
LINKS INTERNATIONAL

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

LINKS INTERNATIONAL

CONTENTS

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 10
Independent auditors' report on the financial statements	11 - 14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18 - 31

LINKS INTERNATIONAL

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees

P Moore, Chair
G Jones, Treasurer
C Read
A King
D Kirby
B Ansell
B Gisbey
E Gladwell

Charity registered number

1168872

Principal office

P O Box 198
Littlehampton
West Sussex
BN16 3UQ

Independent auditors

Baldwin Scofield Ltd
Chartered Accountants
Statutory auditors
3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

Bankers

Lloyds Bank plc
1 Silver Street
Enfield
EN1 3EE

Solicitors

Swaby, Clerk and Norris
16-21 Wakering Road
Barking
Essex
IG11 8QN

LINKS INTERNATIONAL

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2021 to 31 December 2021.

Objectives and activities

● Policies and objectives

The Charity has four purposes set out in its constitution, each of which has equal value and importance. These are:

- To advance the Christian faith
- To relieve persons who are in conditions of need, financial hardship or sickness
- To advance education
- To promote sustainable development by the relief of poverty, the improvement of the conditions of life in socially and disadvantaged communities and the promotion of sustainable means of achieving economic growth and regeneration.

The Charity seeks to advance these purposes across many different countries throughout the world.

Links International's vision is to Confront Poverty, Create Potential and Connect People, by facilitating transformational, holistic solutions to international development, because we believe that there is a new world being formed in the shell of the old. We do this by creating connections and partnerships with key nationals and innovative organisations around the world to provide training, resources and financial support.

Links works specifically into the five areas of Faith, Health, Business, Education and Social Justice.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

• Strategies for achieving objectives

Faith

Our Christian faith underpins all of the work that we do and we believe that international development is the logical outworking of the Christian message of God's restoration of all things through the finished work of Christ. We carry out extensive work around the areas of church partnerships, starting new faith communities and raising up leaders.

Health

Links Community Healthcare (CHC) provides preventative health training to teams of volunteer CHC workers throughout the majority world, working into slums, tribal communities and rural areas with limited medical facilities. Our SHINE Programme comprises sanitation, hygiene, immunisation, nutrition and education, which eliminates many of the problems faced by the majority world.

A significant number of our projects also have a direct impact on healthcare, whether these are agricultural projects, clean water projects, latrines providing greater sanitation or clinics meeting the needs of communities.

Business

Through business development, whether on a micro or macro level, Links has seen many tens of thousands of families come out of extreme poverty through training and micro-loan systems.

Links also facilitates the development of income-generating projects to empower organisations in the majority world to raise much needed funds to cover their core costs, thus freeing them from the tyranny of having to constantly rely on funds being raised from the so called 'developed' world.

Links has a strong portfolio of business development training resources for both loan recipients and micro-finance management committees.

Education

Links' education branch seeks to empower our partners around the world to provide innovative forms of education, from schooling to training and teaching in business, health, leadership and a range of sociological, political and theological issues.

Social Justice

Some of the key areas that we focus on are racial and gender equality, children's rights and protection, developing local justice systems, awareness of dangers, such as the predatory nature of people traffickers and dismantling cultural norms that contradict the culture of the Kingdom of God.

The Trustees regularly consider and review the public benefit arising from the activities of the Charity. The focus of the Charity is to maximise public benefit by supporting those who are in need, are disadvantaged or are economically deprived. The Trustees confirm that they have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

Achievements and performance

• Public benefit

The Trustees have reviewed the extent of public benefit derived from our activities. Their focus remains on maximising public benefit by supporting those in need, disadvantaged or economically deprived. The activities of Links International bring significant public benefit. Details of our particular projects and activities are best described on our website www.links.charity. The Trustees confirm that they had regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance was relevant.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

● Introduction

2021 has once again proven to be both a challenging, but also rewarding year for us in Links International. As the global pandemic stretched into another year of uncertainty, with restrictions due to the pandemic and with regards to both our opportunities to travel and carry out on-site training and project development, and also the general public's attitudes to giving in general.

As in the previous year, with the restrictions of the pandemic, once again we were forced to continue carrying out remote training in the various areas of work that Links focusses on and, far from limiting our reach, we have actually found that we have extended our reach and capacity much further.

As an organisation, generally our focus is more around the areas of rehabilitation and development. However, the pandemic has meant that we have needed to continue working alongside our partners around the world, providing food, aid and relief. We have also focussed a great deal of our healthcare training around the areas of good hygiene and sanitation. Many of our partners have also continued to be instrumental in the provision of PPE, sensitisation programs and clean water projects for our partners around the world.

We have strengthened our fundraising output and effort with a greater focus on grant and trust applications, several of which have been successful, and we have also implemented a pattern of two main appeals, one in summer and one in winter to focus on certain areas of our work. This year the focus has been healthcare in summer and business in winter. Both appeals were match-funded by corporate partners and have been instrumental in raising funds to invest into these specific areas of work. In summer and winter of 2022, we will be focusing on the areas of education and social justice.

Our infrastructure and spending are kept to a minimum but, in the current climate, it remains a challenge to raise unrestricted funds to be used for the outworking of the charity itself. We have been fortunate to receive funding in the forms of legacies and some considerable donations from our corporate partners.

As an organisation this year we have gone through an extensive rebrand and also transitioned to a number of new systems which will greatly increase our ability to operate and better serve our partners in the coming year.

● Review of the year

Links has continued to support and invest in our infrastructure and partnerships with organisations overseas and within the UK, throughout the year, through:

- Digital and on-site training and support to overseas partners
- Provision of strategic resources and emergency aid and relief
- The rebrand of the organisation
- Transitioning to a new database
- Providing administrative support and project consultancy
- Providing assistance in strategic policies for mission and development involvement to churches, organisations and businesses

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

● Staff team

The staff team has gone over and above in 2021 continuing to adapt to the restrictions and limitations of the global pandemic.

Throughout the year we explored various forms of hybrid working as a team, merging office-based and remote working options. Much of our work has become far more efficient and time/cost effective.

The Fundraising team has continued to develop throughout this year, as donors have stepped up to give into emergency appeals and the yearly rhythm of appeals towards specific areas of our work.

We have also taken on a new Admin Support role which has lightened the load considerably from our office support staff.

● Overseas trips

Due to the ongoing pandemic, we have been unable to carry out teams and trips in the same way throughout 2021. However, this has not limited the impact of our work. We have still been able to connect regularly with our overseas partners and provide a variety of digital training opportunities, including a mixture of leadership, healthcare and business training. Throughout 2021 we have carried out training sessions in the following countries:

Colombia
India
Kenya
Nicaragua
Malawi
Zambia
Uganda
Sri Lanka

Towards the end of 2021 we were also able to carry out an on-site visit and in-person training for partners in various locations around Colombia.

● Projects

Our vision is for projects to be self-sustaining, holistic, empowering and income generating. Projects are often connected to specific areas of our work, whether that be business, health, education or social benefit focussed, and often arise out of the needs seen during team trips.

Working with both targeted funds from partners and general funds, in 2021 we were able to support a range of projects mainly connected to our Covid relief and healthcare appeals. These included works aimed at:

- Healthcare and sanitation
- PPE and training
- Farming (including solar farming and irrigation projects)
- Safe water supply
- Malaria prevention
- Rebuilding of living spaces
- Agricultural and livestock initiatives
- Sustainable transport for village teams
- Medium-size business start-ups to provide employment and income streams for partners

Alongside these we were also able to fund new micro-enterprise projects and maintain the value of existing MED scheme funds.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

● Act4You accounts handling

Under our Act4You initiative, the number of accounts managed by Links has continued to grow. By the end of the year, we were handling 130 accounts on behalf of 100 individuals, businesses and organisations involved in charitable work in approximately 32 countries, as well as offering consultancy services where required.

● National offices

We have now established an African based regional office in Malawi to better serve our partners throughout the continent and are in the process of beginning to look into the possibility of both a South American and Asian office in the not-too-distant future.

Links International, also connect to a regional 'Links USA' office in Houston, Texas, who carry the same vision, mission and values as the Links Head Office, but operate as a separate charitable entity. Relationships with the Links USA office remains strong and together we collaborate on several projects and initiatives around the world. Links USA have now set up a regional office for Central America, based in El Salvador.

● Fundraising and Communications

Our fundraising and communications have improved considerably throughout the year with an increase in social media following across the various platforms. We have also vastly improved our media output through video updates and activity on our YouTube channel; this in turn has increased our magazine and e:link subscriptions. We currently send our monthly e:link to 1593 recipients, and our annual magazine to 2582 subscribers.

As mentioned previously the fundraising team has continued to develop throughout the year as they have worked hard to improve our response through emergency appeals and a more intentional yearly rhythm of appeals around our core objectives, and an improvement in our updates and communications with our donors. We are also now migrating all of our data to a new database which will significantly improve the way that we communicate with our various donors and stakeholders.

Links now has a much stronger strategy for each of the main areas of our fundraising work, which are:

Church Partnerships
Business Partnerships
School Partnerships
Individual donors, sponsored events etc
Legacies
Fundraising events

All of the above areas have grown due to intentional strategic development.

Financial review

● Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

● Reserves policy

The Trustees aim to maintain an ongoing reserve within general unrestricted funds of at least three to six months of usual operating costs. At present reserves are in excess of this and the Trustees are considering options to ensure the most effective long-term return on investments to secure the future activities of the Charity.

● Funding

The main sources of funding for Links are regular monthly donations from supporters via standing orders. Appeals are run at regular intervals during the year for various aspects of Links work. We also run emergency appeals when natural disasters occur in areas that we work into.

A financial budget had been put in place for 2021, but spending during the year was not as extensive as had been estimated, due to the restrictions of the pandemic.

Needless to say, these restrictions limited the amount of fundraising that could take place. Many of the main fundraisers for core costs were once again cancelled and a significant amount of fundraising support was lost. Other smaller fundraising events, including innovative digital versions of sponsored events were set up again and despite the ongoing limitations, were successfully implemented, making up some of the shortfall.

We are excited to be carrying out a large sponsored activity in 2022, where a number of the Links team will be trekking Kilimanjaro to raise funds to go towards the core costs of the charity.

Financial projections

Links is in a very healthy financial position at this point in time, due to a number of legacies left to the charity and generous donations from corporate partners. Whilst we are keen to find strategic ways to allocate these funds for the ongoing benefit of the work of the charity, we realise that in the current climate these reserves ensure that there is no cause for concern regarding the continuation of Links International.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management

● Constitution

The Charity is established as a Charitable Incorporated Organisation (CIO) and is governed by a Constitution, the current version of which was adopted on 23 August 2016 on the incorporation of the Charity. The Charity is registered with the Charity Commission for England and Wales.

The governance of the Charity rests with the Board of Trustees. The Trustees are the persons with the general control and management of the administration of the Charity. The Trustees carry the overall responsibility for the Charity including its financial stability and the implementation of its charitable aims and objectives. Strategic decisions as to the aims, activities, planning and budgets of the Charity are made by the Trustees. The Board meets at least four times per year.

The Constitution provides that there must be at least three Trustees but does not specify an upper limit on the size of the Board. In practice, the Charity seeks to operate within the range of six to twelve Trustees at any time. Appointment of Trustees is governed by the Constitution. Every Trustee is appointed for a term of three years by way of a resolution passed by the Board. In selecting individuals for appointment as Trustees, the Board has regard to the skills, knowledge and experience needed for the effective administration of the Charity. The Chief Executive is responsible for coordinating the induction of new Trustees, together with the Chair.

Day-to-day management of the Charity is delegated to the staff team via the Chief Executive. The staff team are supported by a team of dedicated volunteers. Volunteers will assist the team in areas such as mailing Links' communication, administration assistance and translation skills. Their role tends to be sporadic around times of the year that Links sends out various communications.

Links International has subsidiary offices in the USA, El Salvador and Malawi. These regional offices take their lead from the UK headquarters with regards to vision, mission and values. They also take their guidance on brand identity and communications from Links International centrally. However, they also have varying levels of autonomy. For instance, the US office is a registered charity in its own right with its own Board of Trustees.

Links partners with many charities and organisations around the world to pursue their objectives to alleviate poverty in all its forms and to advance the Christian faith. These partner organisations range from small, localised organisations in the various countries we work into, to national and international organisations such as Youth with a Mission (YWAM). In the UK, Links partners with a number of church networks such as The Pioneer Network, The Ground Level Network and the 24-7 Prayer Movement. Alongside our church partnerships we also connect with a number of businesses forming corporate partnerships, providing an opportunity for them to work alongside Links for their CSR offering. The Charity does not have a trading subsidiary.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for future periods

Links will continue to grow as an organisation that exists to serve the local church to impact the world, by providing holistic solutions to international development, that changes lives and transforms communities. We will operate regional offices to cover the different continents of the globe and cascade our work out to a far greater audience, client base and global community. As such, we will be well known as a key provider of these services in both the faith and secular community.

Links will continue to have a large portfolio of resources and ways to serve partners both at home and overseas, with a focus on the 5 areas of faith, health, business, education and justice. We will serve a large selection of businesses, organisations, individuals, schools and the local church to engage in meaningful and intentional ways with the needs around the world.

The 'Links Family' of ministries will be a diverse, multi-cultural and multi-generational team working together to bring cross pollination of ideas and initiatives. We will be known as an organisation characterised by faith, adventure, risk, fun, servant-heartedness and willingness to fight for change.

We will always position ourselves as the guide, standing alongside the real heroes out on the ground making a difference.

Some key short-term objectives for 2022 are:

- Rebranding of Links International
- Projects to make our Africa regional office self-sustainable
- Rebooting the work of facilitating teams and trips to carry out on-site training
- Development of International Offices
- Development of media training resources in the areas of business, healthcare and leadership development
- New website and digital resources
- A new database and full usage of the platform's tools to support fundraising
- Translation of all resources into Spanish
- Ongoing development of our fundraising strategy

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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).

The law applicable to charities in England & Wales 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 Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Baldwin Scofield Ltd, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 28 October 2022 and signed on their behalf by:

P Moore
(Chair of Trustees)

LINKS INTERNATIONAL

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKS INTERNATIONAL

Opinion

We have audited the financial statements of Links International (the 'charity') for the year ended 31 December 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

LINKS INTERNATIONAL

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKS INTERNATIONAL (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKS INTERNATIONAL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable incorporated organisation and determined that the most significant are those that relate to the reporting framework in conformity with the requirements of the Charities Act 2011 and the relevant direct and indirect tax compliance regulations in the United Kingdom.

We understood how the charitable incorporated organisation is complying with those frameworks by making enquiries of management to understand how the charitable company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation and minutes of meetings of those charged with governance.

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the risk of management override to be a fraud risk. In addition, we considered the risk of management override by sampling from the entire population of journals, identifying specific transactions which did not meet our expectations based on specific criteria and investigated these to gain an understanding and then agree back to source documentation.

Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved verifying that material transactions were recorded in compliance with Financial Reporting Standards in conformity with the requirements of the Charities Act 2011.

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 Auditors' report.

LINKS INTERNATIONAL

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKS INTERNATIONAL (CONTINUED)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Baldwin Scofield Ltd

Chartered Accountants
Statutory auditors
3 Newhouse Business Centre
Old Crawley Road
Horsham
West Sussex
RH12 4RU

28 October 2022

Baldwin Scofield Ltd are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

LINKS INTERNATIONAL

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	1,519,314	242,345	1,761,659	1,296,463
Charitable activities	4	-	36,530	36,530	-
Other trading activities	5	-	4,700	4,700	-
Investments	6	-	2,278	2,278	4,231
Other income	7	-	649	649	-
Total income		1,519,314	286,502	1,805,816	1,300,694
Expenditure on:					
Raising funds		-	50,487	50,487	14,833
Charitable activities	9	1,273,945	207,351	1,481,296	1,215,174
Total expenditure		1,273,945	257,838	1,531,783	1,230,007
Net income before net gains on investments		245,369	28,664	274,033	70,687
Net gains on investments		-	-	-	2,739
Net movement in funds		245,369	28,664	274,033	73,426
Reconciliation of funds:					
Total funds brought forward		526,661	276,536	803,197	729,771
Net movement in funds		245,369	28,664	274,033	73,426
Total funds carried forward		772,030	305,200	1,077,230	803,197

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 31 form part of these financial statements.

LINKS INTERNATIONAL

BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Current assets			
Debtors	14	24,772	46,165
Cash at bank and in hand		1,059,120	764,946
		<u>1,083,892</u>	<u>811,111</u>
Creditors: amounts falling due within one year	15	(6,662)	(7,914)
Net current assets		<u>1,077,230</u>	<u>803,197</u>
Total assets less current liabilities		<u>1,077,230</u>	<u>803,197</u>
Total net assets		<u>1,077,230</u>	<u>803,197</u>
Charity funds			
Restricted funds	17	772,030	526,661
Unrestricted funds	17	305,200	276,536
Total funds		<u>1,077,230</u>	<u>803,197</u>

The financial statements were approved and authorised for issue by the Trustees on 28 October 2022 and signed on their behalf by:

G Jones

The notes on pages 18 to 31 form part of these financial statements.

LINKS INTERNATIONAL

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	291,896	50,730
Cash flows from investing activities		
Dividends, interests and rents from investments	2,278	4,231
Net cash provided by investing activities	2,278	4,231
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	294,174	54,961
Cash and cash equivalents at the beginning of the year	764,946	709,985
Cash and cash equivalents at the end of the year	1,059,120	764,946

The notes on pages 18 to 31 form part of these financial statements

LINKS INTERNATIONAL

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

1. General information

The Charity is established as a charitable incorporated organisation (CIO) and is governed by a constitution, the current version of which was adopted on 23 August 2016 on the incorporation of the Charity. The Charity is registered with the Charity Commission for England and Wales.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

LINKS INTERNATIONAL

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

2. Accounting policies (continued)

2.8 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.10 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations	1,519,314	81,865	1,601,179
Legacies	-	145,000	145,000
Grants	-	15,480	15,480
	<u>1,519,314</u>	<u>242,345</u>	<u>1,761,659</u>
	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	<u>1,110,146</u>	<u>186,317</u>	<u>1,296,463</u>

LINKS INTERNATIONAL

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

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from charitable activities - Administration fees received	36,530	36,530	-

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising events	4,700	4,700	-

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Investment income - bank interest	2,278	2,278

	Unrestricted funds 2020 £	Total funds 2020 £
Investment income - bank interest	4,231	4,231

LINKS INTERNATIONAL

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

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other incoming resources	649	649	-

8. Analysis of grants

	Grants to Institutions 2021 £	Total funds 2021 £
Grants to projects	1,273,945	1,273,945

	Grants to Institutions 2020 £	Total funds 2020 £
Grants to projects	980,338	980,338

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total 2021 £
Direct costs of charitable activities	1,273,945	207,351	1,481,296

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total 2020 £
Direct costs of charitable activities	980,338	234,836	1,215,174

LINKS INTERNATIONAL

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

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Direct costs	181,231	1,273,945	26,120	1,481,296

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £
Direct costs	226,346	980,338	8,490	1,215,174

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £
Staff costs	151,964	151,964
Travel costs	1,088	1,088
Regional African Coordinator	3,539	3,539
Other costs	120	120
Exp type 4	7,749	7,749
Telephone and broadband	534	534
Website fees	6,174	6,174
Sundry expenses	320	320
Office rent and costs	5,035	5,035
Insurance	1,490	1,490
Software costs	887	887
Postage	1,077	1,077
Office equipment maintenance	242	242
Photocopier costs	1,012	1,012
	181,231	181,231

LINKS INTERNATIONAL

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

10. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Activities 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	143,579	143,579
Project costs	64,331	64,331
Office rent and other costs	18,436	18,436
	<u>226,346</u>	<u>226,346</u>

Analysis of support costs

	Activities 2021 £	Total funds 2021 £
Professional fees	<u>26,120</u>	<u>26,120</u>

	<i>Activities 2020 £</i>	<i>Total funds 2020 £</i>
Professional fees	<u>8,490</u>	<u>8,490</u>

11. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>4,800</u>	<u>3,220</u>

LINKS INTERNATIONAL

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

12. Staff costs

	2021 £	2020 £
Wages and salaries	143,963	136,010
Social security costs	5,566	4,176
Contribution to defined contribution pension schemes	2,435	3,393
	<u>151,964</u>	<u>143,579</u>

The average number of persons employed by the Charity during the year was as follows:

	2021 No.	2020 No.
Direct charitable activities	4	4
Administration	1	1
	<u>5</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

Joe Gisbey is the chief executive and is paid a salary amounting to £42,697 plus pension contribution benefit amounting to £1,094. Employment expenses relating to travel costs amounting to a total of £1,488 were incurred with respect to the chief executive.

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

14. Debtors

	2021 £	2020 £
Due within one year		
Other debtors	24,772	46,165
	<u>24,772</u>	<u>46,165</u>

LINKS INTERNATIONAL

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

15. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,253	2,586
Pension contributions payable	509	-
Accruals and deferred income	4,900	5,328
	<u>6,662</u>	<u>7,914</u>

16. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>1,059,120</u>	<u>764,946</u>

Financial assets measured at fair value through income and expenditure comprise....

LINKS INTERNATIONAL

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

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Unrestricted funds				
General funds	268,787	286,502	(250,089)	305,200
Major project donations	7,749	-	(7,749)	-
	<u>276,536</u>	<u>286,502</u>	<u>(257,838)</u>	<u>305,200</u>
Restricted funds				
Africa	7,038	53,007	(46,812)	13,233
Columbia	16,073	86,779	(86,912)	15,940
France	-	60	(5)	55
India	13,334	55,364	(55,438)	13,260
Kenya	24,764	47,162	(46,803)	25,123
Malawi	33,468	80,226	(82,167)	31,527
Mexico	20,440	13,153	(14,315)	19,278
Nepal	10,941	19,635	(14,717)	15,859
Nigeria	-	1,328	(525)	803
Philippines	11,315	11,089	(10,415)	11,989
Sierra Leone	51,201	33,769	(81,884)	3,086
South Africa	44,373	56,761	(39,815)	61,319
Tanzania	1,650	1,295	(1,649)	1,296
Thailand	39,768	16,341	(11,723)	44,386
Togo	5,582	6,000	(2,300)	9,282
Uganda	34,471	121,788	(106,496)	49,763
UK	43,151	67,432	(71,904)	38,679
Other	7,760	35,338	(38,607)	4,491
General/worldwide	140,634	600,735	(393,905)	347,464
Pakistan	20,698	212,052	(167,553)	65,197
	<u>526,661</u>	<u>1,519,314</u>	<u>(1,273,945)</u>	<u>772,030</u>
Total of funds	<u>803,197</u>	<u>1,805,816</u>	<u>(1,531,783)</u>	<u>1,077,230</u>

LINKS INTERNATIONAL

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

17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
General funds	317,840	188,038	(239,830)	2,739	268,787
Major projects donation fund	15,077	2,510	(9,838)	-	7,749
	<u>332,917</u>	<u>190,548</u>	<u>(249,668)</u>	<u>2,739</u>	<u>276,536</u>
Restricted funds					
Africa	8,292	50	(1,366)	-	6,976
Columbia	9,828	112,048	(105,803)	-	16,073
France	1,335	694	(2,029)	-	-
India	12,881	44,903	(44,450)	-	13,334
Kenya	18,486	46,089	(37,923)	-	26,652
Malawi	31,380	62,035	(59,947)	-	33,468
Mexico	2,534	36,377	(18,471)	-	20,440
Nepal	10,077	12,265	(11,401)	-	10,941
Nigeria	6,269	1,800	(8,069)	-	-
Philippines	17,964	22,857	(18,741)	-	22,080
Sierra Leone	17,522	49,032	(15,353)	-	51,201
South Africa	41,605	28,568	(27,905)	-	42,268
Tanzania	1,337	1,443	(1,130)	-	1,650
Thailand	39,400	20,848	(20,480)	-	39,768
Togo	1,882	6,000	(2,300)	-	5,582
Uganda	18,596	109,749	(108,825)	-	19,520
UK	3,319	46,574	(30,519)	-	19,374
Other	4,597	55,216	(51,734)	-	8,079
General/worldwide	149,550	453,598	(413,893)	-	189,255
	<u>396,854</u>	<u>1,110,146</u>	<u>(980,339)</u>	<u>-</u>	<u>526,661</u>
Total of funds	<u>729,771</u>	<u>1,300,694</u>	<u>(1,230,007)</u>	<u>2,739</u>	<u>803,197</u>

LINKS INTERNATIONAL

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

18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
General funds	276,536	286,502	(257,838)	305,200
Restricted funds	526,661	1,519,314	(1,273,945)	772,030
	<u>803,197</u>	<u>1,805,816</u>	<u>(1,531,783)</u>	<u>1,077,230</u>

Summary of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
General funds	332,917	190,548	(249,668)	2,739	276,536
Restricted funds	396,854	1,110,146	(980,339)	-	526,661
	<u>729,771</u>	<u>1,300,694</u>	<u>(1,230,007)</u>	<u>2,739</u>	<u>803,197</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Current assets	772,030	311,862	1,083,892
Creditors due within one year	-	(6,662)	(6,662)
Total	<u>772,030</u>	<u>305,200</u>	<u>1,077,230</u>

LINKS INTERNATIONAL

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

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Current assets	526,661	284,450	811,111
Creditors due within one year	-	(7,914)	(7,914)
Total	526,661	276,536	803,197

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	274,033	73,426
Adjustments for:		
Dividends, interests and rents from investments	(2,278)	(4,231)
Decrease/(increase) in debtors	21,393	(19,042)
Increase/(decrease) in creditors	(1,252)	577
Net cash provided by operating activities	291,896	50,730

21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	1,059,120	764,946
Total cash and cash equivalents	1,059,120	764,946

LINKS INTERNATIONAL

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

22. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	764,946	294,174	1,059,120
Debt due within 1 year	-	(509)	(509)
	<u>764,946</u>	<u>293,665</u>	<u>1,058,611</u>

23. Pension commitments

"The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £2,435 (2020 - £3,393) An amount of £509 was payable to the fund at the balance sheet date and is included in creditors.

24. Related party transactions

During the year the trustees made a decision to engage Leap Fundraising Ltd as an external fundraising consultant having considered a number of options. Ben Ansell, a trustee, is a director of Leap Fundraising Ltd to which an amount of £34,122 was paid during the year for fundraising consultancy services.

Ben Gisbey, a trustee, is the brother of Joe Gisbey who is employed by the charity as the chief executive and as such there is a potential conflict of interest in acting as a trustee which has been disclosed to the trustees.