ASSETS			
Tangible fixed assets	14b	26	35
TOTAL FIXED ASSETS		**26**	**35**
CURRENT ASSETS			
Debtors	16	40	31
Cash at bank and in hand		242	88
TOTAL CURRENT ASSETS		**282**	**119**
LIABILITIES			
Creditors: amounts falling due within one year	17	(101)	(94)
NET CURRENT ASSETS		**181**	**25**
Creditors: amounts falling due in over one year		-	-
TOTAL ASSETS		**207**	**60**
FUNDS OF THE CHARITY:			
Unrestricted funds	19	170	31
Designated funds	19	1	1
Restricted funds	19	36	28
TOTAL FUNDS		**207**	**60**

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

The attached notes on pages 17 to 34 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 04/10/22

and signed on their behalf by:

S Buik
Trustee

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £'000	2021 £'000
Cash Flows from Operating Activities			
Net cash provided by/(used in) operating activities	21	136	113
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(4)	(11)
Change in cash and cash equivalents in the reporting period		**132**	**102**
Cash and cash equivalents at the beginning of the reporting period		201	99
Cash and cash equivalents at the end of the reporting period	22	**333**	**201**

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with 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) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis and are presented in sterling, which is the functional currency of the Charity.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going concern

The Children's Links Board consider that the organisation is a going concern. This is based on the following assumptions and actions that have been made in the last twelve months as well as the forecast and new business opportunities over the next twelve months. The charitable group generated a surplus of £38,000 in the year ended 31 March 2021 and a surplus of £147,000 for the year ended 31 March 2022.

The Trustee Board has satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations. The main sources of funding are:

- Local Authority Contracts
- Central Government
- European funds, including European Social Fund
- Grant making trusts
- Childcare Fees from parents
- Charitable donations

Further details regarding the future success of the organisation are given in the Trustee's report.

c) Legal status of the Charity

There is no share capital as the company is limited by guarantee. Each member has guaranteed an amount, not exceeding £10, towards the company's liabilities in the event of a winding up, provided that a member has not ceased to be a member one year prior to any winding up order.

1 Accounting policies (continued)

d) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

e) Income

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

Voluntary income – donations are accounted for as received, sponsorship income represents amounts receivable. Gifts in kind to the Charity are included at the value specified by the donor or, if this is not available, at what the estimated cost to the Charity would have been. Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Grants – grants are included as incoming resources when these are received/receivable. Government grants are recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Furthermore, any and all conditions attached to the grant will need to be met.

Income from trading activities includes income earned from activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Income from donated goods is recognised on sale of those goods.

f) Expenditure

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. All expenditure is accounted for on an accruals basis.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

g) Intangible assets – goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. Goodwill arising on business combinations is capitalised, classified as an asset on the Balance sheet and amortised on a straight line basis over its useful life. The period chosen for writing off goodwill is 10 years, being its estimated useful life. Provision is made for any impairment.

1 **Accounting policies (continued)**

h) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment	20% straight line
Computer equipment	20% straight line & 33% straight line
Furniture	20% straight line
Vehicles	50% straight line

Assets are reviewed for any indications of impairment at each balance sheet date.

i) 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. Accrued income and tax recoverable are included at the best estimate of the amounts receivable at the balance sheet date.

j) 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.

k) Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due. Concessionary loans received at below market rates are received in order to further the charitable objectives of the organisation and are therefore included at the amount received and are not discounted.

l) Financial instruments

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.

m) Pensions

Employees of the Charity are entitled to join a defined contribution pension scheme. The Charity contribution is restricted to the contributions disclosed in note 10.

n) Operating leases

Operating leases are recognised over the period of which the lease falls due.

2 Donations

	2022 £'000	2021 £'000
Donations	4	2
	4	2

All donations received in 2022 and 2021 relate to unrestricted funds.

3 Income from charitable activities

	2022 £'000	2021 £'000
Childcare fees	809	710
Membership fees	3	1
Training fees	6	7
Grants (see below)	1,141	370
Fundraising income	3	2
Other fees	46	17
	2,008	**1,107**

Income from charitable activities was £2,008,000 (2021: £1,107,000) of which £124,000 (2021: £218,000) was attributable to restricted and £1,884,000 (2021: £889,000) was attributable to unrestricted funds.

Grants

	2022 £'000	2021 £'000
Local authority income	51	43
Big Lottery and European Social Fund - Building Better Opportunities Move Grant	29	25
Big Lottery and European Social Fund - Building Better Opportunities Engagement into Learning Grant	24	15
Big Lottery and European Social Fund - Building Better Opportunities Steps Forward Grant	-	97
CYPVSF	20	20
CAFCASS	13	13
Big Lottery and European Social Fund - Building Better Opportunities Building Connections Grant	6	22
Mass Vaccination Programme – Lincolnshire	861	79
ICFA	66	-
Youth Music	9	-
Other grants and awards	62	56
	1,141	**370**

4 Other trading activities

The Charity has a wholly owned trading subsidiary, Linking Up Limited, a Company incorporated and registered in England and Wales (Company number: 05830401). It pays all of its profits to the Charity under the gift aid scheme. The principal activity of the Company is the provision of a childcare voucher scheme. The income and expenditure attributable to the Company are as follows:

	2022 £'000	2021 £'000
Turnover	177	246
Payment to childcare settings	(166)	(234)
Wages, salaries and recruitment	(4)	(6)
Administrative expenses	(5)	(6)
Accountancy fees	(2)	(2)
Net loss for the year	-	(2)

The Charity also operates a shop in Horncastle, selling donated goods:

	2022 £'000	2021 £'000
Shop takings	15	6
	15	6

All trading income received in 2022 and 2021 relates to unrestricted funds.

5 Other income

	2022 £'000	2021 £'000
Coronavirus Job Retention Scheme	1	73
Coronavirus/lockdown support grants	14	50
	15	123

All 'other income' above is from government grants received in connection with COVID-19, the nature of which is disclosed in the table above. There are no unfulfilled conditions or other contingencies attached to these grants.

6 Analysis of expenditure on charitable activities

6a Analysis of expenditure on charitable activities – current year

Charitable activities:	Direct costs £'000	Support costs £'000	2022 costs £'000
Care and education of young people	1,668	227	1,895
	1,668	**227**	**1,895**

6b Analysis of expenditure on charitable activities – prior year

Charitable activities:	Direct costs £'000	Support costs £'000	2021 costs £'000
Care and education of young people	980	218	1,198
	980	**218**	**1,198**

7 Analysis of support costs

	2022 £'000	2021 £'000
Staff travel and subsistence	10	3
Staff training	6	2
Stationery and postage	2	2
Premises costs and equipment	30	29
ICT costs	11	8
Insurance	14	11
Legal and professional	11	15
Wages and salaries	125	127
Recruitment and other staff costs	4	3
Pension costs	4	4
Governance costs	10	10
Bad debts	-	4
	227	**218**

8 Analysis of governance costs

	2022 £'000	2021 £'000
Audit fees	10	10
Cost of Trustees' meetings	-	-
	10	**10**

9 Analysis of staff costs and key management personnel

	2022 £'000	2021 £'000
Wages and salaries	1,434	846
Social security costs	68	44
Pension	15	13
	1,517	**903**

The Charity Trustees were not paid and did not receive any benefits from the Charity or its subsidiary in the year 2022 (2021: £nil). During the year, no Trustees were reimbursed travel expenses (2021: £nil).

The key management personnel of the Charity and the Group comprise the Trustees, the Chief Executive and the Deputy Chief Executive. The total employee benefits of the key management personnel of the Charity were £110,819 (2021: £102,116).

One employee (2021:1) had employee benefits in excess of £60,000. Total employee benefits for this individual fell between £60,000 - £70,000 for the year, as they also did in the comparative period.

The average monthly head count was as follows:

	2022 Number	2021 Number
Operational	136	69
Administration	6	5
	142	**74**

10 Pension costs

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. Contributions payable by Children's Links amounted to £15,000 (2021: £13,000). No contributions were payable to the pension fund at the balance sheet date (2021: £Nil).

11 Net incoming resources

	2022 £'000	2021 £'000
Net incoming resources is stated after charging:		
Depreciation of charitable assets owned by group	13	20
Operating lease charges	52	45
Auditor's remuneration:		
- for audit services	10	10

12 Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

13 Intangible fixed assets - group

	Goodwill £'000
Cost less impairment:	
At 1 April 2021 and 31 March 2022	**97**
Amortisation:	
At 1 April 2021	97
Charge for the year	-
At 31 March 2022	**97**
Net book value:	
At 1 April 2021	-
At 31 March 2022	**-**

The Charity acquired the entire share capital of Linking Up Limited on 1 April 2011 for £nil consideration as part of the demerger from Sadeh Lok Housing Group. The goodwill arising on the acquisition was amortised over its presumed economic life of 10 years.

14 Tangible fixed assets

14a Tangible fixed assets - group

	Computers £'000	Equipment £'000	Furniture £'000	Vehicles £'000	Total £'000
Cost:					
At 1 April 2021	161	28	45	17	251
Additions	4	-	-	-	4
Disposals	(71)	(28)	(2)	-	(101)
At 31 March 2022	94	-	43	17	154
Depreciation:					
At 1 April 2021	137	28	33	17	215
Charge for the year	8	-	5	-	13
Eliminated on disposal	(71)	(28)	(2)	-	(101)
At 31 March 2022	74	-	36	17	127
Net book value:					
At 1 April 2021	24	-	12	-	36
At 31 March 2022	**20**	-	**7**	**-**	**27**

14b Tangible fixed assets - charity

	Computers £'000	Equipment £'000	Furniture £'000	Vehicles £'000	Total £'000
Cost:					
At 1 April 2021	154	28	45	17	244
Additions	4	-	-	-	4
Disposals	(71)	(28)	(2)	-	(101)
At 31 March 2022	**87**	**-**	**43**	**17**	**147**
Depreciation:					
At 1 April 2021	131	28	33	17	209
Charge for the year	8	-	5	-	13
Eliminated on disposal	(71)	(28)	(2)	-	(101)
At 31 March 2022	**68**	**-**	**36**	**17**	**121**
Net book value:					
At 1 April 2021	23	-	12	-	35
At 31 March 2022	**19**	**-**	**7**	**-**	**26**

15 Investment in trading subsidiary

The Charity holds 1,000 shares of £1 each in its wholly owned trading subsidiary Linking Up Ltd which is incorporated in the United Kingdom. The principal activity of the subsidiary is the provision of a childcare voucher scheme. These activities were considered to be compatible with the aims and charitable objectives of Children's Links.

A summary of the results of the subsidiary is shown below:

Profit and Loss Account	**2022 £'000**	**2021 £'000**
Turnover	177	246
Payment to childcare settings	(166)	(234)
Wages, salaries and recruitment	(4)	(6)
Administrative expenses	(5)	(6)
Accountancy fees	(2)	(2)
Net loss for the year	**-**	**(2)**
Balance Sheet		
Fixed assets	1	1
Current assets	94	119
Liabilities	(134)	(159)
Net liabilities	**(39)**	**(39)**

16 Debtors

Due within one year	**Group**		**Company**	
	2022 £'000	**2021 £'000**	**2022 £'000**	**2021 £'000**
Trade debtors	17	9	16	6
Other debtors	2	1	-	1
Prepayments and accrued income	24	26	24	24
	43	**36**	**40**	**31**

Due after one year	**Group**		**Company**	
	2022 £'000	**2021 £'000**	**2022 £'000**	**2021 £'000**
Amounts owed by group undertakings	**-**	**-**	**-**	**-**

17 Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade creditors	167	189	35	33
Amounts owed to group undertakings	-	-	-	-
Taxation and social security	15	16	15	16
Other creditors	1	-	1	-
Accruals	19	17	19	15
Deferred income	33	30	31	30
	235	**252**	**101**	**94**

Deferred income

Deferred income comprises monies received in advance, primarily for programme deliveries for which funding has been banked. Amount deferred in year is £31,000 (2021: £30,000). All deferred income brought forward was released during the year.

18 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and Buildings		Other	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
No later than one year	41	47	4	3
Later than one year and not later than five years	36	73	10	-
	77	**120**	**14**	**3**

19 Funds analysis

19a Funds analysis – current year

	Balance at 1/4/2021 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2022 £'000
Unrestricted funds					
Children's Links	31	1,918	(1,779)	-	170
Linking Up Limited	(39)	177	(177)	-	(39)
Total unrestricted funds	**(8)**	**2,095**	**(1,956)**	**-**	**131**
Designated funds					
Damian fund	1	-	-	-	1
Total designated funds	**1**	**-**	**-**	**-**	**1**
Total unrestricted funds	**(7)**	**2,095**	**(1,956)**	**-**	**132**

19a Funds analysis – current year continued

Restricted funds					
Adrian Worsley fund	1	-	-	-	1
Big Lottery and European Social Fund Building Better Opportunities Move Grant	7	29	(25)	-	11
Big Lottery and European Social Fund Building Better Opportunities Engagement Into Learning Grant	-	24	(20)	-	4
Big Lottery and European Social Fund Building Better Opportunities Steps Forward Grant	12	-	(12)	-	-
Big Lottery and European Social Fund Building Better Opportunities Building Connections Grant	2	6	(6)	-	2
CYPVSF	-	20	(20)	-	-
CAFCASS	3	13	(12)	-	4
CLORE Lincolnshire Chapter	-	1	-	-	1
GLLEP and ESF Community Grant	-	9	(8)	-	1
Virtual Outdoor Challenge	3	-	(1)	-	2
Family Explorers Tackling Inequalities 2	-	4	(3)	-	1
This Girl Can Community Fund Award	-	5	(5)	-	-
Shine CAD Camper	-	3	(3)	-	-
MCN Grant Mum's Fit	-	1	(1)	-	-
Youth Music	-	9	-	-	9
Total restricted funds	**28**	**124**	**(116)**	**-**	**36**
Total funds	**21**	**2,219**	**(2,072)**	**-**	**168**

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

19b Funds analysis – prior year

	Balance at 1/4/2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2021 £'000
Unrestricted funds					
Children's Links	(12)	1,020	(977)	-	31
Linking Up Limited	(41)	246	(244)	-	(39)
Total unrestricted funds	**(53)**	**1,266**	**(1,221)**	**-**	**(8)**
Designated funds					
Damian fund	1	-	-	-	1
Total designated funds	**1**	**-**	**-**	**-**	**1**
Total unrestricted funds	**(52)**	**1,266**	**(1,221)**	**-**	**(7)**
Restricted funds					
Adrian Worsley fund	1	-	-	-	1
Big Lottery and European Social Fund Building Better Opportunities Move Grant	4	25	(22)	-	7
Big Lottery and European Social Fund Building Better Opportunities Engagement Into Learning Grant	-	15	(15)	-	-
Big Lottery and European Social Fund Building Better Opportunities Steps Forward Grant	3	97	(88)	-	12
Big Lottery and European Social Fund Building Better Opportunities Building Connections Grant	10	22	(30)	-	2
CYPVSF	17	20	(37)	-	-
CAFCASS	-	13	(10)	-	3
CLORE Lincolnshire Chapter	-	1	(1)	-	-
GLLEP and ESF Community Grant	-	5	(5)	-	-
Virtual Outdoor Challenge		10	(7)	-	3
NET – South Holland	-	9	(9)	-	-
Family Explorers Tackling Inequalities 2	-	1	(1)	-	-
Total restricted funds	**35**	**218**	**(225)**	**-**	**28**
Total funds	**(17)**	**1,484**	**(1,446)**	**-**	**21**

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

19c Analysis of assets/(liabilities) between funds

General fund:	Unrestricted £'000	Restricted £'000	Total 2022 £'000	Unrestricted £'000	Restricted £'000	Total 2021 £'000
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	27	-	27	36	-	36
Current assets	309	67	376	198	39	237
Creditors falling due within one year	(204)	(31)	(235)	(241)	(11)	(252)
Creditors falling due in over one year	-	-	-	-	-	-
	132	**36**	**168**	**(7)**	**28**	**21**

Designated funds are included in the unrestricted funds in the above analysis and are wholly held in cash.

19d Funds analysis – description of funds

Designated funds

Damian fund

This was established by a legacy left to Children's Links which is used to commemorate the life of a young man who was very active in the Lincolnshire community. The interest on the legacy is used to reward young people for their community endeavour, usually as part of the Children's Awards ceremony.

Restricted funds

Adrian Worsley fund

This commemorates the life of a supporter of Children's Links and the interest on the fund is used to reward young people for their community endeavour, usually as part of the annual Children's Awards ceremony.

Big Lottery and European Social Fund Building Better Opportunities Move Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into employment. The project is delivered across the whole of Greater Lincolnshire.

Big Lottery and European Social Fund Building Better Opportunities Engagement into Learning Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into learning. The project is delivered across the whole of Greater Lincolnshire.

Big Lottery and European Social Fund Building Better Opportunities Steps Forward Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into employment. The project is delivered across the whole of Greater Lincolnshire.

CYPVSF (Children and Young People's Voluntary Sector Forum)

This is funded by Lincolnshire County Council to provide support for voluntary and community sector (VCS) organisations working with children, young people and their families in Lincolnshire.

19d Funds analysis – description of funds (continued)

CAFCASS (Children and Family Court Advisory and Support Service)

This funding is to provide supported contact centres in Gainsborough, Grantham, Lincoln, Skegness and Spalding.

Big Lottery and European Social Fund – Building Better Opportunities Building Connections Grant

This funding is to tackle loneliness in the rural areas of East Lindsey by providing a campervan which travels to villages to provide a focal point for people to meet.

CLORE Lincolnshire Chapter

The fund aims to promote, support and strengthen the network of Social Leaders in the social, voluntary and charitable sectors around the country.

GLLEP and ESF Community Grant

This funding is to deliver support programmes to women in Gainsborough. The support is linked to developing skills and confidences with the aim to get women into work or further training.

Virtual Outdoor Challenge

This funding is to encourage parents/carers and children to spend more time outdoors by providing them with a range of activities.

NET – South Holland

The funding is to deliver "job club" services, this is a signposting and support programme for long term unemployed.

Family Explorers – Tackling Inequalities 2

This programme aims to support those facing challenges due to the COVID-19 pandemic from lower socio-economic groups, BAME communities, those with long term health conditions and people with disabilities.

This Girl Can Community Award

To provide inactive mums with specialist post natal pelvic and core strength classes and support their mental wellbeing.

Shine CAD Camper

To utilise the camper in providing activities and services that promote mental health and wellbeing outcomes.

MCN Grant Mum's Fit

To support the mental wellbeing of mums through specialist fitness classes and peer support.

Youth Music

To aid in supporting children and young people facing barriers to make, learn and earn in music.

20 Related party transactions

On the basis that this is a wholly owned Group and that consolidated financial statements have been prepared, the Group has taken advantage of the exemption not to disclose intra group transactions.

There were no other related party transactions.

21 Reconciliation of net expenditure to net cash flow from operating activities

	2022 £'000	2021 £'000
Net movement in funds (as per the statement of financial activities)	**147**	**38**
Adjustments for:		
Amortisation of intangible fixed assets	-	-
Depreciation of tangible fixed assets	13	20
Loss on disposal of property, plant and equipment	-	-
Increase in debtors	(7)	(5)
(Decrease)/increase in creditors	(17)	60
Net cashflow from operating activities	**136**	**113**

22 Analysis of cash and cash equivalents

	2022 £'000	2021 £'000
Cash at bank and in hand	333	201
Total cash and cash equivalents	**333**	**201**

23 Net debt reconciliation

Net debt reconciliation for the Group 2022

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	201	132	-	333

Net debt reconciliation for the Charity 2022

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	88	154	-	242

CHILDREN'S LINKS

England & Wales - Charity number 1071058

Accounts

Registration No. 03484661 (England and Wales)
Charity No. 1071058

CHILDREN'S LINKS

(a company limited by guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CHILDREN'S LINKS

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CHILDREN'S LINKS

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY REGISTRATION NUMBER	1071058
COMPANY REGISTRATION NUMBER	03484661
TRUSTEES	K Truscott - Chair R Croft - Vice-chair A Wright T Nicholds S Buik (Appointed 27/07/2021) A Brook (Deceased 26/03/2021)
CHIEF EXECUTIVE OFFICER	K Parsons
PRINCIPAL / REGISTERED OFFICE	Suite 1 & 4 Gymphlex Buildings Boston Road Horncastle LN9 6HU
INDEPENDENT AUDITORS	Bostockwhite Limited Cabourn House Station Street Bingham Nottinghamshire NG13 8AQ
BANKERS	Santander UK plc Bridle Road Bootle Merseyside L30 4GB
SOLICITORS	Browne Jackson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ

CHILDREN'S LINKS

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document and Structure

The company is registered as a charitable company limited by guarantee and was established by a Memorandum of Association on 1 January 1997. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

The company is a registered charity, number 1071058.

The principal object of the company is to promote the care and education of children, young people and adults.

The Trustee Board is responsible for the strategic direction, activities and performance of the Charity. However, the Trustee Board delegates the day to day management of the Charity to a senior management team, which is headed by the Chief Executive.

OBJECTIVES AND ACTIVITIES

The Charity's purposes, as set out in the objects contained in the company's memorandum of association, are to benefit the public by:

- The promotion of the care and education of children, young people, families and communities and the provision of facilities for the recreation, care, education and other leisure time occupation of children, young people and families in the interests of social welfare with the object of improving their conditions of life.
- The advancement of the education and training of persons providing such care and educational and recreational facilities.
- Conducting research into all aspects of the care, education and recreation of such children, young people, families and communities and to publish the useful results of such research.

It aims to improve the life quality and experiences of children, young people, their families and communities by:

- Being a leader and innovator providing support and promoting high quality services.
- Supporting, developing and training the leaders and workforce of direct and indirect services.

The Charity has also supported employees through personal development, including management qualifications, play qualifications, adult education qualifications, role specific qualifications, NVQ apprenticeships, and degrees.

During the year the Charity was awarded a range of contracts in the following geographical areas that contributed in the following ways to the aims and objectives of the Charity:

Hampshire - To support the care and wellbeing of early years children within nursery provision.

North Lincolnshire – To support care and wellbeing of children and young people with complex needs through the delivery of holiday respite care.

East Midlands and East Regions – For the delivery of Improving Child and Family Arrangements (ICFA).

OBJECTIVES AND ACTIVITIES (continued)

Lincolnshire - To support the care and wellbeing of early years children within nursery provision as well as school aged children in Out of School Childcare. For the advancement of the education and training of persons providing such care and educational and recreational facilities. To support vulnerable families, improve conditions of life through work done within community. Providing community-based services for children and young people with complex needs as well as community-based play and leisure time occupation in areas of deprivation. To support voluntary and community sectors to engage in strategic partnerships that enhance and improve conditions of life in the interests of social welfare contracts. To support vulnerable families to reduce the likelihood of poverty by supporting development of skills and employability prospects. To support vulnerable people in rural communities at risk of loneliness and isolation. Providing community-based services for children, young people and families in the promotion of physical and active play.

Delivering Public Benefit

Our main activities and who we try to help are described below under Achievements and Performance. All our charitable activities focus on the promotion of the care and education of children, young people and adults and are undertaken to further our activities for public benefit. The Trustees have considered the Charity Commission guidance on delivering public benefit and believe that the Charity's objects are of public benefit.

By delivering responsive services that meet needs, the public sector also benefits. The Trustees have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims.

Over fifty volunteers are actively engaged in supporting the work of the Charity through a range of services. The contribution made by volunteers is of significance and provides the bedrock of many of our services including delivery of contact centres across Lincolnshire, as well as providing support and additional resource in our childcare, services for children with complex needs, charity shop and fundraising as well as our governance arrangements. To demonstrate the value of our volunteers as an integral element of the Charity we ensure volunteers receive appropriate training, coaching and support as well as opportunity to develop skills and knowledge.

ACHIEVEMENTS AND PERFORMANCE

Corporate objectives for 2020 – 2023 to be achieved by delivering the following:

Outcome 1: Increase the number annually of children and young people benefitting from our services.
Outcome 2: Achieve a thriving and sustainable organisation.
Outcome 3: Develop products and services to meet community needs.
Outcome 4: Create attractive packages of support for our people to enable them to be the best they can be.
Outcome 5: Be a go-to organisation for enabling services that make a positive difference.

How we achieved our targets:

- By expanding our teams with assertive, motivated employees who have fun and achieve.
- By diversifying our service delivery to children, young people, families and communities through the delivery of good quality experiences that underpin the foundations of life.
- By demonstrating our commitment and positive impact from our services.

The year ended 31 March 2021 has been a successful year for the Charity in promoting the care and education of children, young people and adults with excellent results across our key target areas.

ACHIEVEMENTS AND PERFORMANCE (continued)

In the field of Workforce and Sector support the Charity has:

- Through our lead role in the Steps Forward programme we supported 85 economically inactive people with a wide range of physical and mental health needs, with 34% moving into education or employment.
- Through our MOVE and Engagement into Learning Building Better Opportunities programmes we supported 23 people to move closer to employment or training, with 16 securing a position.
- Young people Not in Employment Education or Training (NEET) were supported to develop employability and life skills.
- Supported 80 members through the Children and Young People's Voluntary Sector Forum.
- Developed new training courses around children's mental health and play.
- Redeployed our Camper Van staff to support the home delivery of 760 prescriptions to the vulnerable.

In the field of Children's Services, the Charity has:

- Supported 65 children to build positive relationships with their non-resident parent through our contact centres.
- Provided 19 children with complex needs with positive experiences at a holiday play scheme in North Lincolnshire.
- Delivered outreach play sessions to 163 children in East Lindsey.
- Encouraged 350 families to be more active through the distribution of activity bags and the setting of outdoor challenges.
- Supported 279 children through our Toy Library.

ACHIEVEMENTS AND PERFORMANCE (continued)

In the field of Child Care services, the Charity has:

- Over the last financial year, generated £2,665 through local community grants and fundraising.
- Further developed intergenerational work with local care homes through virtual links.
- All provision for child care services remained open throughout the year.
- Developed the outdoor play areas of all locations to create greater access for all year-round outdoor play.
- Opened a new nursery in Gainsborough for delivery of a 32 place nursery.
- Successfully rolled out a new online journal system to record the learning and fun undertaken by children whilst in our care.
- Provided welfare support to families and staff including food banks, hot meals, family wellbeing bags, clothes and toys.

Co-ordinated by the Senior Management Tam (SMT) the Group has been successful in:

- Secured investment and successfully implemented the final phase of the ICT strategy, including the replacement of telephones.
- Successfully implemented new measures during lockdown to enable services to continue.
- Supported the delivery of National Vaccination delivery in partnership with voluntary sector organisations.
- Providing support to vulnerable families through distribution of meals, clothing, toys and household goods.

Overall, our target remains to increase the number of children and young people benefitting from our services each year:

	Target at 31 March 2021	Actual at 31 March 2021
Number of children and young people supported	15,130	7,491

Children's Links has been focused on working with those who are most vulnerable and from low social economic backgrounds. We have dedicated our resources to respond to those most in need , focusing on direct one to one and supporting individuals more extensively over longer periods of time has led to a reduced number of children and young people supported during the year. This sustained delivery model will lead to greater impact of future resilience for those we support. Our constant review of our delivery model will enable us to reach out to new partnerships, children, young people and communities and that will increase beneficiary numbers going forward.

Risk Management

The Board is responsible for the management of risks faced by the Charity.

The Trustees review all risks to the organisation through the maintenance of an annual risk register and through strategic and business planning. These plans are reviewed quarterly to ensure that any emergent risks are dealt with appropriately. Internally, a robust cycle of financial and other controls ensures consistent delivery throughout the organisation. Detailed consideration of risk and mitigating action are addressed by the Board and supported by senior staff within the Charity.

ACHIEVEMENTS AND PERFORMANCE (continued)

Risk Management (continued)

Key risks identified during the reporting period were:

Risk	Amelioration	Expected outcome
Impact of COVID-19 on the Charities ability to continue service delivery.	Remodelling of service delivery where appropriate. Maximise government initiatives to support business. Seek new funding and develop new service opportunities.	Negotiated with funders to ensure levels of income are sustained. Additional funding realised to cover costs where services unable to function to enable reopening at appropriate time. New funding realised alongside new services, both short and long term, have evolved with success. Increased emphasis of the use of technology in the delivery of services as well as communication across teams.
Impact of COVID-19 on the workforce	Ensuring workforce well being is a priority.	Well being bulletins shared. Whole team day, on line with hampers sent. Regular key messages and offers of support. Use of technology to ensure regular and appropriate levels of communication.

FINANCIAL REVIEW

Income, Expenditure and Results

The decrease in our income has led to a restructure of leadership and central costs to sustain our charitable activities. Income has reduced across most areas of the Charity activities, with £1,524k in 2019, £1,223k in 2020 and £1,107k in 2021. Despite decreases in childcare income there is a marginal increase in overall income (excluding Linking Up Limited) due to the success of securing funds through government schemes regarding business support but also to deliver services in response to COVID-19 recovery and resilience within communities.

The Charity's subsidiary Linking Up Limited also reported a decrease in turnover. A reduction in childcare vouchers was anticipated however there was a plan for new business ventures which unfortunately none of which have been realized due to COVID-19.

FINANCIAL REVIEW (continued)

Income, Expenditure and Results (continued)

Throughout the year there is reflection on factors that will impact on the strategies we use to meet our objectives including developing the services which we provide to build a future:

- All children, young people and adults feel valued, safe and free and are supported to explore and develop to their potential.
- All children, young people and adults are provided with access and freedom of choice to good quality experiences that underpin the foundations of life.
- All children, young people and adults have independence, confidence, and fun, take responsibility for themselves and view the world and themselves in a positive light. A world where all children and young people are valued. A world where the UN rights of the child are a reality.

Statement of Going Concern

The Children's Links Board recognises the risk and financial challenges the Charity faces but as a result of significant due diligence considers that despite this, the organisation is a going concern. This is based on the following assumptions and actions that have been made during the last twelve months as well as the forecast and new business opportunities over the next twelve months.

In March 2020 the charity had secured an exit from the Company Voluntary Arrangement (CVA), providing significant reassurance of the going concern of the organisation. Since December 2016 the Charity has remained as a going concern, and has continued to successfully negotiate on developing new business opportunities and to further the work of the charity in line with the 2020-23 Strategic Plan.

The Trustee Board have satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations. The main sources of funding are:

- Local Authority Contracts
- Central Government
- European funds, including European Social Fund
- Grant making trusts
- Childcare fees from parents
- Charitable donations

REASONS FOR FUTURE SUCCESS

We have produced a detailed Business Plan that indicates that the Charity can generate a reasonable surplus in the future, following the restructuring that was undertaken by the Charity. This will enable the Charity to benefit from changes already made to and further planned changes in its operations.

The Business Plan comprises Summarised Trading and Cashflow Projections as well as Projected Balance Sheets for the Charity for the year ending 31 March 2022. This includes the summary of the principal assumptions on which they are based. The projections show:

- The adequacy of the Charity's working capital and reserves to continue operations.

REASONS FOR FUTURE SUCCESS (continued)

The over-riding principles underlying the projections are as a result of the successful implementation of the turnaround plan. In particular:

- Budget to actual reviews occur monthly between all budget holders and the management accountant, with monthly reporting to senior managers and the Board. This process incorporates forecasting to ensure tracking and control of financial processing.
- Recruitment of new Trustees has led to further strengthening of its self-governance and provide fresh impetus into taking the Charity forward.
- Further opportunities to reduce fixed costs will be taken as and when they can be identified.
- Success in developing new business opportunities including new commissions of local and national work programmes.

RESERVES POLICY

The Charity is an operational organisation and needs to hold sufficient reserves to fund its current operations, to provide for unforeseen events and invest for the future. The policy is monitored by the Trustees and historically has been to endeavour to hold 15% of turnover. In the 2021 review the Board have identified the Charity should as a minimum retain reserves to meet costs associated with the winding down of the Charity in the event this should occur. The basis of the reserves is calculated on three months of central running costs.

INVESTMENT POLICY

The Charity's investment policy is to maintain all cash funds in current and deposit accounts with the organisation's appointed bankers.

PLANS FOR THE FUTURE

In 2020 the Board revised the targets and outcomes of increasing the number of children and young people benefitting from our services each year and it continues with plans on achieving this target in the future by continuing to offer our unique high quality services, demonstrating positive outcomes from those services and diversifying them to meet local needs and by working with a range of partners.

RECRUITMENT AND TRAINING OF TRUSTEES

The Charity follows an appraisal process to identify the skills required for the Trustee Board and to identify any skills gap on the Board.

Members of the Trustee Board receive a full induction programme on joining the Trustee Board and thereafter receive ongoing training and briefing sessions. The Board completes an annual evaluation of its effectiveness against the Code of Governance including a skills audit.

The Trustee Board uses open recruitment and strives to ensure that there is adequate local representation on the Trustee Board.

Arrangements for setting the pay and remuneration of key management personnel

- Job descriptions and performance plans provide a clear outline of what is needed to fulfil each role effectively.
- Training and development needs are identified and acted on.
- Salary scales are reviewed every three years to ensure that as far as is affordable they are keeping up with changes in the market.
- Benefits are reviewed at least every three years to ensure that they are valued and relevant and are keeping up with changes in the market.

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also directors of Children's Links Limited for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing those 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 have been followed, subject to any material departures disclosed in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the charitable company and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved, has confirmed that;

- so far as the Trustee is aware, there is no audit information of which the Group's auditor is unaware,
- that they have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Group's auditor in connection with preparing its report and to establish that the Group's auditor is aware of that information.

This report was approved by the Board on 29/09/2021 and signed on its behalf by:

Kate Truscott

K Truscott
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHILDREN'S LINKS

Opinion

We have audited the financial statements of Children's Links for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent charitable company's affairs as at 31 March 2021, and of the Group's 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 the 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 the provisions available for small entities, in respect of the fact we provide non-audit services in the preparation of these financial statements, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the Trustees' report. The Trustees are responsible for this other information. Our opinion of 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.

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' report, which includes the Directors' report and the Strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with the applicable legal requirements.

Matters on which we are required to report by exception

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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- 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 Directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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 it 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.

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:

Firstly, our assessment of the risk applicable to the entity's financial statements from material misstatements, including fraud, is low. Consequently, the risks identified are primarily concerned with dominant influence by management, income recognition and classification as well as adequacy and completeness of the disclosure for related parties. In response, we have:

- Reviewed minutes of meetings of management and those charged with governance;
- Tested journal entries and other adjustments for appropriateness, evaluating the rationale behind transactions outside the normal course of activities;
- Vouched a sample of grants receivable to source documentation checking income recognition criteria as well as any restrictions for appropriate fund classification;
- Obtained related party grid responses from connected parties and reviewed transactions during the year for evidence of additional, unidentified related parties.

Auditor's responsibilities for the audit of the financial statements (continued)

Whilst the procedures listed aid us in detecting irregularities, there exists the inherent difficulty in detecting irregularities, particularly those related to fraud. However, we believe the above risks to be the particular areas most susceptible to material misstatement.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 charitable 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Yelland BSc FCA (Senior Statutory Auditor)

for and on behalf of
BOSTOCKWHITE LIMITED

Chartered Accountants
Statutory Auditors

Cabourn House
Station Street
Bingham
Nottinghamshire
NG13 8AQ

Date 29/09/2021

CHILDREN'S LINKS

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

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted £'000	Restricted £'000	2021 Total £'000	2020 Total £'000
INCOME					
Donations	2	2	-	2	7
Charitable activities	3	889	218	1,107	1,223
Other trading activities	4	252	-	252	499
Other income	5	123	-	123	-
Total income		**1,266**	**218**	**1,484**	**1,729**
EXPENDITURE					
Charitable activities	6	(973)	(225)	(1,198)	(1,284)
Other trading activities	4	(248)	-	(248)	(498)
Total expenditure		**(1,221)**	**(225)**	**(1,446)**	**(1,782)**
Net income/(expenditure)		45	(7)	38	(53)
Extraordinary items	11	-	-	-	382
Transfers between funds		-	-	-	-
Net movement in funds		**45**	**(7)**	**38**	**329**
Reconciliation of funds:					
Total funds brought forward	20b	(52)	35	(17)	(346)
Total funds carried forward	20a	**(7)**	**28**	**21**	**(17)**

All amounts relate to continuing activities of the group.

The Statement of Financial Activities includes all gains and losses recognised in the year.

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 £'000	2020 £'000
FIXED ASSETS			
Intangible assets	14	-	-
Tangible fixed assets	15a	36	45
TOTAL FIXED ASSETS		**36**	**45**
CURRENT ASSETS			
Debtors	17	36	31
Cash at bank and in hand	23	201	99
TOTAL CURRENT ASSETS		**237**	**130**
LIABILITIES			
Creditors: amounts falling due within one year	18	(252)	(192)
NET CURRENT LIABILITIES		**(15)**	**(62)**
Creditors: amounts falling due in over one year		-	-
TOTAL NET ASSETS/(LIABILITIES)		**21**	**(17)**
FUNDS OF THE CHARITY:			
Unrestricted funds	20	(8)	(53)
Designated funds	20	1	1
Restricted funds	20	28	35
TOTAL FUNDS		**21**	**(17)**

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The attached notes on pages 18 to 34 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 29/09/2021 and signed on their behalf by:

K Truscott
Trustee

CHILDREN'S LINKS
REGISTERED COMPANY NUMBER: 03484661

COMPANY BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 £'000	2020 £'000
FIXED ASSETS			
Tangible fixed assets	15b	35	45
TOTAL FIXED ASSETS		**35**	**45**
CURRENT ASSETS			
Debtors	17	31	93
Cash at bank and in hand		88	21
TOTAL CURRENT ASSETS		**119**	**114**
LIABILITIES			
Creditors: amounts falling due within one year	18	(94)	(135)
NET CURRENT ASSETS/(LIABILITIES)		**25**	**(21)**
Creditors: amounts falling due in over one year		-	-
TOTAL ASSETS		**60**	**24**
FUNDS OF THE CHARITY:			
Unrestricted funds	20	31	(12)
Designated funds	20	1	1
Restricted funds	20	28	35
TOTAL FUNDS		**60**	**24**

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

The attached notes on pages 18 to 34 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 29/09/2021 and signed on their behalf by:

Kate Truscott

K Truscott
Trustee

CHILDREN'S LINKS

REGISTERED COMPANY NUMBER: 03484661

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £'000	2020 £'000
Cash Flows from Operating Activities			
Net cash provided by/(used in) operating activities	22	113	(60)
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(11)	(23)
Change in cash and cash equivalents in the reporting period		**102**	**(83)**
Cash and cash equivalents at the beginning of the reporting period		99	182
Cash and cash equivalents at the end of the reporting period	23	**201**	**99**

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with 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) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis and are presented in sterling, which is the functional currency of the Charity.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going concern

The Children's Links Board consider that the organisation is a going concern. This is based on the following assumptions and actions that have been made in the last twelve months as well as the forecast and new business opportunities over the next twelve months. The charitable group generated a surplus of £329,000 in the year ended 31 March 2020 and a surplus of £38,000 for the year ended 31 March 2021.

In December 2016 the Charity entered into administration having considered available options and taken independent advice regarding its future. In June 2017, the Charity entered into a Company Voluntary Arrangement (CVA) and the board demonstrated that there is a viable underlying business that can provide future profits; as well as to continue supporting the Charity's service users which are children, young people and their families to reach their potential. In November 2019, a variation to the CVA was submitted which was accepted. This concluded the CVA and ended the obligation of further payments, providing significant reassurance of the going concern of the organisation. See note 11 for further details.

The Trustee Board has satisfied themselves that the charitable company's assets are available and adequate to fulfil its obligations. The main sources of funding are:

- Local Authority Contracts
- Central Government
- European funds, including European Social Fund
- Grant making trusts
- Childcare Fees from parents
- Charitable donations

Further details regarding the future success of the organisation are given in the Trustee's report.

c) Legal status of the Charity

There is no share capital as the company is limited by guarantee. Each member has guaranteed an amount, not exceeding £10, towards the company's liabilities in the event of a winding up, provided that a member has not ceased to be a member one year prior to any winding up order.

1 **Accounting policies (continued)**

d) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

e) Income

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

Voluntary income – donations are accounted for as received, sponsorship income represents amounts receivable. Gifts in kind to the Charity are included at the value specified by the donor or, if this is not available, at what the estimated cost to the Charity would have been. Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Grants – grants are included as incoming resources when these are received/receivable. Government grants are recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Furthermore, any and all conditions attached to the grant will need to be met.

Income from trading activities includes income earned from activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred. Income from donated goods is recognised on sale of those goods.

f) Expenditure

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. All expenditure is accounted for on an accruals basis.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

g) Intangible assets – goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. Goodwill arising on business combinations is capitalised, classified as an asset on the Balance sheet and amortised on a straight line basis over its useful life. The period chosen for writing off goodwill is 10 years, being its estimated useful life. Provision is made for any impairment.

1 **Accounting policies (continued)**

h) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Office equipment	20% straight line
Computer equipment	20% straight line
Furniture	20% straight line
Vehicles	50% straight line

Assets are reviewed for any indications of impairment at each balance sheet date.

i) **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. Accrued income and tax recoverable are included at the best estimate of the amounts receivable at the balance sheet date.

j) **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.

k) **Creditors**

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due. Concessionary loans received at below market rates are received in order to further the charitable objectives of the organisation and are therefore included at the amount received and are not discounted.

l) **Financial instruments**

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.

m) **Pensions**

Employees of the Charity are entitled to join a defined contribution pension scheme. The Charity contribution is restricted to the contributions disclosed in note 10.

n) **Operating leases**

Operating leases are recognised over the period of which the lease falls due.

2 Donations

	2021 £'000	2020 £'000
Donations	2	7
	2	**7**

All donations received in 2021 and 2020 relate to unrestricted funds.

3 Income from charitable activities

	2021 £'000	2020 £'000
Childcare fees	710	891
Membership fees	1	4
Training fees	7	8
Grants (see below)	370	291
Other fees	19	29
	1,107	**1,223**

Income from charitable activities was £1,107,000 (2020: £1,223,000) of which £218,000 (2020: £232,000) was attributable to restricted and £889,000 (2020: £991,000) was attributable to unrestricted funds.

Grants

	2021 £'000	2020 £'000
Local authority income	43	41
Big Lottery and European Social Fund - Building Better Opportunities Move Grant	25	24
Big Lottery and European Social Fund - Building Better Opportunities Engagement into Learning Grant	15	24
Big Lottery and European Social Fund - Building Better Opportunities Steps Forward Grant	97	113
CYPVSF	20	20
CAFCASS	13	14
Big Lottery and European Social Fund - Building Better Opportunities Building Connections Grant	22	35
Mass Vaccination Programme – Lincolnshire	79	-
Other grants and awards	56	20
	370	**291**

4 Other trading activities

The Charity has a wholly owned trading subsidiary, Linking Up Limited, a Company incorporated and registered in England and Wales (Company number: 05830401). It pays all of its profits to the Charity under the gift aid scheme. The principal activity of the Company is the provision of a childcare voucher scheme. The income and expenditure attributable to the Company are as follows:

	2021 £'000	2020 £'000
Turnover	246	497
Payment to childcare settings	(234)	(473)
Wages, salaries and recruitment	(6)	(18)
Administrative expenses	(6)	(5)
Accountancy fees	(2)	(2)
Net loss for the year	**(2)**	**(1)**

The Charity also operates a shop in Horncastle, selling donated goods:

	2021 £'000	2020 £'000
Shop takings	6	2
	6	**2**

All trading income received in 2021 and 2020 relates to unrestricted funds.

5 Other income

	2021 £'000	2020 £'000
Coronavirus Job Retention Scheme	73	-
Coronavirus/lockdown support grants	50	-
	123	**-**

All 'other income' above is from government grants received in connection with COVID-19, the nature of which is disclosed in the table above. There are no unfulfilled conditions or other contingencies attached to these grants.

6 Analysis of expenditure on charitable activities expanded by activity

6a Analysis of expenditure on charitable activities expanded by activity – current year

Charitable activities:	Direct costs £'000	Support costs £'000	2021 costs £'000
Care and education of young people	980	218	1,198
	980	**218**	**1,198**

6b Analysis of expenditure on charitable activities expanded by activity – prior year

Charitable activities:	Direct costs £'000	Support costs £'000	2020 costs £'000
Care and education of young people	1,053	231	1,284
	1,053	**231**	**1,284**

7 Analysis of support costs

	2021 £'000	2020 £'000
Staff travel and subsistence	3	2
Staff training	2	4
Stationery and postage	2	1
Premises costs and equipment	29	17
ICT costs	8	11
Insurance	11	10
Legal and professional	15	23
Wages and salaries	127	129
Recruitment and other staff costs	3	3
Pension costs	4	4
Amortisation of goodwill	-	11
Governance costs	10	11
Bad debts	4	5
	218	**231**

8 Analysis of governance costs

	2021 £'000	2020 £'000
Audit fees	10	10
Cost of Trustees' meetings	-	1
	10	**11**

9 Analysis of staff costs and key management personnel

	2021 £'000	2020 £'000
Wages and salaries	846	884
Social security costs	44	45
Pension	13	14
	903	**943**

The Charity Trustees were not paid and did not receive any benefits from the Charity or its subsidiary in the year 2021 (2020: £nil). During the year, no Trustees were reimbursed travel expenses (2020: £nil).

The key management personnel of the Charity and the Group comprise the Trustees, the Chief Executive and the Deputy Chief Executive. The total employee benefits of the key management personnel of the Charity were £102,116 (2020: £103,627).

One employee (2020:1) had employee benefits in excess of £60,000. Total employee benefits for this individual fell between £60,000 - £70,000 for the year, as they also did in the comparative period.

The average monthly head count was as follows:

	2021 Number	2020 Number
Operational	69	80
Administration	5	5
	74	**85**

10 Pension costs

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. Contributions payable by Children's Links amounted to £13,000 (2020: £14,000). No contributions were payable to the pension fund at the balance sheet date (2020: £Nil).

11 Extraordinary item

In November 2019 a variation to the Company Voluntary Arrangement (CVA) was submitted which was accepted by the creditors. The result of this was that the balance of outstanding payments to the CVA were no longer payable and can no longer be pursued by the creditors.

Consequently, in the comparative period the derecognition of these creditors has been treated as an extraordinary item and the amount included on the Statement of Financial Activities represents the total of these amounts.

12 Net incoming resources

	2021 £'000	2020 £'000
Net incoming resources is stated after charging:		
Depreciation of charitable assets owned by group	20	26
Amortisation of intangible fixed assets	-	11
Operating lease charges	45	31
Auditor's remuneration:		
- for audit services	10	10

13 Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

14 **Intangible fixed assets - group**

	Goodwill £'000
Cost less impairment:	
At 1 April 2020 and 31 March 2021	**97**
Amortisation:	
At 1 April 2020	97
Charge for the year	-
At 31 March 2021	**97**
Net book value:	
At 1 April 2020	-
At 31 March 2021	-

The Charity acquired the entire share capital of Linking Up Limited on 1 April 2011 for £nil consideration as part of the demerger from Sadeh Lok Housing Group. The goodwill arising on the acquisition was amortised over its presumed economic life of 10 years.

15 Tangible fixed assets

15a Tangible fixed assets - group

	Computers £'000	Equipment £'000	Furniture £'000	Vehicles £'000	Total £'000
Cost:					
At 1 April 2020	154	28	41	17	240
Additions	7	-	4	-	11
Disposals	-	-	-	-	-
At 31 March 2021	**161**	**28**	**45**	**17**	**251**
Depreciation:					
At 1 April 2020	129	28	27	11	195
Charge for the year	8	-	6	6	20
Eliminated on disposal	-	-	-	-	-
At 31 March 2021	**137**	**28**	**33**	**17**	**215**
Net book value:					
At 1 April 2020	25	-	14	6	45
At 31 March 2021	**24**	**-**	**12**	**-**	**36**

15b Tangible fixed assets - charity

	Computers £'000	Equipment £'000	Furniture £'000	Vehicles £'000	Total £'000
Cost:					
At 1 April 2020	148	28	41	17	234
Additions	6	-	4	-	10
Disposals	-	-	-	-	-
At 31 March 2021	**154**	**28**	**45**	**17**	**244**
Depreciation:					
At 1 April 2020	123	28	27	11	189
Charge for the year	8	-	6	6	20
Eliminated on disposal	-	-	-	-	-
At 31 March 2021	**131**	**28**	**33**	**17**	**209**
Net book value:					
At 1 April 2020	25	-	14	6	45
At 31 March 2021	**23**	**-**	**12**	**-**	**35**

16 Investment in trading subsidiary

The Charity holds 1,000 shares of £1 each in its wholly owned trading subsidiary Linking Up Ltd which is incorporated in the United Kingdom. The principal activity of the subsidiary is the provision of a childcare voucher scheme. These activities were considered to be compatible with the aims and charitable objectives of Children's Links.

A summary of the results of the subsidiary is shown below:

Profit and Loss Account	**2021 £'000**	**2020 £'000**
Turnover	246	497
Payment to childcare settings	(234)	(473)
Wages, salaries and recruitment	(6)	(18)
Administrative expenses	(6)	(5)
Accountancy fees	(2)	(2)
Net loss for the year	**(2)**	**(1)**

Balance Sheet

Fixed assets	1	-
Current assets	119	151
Liabilities	(159)	(188)
Net liabilities	**(39)**	**(37)**

17 Debtors

Due within one year	**Group**		**Company**	
	2021 £'000	**2020 £'000**	**2021 £'000**	**2020 £'000**
Trade debtors	9	11	6	6
Other debtors	1	-	1	9
Prepayments and accrued income	26	20	24	20
	36	**31**	**31**	**35**

Due after one year	**Group**		**Company**	
	2021 £'000	**2020 £'000**	**2021 £'000**	**2020 £'000**
Amounts owed by group undertakings	-	-	-	**58**

18 Creditors: amounts falling due within one year

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade creditors	189	142	33	25
Amounts owed to group undertakings	-	-	-	68
Taxation and social security	16	9	16	9
Other creditors	-	5	-	-
Accruals	17	19	15	16
Deferred income	30	17	30	17
	252	**192**	**94**	**135**

Deferred income

Deferred income comprises monies received in advance, primarily for programme deliveries for which funding has been banked. Amount deferred in year is £30,000 (2020: £17,000). All deferred income brought forward was released during the year.

19 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and Buildings		Other	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
No later than one year	47	26	3	5
Later than one year and not later than five years	73	48	-	3
	120	**74**	**3**	**8**

20 Funds analysis

20 a Funds analysis – current year

	Balance at 1/4/2020 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2021 £'000
Unrestricted funds					
Children's Links	(12)	1,020	(977)	-	31
Linking Up Limited	(41)	246	(244)	-	(39)
Total unrestricted funds	**(53)**	**1,266**	**(1,221)**	**-**	**(8)**
Designated funds					
Damian fund	1	-	-	-	1
Total designated funds	**1**	**-**	**-**	**-**	**1**
Total unrestricted funds	**(52)**	**1,266**	**(1,221)**	**-**	**(7)**
Restricted funds					
Adrian Worsley fund	1	-	-	-	1
Big Lottery and European Social Fund Building Better Opportunities Move Grant	4	25	(22)	-	7
Big Lottery and European Social Fund Building Better Opportunities Engagement Into Learning Grant	-	15	(15)	-	-
Big Lottery and European Social Fund Building Better Opportunities Steps Forward Grant	3	97	(88)	-	12
Big Lottery and European Social Fund Building Better Opportunities Building Connections Grant	10	22	(30)	-	2
CYPVSF	17	20	(37)	-	-
CAFCASS	-	13	(10)	-	3
CLORE Lincolnshire Chapter	-	1	(1)	-	-
GLLEP and ESF Community Grant	-	5	(5)	-	-
Virtual Outdoor Challenge		10	(7)	-	3
NET – South Holland	-	9	(9)	-	-
Family Explorers Tackling Inequalities 2	-	1	(1)	-	-
Total restricted funds	**35**	**218**	**(225)**	**-**	**28**
Total funds	**(17)**	**1,484**	**(1,446)**	**-**	**21**

20b Funds analysis – prior year

	Balance at 1/4/2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance at 31/3/2020 £'000
Unrestricted funds					
Children's Links	(362)	1,000	(650)	-	(12)
Linking Up Limited	(29)	497	(509)	-	(41)
Total unrestricted funds	**(391)**	**1,497**	**(1,159)**	**-**	**(53)**
Designated funds					
Damian fund	1	-	-	-	1
Total designated funds	**1**	**-**	**-**	**-**	**1**
Total unrestricted funds	**(390)**	**1,497**	**(1,159)**	**-**	**(52)**
Restricted funds					
Adrian Worsley fund	1	-	-	-	1
Big Lottery and European Social Fund Building Better Opportunities Move Grant	3	24	(23)	-	4
Big Lottery and European Social Fund Building Better Opportunities Engagement Into Learning Grant	2	24	(26)	-	-
Big Lottery and European Social Fund Building Better Opportunities Steps Forward Grant	12	113	(122)	-	3
Big Lottery and European Social Fund Building Better Opportunities Building Connections Grant	15	35	(40)	-	10
CYPVSF	11	20	(14)	-	17
CAFCASS	-	14	(14)	-	-
Armed Forces Covenant Fund Trust Messy Explorers	-	2	(2)	-	-
Total restricted funds	**44**	**232**	**(241)**	**-**	**35**
Total funds	**(346)**	**1,729**	**(1,400)**	**-**	**(17)**

20c **Analysis of assets/(liabilities) between funds**

General fund:	Unrestricted £'000	Restricted £'000	Total 2021 £'000	Unrestricted £'000	Restricted £'000	Total 2020 £'000
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	36	-	36	39	6	45
Current assets	198	39	237	101	29	130
Creditors falling due within one year	(241)	(11)	(252)	(192)	-	(192)
Creditors falling due in over one year	-	-	-	-	-	-
	(7)	**28**	**21**	**(52)**	**35**	**(17)**

Designated funds are included in the unrestricted funds in the above analysis and are wholly held in cash.

20d **Funds analysis – description of funds**

Designated funds

Damian fund

This was established by a legacy left to Children's Links which is used to commemorate the life of a young man who was very active in the Lincolnshire community. The interest on the legacy is used to reward young people for their community endeavour, usually as part of the Children's Awards ceremony.

Restricted funds

Adrian Worsley fund

This commemorates the life of a supporter of Children's Links and the interest on the fund is used to reward young people for their community endeavour, usually as part of the annual Children's Awards ceremony.

Big Lottery and European Social Fund Building Better Opportunities Move Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into employment. The project is delivered across the whole of Greater Lincolnshire.

Big Lottery and European Social Fund Building Better Opportunities Engagement into Learning Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into learning. The project is delivered across the whole of Greater Lincolnshire.

Big Lottery and European Social Fund Building Better Opportunities Steps Forward Grant

This grant provides a range of activities and interventions to economically inactive people to move towards and into employment. The project is delivered across the whole of Greater Lincolnshire.

CYPVSF (Children and Young People's Voluntary Sector Forum)

This is funded by Lincolnshire County Council to provide support for voluntary and community sector (VCS) organisations working with children, young people and their families in Lincolnshire.

20d **Funds analysis – description of funds (continued)**

CAFCASS (Children and Family Court Advisory and Support Service)

This funding is to provide supported contact centres in Gainsborough, Grantham, Lincoln, Skegness and Spalding.

Big Lottery and European Social Fund – Building Better Opportunities Building Connections Grant

This funding is to tackle loneliness in the rural areas of East Lindsey by providing a campervan which travels to villages to provide a focal point for people to meet.

CLORE Lincolnshire Chapter

The fund aims to promote, support and strengthen the network of Social Leaders in the social, voluntary and charitable sectors around the country.

GLLEP and ESF Community Grant

This funding is to deliver support programmes to women in Gainsborough. The support is linked to developing skills and confidences with the aim to get women into work or further training.

Virtual Outdoor Challenge

This funding is to encourage parents/carers and children to spend more time outdoors by providing them with a range of activities.

NET – South Holland

The funding is to deliver "job club" services, this is a signposting and support programme for long term unemployed.

Family Explorers – Tackling Inequalities 2

This programme aims to support those facing challenges due to the COVID-19 pandemic from lower socio-economic groups, BAME communities, those with long term health conditions and people with disabilities.

Armed Forces Covenant Fund Trust – Messy Explorers

Messy Explorers provides a weekly creative and messy play session for early years children in Coningsby, for both RAF and civilian families. The sessions support the children's learning and development and improve their social skills. They enable parents to feel more confident about playing with their children and supporting their development. It also breaks down barriers between the RAF and civilian communities by building positive relationships.

21 **Related party transactions**

On the basis that this is a wholly owned Group and that consolidated financial statements have been prepared, the Group has taken advantage of the exemption not to disclose intra group transactions.

There were no other related party transactions.

22 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £'000	2020 £'000
Net movement in funds (as per the statement of financial activities)	**38**	**329**
Adjustments for:		
Amortisation of intangible fixed assets	-	11
Depreciation of tangible fixed assets	20	26
Loss on disposal of property, plant and equipment	-	5
(Increase)/Decrease in debtors	(5)	16
Increase/(Decrease) in creditors	60	(447)
Net cashflow from operating activities	**113**	**(60)**

Included within the decrease in creditors above is the adjustment in relation to the extraordinary item in note 11.

23 Analysis of cash and cash equivalents

	2021 £'000	2020 £'000
Cash at bank and in hand	201	99
Total cash and cash equivalents	**201**	**99**

24 Net debt reconciliation

Net debt reconciliation for the Group 2021

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	99	102	-	201

Net debt reconciliation for the Charity 2021

	At start of year	Cashflows	Other non-cash changes	At year end
Cash at bank and in hand	21	67	-	88