

REGISTERED COMPANY NUMBER: 05880006 (England and Wales)
REGISTERED CHARITY NUMBER: 1119310

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
COMMUNITY CONNEXIONS

Andorran Limited (Statutory Auditor)
Chartered Accountants
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

COMMUNITY CONNEXIONS

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COMMUNITY CONNEXIONS

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES	Cavus Batki (Chair) Rachel Claire Brindley Peter Redding Day Tim Harman Barry Seamons Geoffrey Peter Sparkes Claire Thompson Alan Charles Machin Jacqueline Millar (Treasurer)
REGISTERED OFFICE	Suite 132 Corinium House Corinium Avenue Barnwood Point Gloucester Gloucestershire GL4 3HX
REGISTERED COMPANY NUMBER	05880006 (England and Wales)
REGISTERED CHARITY NUMBER	1119310
AUDITORS	Andorran Limited (Statutory Auditor) Chartered Accountants 6 Manor Park Business Centre Mackenzie Way Cheltenham Gloucestershire GL51 9TX

COMMUNITY CONNEXIONS
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity according to its Memorandum and Articles of Association are to provide transport services and volunteering opportunities in the County of Gloucestershire and surrounding areas (hereinafter called 'area of benefit') and to promote any charitable purpose for the benefit of the community in the area of benefit.

Significant activities

The core activity of the charity is the provision of transport for people with mobility problems in the area of benefit, thereby tackling loneliness and social isolation and promoting independence and an improved quality of life.

Public benefit

In planning the charity's activities for the year, the trustees kept in mind the Charity Commission's guidance on public benefit. The focus of the charity's activities during the year, which explains the delivery by the charity of public benefit, is set out below under 'achievement and performance'.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This financial year has been dominated by the pandemic. This had affected us since the latter part of the previous financial year, but lockdowns meant most of our services were suspended for much of the year. Most paid staff were furloughed, and most volunteers shielded. Despite this, our charity managed to provide essential services - delivering food parcels to vulnerable people who couldn't get out, taking people to vital health appointments, taking the children of essential workers to school, and providing essential journeys to those who had no other means of transport. This was no easy task and involved careful risk assessments and the use of PPE. Office staff worked predominantly from home, with the I.T. and telephony working well. We are extremely grateful to the staff and volunteers who continued to provide all our services during the pandemic.

Our charity was supported by Gloucestershire County Council throughout this difficult period. It was also thanks to the generosity of local grant givers, other charities, and local businesses that Community Connexions maintained its services. Just a few examples - an accessible car was purchased thanks to Rotary (Cheltenham North), the Summerfield Trust and Tewkesbury Borough Council. A new minibus was sponsored by Tidal Training. These additional vehicles have allowed us (and will continue to allow us) to serve more vulnerable people, particularly as demand for our services increased significantly as restrictions eased (particularly for vaccination appointments). Other funders and organisations have helped us through these challenging times, and we are grateful for their support.

COMMUNITY CONNEXIONS
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENTS AND PERFORMANCE - continued
Charitable activities - continued

Performance

Following a loss in the last two years, this financial year has seen us make a surplus. Due to the pandemic, our usual income streams were interrupted but were supplemented thanks to the support of the County Council, funders, other charities and local businesses. The furlough scheme also assisted. This, together with reduced costs (salaries and vehicle costs), has resulted in a surplus. However, this should be treated as an anomaly in a most challenging year.

In terms of service delivery, most of the year has seen reduced demand and reduced services. Towards the end of the period most bus-based services resumed but volunteer numbers were reduced, despite a successful volunteer recruitment campaign. It is anticipated most volunteers will resume with us during the summer of 2021. Nevertheless, the charity can be proud of its achievements during a national crisis.

Governance

The board has also worked remotely during the pandemic and through Teams has continued its oversight of the charity. The AGM was also conducted remotely, although it was held slightly later in the year. All governance complied with Charity Commission guidance. There were no changes to the Board during the year.

Our People

We would like to thank our staff and volunteers for their commitment through a very challenging, and unprecedented, year. They have adapted to a different working environment in order to continue to serve our passengers and the best interests of the charity. Drivers, P.A.'s and volunteers have been carrying out dynamic risk assessments, sterilising vehicles, wearing PPE and socially distancing in order to carry out their essential work. Office staff have been working from home and dealing with changed logistical requirements. They have all done so without complaint for the benefit of the service-users. We believe the charity, staff and volunteers will be able to look back with pride on their contribution to our communities during the pandemic. The charity looks forward to a return to a normality where it can, once again, serve those who need us most, safe in the knowledge it has the support and enthusiasm of staff and volunteers to achieve it.

FINANCIAL REVIEW

Reserves policy

The Trustees consider the financial integrity of the charity as part of their ongoing review of the risks facing the organisation. Consequently, they are seeking to increase the charity's free reserves (being those unrestricted reserves that are not represented by the value of fixed assets) to equate to gross budgeted expenditure for three months.

Our free reserves at 31 March 2021 were £201K. Three months gross budgeted expenditure currently equates to £161k. However, this should be treated as an anomaly in view of the circumstances faced during year and in the context of the losses in the two previous financial years.

FUTURE PLANS

Our vision is that everyone in Gloucestershire has the personalised transport services they need to lead full and active lives. We know demand for our services is increasing and will continue to increase for many years to come, and we must rise to that challenge. But we also know our services are stronger in some areas than others. We will strive to ensure our service provision is equitable across the county, so more people can benefit and, in doing so, we will combat social and rural isolation, reduce loneliness and allow people to access a better quality of life.

We look forward to a new normal which will allow proper planning for the long-term, sustainable future of the charity. We remain committed to providing transport services to those who need us most across the county.

COMMUNITY CONNEXIONS
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by the Memorandum and Articles of Association dated 18 July 2006, as amended by special resolutions on 28 September 2006, 2 March 2007, 28 September 2009, 25 March 2014 and 2 October 2018 and a board resolution on 15 December 2009.

On 19 June 2015 by Special Resolution, the charity changed its name from Third Sector Services to Community Connexions.

Recruitment and appointment of new trustees

Power of appointment of new trustees is vested in the surviving or continuing trustees.

Organisational structure

In accordance with its constitution the charity is controlled by a Board of Trustees that meets at least quarterly. There are between five and fifteen trustees at any one time, all of whom are elected every year at the Annual General Meeting. One third of the board must retire at each Annual General Meeting but in accordance with the Memorandum and Articles of Association may be re-elected.

Recruitment, induction and training of new trustees

The charity has a structured trustee recruitment process. The maximum term of service means three trustees will leave by 2023 and thus the charity is currently actively recruiting for 3 new trustees to join the Board over the next 18 months to minimise risk and maintain continuity of knowledge. Trustees are appointed following written application and interview and upon receipt of satisfactory references. As part of the recruitment process, they meet with the Chief Executive, existing trustees and visit the office, to help them gain a detailed insight into the services Community Connexions offers as well as the role and responsibilities of a trustee. New trustees are supported by the Chair and Chief Executive to understand their role and responsibilities. As part of their induction programme, they meet with key members of the staff and volunteer team, experience some of the transport services from the service user perspective and are also given copies of all key charity documents and signposted to relevant Charity Commission guidance.

Related parties

The charity has no subsidiary undertakings or related organisation, save for its dormant subsidiary company, Community Connexions Trading Limited.

Risk management

The trustees acknowledge their responsibility to manage risk on behalf of the organisation. They have analysed risks between:

- governance
- operations
- finance
- external factors
- internal factors
- compliance
- road risk (with regard to Community Transport)

The trustees monitor the charity's exposure to risk going forward. They are content that they identified and mitigated against the major risks faced by the organisation during the year. They are satisfied that systems are in place to manage exposure.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Community Connexions for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

COMMUNITY CONNEXIONS
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Andorran Limited (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 28-Sep-2021 and signed on its behalf by:


.....

Cavus Batki - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITY CONNEXIONS

Opinion

We have audited the financial statements of Community Connexions (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 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; 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 Auditors' 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 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 trustees' 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 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITY CONNEXIONS

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

Our 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 a Report of the Auditor 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that, despite us planning and performing our audit in accordance with auditing standards, one or more material misstatements in the financial statements may have gone undetected by our audit. As with any audit, there is a risk that irregularities and fraud will go undetected where they involve matters such as misrepresentations from management, collusion, deliberate omissions and override of controls. It is not the role of the auditor to prevent non-compliance and we cannot be expected to detect every instance of non-compliance with all laws and regulations.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiries of management including a pre audit meeting;
- obtaining and reviewing supporting documentation of policies concerning the laws and regulations applicable to the business;
- understanding how the charity complies with its regulatory framework by making enquiries of management;
- considering the culture inherent in the charity and whether this represents a culture of honesty and ethical behaviour with a strong emphasis of detection and prevention of fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNITY CONNEXIONS

Auditors' responsibilities for the audit of the financial statements - continued

We assessed the susceptibility of the charity's financial statements to material misstatement and considered how fraud might occur. The audit procedures performed included, but were not limited to:

- challenging management assumptions and estimates;
- identifying and testing unusual journal entries;
- assessing how the relevant laws and regulations have been complied with and noting any instances of non compliance;
- reviewing the financial statements for compliance with relevant Accounting Standards and accounting legislation applicable to a charity;
- considering how those charged with governance have addressed the possibility of an override of essential controls or other influence over the financial reporting processes.

In addition, we also considered other non financial laws relevant to the charity. These do not necessarily have a direct influence on the financial statements but might affect the charity's ability to operate.

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 Report of the Independent Auditors.

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 auditors' 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.



Roger Downes FCA (Senior Statutory Auditor)
for and on behalf of Andorran Limited (Statutory Auditor)
Chartered Accountants
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Gloucestershire
GL51 9TX

Date: 29 September 2021

COMMUNITY CONNEXIONS

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,694	-	5,694	1,484
Charitable activities	4				
Charitable Activity		769,975	30,550	800,525	915,331
Investment income	3	32	-	32	56
Other income	5	62,802	-	62,802	1,525
Total		<u>838,503</u>	<u>30,550</u>	<u>869,053</u>	<u>918,396</u>
EXPENDITURE ON					
Charitable activities	6				
Charitable Activity		740,110	5,677	745,787	935,797
NET INCOME/(EXPENDITURE)		<u>98,393</u>	<u>24,873</u>	<u>123,266</u>	<u>(17,401)</u>
Transfers between funds	19	<u>14,163</u>	<u>(14,163)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>112,556</u>	<u>10,710</u>	<u>123,266</u>	<u>(17,401)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		105,976	2,390	108,366	125,767
TOTAL FUNDS CARRIED FORWARD		<u><u>218,532</u></u>	<u><u>13,100</u></u>	<u><u>231,632</u></u>	<u><u>108,366</u></u>

The notes form part of these financial statements

COMMUNITY CONNEXIONS
STATEMENT OF FINANCIAL POSITION
31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	13	17,180	-	17,180	9,205
CURRENT ASSETS					
Debtors	14	121,937	-	121,937	114,623
Cash at bank and in hand		174,973	14,207	189,180	79,732
		<u>296,910</u>	<u>14,207</u>	<u>311,117</u>	<u>194,355</u>
CREDITORS					
Amounts falling due within one year	15	(45,558)	(1,107)	(46,665)	(95,194)
NET CURRENT ASSETS		<u>251,352</u>	<u>13,100</u>	<u>264,452</u>	<u>99,161</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		268,532	13,100	281,632	108,366
CREDITORS					
Amounts falling due after more than one year	16	(50,000)	-	(50,000)	-
NET ASSETS		<u>218,532</u>	<u>13,100</u>	<u>231,632</u>	<u>108,366</u>
FUNDS	19				
Unrestricted funds:					
General fund				201,352	96,771
Designated Fund - Capital Reserve				17,180	9,205
				<u>218,532</u>	<u>105,976</u>
Restricted funds				<u>13,100</u>	<u>2,390</u>
TOTAL FUNDS				<u>231,632</u>	<u>108,366</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 28 Sep 2021 and were signed on its behalf by:



 Jacqueline Millar - Trustee

The notes form part of these financial statements

COMMUNITY CONNEXIONS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	71,616	17,183
Net cash provided by operating activities		<u>71,616</u>	<u>17,183</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(12,450)	(7,687)
Sale of tangible fixed assets		250	1,333
Interest received		32	56
Net cash used in investing activities		<u>(12,168)</u>	<u>(6,298)</u>
Cash flows from financing activities			
New loans in year		50,000	-
Net cash provided by financing activities		<u>50,000</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		<u>109,448</u>	<u>10,885</u>
Cash and cash equivalents at the beginning of the reporting period		<u>79,732</u>	<u>68,847</u>
Cash and cash equivalents at the end of the reporting period		<u><u>189,180</u></u>	<u><u>79,732</u></u>

The notes form part of these financial statements

COMMUNITY CONNEXIONS

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21 £	31.3.20 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	123,266	(17,401)
Adjustments for:		
Depreciation charges	4,475	7,546
Profit on disposal of fixed assets	(250)	(1,333)
Interest received	(32)	(56)
Increase in debtors	(7,314)	(5,902)
(Decrease)/increase in creditors	(48,529)	34,329
Net cash provided by operations	<u>71,616</u>	<u>17,183</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	79,732	109,448	189,180
	<u>79,732</u>	<u>109,448</u>	<u>189,180</u>
Debt			
Debts falling due after 1 year	-	(50,000)	(50,000)
	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
Total	<u>79,732</u>	<u>59,448</u>	<u>139,180</u>

The notes form part of these financial statements

COMMUNITY CONNEXIONS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity operates contracts on behalf of Gloucestershire County Council. The nature of this means some contracts are lost and others won, predominantly relating to Home to School. This is an on-going process as the Council understands the statutory demands placed upon it. As such, the charity's contract income fluctuates throughout the year. Initial budgets are calculated on known contracts, with amendments made in-year. Currently income is down against forecast but there is a commensurate reduction in costs. Overall though the most recent forecast shows there may be a small deficit. Trustees are aware there might to be a shortfall in funding for financial year 2021/22. They have developed a range of options, including collaboration with Gloucestershire County Council on grant funding, to ensure services continue to be provided with a balanced book. The budget for 2022/23 shows a small surplus. The Board is confident the charity is a Going Concern and have consequently prepared these financial statements on that basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

These costs are incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory compliance.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

Assets costing greater than £500 are capitalised as tangible fixed assets. Those costing less than £500 are written off to the SOFA in the year that the expenditure is incurred.

Taxation

As a recognised charity, the organisation is exempt from Corporation Tax as far as it relates to its charitable objects. It is not, however, exempt from VAT and irrecoverable VAT is included in the costs of those items to which it relates.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

COMMUNITY CONNEXIONS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. DONATIONS AND LEGACIES

	31.3.21	31.3.20
	£	£
Donations	5,694	1,484
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Deposit account interest	32	56
	<u> </u>	<u> </u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31.3.21	31.3.20
	Activity	£	£
Grants	Charitable Activity	424,619	413,331
Fares	Charitable Activity	363,548	485,816
Registration fees	Charitable Activity	12,304	16,063
Fundraising	Charitable Activity	54	121
		<u> </u>	<u> </u>
		800,525	915,331
		<u> </u>	<u> </u>

Grants received, included in the above, are as follows:

	31.3.21	31.3.20
	£	£
Gloucestershire County Council	357,888	351,471
Social Services Transport	18,309	41,472
Bus Service Operators Grant	15,372	15,188
Rotary Club of Cheltenham North	9,500	-
Tidal Training	6,600	-
Basic Lottery Grant	6,500	-
Gloucestershire Community Foundation	5,000	5,200
Barnwood Trust	2,500	-
Summerfield Trust	2,000	-
Tewksbury Borough Council	950	-
	<u> </u>	<u> </u>
	424,619	413,331
	<u> </u>	<u> </u>

COMMUNITY CONNEXIONS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

5. OTHER INCOME

	31.3.21	31.3.20
	£	£
Other income	62,802	1,525

Government grants received, included in the above, are as follows:

	31.3.21	31.3.20
	£	£
Coronavirus Job Retention Scheme	62,802	1,525
	62,802	1,525

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7)	Support costs (see note 8)	Totals
	£	£	£
Charitable Activity	740,650	5,137	745,787

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.21	31.3.20
	£	£
Staff costs	434,468	504,046
Vehicle leasing	141,530	143,858
Other vehicle expenses	86,244	133,469
Insurance	2,131	2,174
Telephone	9,765	8,803
Postage and stationery	3,826	4,326
Advertising	4,437	481
Sundries	778	1,622
Bank charges	1,194	2,235
Property costs	18,334	18,911
Computer costs	14,064	22,753
Bad debts	-	229
Loan interest	-	17
Volunteer driver expenses	19,496	77,795
Training and recruitment	158	3,832
Depreciation	4,475	7,546
Loss on sale of assets	(250)	(1,333)
	740,650	930,764

COMMUNITY CONNEXIONS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

8. SUPPORT COSTS

		Governance costs
		£
Charitable Activity		<u>5,137</u>

Support costs, included in the above, are as follows:

	31.3.21	31.3.20
	Charitable	Total
	Activity	activities
	£	£
Auditors' remuneration	<u>5,137</u>	<u>5,033</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21	31.3.20
	£	£
Auditors' remuneration	5,137	5,033
Depreciation - owned assets	4,475	7,546
Other operating leases	141,530	143,858
Surplus on disposal of fixed assets	<u>(250)</u>	<u>(1,333)</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ending 31 March 2021 nor for the year ending 31 March 2020.

Trustees' expenses

Trustees are paid expenses for attending meetings and duties directly related to their duties as a trustee. No trustee was reimbursed expenses in the year (2020: £Nil).

11. STAFF COSTS

	31.3.21	31.3.20
	£	£
Wages and salaries	410,617	477,280
Social security costs	18,274	21,021
Other pension costs	<u>5,577</u>	<u>5,745</u>
	<u>434,468</u>	<u>504,046</u>

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
Full time	11	11
Part time	28	32
	<u>39</u>	<u>43</u>

No employees received emoluments in excess of £60,000

COMMUNITY CONNEXIONS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,484	-	1,484
Charitable activities			
Charitable Activity	910,131	5,200	915,331
Investment income	56	-	56
Other income	1,525	-	1,525
Total	913,196	5,200	918,396
EXPENDITURE ON			
Charitable activities			
Charitable Activity	917,958	17,839	935,797
NET INCOME/(EXPENDITURE)	(4,762)	(12,639)	(17,401)
RECONCILIATION OF FUNDS			
Total funds brought forward	110,738	15,029	125,767
TOTAL FUNDS CARRIED FORWARD	105,976	2,390	108,366

13. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2020	1,250	41,270	6,666	49,186
Additions	-	12,450	-	12,450
Disposals	-	(11,500)	-	(11,500)
At 31 March 2021	1,250	42,220	6,666	50,136
DEPRECIATION				
At 1 April 2020	781	37,734	1,466	39,981
Charge for year	313	1,962	2,200	4,475
Eliminated on disposal	-	(11,500)	-	(11,500)
At 31 March 2021	1,094	28,196	3,666	32,956
NET BOOK VALUE				
At 31 March 2021	156	14,024	3,000	17,180
At 31 March 2020	469	3,536	5,200	9,205

COMMUNITY CONNEXIONS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade debtors	66,975	66,160
Other debtors	22,208	15,753
VAT	10,278	10,507
Prepayments and accrued income	22,476	22,203
	<u>121,937</u>	<u>114,623</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade creditors	27,489	33,234
Social security and other taxes	6,879	7,259
Other creditors	1,465	7,677
Accruals and deferred income	10,832	47,024
	<u>46,665</u>	<u>95,194</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.21	31.3.20
	£	£
Bank loans (see note 17)	<u>50,000</u>	<u>-</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.3.21	31.3.20
	£	£
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>5,348</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>16,867</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	27,785	-

The loan was a Bounce Back loan from HSBC and was drawn down in September 2020 in response to the Covid-19 Pandemic. The Board of Trustees have agreed to extend the original loan period to 10 years, although it can be repaid during this period. Only the interest at 2.5% is being paid until March 2022 and then Capital and Interest are being repaid for the remainder of the loan.

COMMUNITY CONNEXIONS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.21 £	31.3.20 £
Within one year	90,810	88,006
Between one and five years	160,318	238,187
In more than five years	7,710	3,096
	<u>258,838</u>	<u>329,289</u>

19. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	96,771	98,393	6,188	201,352
Designated Fund - Capital Reserve	9,205	-	7,975	17,180
	<u>105,976</u>	<u>98,393</u>	<u>14,163</u>	<u>218,532</u>
Restricted funds				
Accessible car fund	1,713	12,450	(14,163)	-
Volunteer Champions	677	(677)	-	-
Lottery Covid-19 Relief Funding	-	6,500	-	6,500
Tidal Training	-	6,600	-	6,600
	<u>2,390</u>	<u>24,873</u>	<u>(14,163)</u>	<u>13,100</u>
TOTAL FUNDS	<u>108,366</u>	<u>123,266</u>	<u>-</u>	<u>231,632</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	838,503	(740,110)	98,393
Restricted funds			
Accessible car fund	12,450	-	12,450
Volunteer Champions	5,000	(5,677)	(677)
Lottery Covid-19 Relief Funding	6,500	-	6,500
Tidal Training	6,600	-	6,600
	<u>30,550</u>	<u>(5,677)</u>	<u>24,873</u>
TOTAL FUNDS	<u>869,053</u>	<u>(745,787)</u>	<u>123,266</u>

COMMUNITY CONNEXIONS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	101,674	(4,762)	(141)	96,771
Designated Fund - Capital Reserve	9,064	-	141	9,205
	<u>110,738</u>	<u>(4,762)</u>	<u>-</u>	<u>105,976</u>
Restricted funds				
Accessible car fund	1,713	-	-	1,713
Volunteer Manager	1,071	(1,071)	-	-
Volunteer Champions	12,245	(11,568)	-	677
	<u>15,029</u>	<u>(12,639)</u>	<u>-</u>	<u>2,390</u>
TOTAL FUNDS	<u>125,767</u>	<u>(17,401)</u>	<u>-</u>	<u>108,366</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	913,196	(917,958)	(4,762)
Restricted funds			
Volunteer Manager	-	(1,071)	(1,071)
Volunteer Champions	5,200	(16,768)	(11,568)
	<u>5,200</u>	<u>(17,839)</u>	<u>(12,639)</u>
TOTAL FUNDS	<u>918,396</u>	<u>(935,797)</u>	<u>(17,401)</u>

Details of Designated Funds

Capital reserve

An amount equal to the value of tangible fixed assets is held as a designated reserve.

Details of Restricted Funds

Accessible car fund

Monies raised through fundraising and donations towards the purchase of a used accessible vehicle. Funding was received in the year from Rotary Club of Cheltenham North, Summerfield Trust and Tewkesbury Borough Council.

Volunteer Manager

To fund a post to manage and develop the Champions project.

Volunteer Champions

To recruit and support "Champions" from current volunteers who will recruit, co-ordinate and help train volunteers from their district.

COMMUNITY CONNEXIONS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

19. MOVEMENT IN FUNDS - continued

Lottery Covid-19 Relief Funding

A successful bid through the National Lottery towards volunteer recruitment awarded in August 2020 and to be spent within 12 months of the award.

Tidal Training

Donation for the specific purpose of funding the lease of a minibus for a 12 month period, commencing April 2021.

Transfers between funds

Transfers are made between restricted and unrestricted funds at the end of every accounting period in cases where:

- (i) The activity of the restricted fund has come to an end and there is an unspent balance that is not repayable to the funder (s), when the surplus is transferred to unrestricted funds;
- (ii) the restricted fund is in deficit and has either come to an end or there is no prospect of a surplus in a later period, which the deficit is eliminated by transfer from unrestricted funds: and
- (iii) to transfer the value of tangible fixed assets from restricted to unrestricted funds when the asset has been purchased from a restricted fund donation but is held for a general and not a restricted purpose.

20. CONTINGENT LIABILITIES

Various funders retain the right to claw back grants should the use of the funds not be in accordance with the terms of the grant. As far as the trustees are aware no such liability exists at the year-end.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.