

COMPANY REGISTRATION NUMBER: 5664708
CHARITY REGISTRATION NUMBER: 1113303

Duffryn Community Link
Company Limited by Guarantee
Financial Statements
31 March 2021

WALTER HUNTER & CO LIMITED
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

Duffryn Community Link

Company Limited by Guarantee

Trustee's Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, presents their report and the financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name Duffryn Community Link

Charity registration number 1113303

Company registration number 5664708

Principal office and registered office Forest Family Centre
Partridge Way
Duffryn
Newport
Gwent
NP10 8WP

The trustees

R M Grant
D Meredith
G Timmins
E W Berry
T Watkins
J Thomas
M Jones

Auditor

Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

Bankers

Barclays Bank Plc
Newport Business Centre
PO Box 19
14 Commercial Street
Newport
NP20 1WH

Key Management Personnel

Gareth Williams – Chief Executive Officer
Joanne Satherley – Operations Manager

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Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Structure, Governance and management

The charity is controlled by its governing document, Memorandum and Articles of Association, and constitutes a company limited by guarantee, as defined by the Companies act 2006.

DCL has strengthened its Board of Trustees/Directors, increasing its number from 3 to 7 trustees. This has supported an environmentally-improved governance throughout the organisation. The powers of the trustees are laid out in the Memorandum and Articles of Association. A quorum for decision making is when at least one third of the members of the Management Committee are present at the meeting. Decisions are determined by the majority of votes and the Chairperson will have the casting vote when required.

At the Annual General Meeting (AGM) of the charity the members shall elect the Management Committee. The committee shall consist of no less than 5 trustees and no more than 15 trustees. Trustees shall remain in office for 3 years with one third resigning at each AGM.

Induction and training of new trustees

The charity has a comprehensive induction training programme. Following the initial induction a range of training opportunities are provided with particular regard to governance.

Objectives and activities

Objects

Duffryn Community Link (DCL) promotes the benefit of the inhabitants of Duffryn and neighbouring areas, without distinction of sex, sexual orientation, race, religion and political opinions by bringing together community groups, local authority, voluntary and other organisations in a common effort to advance education and provide facilities in the interests of social welfare for Health, leisure and recreation with the objective of improving the conditions of life for the said inhabitants.

Purposes and Aims

To improve the quality of life for the residents of Duffryn and the surrounding area by providing an umbrella body for community groups in the area to:

Assist community groups to meet their objectives:

- Secure funding on behalf of community groups. Work with other community groups, the local authority and local businesses to promote community participation and develop partnerships.
- To support and develop existing groups and implement new ideas and project.
- Provide a programme of training for community organisers and volunteers.

Promote joint working and co-ordinate community activity:

- Produce an annual diary of events to ensure that group activities, existing projects and fundraising are co-ordinated to a high standard.
 - Organise regular joint events with partners.
 - Provide opportunities for information exchange, including the co-ordination of funding bids.
 - Provide a single point of contact for agencies wanting to work with the community.
 - Provide a forum for conflict resolution between groups.
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Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Develop a joint estate action plan:

- Undertake joint planning to define and prioritise the needs of the Duffryn and surrounding area.
- Work with partners to audit community provision and identify ways to improve services.
- Express the needs of the relevant agencies and ensure that any changes and improvements are dealt with accordingly.
- Develop community solutions through joint solutions through joint working partnerships.

Public Benefit

We have referred to the guidance contained in the Charity Commissioners general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The Trustees of Duffryn Community Link wish to confirm that they have regard concerning the public benefit in the running of the organisation. The main activities undertaken to further the charity's purpose for the public benefit are detailed throughout this report.

Fundraising Activities

The charity relies on grant aid from donors identified in the accounts whose support is valued, as well as social enterprise within aspects of the organisation. DCL has been successful in gaining funding from:

- Newport City Council via Families First funding towards supporting the community and school holiday hubs.
- Big lottery through its ongoing funding for the Woodland Routes to wellbeing project as well as covid relief funding.
- Gwent Police Crime Commissioners Community Fund towards DCL's youth provision.
- Moondance Foundation for support with core funding, food bank and Community Engagement.
- Covid Relief funding towards core costs via Community Foundation of Wales.
- Garfield Weston Foundation towards our youthwork provision.
- Many other smaller grants to support the activities of DCL, for which the Trustees are very grateful.

Achievements and performance

The year leading up to 31st March 2021 has been particularly challenging as Covid made great impacts on society. Throughout this period DCL has risen to that challenge, supporting the community of Duffryn and surrounding areas by responding to the ever-changing environment, with its staff team continuing to provide a wide range of existing services as well as additional support throughout the community in response to the impacts of covid on the community. The measures impacting on Covid in the community include:

- Diverting project staff onto direct covid relief work (with the knowledge of funders).
- Accessing addition funding for the distribution of food parcels for those people shielding during lock-downs.
- Increasing the capacity of our food-bank

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Year ended 31 March 2021

- Developing on-line contact sessions for young people from the area during periods of restrictions
- Providing support to school pupils around home-learning.
- Increasing the capacity of our youth-team to work with young people using outreach youthwork teams.
- Delivering school hubs during holiday periods for children of key workers and children who were considered as vulnerable.
- One-to-one counselling support for children, young people and adults around the impacts of Covid on their lives and community.

DCL has continued to operate the Forest Family Centre as its headquarters building as a base to reach out into the community, whilst always working in a safe manner in line with all of the appropriate Covid restrictions, there has also been a movement of some part of DCL's delivery being housed in the Duffryn Community Centre.

DCL continued to operate its childcare provision, its youth club, its foodbank and its Woodlands Routes to Wellbeing project from both the Forest Family Centre and use of the Duffryn Community Centre. DCL continues to facilitate partnerships with other organisations providing services to support the various aspects of deprivation being faced by the Duffryn Community, this is an ongoing feature throughout the organisation. DCL has successfully operated its Sun Flower Tots preschool and Pili Pala Childcare provision, which provides affordable Breakfast Club, After School Club, Holiday Club and Play Group. Unfortunately, our Community Café has not been able to function during the pandemic. The Forest Family Centre is also used to train and support community volunteers increase their skills in Food hygiene, Health & safety, First aid, Playwork, Childcare and Youthwork.

Financial review

The Statement of Financial Activities shows an overall net surplus for the year of £81,062 consisting of an unrestricted surplus of £54,099 and a restricted surplus of £26,963.

Reserves policy

The Board of Trustees/Directors has established a policy whereby the unrestricted funds not committed or invested in tangible assets (the free reserves held by the charity) should be set at a target of £250,000 in general funds. At this level the Board of Trustees/Directors consider they would be able to continue the current activities of the charity for a very short period of time, in the event of a significant reduction in funding.

How funding would be replaced or activities changed would need to be addressed urgently but should not compromise the primary objectives of Duffryn Community Link. Free reserves at 31st March 2021 total £218,138 (2020: £164,039). The charity is looking at numerous ways to generate additional unrestricted reserves in future periods and has applied to various funders post year end.

Investment Performance

At present, no funds of the charity have been invested. Under the Memorandum and articles of Association, the charity has the power to make any investment that trustees see fit.

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Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Plans for Future Periods

The impact of Covid on the Community has created a position where DCL has been asked to reach out into the Community, that need has been well met throughout the year and will remain a significant factor in much of the work of DCL. The Organisation will continue to support the needs of the community through robust partnership working with other organisations throughout the area. It remains a key objective to accelerate the work of DCL throughout the area and as part of that drive the need to create a greater amount of capacity within the Forest Family Centre as well as other such locations remains part of our Business Plan.

Trustee's responsibilities statement

The trustee, who is also a director for the purposes of company law, is responsible for preparing the trustee's 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 charity trustee to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustee is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustee's annual report and the strategic report were approved on 4-11-2021 and signed on behalf of the board of trustees by:



Trustee



Trustee

Duffryn Community Link

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Independent Auditor's Report to the Members of Duffryn Community Link

Year ended 31 March 2021

Opinion

We have audited the financial statements of Duffryn Community Link (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 the 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 charity'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 trustee with respect to going concern are described in the relevant sections of this report.

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Independent Auditor's Report to the Members of Duffryn Community Link

(continued)

Year ended 31 March 2021

Other information

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

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

We have nothing to report in this regard.

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 trustee's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustee's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Duffryn Community Link

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Independent Auditor's Report to the Members of Duffryn Community Link (continued)

Year ended 31 March 2021

Responsibilities of the trustee

As explained more fully in the trustee's responsibilities statement, the trustee (who is also the director for the purposes of company law) is 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 trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

- By enquiring with senior management and those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted
- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance
- By obtaining an understanding of the company's policies and procedures on compliance with laws and regulations, and with best accounting practice
- Noting issues discussed with Directors and the Senior Management Team as this relates to risks faced by the company
- Reviewing information received from the company's solicitors, if any and discussing their contents with the Directors
- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations

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Independent Auditor's Report to the Members of Duffryn Community Link (continued)

Year ended 31 March 2021

- Auditing the risk of management overrides of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business
- Considering the effect on risk to the company of the Covid-19 pandemic and the UK's departure from the EU. In particular to note whether any such issues would affect the company's ability to continue to trade.

Through these procedures, we did not become aware of actual or suspected non-compliance.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.

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Independent Auditor's Report to the Members of Duffryn Community Link

(continued)

Year ended 31 March 2021

Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

ZOE GOODWIN BSc FCA (Senior Statutory Auditor)

For and on behalf of
Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

Duffryn Community Link

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Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2021

		Unrestricted funds £	2021 Restricted funds £	Total funds £	2020 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	1,780	–	1,780	1,051
Charitable activities	6	25,492	377,656	403,148	274,728
Other trading activities	7	189,803	–	189,803	216,507
Investment income	8	90	–	90	132
Total income		<u>217,165</u>	<u>377,656</u>	<u>594,821</u>	<u>492,418</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	9	105,061	–	105,061	6,852
Expenditure on charitable activities	10,11	58,005	350,693	408,698	404,995
Total expenditure		<u>163,066</u>	<u>350,693</u>	<u>513,759</u>	<u>411,847</u>
Net income and net movement in funds		<u>54,099</u>	<u>26,963</u>	<u>81,062</u>	<u>80,571</u>
Reconciliation of funds					
Total funds brought forward		164,039	59,488	223,527	142,956
Total funds carried forward		<u>218,138</u>	<u>86,451</u>	<u>304,589</u>	<u>223,527</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 29 form part of these financial statements.

Duffryn Community Link
Company Limited by Guarantee
Statement of Financial Position
31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	16	11,716	3,361
Current assets			
Debtors	17	20,160	2,428
Cash at bank and in hand		341,190	236,805
		<u>361,350</u>	<u>239,233</u>
Creditors: amounts falling due within one year	18	68,477	19,067
Net current assets		<u>292,873</u>	<u>220,166</u>
Total assets less current liabilities		<u>304,589</u>	<u>223,527</u>
Net assets		<u>304,589</u>	<u>223,527</u>
Funds of the charity			
Restricted funds		86,451	59,488
Unrestricted funds		218,138	164,039
Total charity funds	22	<u>304,589</u>	<u>223,527</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

.....
Trustee

.....
Trustee

The notes on pages 15 to 29 form part of these financial statements.

Duffryn Community Link
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	81,062	80,571
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	4,070	2,014
Government grant income	(18,292)	–
Other interest receivable and similar income	(90)	(132)
Interest payable and similar charges	518	–
Accrued expenses	3,960	–
<i>Changes in:</i>		
Trade and other debtors	(17,732)	11,078
Trade and other creditors	45,450	(7,800)
Cash generated from operations	98,946	85,731
Interest paid	(518)	–
Interest received	90	132
Net cash from operating activities	<u>98,518</u>	<u>85,863</u>
Cash flows from investing activities		
Purchase of tangible assets	(12,425)	–
Net cash used in investing activities	<u>(12,425)</u>	<u>–</u>
Cash flows from financing activities		
Government grant income	18,292	–
Net cash from financing activities	<u>18,292</u>	<u>–</u>
Net increase in cash and cash equivalents	104,385	85,863
Cash and cash equivalents at beginning of year	236,805	150,942
Cash and cash equivalents at end of year	<u>341,190</u>	<u>236,805</u>

The notes on pages 15 to 29 form part of these financial statements.

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Forest Family Centre, Partridge Way, Duffryn, Newport, Gwent, NP10 8WP.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity rounded to the nearest pound.

Going concern

There are no material uncertainties about the charity's ability to continue.

The Covid-19 impact has had a major impact on the UK in very many ways. The charity has taken all the necessary steps to allow it to continue to operate.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustee for a particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 25% p.a. Straight Line basis

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Taxation

As a registered charity, Duffryn Community Link is entitled to the exemption from taxation in respect of income and capital gains received in sections 478-489 of the Corporation Tax Act and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable object purposes only.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The charity is incorporated under the Companies Act 2006 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

There are 7 members of the company (2020: 5 members).

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations	1,780	–	1,780

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations	1,051	–	1,051

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

6. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Foodbank membership	7,200	–	7,200
Big Lottery fund	–	205,579	205,579
Friends Provident Foundation	–	–	–
Police and Crime Commissioners	–	35,548	35,548
Gwent High Sheriff's Community Fund	–	–	–
Newport City Council	–	3,000	3,000
National Trust	–	–	–
Families First	–	12,052	12,052
Clybiau Plant Cymru	–	500	500
Transformation and Growth Grant	–	12,117	12,117
Job Retention Scheme grant	18,292	–	18,292
Fit and Fed	–	4,000	4,000
TPP Capital grant	–	10,000	10,000
Big Lottery Covid-19	–	20,000	20,000
Moondance Foundation	–	49,000	49,000
Community Foundation Wales	–	10,000	10,000
HAF	–	15,860	15,860
	<u>25,492</u>	<u>377,656</u>	<u>403,148</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Foodbank membership	–	–	–
Big Lottery fund	–	210,501	210,501
Friends Provident Foundation	–	2,559	2,559
Police and Crime Commissioners	–	18,409	18,409
Gwent High Sheriff's Community Fund	–	500	500
Newport City Council	–	30,052	30,052
National Trust	–	12,707	12,707
Families First	–	–	–
Clybiau Plant Cymru	–	–	–
Transformation and Growth Grant	–	–	–
Job Retention Scheme grant	–	–	–
Fit and Fed	–	–	–
TPP Capital grant	–	–	–
Big Lottery Covid-19	–	–	–
Moondance Foundation	–	–	–
Community Foundation Wales	–	–	–
HAF	–	–	–
	<u>–</u>	<u>274,728</u>	<u>274,728</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

7. Other trading activities

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Childcare fees	179,856	179,856	184,836	184,836
Fundraising events	—	—	463	463
Cafe	—	—	10,508	10,508
Minibus Hire	—	—	4,285	4,285
Venue Hire	9,947	9,947	16,211	16,211
Sundry	—	—	204	204
	<u>189,803</u>	<u>189,803</u>	<u>216,507</u>	<u>216,507</u>

8. Investment income

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Bank interest receivable	<u>90</u>	<u>90</u>	<u>132</u>	<u>132</u>

9. Costs of other trading activities

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Childcare Costs	105,061	105,061	—	—
Cafe	—	—	6,852	6,852
	<u>105,061</u>	<u>105,061</u>	<u>6,852</u>	<u>6,852</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Forest Family Centre	33,365	–	33,365
Newport City Council	–	–	–
Big Lottery Fund	–	183,703	183,703
Clybiau Plant Cymru Kids Club	–	500	500
Police and Crime Commissioners Homework Club	–	–	–
Police and Crime Commissioners Youth Project	–	37,969	37,969
National Trust	–	–	–
Moondance Foundation	–	55,196	55,196
Community Foundation Wales	–	10,000	10,000
Families First	–	12,052	12,052
HAF	–	18,805	18,805
Big Lottery Covid-19 Foodbank for the elderly	–	28,468	28,468
Fit and Fed	–	4,000	4,000
Support costs	24,640	–	24,640
	<u>58,005</u>	<u>350,693</u>	<u>408,698</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Forest Family Centre	134,722	–	134,722
Newport City Council	–	19,140	19,140
Big Lottery Fund	–	185,336	185,336
Clybiau Plant Cymru Kids Club	–	–	–
Police and Crime Commissioners Homework Club	–	2,525	2,525
Police and Crime Commissioners Youth Project	–	–	–
National Trust	–	1,854	1,854
Moondance Foundation	–	–	–
Community Foundation Wales	–	–	–
Families First	–	–	–
HAF	–	–	–
Big Lottery Covid-19 Foodbank for the elderly	–	–	–
Fit and Fed	–	–	–
Support costs	–	61,418	61,418
	<u>134,722</u>	<u>270,273</u>	<u>404,995</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Forest Family Centre	33,365	–	24,640	58,005	134,722
Newport City Council	–	–	–	–	36,879
Big Lottery Fund	142,547	41,156	–	183,703	198,134
Clybiau Plant Cymru					
Kids Club	500	–	–	500	170
Police and Crime Commissioners					
Homework Club	–	–	–	–	24,192
Friends Provident	–	–	–	–	2,559
Police and Crime Commissioners Youth Project	37,969	–	–	37,969	–
National Trust	–	–	–	–	7,790
Gwent Police High Sheriff	–	–	–	–	549
Moondance Foundation	55,196	–	–	55,196	–
Community Foundation Wales	10,000	–	–	10,000	–
Families First	12,052	–	–	12,052	–
HAF	18,805	–	–	18,805	–
Big Lottery Covid-19					
Foodbank for the elderly	28,468	–	–	28,468	–
Fit and Fed	4,000	–	–	4,000	–
	<u>342,902</u>	<u>41,156</u>	<u>24,640</u>	<u>408,698</u>	<u>404,995</u>

Analysis of grants paid:

£

Grants to charitable institutions – Big Lottery Fund Woodland Roots
to Wellbeing

41,156

12. Analysis of support costs

	Analysis of support costs £	Total 2021 £	Total 2020 £
Staff costs	5,442	5,442	38,665
Premises	2,304	2,304	8,166
General office	203	203	1,690
Governance costs	13,484	13,484	11,048
Payroll fees	–	–	1,245
Depreciation	–	–	604
Repairs and renewals	3,073	3,073	–
Travelling	134	134	–
	<u>24,640</u>	<u>24,640</u>	<u>61,418</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

13. Net income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	4,070	2,014
Operating lease rentals	2,406	4,580
Audit fees (including VAT)	1,980	3,150
Accountancy fees (including VAT)	<u>8,437</u>	<u>613</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	294,859	246,818
Social security costs	11,259	8,003
Employer contributions to pension plans	4,455	2,946
	<u>310,573</u>	<u>257,767</u>

The average head count of employees during the year was 32 (2020: 22). The average number of full-time equivalent employees during the year is analysed as follows:

	2021
	No.
Management and Admin	3
Project delivery	<u>10</u>
	<u>13</u>

The wages costs includes amounts paid to casual staff during the year.

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

15. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees (2020: nil).

During the year there were no expenses reimbursed to trustees (2020: nil).

16. Tangible fixed assets

	Equipment £
Cost	
At 1 April 2020	47,566
Additions	<u>12,425</u>
At 31 March 2021	<u>59,991</u>
Depreciation	
At 1 April 2020	44,205
Charge for the year	<u>4,070</u>
At 31 March 2021	<u>48,275</u>
Carrying amount	
At 31 March 2021	<u>11,716</u>
At 31 March 2020	<u>3,361</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

17. Debtors

	2021 £	2020 £
Trade debtors	3,248	2,428
Prepayments and accrued income	16,912	—
	<u>20,160</u>	<u>2,428</u>

18. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	11,151	13,652
Accruals and deferred income	37,101	—
Social security and other taxes	14,901	3,645
Other creditors	5,324	1,770
	<u>68,477</u>	<u>19,067</u>

19. Deferred income

	2021 £	2020 £
Amount deferred in year	<u>33,141</u>	<u>—</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,544 (2020: £2,946).

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021 £	2020 £
Recognised in income from charitable activities:		
Job Retention Scheme Grant	<u>18,292</u>	<u>—</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

22. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Unrestricted fund	120,813	217,165	(163,066)	–	174,912
Designated fund - Staff costs	42,393	–	–	–	42,393
Designated fund - Welfare fund	833	–	–	–	833
	<u>164,039</u>	<u>217,165</u>	<u>(163,066)</u>	<u>–</u>	<u>218,138</u>

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Unrestricted fund	39,198	217,690	(141,574)	5,499	120,813
Designated fund - Staff costs	42,393	–	–	–	42,393
Designated fund - Welfare fund	833	–	–	–	833
	<u>82,424</u>	<u>217,690</u>	<u>(141,574)</u>	<u>5,499</u>	<u>164,039</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Clybiau Plant Cymru					
Kids' Clubs	—	500	(500)	—	—
National Trust	4,917	—	—	—	4,917
Moondance Foundation	—	49,000	(55,196)	—	(6,196)
Community Foundation					
Wales	—	10,000	(10,000)	—	—
Families First	—	12,052	(12,052)	—	—
HAF	—	15,860	(18,805)	—	(2,945)
Big Lottery Covid-19					
Foodbank for the elderly	—	20,000	(28,468)	8,468	—
TPP Capital grant	—	10,000	—	—	10,000
Fit and Fed	—	4,000	(4,000)	—	—
Gwent Police High					
Sheriff	—	—	—	—	—
Transformation and					
Growth Grant	—	12,117	—	—	12,117
Aspire	—	—	—	—	—
Oxfam	—	—	—	—	—
Friends Provident					
Society	—	—	—	—	—
Police and Crime					
Commissioners Youth					
Project	—	35,548	(37,969)	—	(2,421)
Big Lottery Fund	49,510	205,579	(183,703)	(8,468)	62,918
Newport City Council	5,061	3,000	—	—	8,061
	<u>59,488</u>	<u>377,656</u>	<u>(350,693)</u>	<u>—</u>	<u>86,451</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

22. Analysis of charitable funds *(continued)*

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Clybiau Plant Cymru					
Kids' Clubs	170	—	(170)	—	—
National Trust	—	12,707	(7,790)	—	4,917
Moondance Foundation	—	—	—	—	—
Community Foundation Wales	—	—	—	—	—
Families First	—	—	—	—	—
HAF	—	—	—	—	—
Big Lottery Covid-19 Foodbank for the elderly	—	—	—	—	—
TPP Capital grant	—	—	—	—	—
Fit and Fed	—	—	—	—	—
Gwent Police High Sheriff	—	500	(549)	49	—
Transformation and Growth grant	—	—	—	—	—
Aspire	1,599	—	—	(1,599)	—
Oxfam	3,948	—	—	(3,948)	—
Friends Provident Society	—	2,559	(2,559)	—	—
Police and Crime Commissioners Youth Project	5,783	18,409	(24,191)	(1)	—
Big Lottery Fund	37,144	210,501	(198,135)	—	49,510
Newport City Council	11,888	30,052	(36,879)	—	5,061
	<u>60,532</u>	<u>274,728</u>	<u>(270,273)</u>	<u>(5,499)</u>	<u>59,488</u>

24. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,716	10,000	11,716
Net current assets	216,422	76,451	292,873
Net assets	<u>218,138</u>	<u>86,451</u>	<u>304,589</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	3,361	—	3,361
Net current assets	160,678	59,488	220,166
Net assets	<u>164,039</u>	<u>59,488</u>	<u>223,527</u>

Duffryn Community Link

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

25. Analysis of changes in net debt

	At 1 Apr 2020	Cash flows	At 31 Mar 2021
	£	£	£
Cash at bank and in hand	<u>236,805</u>	<u>104,385</u>	<u>341,190</u>

26. Operating lease commitments

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

	2021	2020
	£	£
Not later than 1 year	<u>4,580</u>	<u>4,580</u>

27. Limitation of auditors liability

By way of a members' resolution dated 26th August 2020, the company has agreed to enter into a limited liability agreement with its auditors whereby their exposure to legal claims is limited to £100,000 per claim.

28. Related parties

There were no related party transactions incurred during the year.

