

THE CLINK CHARITY

Limited by guarantee

Registered Charity Number 1134581

Registered Company Number 07157540 (England and Wales)

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

THE CLINK CHARITY

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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TRUSTEES, OFFICERS AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2020

Trustees

W Atkinson
R Davidson
B Ignjatovic
K McGrath
S Mohammed
J Paxman (resigned 10th December 2020)
F Scott
D Walker (appointed 16th March 2021)
T Wates

Registered Office

No. 1 London Bridge
London
SE1 9BG

Chief Executive

C Moore

Company Secretary

D Whitworth

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Nat West
135 Bishopsgate
London
EC2M 3UR

Solicitors

Howard Kennedy LLP
No 1 London Bridge
London
SE 1 9BG

Auditors

Moore Kingston Smith LLP
Devonshire House
60 Goswell Road
London
EC1M 7AD

THE CLINK CHARITY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Chairman's Statement

Reoffending remains one of the most pressing challenges facing society today. The financial impact upon the UK economy is estimated as £18.1 billion per year and being a major factor in increasing the chasm in society between the haves and have nots. The Clink delivers an integrated training and support program that dramatically reduces reoffending by producing excellent outcomes across our training restaurants, kitchens, gardens and events projects.

Reducing crime and improving all of our lives is at the heart of what The Clink does. Our latest initiative Clink Kitchens starting in April 2021 in partnership with HMPPS underlines the tremendous impact The Clink program has had over the last eleven years. I am delighted to announce that we are building upon the success of our pilot scheme – the innovative Clink Integrated Rehabilitation Programme (CIRP) and rolling it out across the prison estate. Clink Kitchens will be rolled out to up to 70 prison kitchens over the next 3 years which will dramatically increase the number of students we can train from 500 a year to 2,000 a year and in turn support them into fulltime employment and accommodation.

By transforming the lives of prisoner students (Clink graduates) it not only benefits them but also their families and victims of crime and society as a whole by reducing crime rates and encouraging meaningful employment.

Along with everyone else 2020 has created challenges for The Clink as a result of the pandemic. We suspended delivering the training at all of our sites on 23rd March. However, our work in the community with our graduates continued, by supporting them throughout, not only by being in regular contact but also providing vital financial support to those who needed it.

I would like to thank our very generous funders made up of grant maintaining trusts and philanthropic individuals who have continued to support us during the past year as well as providing additional funds. These additional income streams The Clink received has meant The Clink has ended the year in a secure financial position.

I am very pleased with and proud of the Senior Management Team and staff who have responded in an excellent manner in these uncertain times, showing flexibility, innovation and resilience as well as staying in contact with our partners at HMPPS and, when appropriate, restarted delivering training in some of the prisons where we have projects bringing back our staff from furlough to provide training.

I would like to thank our Chief Executive and Finance Director, Christopher Moore and Deborah Whitworth, for their hard work, dedication and support this past year. They have had a very challenging time and have shown tremendous resilience and leadership in the difficult time. I would also like to say a special thank you to Jeremy Paxman, who stepped down from his role as a trustee in December 2020.

I would also like to thank our partners the Ministry of Justice, Her Majesty's Prison and Probation Service. Everyone involved has played an integral part in helping us change the many misconceptions of prisoner rehabilitation.

We fondly remember Albert Roux OBE, KFO who passed away in January 2021. Albert was our founding group chef ambassador and he dedicated his time and expertise to The Clink. He was a true inspiration to our team and students in training and a mentor to me over many years.

The Clink has continued to demonstrate what can be achieved when society collectively engages to help those who want and deserve a second chance

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Chief Executive's Report

We are proud that alongside our partner, Her Majesty's Prison and Probation Service (HMPPS) where we continue to achieve extraordinary outcomes, meeting our key objective of reducing reoffending. We deliver our core values of compassion, professionalism and integrity in an environment that can sometimes seem bleak, with so many daily challenges, The Clink demonstrates what can be achieved when society collectively engages to help those who want and deserve a second chance.

The outbreak of the pandemic led us to suspend delivery of the training at the end of March and we placed the majority of our staff on the government's Job Retention Scheme in order to protect their jobs for the future. This brought us many challenges, however, we took the decision not to furlough our fulltime support workers who deliver our services in the community as we had over 141 live cases in supporting our recently released Clink Graduates by helping them re-adjust back into society and ensure that they had accommodation and basic food provisions.

Our Clink Graduates at this time suffered job losses, furlough, non-payment of salaries by employers and homelessness. We recognised that this and the risk of our graduates returning to crime, as a result we launched the COVID-19 Clink Graduate Emergency Support Fund on 1st April to provide emergency accommodation, basic provisions and other essentials to those in need. Due to the enormous generosity of our funders and supporters we have raised in excess of £60k. This is also being used to support the continued releases from prison of our graduates, some with no accommodation to go to.

Analysis of Outcomes

In June 2020 RBB Economics published an Economic Impact Analysis conducted by volunteers which was verified by Pro Bono Economics. The report revealed that The Clink delivers an outstanding return on investment, saving the taxpayers money but also reduced reoffending.

They found that for every £1 invested, The Clink is likely to generate at least £4.80 back to the prison service, Government and society in reduced reoffending rates as result of its successful programme. The Clink has invested over £5m to date of philanthropic donations and grants to build the training restaurants and gardens. The report estimates the savings of £37m to the taxpayer during The Clink's tenure.

The report also shows that the approach we have taken as a team has been able to deliver a four-fold return on investment at a time when reoffending rates are estimated to cost the taxpayer £18.1 billion per annum.

We are looking forward to restarting the delivery of training at all our sites post May when restaurants (at the time of writing) are allowed to reopen. The CIRP programme delivers the following:

Purpose and objectives

The prisoners at each of The Clink projects work a 40-hour week whilst working towards gaining their City & Guilds NVQs in Food Preparation, Food Service, Food Hygiene and Horticulture. Simulating a professional working environment, prisoners with 6 to 18 months of their sentence left to serve volunteer for the programme, going through full-time training in order to reach the required level to succeed in their respective industry.

Training

Outside of the pandemic The Clink trains up to 220 prisoners a day to gain their Levels 1 and 2 NVQs in Food Service, Food Preparation, Food Hygiene and Horticulture.

We also deliver our own Clink Diploma that has been endorsed by The Institute of Hospitality. Our students will be able to gain this in addition to their NVQ's and we are rolling it out across all sites in 2021.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Outside of the pandemic our training programmes are delivered as follows:

Restaurants

The Clink Charity operates four training restaurants open to the public to dine at HMP High Down, HMP Cardiff, HMP Brixton and HMP Styal. Prisoners train to gain experience and achieve their City & Guilds NVQ Level 2 in Food Preparation and cookery as well as Food and Beverage Service and Food Hygiene. Members of the public then come and dine with us in order for the prisoners in training to gain the experience that they require.

Delivery

In Brixton we launched Clink&Collect a takeaway lunch service for prison staff on duty and also Clink@Home which is a home delivery service of chilled meals delivered to your door if you live within 10 miles of HMP Brixton. This way we were able to continue to deliver training to our students getting them work ready for when they are released.

The Clink Gardens

The Clink Gardens operate at HMP Send and HMP High Down in Surrey and this year we have opened our third Clink Gardens at HMP Styal in Cheshire. Prisoners train to gain experience and achieve their City & Guilds NVQ Level 2 in Horticulture. The produce is delivered daily to the restaurants along with free range eggs. At HMP Send due to the fact that the training programme is delivered outdoors we have been able to continue training during the pandemic but with a reduced number of students.

The Clink Events

The Clink Events central production training kitchen at HMP Downview trains women prisoners to produce the food for bespoke outside catering events beyond the walls of the prison and provide the prisoners, graduates and homeless clients in training with the opportunity to gain additional experience in event catering. Clink Events is a nominated caterer at the Guildhall London, St Paul's Cathedral and Trinity House. Sadly over £800k worth of bookings were cancelled due to the pandemic or moved into 2022.

The Clink Café

Sadly we had to make the hard decision to close The Clink Café which was located in the heart of Manchester's city centre in Canada House on Chepstow Street in December 2020. The Café was staffed by Clink graduates and homeless clients from local charities. However due to people working from home and the daily head count in Canada House going from 400 to around 10 it was not sustainable anymore without incurring huge costs.

The Clink Kitchens

This concept delivers City & Guilds training in Food Production within the main prison kitchens to students cooking prisoners' meals. Following a successful 3 year pilot at HMP Styal, Bristol and Risley we will be rolling this project out to up to 70 prisons over the next 3 years within the main prison kitchens. Upon release the graduates will be supported in to accommodation and employment.

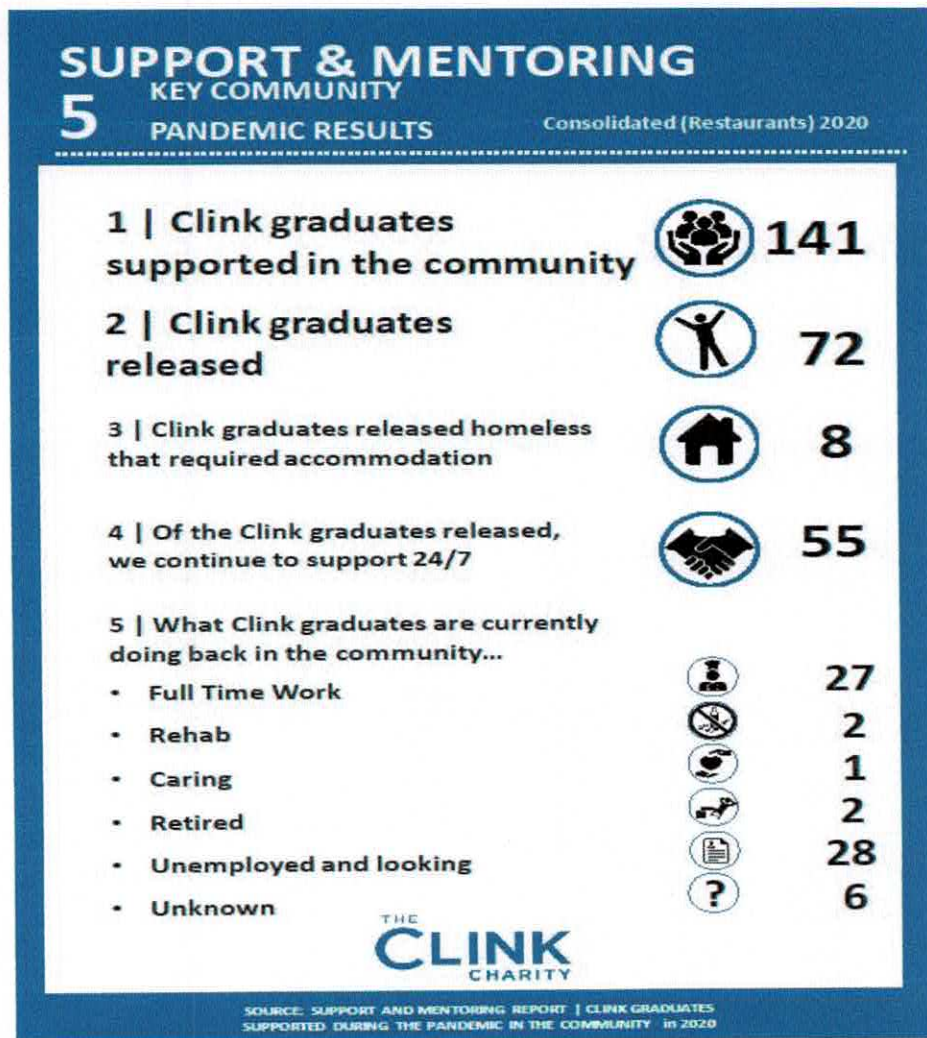
The students prepare meals in a real-life working environment learn the skills required to gain their qualifications. Each site has a chef trainer and support worker to help them transition from prison into fulltime employment, find accommodation and help them readjust back into society. We ran 3 pilot sites at HMP Styal, HMP Risley and HMP Bristol for the past 2 years and as of April 2021 (pandemic permitting) we will be rolling out this concept 16 more prison kitchens in England and Wales this year and in total 70 over the next 3 years.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Mentoring and Support work

As mentioned earlier The Clink provides an integrated program involving not only formal training but also help and support upon release. We meet our graduates at the gate and find them housing, if required, and employment. We also ensure that they have a bank account, photo ID and are registered with a doctor. Our mentors are there 24/7 for as long as it takes to help them readjust back into society. We currently have 140 live cases in the community and Clink Graduates are still being released every month requiring support to help. Sadly some of them are still being released homeless and we have had to step in and provide emergency accommodation.



Summary

2020 was not the year we had expected and we have all had to adapt and innovate in line with the requirements of our students and graduates. We are very excited about the roll out of Clink Kitchens during 2021 to another 16 prisons. We have now started back training in a small way at HMP Brixton and HMP Send and are awaiting confirmation from the other prisons as to a start date taking into consideration their individual Covid-19 return to work plans and also the current health of the staff and prisoners at that site.

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The Clink is in a good position to continue delivering its objectives and re start training at all sites once current restrictions are lifted. We have made good use of this time to review what we do and strive to ensure that we are as up to date as possible with regards to the content of our courses and support post release.

I would like to thank Finlay Scott and the Trustees for their continuing support, guidance and dedication towards our work of reducing reoffending, HMPPS for all that they bring to our partnership and our very generous funders. Thank you.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its memorandum and articles of association and constitutes a company limited by guarantee as defined by the Companies Act 2006.

Organisational structure

Trustee Board

The Charity is governed by a Board of Trustees Chaired by Finlay Scott which supervises the senior management team (SMT) and staff headed up by the Chief Executive Officer, Christopher Moore. The Board of Trustees meets four times each year to set and oversee the delivery of the Charity's objectives.

The Board has a clear and well-understood governance role, approving the strategy, annual budgets and reviewing the management accounts and cash flows on a quarterly basis. The Trustees ensure that risk is well understood and managed, and that the charity is operating legally and in full compliance with our charitable objectives, ethos and values.

The Board appoints and delegates the delivery of the strategy and management of the operation of the charity and its subsidiaries to the CEO, who in turn appoints and manages the SMT. SMT comprises the CEO, the Finance Director, the Operations Director, the Support and Mentoring Director and the Events Director. The SMT meets monthly to review in detail all aspects of the operations including the training, support and mentoring of the beneficiaries of the Charity as well as safeguarding, health and safety.

There are two additional Trustees committees that meet regularly:

- **Audit and Risk Committee** – this meets with the external auditors twice yearly; once to review the systems and internal controls on financial and governance issues and make any recommendations to the Trustee Board with a second meeting to review the draft Annual Report and Accounts prior to sending to the Board for approval and signing.
- **Remuneration Committee** – this reviews and recommends to the Trustee Board staff remuneration, including the salaries of the SMT. The Committee takes into account the responsibilities of the role and the need to set competitive salaries against what is affordable for the organisation.

Trustee training and induction

Our Trustees have been carefully selected from business, education, legal, financial, media, property and building experience. Upon appointment Trustees are given a copy of the Charity Commission document "The Essential Trustee – What you need to know" and asked to read it. They also spend time with the Chairman, CEO and SMT to familiarise themselves with the operations of the Charity and the Restaurants to ensure that they understand the aims and the objectives of the Charity are achieved.

Risk management

The Trustee Board is responsible for the oversight of the risks faced by the Charity. The Trustee Board and Audit and Risk Committee regularly review the Charity's risk position, internal controls assessment and compliance with relevant statutory and finance regulations. Based on the Charities Commission's Guidance "Charity Reserves: building resilience" the Charity has a risk-management process designed to identify the major risks that could impact on the aims in the Charity's Strategic Plan. This process identifies the major risks the Charity faces, the likelihood of occurrence, the significance of the risk, and any mitigating controls that are in place. It also seeks to identify any actions and resources required to manage these risks further.

Principal risks and uncertainties

From the beginning of the pandemic the Trustee Board met more regularly to review how the charity was affected by the events as they developed, this gave the trustees the opportunity to consider the effects of the COVID-19

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outbreak on the work of the charity and its finances. These reviews covered income and expenditure forecasts and cash flows. As part of these reviews the Trustees considered the viability of all operations and sadly with regards to The Clink Café it was decided to close the operations at Canada House in Manchester in December 2020, this was an extremely difficult decision to arrive at as it had expanded our training from within a prison environment to working with homeless clients in the heart of Manchester, however in the light of the café's performance since opening it was decided that the charity should focus on its core activities until we are in a more stable economic environment.

Although the charity had to suspend all operations at the beginning of the pandemic it managed to reopen certain operations during the period, all income lost from operations was in the main offset by a fall in associated expenditure. During the pandemic resources were focussed on working with our partners at HMPPS to develop the kitchens pilot concept into a programme that will be rolled out over the next three years to up to 70 prison kitchens around England and Wales.

We are following Government and HMPPS guidelines and are planning to return to training and opening our restaurants on a site by site basis.

The CEO also maintains regular contact with all our funders and is assured that they will continue to support the charity's programme of training and mentoring with all current and future pledges. Due to the generous support of our funders and our partners at HMPPS the charity has continued to be sheltered from the effects of the pandemic and at the time of signing these accounts our financial position remains in a similar state as when COVID 19 started.

The impact of COVID-19 has been considered on the charitable company's future plans and operating and budgeting processes, the effect of the outbreak will continue to be a risk in 2021 until there is more certainty about the raising of restrictions in the environment in which we provide our services.

Safeguarding

We had an external consultant deliver Safeguarding Training to all site based and community facing staff as well as full training for our newly appointed Designated Safeguarding Lead and site based Designated Safeguarding Officers in 2019. We have revised and distributed new Safeguarding and Whistleblowing Policies. Plans for refresher training later in the year for all existing and new staff will be reviewed once we are out of the pandemic and external training becomes available again. We now have full compliance from site and operational level right through the organisation right up to a DSO on the board of trustees.

Health and Safety

Fire, health & safety, food hygiene and allergen awareness is at the core of what we do and we have engaged an external company to audit our process and procedures at all our premises on an annual basis. In addition local Environmental Health Officers inspect our premises and currently we have 5 star ratings across all locations. Our staff are trained in Emergency First Aiders in the workplace and also obtain the following qualifications: Health and Safety (Level 2 or 3), Food Hygiene (Level 2, 3 or 4) and Allergens Awareness (Level 2).

OBJECTIVES AND ACTIVITIES

Significant activities

To ensure the success of the programme, The Clink Charity has developed a five-step integrated model that could be applied across more prisons across the country and to further expand The Clink restaurant concept. The five-step model focuses on Recruitment, Training, Supporting, Employment and Mentoring. This model has dramatically reduced the reoffending rates of those who have been part of the training programme. The Clink employs 40 fulltime employees and all of our prisoner facing staff undergo TAQA (Training Assessment Quality Assurance) trained to ensure that the standard of training and assessing students is consistent and of the highest possible quality.

The Clink Charity's fulltime support workers work closely with each of the prisoners in training. Upon release they help graduates find employment and they mentor them weekly for 6 to 12 months, to help them reintegrate back into society.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Public benefit statement

The Trustees confirm that they have given due consideration to Charity Commission published guidance on the operation of the Public Benefit requirement in relation to the activities of the charitable company.

Financial Review

During 2020 our income fell slightly from £3,552,409 in 2019 to £3,294,936, most of our usual sources of income fell dramatically however one of our extremely generous funders allowed us to repurpose some of their restricted grant to core purposes so that we could continue to support our beneficiaries during the pandemic. The end of year results showed a surplus of £742,748 (2019 surplus of £170,596). Due to the pandemic our restaurants, café and events operations all closed on 23rd March 2020 with very limited trading thereafter for the rest of 2020 which meant that our operations income fell from £1,684,289 in 2019 to £392,252 in 2020, however due to the nature of our operations the fall in income resulted immediately in a fall in related expenses.

Over the years substantial loans have accumulated in the accounts of the subsidiaries, these loans have built up as the subsidiaries have delivered the charitable objectives of the parent charity and the trustees, having reviewed the loans, have decided that it was in the charity's best interest to forgive them.

We were very grateful to our generous supporters who continued to donate to support our work so that during the pandemic we were able to continue to assist our beneficiaries, we were also very grateful for the support from our partners HMPPS. The Charity raised £79,338 (2019: £204,191) by way of general donations. During the pandemic these funds were used to help the beneficiaries with their day-to-day needs including help with finding and paying for accommodation, uniform and day to day living expenses.

We are also extremely grateful that we have been able to furlough many of our extremely skilled workforce under the Job Retention Scheme, this means that when we open our training operations these skills will be able to pick up and start to train immediately without us having to recruit and retrain new staff. Although during 2020 we did receive £651,273 from the furlough scheme we did have to make some very hard decisions and sadly some of our staff were made redundant. We continue to use the scheme in 2021 and its flexibility allows us to bring staff back to work as and when they are needed.

During 2020 we worked with our partners at HMPPS we are very excited about rolling out the new prison kitchens project based on the pilot scheme that we have been running since 2016.

Reserves Policy

The Trustees' objective is to have a cash reserve that is sufficient for the Charity to fulfil its obligations in response to any major unexpected financial situation. The SMT tightly control expenditure and set fully costed and realistic budgets, management accounts and cash flows are reviewed by the SMT monthly and by the Board quarterly. In addition the Board has a policy regarding new projects and will never embark on a new project without having first built up sufficient funds to cover the capital and any initial running costs.

The reserve target level of £175,000 was set in 2016 and following a review in November 2019 remains at this level. At the end of 2020 the Group had total reserves of £1,670,723 (2019: £972,975) of which £516,775 (2019: £443,239) represents restricted funds. Unrestricted funds held totals £1,153,947 (2019: £484,736) of which £658,166 is invested within fixed assets (2019: £820,813 – unrestricted funds fully invested within fixed assets) and as such the charity has free reserves of £495,781 (shortfall to target level of reserves in 2019 was £301,077). This change in our reserves position is entirely due to the generous repurposing of one of our restricted grants and allows us to plan safely for opening at the pace dictated by the government and our partners at HMPPS.

Fund Raising methods and processes

The Charity has always depended on the generosity and support of various grant giving trusts, foundations, companies and philanthropic individuals to build and fund the projects.

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No external fund raisers are used. The CEO and Finance Director had a successful year raising funds for specific projects and core costs. Once a specific project is identified a proposal is prepared and sent to the organisation (usually grant giving trusts) which has expressed an interest. In the case of capital projects, no work is started until all funding has been secured and the Board has approved it.

Once a grant has been received, we work with the donor to ensure that they have all the information that they require to monitor the impact that their donation has achieved, this usually means a report that is required under their grant giving due diligence procedures together with regular updates that may concern the charity in general or their donation in particular. During this year the CEO has remained in close contact with all of our generous partners keeping them updated with the work of the charity during the pandemic and stressing the importance of their valuable contribution to our work.

In 2020 the Charity raised £79,338 (2019 £204,191) from individual donations and £1,451,333 (2019 £768,480) from Grants.

The Clink is now an established Charity and has a loyal group of funders and charitable trusts all of whom carry out periodic due diligence checks. The Board is confident that the continuing capital that is required to roll out current and future plans will be funded by them.

There are a great many kind individuals who have donated to our work either directly, via CAF, Charities, Trust, Stewardship or online via Just Giving, Donor, Virgin Money Giving and we are extremely grateful for their generosity and support.

We would also like to thank all of the Charitable Trusts and Corporate Funders that have supported our work this year, we highlight here the donations of those who have kindly contributed £2,000 or more during 2020:

Antonio Carluccio Foundation
Borrows Charitable Trust
City BridgeTrust
EI Group
George and Rosie Peck
Green and Fortune Ltd
Office of the Police and Crime Commissioner for Surrey
Sandy & Sue Arbuthnot
Savoy Education Trust
Simon Gibson Charitable Trust
Stiftung Auxilium Foundation
The Beatrice Laing Trust
The Cleopatra Trust
The David & Ruth Lewis Family Charitable Trust
The Fishmongers' Company
The Goldsmiths Company
The Innholders' Charitable Foundation
The Julia & Hans Rausing Trust
The Mark Leonard Trust
The Rank Foundation
The Sheriffs' and Recorder's Fund
The Worshipful Company of Cooks
Vicars Relief Fund
William Brake Charitable Trust

The work of the charity not only changes lives of the Clink graduates but also their families and friends as well as making society a safer place and ultimately saving the taxpayers money.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees' responsibilities.

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the income and expenditure of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed 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 remain in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011, the Charity (Accounts and Report) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In as far as the trustees are aware:

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

On behalf of the Board



Finlay Scott – Trustee

Date: 22/6/2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE CLINK CHARITY FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of The Clink Charity (the 'charitable company') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities (including summary Income and Expenditure Account), the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement 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, 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 group's and the parent charitable company's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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.

Emphasis of matter

We draw attention to note 1 of the financial statements which describes the impact of coronavirus on the group and charitable company's activities. Our opinion is not modified in respect of this matter.

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 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE CLINK CHARITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page [x], the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have 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 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE CLINK CHARITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement 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 purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 company'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 company 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE CLINK CHARITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

A handwritten signature in black ink that reads "Moore Kingston Smith LLP".

James Cross (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

21 July 2021

Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

THE CLINK CHARITY

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

INCOME AND EXPENDITURE		Unrestricted	Restricted	Total	Total
	Note	Funds	Funds	2020	2019
		£	£	£	£
Income					
Income from raising funds	2	1,161,072	436,333	1,597,405	1,052,694
Income from charitable activities	5	1,043,369	-	1,043,369	2,497,619
Government CJRS Grant income		651,273	-	651,273	-
Income from investments	4	2,889	-	2,889	2,096
Total income		2,858,603	436,333	3,294,936	3,552,409
Expenditure					
Expenditure on raising funds	6	37,373	-	37,373	47,866
Expenditure on Charitable Activities					
Primary purpose trading, training and mentoring	6	2,068,773	327,271	2,396,044	3,231,900
Other charitable expenditure	6	83,245	35,526	118,771	102,047
Total expenditure	6	2,189,391	362,797	2,552,188	3,381,813
Net income for the year		669,212	73,536	742,748	170,596
Gross transfers between funds	13	-	-	-	-
Net movements in funds		669,212	73,536	742,748	170,596
Funds brought forward		484,736	443,239	927,975	757,379
Funds carried forward		1,153,948	516,775	1,670,723	927,975

All amounts derive from continuing activities.

The charitable company has no recognised gains or losses other than the net income for the year.

The accompanying notes form part of these financial statements.

THE CLINK CHARITY


CONSOLIDATED AND CHARITY BALANCE SHEETS FOR THE YEAR ENDED 31 DECEMBER 2020

		Group		Charity	
	Note	2020 £	2019 £	2020 £	2019 £
Fixed assets					
Fixed Assets	8	658,166	820,813	-	-
Investments	9	-	-	2	2
		658,166	820,813	2	2
Current assets					
Stock		66,718	81,285	-	-
Debtors	10	151,038	144,334	4,069	691,998
Cash at bank		1,897,020	2,223,629	1,867,817	2,189,297
		2,114,776	2,449,248	1,871,886	2,881,295
Creditors: amounts falling due within one year	11	(892,219)	(2,132,086)	(576,516)	(1,728,448)
Net current assets		1,222,557	317,162	1,295,370	1,152,847
Creditors: amounts falling due within more than one year	12	(210,000)	(210,000)	(210,000)	(210,000)
Net assets		1,670,723	927,975	1,085,372	942,849
Funds	13				
Unrestricted funds		1,153,948	484,736	568,597	499,610
Restricted funds		516,775	443,239	516,775	443,239
		1,670,723	927,975	1,085,372	942,849

The deficit for the financial year dealt with in the financial statements of the parent charity totalled £563,267 (2019: £479,672)

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

On behalf of the Board



F T K Scott - Trustee

Date: 22 June 2021

Company registration number: 07157540

THE CLINK CHARITY

**CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash (used in) / provided by operating activities	16	(254,759)	1,990,586
Cash flows from investing activities:			
Interest receivable	4	2,156	680
Purchase of property, plant and equipment	8	(74,006)	(21,622)
Net cash (used in) investing activities		(71,850)	(20,942)
Change in cash and cash equivalents in the reporting period		(326,609)	1,969,644
Cash and cash equivalents at the beginning of the reporting period		2,223,629	253,985
Cash and cash equivalents at the end of the reporting period		1,897,020	2,223,629
Analysis of Cash and Cash Equivalents			
		2020 £	2019 £
Cash at bank		1,897,020	2,223,629
Total cash and cash equivalents		1,897,020	2,223,629
Analysis of Changes in debt			
	1 Jan 2020 £	Cashflows £	31 Dec 2020 £
Cash at bank	2,223,629	(326,609)	1,897,020
Loans falling due within one year	-	-	-
Loans falling due after more than one year	-	-	-
	2,223,629	(326,609)	1,897,020

THE CLINK CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 ACCOUNTING POLICIES

Accounting Convention

The financial statements are prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charitable company is a public benefit entity for the purpose of FRS102 and therefore the charity and group's financial statements have been prepared in accordance with 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 (the FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared on a going concern basis which assumes the charitable group will continue in operational existence for the foreseeable future.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Charitable group has been significantly impacted by the Covid-19 pandemic with Restaurant and Cafe remaining closed for a large part of the year. In response the Charity accessed the Government's furlough scheme and is looking forward to reopening as restrictions are lifted. The trustees have considered the impact of COVID-19 on the charitable group's future plans and operating and budgeting processes; these reviews have covered income and expenditure forecasts and cash flows for 2021 and also 2022. Based on these forecasts and after making enquiries the trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements.

Basis of consolidation

These financial statements consolidate the results of the charitable company and its wholly owned subsidiaries The Clink Restaurant Company Limited, Clink Trading Limited and The Clink Cafe Charity. A separate statement of financial activities is not presented for the charity itself as it has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs 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.

Tangible fixed assets

Depreciation is at the following annual rates to write off each asset over its estimated useful life:

Leasehold	10%	per annum
Plant and machinery	10%	per annum
Fixtures and fittings	10%	per annum
Motor vehicles	10%	per annum
Computer equipment	20%	per annum

THE CLINK CHARITY

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

1 ACCOUNTING POLICIES (Continued)

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all its financial instruments.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at the amount receivable and subsequently adjusted for any impairment or other

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies, are initially measured at the amount payable and subsequently adjusted for any changes in

Pension costs and other post-retirement benefits

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

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

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

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.

Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

THE CLINK CHARITY

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

2 VOLUNTARY INCOME

	Unrestricted £	Restricted £	2020 £	2019 £
Donations	79,338	-	79,338	204,191
Gift aid	4,038	-	4,038	7,687
Grants	1,015,000	436,333	1,451,333	768,480
	1,098,376	436,333	1,534,709	980,358

Of total voluntary income reported above, £1,087,738 are attributable to unrestricted funds (2019: £382,214) and £446,971 attributable to restricted funds (2019: £670,480)

Grants included in the above are as follows:

2020	Unrestricted £	Restricted £	2020 £	2019 £
Rausing Foundation	1,000,000	100,000	1,100,000	350,000
The Innholders' Charitable Foundation	-	31,500	31,500	30,000
Rank Foundation	-	-	-	30,000
Stiftung Auxilium - Porticus	-	83,333	83,333	-
The Worshipful Company of Cooks	-	40,000	40,000	28,000
City Bridge Trust	-	17,500	17,500	35,000
Savoy Education Trust	-	30,000	30,000	30,000
Sandy & Sue Arbuthnot	-	50,000	50,000	50,000
The Fishmongers' Company	-	38,000	38,000	78,480
Beatrice Lang	-	10,000	10,000	-
Artemis Investment Management	-	-	-	40,000
Lewis Family Trust	-	-	-	12,000
Banham Foundation	-	-	-	10,000
Antonio Carluccio Foundation	-	20,000	20,000	24,000
Goldman Sachs	-	-	-	30,000
Goldsmiths	15,000	-	15,000	15,000
PCC RR Grant funding The Clink Restaurant	-	5,000	5,000	-
Gibson Charitable trust Cardiff	-	5,000	5,000	-
Borrows Charitable Trust COVID19	-	2,000	2,000	-
Sheriff & Recorders COVID 19	-	1,000	1,000	-
Mark Leonard Trust COVID 19	-	3,000	3,000	-
Other small grants	-	-	-	6,000
Total Grant Income	1,015,000	436,333	1,451,333	768,480
2019 Total Grant Income	98,000	670,480	768,480	

3 OTHER FUNDRAISING ACTIVITIES

	2020 £	2019 £
Fundraising events	62,696	72,336
	62,696	72,336

THE CLINK CHARITY

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

4 INVESTMENT INCOME	2020 £	2019 £
Rental income	733	1,416
Interest receivable	2,156	680
	2,889	2,096

Investment income totalling £2,889 are attributable to unrestricted funds (2019: £2,096)

5 INCOME FROM CHARITABLE ACTIVITIES	2020 £	2019 £
Income from restaurant sales	222,226	999,537
Income from training restaurants - training income	651,117	813,330
Income from events catering - events income	107,650	567,011
Income from Café sales - Café income	25,018	106,330
Other charitable income - other income	37,358	11,411
	1,043,369	2,497,619

Incoming resources from charitable activities totalling £1,043,369 are attributable to unrestricted funds (2019: £2,497,619)

6 ANALYSIS OF EXPENDITURE

2020	Staff costs (Note 7) £	Direct costs £	Support costs (Note 6a) £	Total 2020 £
Expenditure on raising funds:				
Expenditure on raising donations	14,705	17,713	4,956	37,373
Charitable activities:				
General charitable activities	62,263	-	20,982	83,245
COVID19 Support	-	35,526	-	35,526
Restaurant operation, training and mentoring	1,254,891	196,343	422,908	1,874,143
Events operation, training and mentoring	263,691	58,841	88,866	411,398
Cafe operation, training and mentoring	72,928	12,999	24,576	110,503
Total expenditure	1,668,478	321,422	562,288	2,552,188

Total expenditure reported above is comprised of £2,165,565 attributable to unrestricted funds (2019: £3,069,373) and £416,984 attributable to restricted funds (2019: £312,511)

2019	Staff costs (Note 7) £	Direct costs £	Support costs (Note 6a) £	Total 2019 £
Expenditure on raising funds:				
Expenditure on raising donations	16,218	26,364	5,284	47,866
Expenditure on other trading activities:				
General charitable activities	80,625	-	21,422	102,047
Restaurant operation, training and mentoring	1,450,667	439,733	477,457	2,367,857
Events operation, training and mentoring	318,298	247,242	103,698	669,238
Cafe operation, training and mentoring	110,860	47,829	36,117	194,806
Total expenditure	1,976,668	761,168	643,977	3,381,813

THE CLINK CHARITY

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

6a Analysis of Support Costs	Total 2020 £	Total 2019 £
General expenses	227,130	327,725
Information technology & Computer Costs	38,267	32,504
Marketing & Website costs	7,527	17,428
Insurance	30,621	26,677
Bank charges	500	265
Depreciation	167,892	172,738
Irrecoverable VAT	-	3,354
Governance Costs (6b)	90,351	63,286
	562,288	643,977
6b Governance costs	Total 2020 £	Total 2019 £
Trustees Expenses	77	584
Audit fees (i)	28,450	31,099
Legal & professional fees	61,509	27,955
Other professional fees	315	3,648
	90,351	63,286
	Total 2020 £	Total 2019 £
(i) Audit fees analysis		
Audit fees - Current year	21,505	23,841
Audit fees - prior year under accrual	555	1,693
- Non-audit services	6,390	5,565
	28,450	31,099

THE CLINK CHARITY

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

7 STAFF COSTS	2020 £	2019 £
Wages and Salaries	1,473,347	1,690,881
Social Security contributions	126,668	151,312
Pension contributions	68,463	134,475
	1,668,478	1,976,668

The average number of employees in the year was 59 (2019 - 58)

Staff costs allocated within expenditure as:	2020 £	2019 £
Expenditure on raising funds	14,705	16,218
Charitable activities	1,653,773	1,960,450
	1,668,478	1,976,668

Staff costs shown above is inclusive of:

Employee redundancy and non-contractual termination payments of £3,069 (2019: £4,057) were made during the year.
Compensation for loss of office of £NIL (2019: £14,875) was incurred and included in figures above.

The Director and senior management team are considered to be Key Management Personnel of the charity and total remuneration paid to KMP during the year was £326,111 (2019: £346,856).

Employees paid over £60,000 fell into the following bands:	2020	2019
£90,000 - £100,000	1	1
£60,000 - £70,000	1	2

Pension contributions for the higher paid employees amounted to £35,361 (2019: £62,754) during the year.

No Trustees were paid any remuneration during the current or previous year. Trustees were reimbursed expenses totalling £77 (2019: £161).

THE CLINK CHARITY

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

8 TANGIBLE FIXED ASSETS (GROUP)

	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Office Equipment £	Total £
Cost						
At 1 January 2020	79,356	582,745	924,551	49,704	39,188	1,675,544
Additions	-	74,006	-	-	-	74,006
Asset category reclassification	-	9,789	(9,789)	-	-	-
Disposals	-	(58,727)	(32,937)	(10,620)	(374)	(102,658)
At 31 December 2020	79,356	607,813	881,825	39,084	38,814	1,646,892
Depreciation						
At 1 January 2020	39,678	262,087	510,506	16,887	25,573	854,731
Charge for year	7,936	60,781	88,182	3,909	7,084	167,892
Asset category reclassification	-	979	(979)	-	-	-
Disposals	-	614	(26,905)	(174)	(7,432)	(33,897)
At 31 December 2020	47,614	324,461	570,804	20,622	25,225	988,726
Net Book Value						
At 31 December 2020	31,742	283,352	311,021	18,462	13,589	658,166
At 31 December 2019	39,678	320,658	414,045	32,817	13,615	820,813

9 FIXED ASSET INVESTMENTS

The Clink Charity owns the whole of the share capital of The Clink Trading Limited, a company registered in England and Wales (company number 9926424, registered office 1 London Bridge, London SE1 9BG). The Clink Trading Company operates the events catering in fulfilment of the charity's charitable purpose.

The Clink Charity also owns the whole of the share capital of The Clink Restaurant Company Limited, a company registered in England and Wales (company number 7092125, registered office 1 London Bridge, London SE1 9BG)). The Clink Restaurant Company operates the restaurants in fulfilment of the charity's charitable purpose.

The Clink Charity is sole member of The Clink Café Charity, a charitable incorporated organisation "CIO" (charity number 1180942 company number CE015766, register office 1 London Bridge, London SE1 9BG) which operates a café in central Manchester. The Clink Café Charity operates the café in fulfilment of the charity's charitable purpose.

The Clink Charity also owns the whole of the share capital of the following dormant subsidiaries

Entity Name	Company Registration No.	
The Clink Bakery Ltd	12161670	100% wholly owned subsidiary (dormant)
The Clink Café Ltd	12710775	100% wholly owned subsidiary (dormant)
The Clink College Ltd	12704773	100% wholly owned subsidiary (dormant)
The Clink Events Ltd	12161627	100% wholly owned subsidiary (dormant)
The Clink Gardens Ltd	12704769	100% wholly owned subsidiary (dormant)
The Clink Training Ltd	12161764	100% wholly owned subsidiary (dormant)
The Clink Kitchens Ltd	12165242	100% wholly owned subsidiary (dormant)
The Clink and Collect Ltd	12711813	100% wholly owned subsidiary (dormant)
The Clink at Home Ltd	13161527	100% wholly owned subsidiary (dormant)

THE CLINK CHARITY

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

9 FIXED ASSET INVESTMENTS (CONTINUED)

All activities have been consolidated in the Statement of Financial Activities on a line by line basis. A summary of the results of the subsidiary are shown below.

	Restaurant		Trading		Café	
	2020 £	2019 £	2020 £	2019 £	2020 £	2019 £
Turnover	1,957,372	2,321,491	322,903	649,661	110,502	149,819
Cost of sales	(1,244,764)	(1,655,379)	(279,862)	(542,302)	(85,927)	(158,689)
Gross profit	712,608	666,112	43,041	107,359	24,575	(8,870)
Administrative expenses	(665,565)	(750,923)	(99,030)	(105,045)	(75,673)	(35,207)
	47,043	(84,811)	(55,989)	2,314	(51,098)	(44,077)
Other operating income	37,358	108,447	-	-	-	-
Operating (loss)/profit	84,401	23,636	(55,989)	2,314	(51,098)	(44,077)
Interest receivable	-	602	-	-	-	-
Interest payable	-	(42,643)	-	(7,212)	-	(3,017)
Exceptional income	1,067,216	-	168,100	-	93,387	-
(Loss)/Profit on ordinary activities	1,151,617	(18,405)	112,111	(4,898)	42,289	(47,094)
Assets	784,607	814,832	147,598	197,925	3,206	60,526
Liabilities	(255,508)	(1,437,349)	(86,540)	(248,978)	(8,011)	(107,620)
Net liabilities	529,099	(622,517)	61,058	(51,053)	(4,805)	(47,094)

10 DEBTORS

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	83,195	118,752	3,380	35,757
Other debtors	63,371	659	689	609
Prepayments & Accrued Income	4,472	24,923	-	2,973
Due from subsidiary undertakings	-	-	-	652,659
	151,038	144,334	4,069	691,998

THE CLINK CHARITY

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

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	25,878	79,943	886	1,932
Other creditors	41,242	37,265	1,003	1,152
Accruals	59,457	135,658	10,837	26,736
Deferred income	628,844	1,734,995	559,500	1,696,630
Taxation and social security	136,798	144,225	4,290	1,998
	892,219	2,132,086	576,516	1,728,448

The deferred income balance of £559,500 (2019: £46,630) in the charity comprises income from ticket sales, fundraising and sponsorship for the Clink Ball 2020 totalling £9,500 and £550,000 Clink Kitchens Project Funding from The Julia and Hans Rausing Trust which is subject to certain matched funding conditions. The group deferred income balance includes £69,344 (2019: £84,995) for events taking place in 2021.

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Deferred income at 1 January	1,734,995	98,434	1,696,630	24,860
Deferred income released in the year	(1,734,995)	(98,434)	(1,696,630)	(24,860)
Income received in advance	628,844	1,734,995	559,500	1,696,630
Deferred income at 31 December	628,844	1,734,995	559,500	1,696,630

12 CREDITORS: AMOUNTS FALLING DUE WITHIN MORE THAN ONE YEAR

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Repayable grant	210,000	210,000	210,000	210,000

The Rank Foundation have provided a repayable grant to the charity at a 0% interest rate with no early repayment clause. Since the balance sheet date the trustees of the Rank Foundation have agreed to extend the repayment date from September 2022 to December 2026.

THE CLINK CHARITY

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

13 RECONCILIATION OF MOVEMENTS IN TOTAL FUNDS

2020	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
Unrestricted funds					
General funds	1,205,400	1,137,515	(445,613)	-	1,897,302
Trading funds	(720,664)	1,721,088	(1,743,778)	-	(743,354)
Total Unrestricted Funds	484,736	2,858,603	(2,189,391)	-	1,153,948
Restricted funds					
The Innholders' Charitable Foundation	7,500	31,500	(26,520)	(1,500)	10,980
Savoy Education Trust	7,500	30,000	(21,673)	-	15,827
The Julia and Hans Rausing Trust	241,778	100,000	(39,732)	-	302,046
Sandy & Sue Arbuthnot	30,000	50,000	(30,000)	-	50,000
The Rank Foundation	27,667	-	(20,310)	-	7,357
Antonio Carluccio Foundation	6,000	20,000	-	(20,000)	6,000
The Worshipful Company of Cooks	8,833	40,000	(14,465)	(10,000)	24,368
City Bridge Trust	8,750	17,500	(22,595)	-	3,655
The Fishmongers' Company	105,211	38,000	(75,708)	(3,000)	64,503
Stiftung Auxilium - Porticus	-	83,333	(76,267)	-	7,066
Beatrice Lang	-	10,000	-	-	10,000
PCC RR Grant funding The Clink Rest	-	5,000	(3,367)	-	1,633
Gibson Charitable trust Cardiff	-	5,000	(5,000)	-	-
Borrows Charitable Trust COVID19	-	2,000	(2,000)	-	-
Sheriff & Recorders COVID 19	-	1,000	(1,000)	-	-
Mark Leonard Trust COVID 19	-	3,000	(3,000)	-	-
COVID19 Graduate Support fund	-	-	(21,159)	34,500	13,341
Total Restricted Funds	443,239	436,333	(362,797)	-	516,775
Total Funds	927,975	3,294,936	(2,552,188)	-	1,670,723
2019	Brought Forward £	Income £	Expenditure £	Transfers £	Carried Forward £
Unrestricted funds					
General funds	1,322,375	285,618	(402,593)	-	1,205,400
Trading funds	(650,266)	2,596,311	(2,666,709)	-	(720,664)
Total Unrestricted Funds	672,109	2,881,929	(3,069,302)	-	484,736
Restricted funds					
The Innholders' Charitable Foundation	7,500	30,000	(30,000)	-	7,500
Savoy Education Trust	-	30,000	(22,500)	-	7,500
The Julia and Hans Rausing Trust	-	350,000	(108,222)	-	241,778
Sandy & Sue Arbuthnot	-	50,000	(20,000)	-	30,000
The Rank Foundation	29,167	30,000	(31,500)	-	27,667
Antonio Carluccio Foundation	-	24,000	(18,000)	-	6,000
The Worshipful Company of Cooks	3,333	28,000	(22,500)	-	8,833
City Bridge Trust	8,750	35,000	(35,000)	-	8,750
The Fishmongers' Company	36,520	78,480	(9,789)	-	105,211
Banham Security Foundation	-	10,000	(10,000)	-	-
Simon Gibson Charitable Trust	-	5,000	(5,000)	-	-
Total Restricted Funds	85,270	670,480	(312,511)	-	443,239
Total Funds	757,379	3,552,409	(3,381,813)	-	927,975

THE CLINK CHARITY

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

13 RECONCILIATION OF MOVEMENTS IN TOTAL FUNDS (CONTINUED)

The Innholders' Charitable Foundation provides for mentoring and support for HMP Brixton restaurant.
 Savoy Educational Trust funding towards core costs of The Clink Café charity and graduate training costs across all projects
 The Rank Foundation for the funding of a General Manager for Clink Events at HMP Downview.
 The Worshipful Company of Cooks provides funding for the chef trainer at mentor at HMP Downview.
 City Bridge Trust provides funding for a support worker at HMP High Down.
 The Fishmongers' Company provides funding for HMP Styal Gardening Project (staff costs and capex)
 Simon Gibson Charitable Trust provides funding for HMP Cardiff.
 Banham Security Foundation provides funding for support workers
 Antonio Carluccio Foundation provides funding for 3 trainee places
 Beatrice Laing funding for new Ovens at HMP High Down

Funding received for the Clinks Kitchens Project is reflected by below funds

The Julia and Hans Rausing Trust
 Sandy & Sue Arbuthnot
 Stiftung Auxilium - Porticus

COVID-19 Clink Graduate Emergency Support Fund to provide emergency accommodation, basic provisions and other essentials to Clink Graduates in need in the Community.

14 ALLOCATION OF THE GROUP NET ASSETS

	Fixed Assets £	Current Assets £	Current Liabilities £	Non Current Liabilities £	2020 Total £
General fund	-	794,868	1,312,434	(210,000)	1,897,301
Trading funds	658,166	243,633	(1,645,153)	-	(743,354)
Restricted Funds	-	1,076,275	(559,500)	-	516,775
	658,166	2,114,776	(892,219)	(210,000)	1,670,723

	Fixed Assets £	Current Assets £	Current Liabilities £	Non Current Liabilities £	2019 Total £
General fund	-	109,397	1,291,128	(210,000)	1,190,525
Trading funds	820,813	220,612	(1,747,214)	-	(705,789)
Restricted Funds	-	2,119,239	(1,676,000)	-	443,239
	820,813	2,449,248	(2,132,086)	(210,000)	927,975

THE CLINK CHARITY

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

15 RELATED PARTY TRANSACTIONS

Donations received from trustees in the year amounted to £NIL (2019: £10,000)

During the year the Trustees of the charity agreed to waive the amounts owed by its subsidiary undertakings on the basis that the purposes of the loans had been achieved in the interests of the charity. Accordingly, the following amounts were waived

The Clink Restaurant Company Limited £1,067,216
Clink Trading Limited £168,100
The Clink Café Charity CIO £93,387

During the year, The Clink Charity provided grants of £587,955 (2019: £507,570) to The Clink Restaurant Company Limited including COVID19 support grants of £33,409 (2019: £NIL). Included in the balance sheet for the charity is balance of £NIL (2019: £1,073,301) due from The Clink Restaurant Company Limited. Interest of £NIL (2019: £42,643) was charged on the loan balance.

During the year, The Clink Charity provided grants of £68,985 (2019: £82,650) to Clink Trading Limited. Included in the balance sheet for the charity is balance of £NIL (2019: £185,806) due to Clink Trading Limited. Interest of £NIL (2019: £6,610) was charged on the loan balance.

During the year, The Clink Charity provided grants of £50,107 (2019: £43,489) to the Clink Café. Included in the balance sheet for the charity is balance of £NIL (2019: £100,060) due to the Clink Café. Interest of £NIL (2019: £3,017) was charged on the loan balance.

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

	£	£
Net income for the reporting period	742,748	170,596
Adjustments for:		
Interest receivable	(2,156)	(680)
Depreciation	167,892	172,739
Disposal of fixed assets	68,761	7,657
Decrease /(Increase) in stock	14,567	(7,912)
(Increase) in debtors	(6,704)	(87,047)
(Decrease) / Increase in creditors	(1,239,867)	1,735,233
Net cash provided by operating activities	(254,759)	1,990,586

17 Operating Lease commitments

The group has the below minimum lease payments payable under non-cancellable operating leases arrangements at the reporting date.

	Group			Charity		
	Plant & Machinery	Office Equipment	Total	Total	Office Equipment	
	2020	2020	2020	2019	2020	2019
	£	£	£	£	£	£
Within a year	13,086	2,866	15,952	15,952	2,866	2,866
Two to five years	7,634	5,732	13,366	29,318	5,732	8,598
	20,720	8,598	29,318	45,270	8,598	11,464