
LINKS INTERNATIONAL

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

LINKS INTERNATIONAL

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees

P Moore, Chair
G Jones, Treasurer
C Read (resigned 2 November 2022)
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 2022

The Trustees present their annual report together with the audited financial statements of the Charity for the 1 January 2022 to 31 December 2022.

Objectives and activities

● Policies and objectives

The charitable objects of the charity are:

- (1) To advance the Christian faith;
- (2) To relieve persons who are in conditions of need, financial hardship or sickness;
- (3) To advance education;
- (4) To promote sustainable development by:
 - (a) the relief of poverty and the improvement of the conditions of life in socially and disadvantaged communities; and
 - (b) the promotion of sustainable means of achieving economic growth and regeneration.

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 2022

Objectives and activities (continued)

● Strategies for achieving objectives

Links' vision is to connect people, confront poverty and create potential. We do this by working together with key nationals and partners around the world, focusing on the five areas of Faith; Health; Business; Education; and Justice.

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 in 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 other 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.

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. We believe that as we work together, we can bring holistic solutions to the problems caused by poverty throughout the majority-world.

Achievements and performance

● Public benefit

The Trustees regularly consider and review the public benefit arising from the activities of the Charity. 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 have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Achievements and performance (continued)

● Introduction

2022 was an exciting year for Links, with new partners, projects and team and trip opportunities around the world. It was probably the first year following the pandemic that things felt a little closer to usual operational rhythms. However, it has also been a year of tremendous upheaval with significant international crises, both natural and man-made. This year we have responded with emergency appeals to help partners affected by the war in Ukraine and the devastating flooding that hit Pakistan.

With the accompanying economic crisis that the UK has experienced, a key challenge has been funding the core costs of running the charity as many donors have inevitably had to reduce their giving. However, we have continued to strengthen our fundraising output and effort, with two specific campaigns to cover areas of Links' work and we are also developing the Fundraiser role.

Links' infrastructure and spending are kept to a minimum and we have been very grateful to receive legacy funding that has strengthened our reserves and been a source to draw on in what has otherwise been a leaner year. Aside from funds raised for operational costs we see that funding for our projects continues to remain strong and interest in our work continues to grow. This year we were able to complete an overdue rebrand, which has been very well received and fostered even more interest with new potential markets and donors. Another impact financially has been the embryonic implementation of a change to our charges around project management and trip administration which has helped balance our profit and loss.

Our Act4You service has also continued to grow with new projects, corporate and church partnership, alongside growing input with movements such as Pioneer International, and individuals supported to make an impact around the world.

● Review of the year

We have continued to support and invest in our partnership with organisations overseas in over 40 different countries, and also here within the UK, throughout the year through:

- Team trips to provide training and support to overseas partners
- Provision of strategic resources
- Training, preaching and teaching
- Appeals and campaigns
- Administrative support and project consultancy
- Assistance in strategic policies for mission and development involvement

● Staff team

The Links staff team continues to develop with greater interaction and synergy now that there is a stronger rhythm of hybrid working, both office-based and also utilising technology to have the flexibility for home and distance working.

One exciting opportunity for a number of our office-based staff came in September, when they were able to visit our Africa Regional Office in Malawi and to take part in training visits to many of our partners around the country. This was an inspiring time for those involved and helped solidify the importance of their roles, which they can sometimes feel are more behind the scenes.

The team consistently goes over and above in their work and carries the heart and ethos of Links to change lives and transform communities.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

• Overseas trips

In 2022 we were finally able to really begin to travel and engage more directly, as opposed to only digitally with our partners around the world. We have been able to carry out trips to many communities around the world, delivering training in the areas of Business Development, Healthcare, Education, Leadership development, Justice issues such as racial and gender equality and also basic agricultural development. Alongside this practical work, we have also provided a great deal of spiritual input, speaking and teaching in churches, seminars and conferences around the world. Links has also had the privilege of being able to facilitate team and trip experiences for UK churches. We also continue to utilise technology to carry out digital training for partners across the world.

January – February

Malawi and Zambia – Sam Walker (Africa Region Coordinator) carried out a number of training sessions with partners in various regions throughout Malawi and digital training into neighbouring Zambia.

March

Uganda – Joe Gisbey (CEO) and Sam Walker carried out business training and leadership development.

Kenya – Sam Walker visited partners around the country providing project consultancy and training. Sam also carried out a site visit of a potential new site for Links' African base.

April – May

Malawi – Further training in various locations carried out by Sam Walker.

June – July

Tanzania – Fundraising trip where Joe Gisbey and Sam Walker took part in a sponsored climb of Mount Kilimanjaro.

September

Kenya – Micro Enterprise Training and site visits.

Malawi – Links staff including Ann Edmunds (Healthcare Manager), Paula Orr (Office Manager) and Mandy Dukes (Accounts Manager) joined Sam Walker in Malawi to carry out predominantly healthcare training for partners in various locations around the country.

October

UK – Visit from Links USA team for planning and strategy sessions.

Malawi – Links facilitated the visit of a small team from Ashwood Church.

November

Sri Lanka – Joe Gisbey visited communities affected by the economic crisis in the country and carried out business and leadership development training.

December

Kenya – Sam Walker carried out training and a site visit, before return to the UK for Christmas.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

• Projects

Our aim is that all of the projects that Links initiates will be either self-sustaining or working towards that goal. We also ensure that our projects are holistic, empowering and create an income stream for our partners. There are a number of our projects connected to specific areas of our work, such as water and agricultural projects that connect to our healthcare training; or macro businesses, that can generate further funding for micro-enterprise development. Whether business, health, education or social benefit focused, our projects will often be identified through needs assessments carried out together with our partners during team trips.

Working both with targeted funds from partners and general funds, in 2022 we have been able to support a range of projects. These included works aimed at:

- Providing aid and relief work in Ukraine, Sri Lanka and Pakistan
- Community Centre in Colombia
- Healthcare and sanitation projects, including pit latrines, water filtration and bore hole wells in Africa and India
- Provision of safe water supply in various nations
- Malaria prevention
- Agricultural/ livestock initiatives
- Solar energy 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 in Colombia, Uganda, Kenya, India, Malawi and Zambia, alongside maintaining the value of existing micro business funds (in response to high local inflation) and to encourage more growth in successful micro businesses. One of the ways that this area of work is growing is in our “MED+1” scheme (MED = Micro Enterprise Development) to enable the employment of others within existing micro businesses, for those unable to lead their own business. Alongside this we also continue to develop co-operative village banking groups.

• Act4You

Under our Act4You initiative, the number of accounts managed by Links has again increased. By the end of the year, we were handling 128 accounts on behalf of approximately 105 individuals, businesses and organisations involved in charitable work in approximately 30 countries, as well as offering governance and consultancy services where required. Due to the growing demands and wanting to ensure that we are carrying out sufficient due diligence and providing an excellent service we have increased the charges on these accounts to ensure ongoing sustainability.

• National offices

Relationships with the Links USA office remain strong and together we collaborate on several projects and initiatives around the world. We are also developing our Africa-based regional office to better serve our partners throughout the continent. Looking forward we are investigating the potential of a Latin American and Asian regional base.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

• Communications

Having carried out a rebrand process towards the end of 2021 and early 2022, we were excited to launch the new brand in spring and have received a lot of positive feedback. This has also created a great opportunity to increase our social media and website output. We made the decision for 2022 to send out our annual review/update magazine as a digital download, rather than sending physical copies. This was driven both by our desire to be more ecologically responsible, and also recognising that this would be far more cost-effective. It was very well received and we will repeat this method for 2023.

We also send out both a video and written monthly e:link, which has been a very successful way of keeping our partners up to date with news and developments. Both the e:link and e:magazine are sent on request and without charge to around 3,200 households in the UK and overseas.

The monthly email newsletter (e:Link) is currently distributed to approximately 1,000 recipients. This has proved to be popular and is a good way of increasing traffic to our website.

• Fundraising

We had another successful year in the area of sponsored events with participants raising both funds and awareness through events such as the London Marathon. We also saw an increase in individuals taking the initiative in setting up their own fundraising ideas such as short sponsored runs, walks, quizzes and cake sales. Several new church partnerships were established and a rhythm of events such as "Drinks With Links" to promote our corporate partnership programs were also carried out.

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.

• Reserves policy

The Trustees aim to maintain an ongoing reserve within general unrestricted funds of six months of usual operating costs. At present reserves are in excess of this and the trustees are considering various strategic options for the long-term use of some of these funds to ensure the most effective return on investments to secure the future activities of the charity.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

• Results

Total incoming resources for the year were £1,453,310 (2021 - £1,805,816). Outgoing resources were £1,549,735 (2021 - £1,531,783). This resulted in a deficit for the year of £96,425 (2021 - £274,033 surplus).

The Trustees note that the change from a surplus in 2021 to a deficit in 2022 was largely due to a decrease in income. The two significant factors were a significant legacy income in 2021 which, by its nature, is not a regular occurrence and, in addition, the present economic state of the UK which, amidst high increases in the cost of living, is creating pressure on regular donations, as is the case with many charities.

The Trustees have reviewed the position of the Charity and reflected the present economic conditions in their ongoing budgeting process for the current year.

As at the year end, the charity had total funds of £980,805 (2021 - £1,077,230) of which restricted funds, held separately in a dedicated bank account, represented £774,245 (2021 - £772,030)

• Financial risk management objectives and policies

The Trustees review their assessment of the major risks to which the Charity is exposed on a regular basis each year or when circumstances significantly change, if earlier. These risks include the dangers that can arise from working in potentially hostile settings. As such, we have developed policies and procedures to mitigate against such risks, including dynamic risk assessments, anti-terrorism, fraud and money laundering policies etc. Our procedures, policies and systems are reviewed at least annually to mitigate against the various risks.

• Investments

The level of investments and their location are reviewed at least annually or when any significant income is received.

• Payments to Trustees

There were no remunerative payments to Trustees; only expenses incurred by Trustees related to attending board meetings.

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 Charity has informal connections to Links USA, a US-based entity, operating under the "Links International" banner, which operates autonomously. Though it is a separate entity, Links USA works in relationship with the 'Head Office' in the UK, holding to Links' vision, mission, ethos and values, following the Charity's methods, branding and also utilising Links' training resources and operational models. The Charity does not have a trading subsidiary.

Plans for future periods

Links continues to grow, building capacity by developing our internal structures and staff team and also expanding into new regions by creating regional hubs to cascade our work out into the different continents.

Some of the current activities being worked on include:

- Continued development of the African Regional Coordinator role, currently based in Malawi
- Development of the Links Africa base as a pilot for other international regional offices
- Continue to develop new Church and Corporate Partnerships in the UK
- Development of the WorldChangers community of fundraisers and donors
- Development of digital technologies, fully utilise our new website and the new Donorfy database to better serve our clients
- Further development of materials and resources in both English and Spanish
- Continued development and improvement of our business development work, both at micro and macro levels
- Continued development of website and social media communications
- Developing the area of specific fundraising targets and objectives
- Strengthen and expand the Board of Trustees

LINKS INTERNATIONAL

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 18 October 2023 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 2022 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 2022 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

18 October 2023

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 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	1,283,963	108,322	1,392,285	1,761,659
Charitable activities	4	-	40,369	40,369	36,530
Other trading activities	5	-	18,058	18,058	4,700
Investments	6	-	2,598	2,598	2,278
Other income	7	-	-	-	649
Total income		1,283,963	169,347	1,453,310	1,805,816
Expenditure on:					
Raising funds		-	28,907	28,907	50,487
Charitable activities	9	1,281,748	239,080	1,520,828	1,481,296
Total expenditure		1,281,748	267,987	1,549,735	1,531,783
Net movement in funds		2,215	(98,640)	(96,425)	274,033
Reconciliation of funds:					
Total funds brought forward		772,030	305,200	1,077,230	803,197
Net movement in funds		2,215	(98,640)	(96,425)	274,033
Total funds carried forward		774,245	206,560	980,805	1,077,230

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

The notes on pages 18 to 32 form part of these financial statements.

LINKS INTERNATIONAL

BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Current assets			
Debtors	14	26,612	24,772
Cash at bank and in hand		962,741	1,059,120
		<u>989,353</u>	<u>1,083,892</u>
Creditors: amounts falling due within one year	15	(8,548)	(6,662)
Net current assets		<u>980,805</u>	<u>1,077,230</u>
Total assets less current liabilities		<u>980,805</u>	<u>1,077,230</u>
Total net assets		<u>980,805</u>	<u>1,077,230</u>
Charity funds			
Restricted funds	17	774,245	772,030
Unrestricted funds	17	206,560	305,200
Total funds		<u>980,805</u>	<u>1,077,230</u>

The financial statements were approved and authorised for issue by the Trustees on 18 October 2023 and signed on their behalf by:

G Jones
(Treasurer)

The notes on pages 18 to 32 form part of these financial statements.

LINKS INTERNATIONAL

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(98,977)	291,896
Cash flows from investing activities		
Dividends, interests and rents from investments	2,598	2,278
Net cash provided by investing activities	2,598	2,278
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(96,379)	294,174
Cash and cash equivalents at the beginning of the year	1,059,120	764,946
Cash and cash equivalents at the end of the year	962,741	1,059,120

The notes on pages 18 to 32 form part of these financial statements

LINKS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	1,283,963	69,891	1,353,854
Legacies	-	17,819	17,819
Grants	-	20,612	20,612
	<u>1,283,963</u>	<u>108,322</u>	<u>1,392,285</u>
	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
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>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Income from charitable activities - Administration fees received	40,369	40,369

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

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £
Fundraising events	18,058	18,058

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

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income - bank interest	2,598	2,598

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6. Investment income (continued)

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income - bank interest	2,278	2,278

7. Other incoming resources

		Total funds 2022 £
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Other incoming resources	649	649

8. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £
Grants to projects	1,281,748	1,281,748

	<i>Grants to Institutions 2021 £</i>	<i>Total funds 2021 £</i>
Grants to projects	1,273,945	1,273,945

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Direct costs of charitable activities	<u>1,281,748</u>	<u>239,080</u>	<u>1,520,828</u>
	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total 2021 £</i>
Direct costs of charitable activities	<u>1,273,945</u>	<u>207,351</u>	<u>1,481,296</u>

10. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Direct costs	<u>209,541</u>	<u>1,281,748</u>	<u>29,539</u>	<u>1,520,828</u>
	<i>Activities undertaken directly 2021 £</i>	<i>Grant funding of activities 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs	<u>181,231</u>	<u>1,273,945</u>	<u>26,120</u>	<u>1,481,296</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £
Staff costs	173,667	173,667
Travel costs	5,088	5,088
Regional African Coordinator	4,890	4,890
Other costs	428	428
Telephone and broadband	355	355
Website fees	9,037	9,037
Sundry expenses	612	612
Office rent and costs	6,495	6,495
Insurance	3,905	3,905
Computer and software costs	2,246	2,246
Postage	677	677
Office equipment maintenance	39	39
Photocopier costs	174	174
Staff training	396	396
Africa office administration	1,532	1,532
	<u>209,541</u>	<u>209,541</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	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
Project costs	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
Computer and software costs	887	887
Postage	1,077	1,077
Equipment maintenance	242	242
Photocopier costs	1,012	1,012
	<u>181,231</u>	<u>181,231</u>

Analysis of support costs

	Activities 2022 £	Total funds 2022 £
Professional fees	29,539	29,539

	Activities 2021 £	Total funds 2021 £
Professional fees	26,120	26,120

LINKS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

11. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	4,920	4,800

12. Staff costs

	2022 £	2021 £
Wages and salaries	163,673	143,963
Social security costs	7,288	5,566
Contribution to defined contribution pension schemes	2,706	2,435
	173,667	151,964

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

	2022 No.	2021 No.
Direct charitable activities	4	4
Administration	1	1
	5	5

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 £43,971 (2021 - £42,697) plus pension contribution benefit amounting to £1,132 (2021 - £1,094). Employment expenses relating to travel costs amounting to a total of £2,367 (2021 - £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 (2021 - £NIL).

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

14. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	26,612	24,772
	<u>26,612</u>	<u>24,772</u>

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	2,973	1,253
Pension contributions payable	535	509
Accruals and deferred income	5,040	4,900
	<u>8,548</u>	<u>6,662</u>

16. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>962,741</u>	<u>1,059,120</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 2022

17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
General Funds - all funds	305,200	169,347	(267,987)	206,560
Restricted funds				
Africa	13,233	125,629	(104,851)	34,011
Columbia	15,940	102,113	(107,615)	10,438
Europe	55	1,615	(1,330)	340
India	13,260	43,146	(41,937)	14,469
Kenya	25,123	39,560	(39,729)	24,954
Malawi	31,527	114,145	(118,111)	27,561
Mexico	19,278	18,431	(16,094)	21,615
Nepal	15,859	14,355	(16,740)	13,474
Nigeria	803	2,748	(625)	2,926
Philippines	11,989	23,325	(25,686)	9,628
Sierra Leone	3,086	59,485	(55,474)	7,097
South Africa	61,319	47,443	(35,110)	73,652
Tanzania	1,296	404	(385)	1,315
Thailand	44,386	12,122	(16,479)	40,029
Togo	9,282	6,000	(2,300)	12,982
Uganda	49,763	100,917	(106,839)	43,841
UK	38,679	79,916	(74,430)	44,165
Other	4,491	34,676	(35,278)	3,889
General/worldwide	347,464	304,041	(342,111)	309,394
Pakistan	65,197	153,892	(140,624)	78,465
	772,030	1,283,963	(1,281,748)	774,245
Total of funds	1,077,230	1,453,310	(1,549,735)	980,805

LINKS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

17. Statement of funds (continued)

Statement of funds - prior 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
Europe	-	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 2022

18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
General funds	305,200	169,347	(267,987)	206,560
Restricted funds	772,030	1,283,963	(1,281,748)	774,245
	<u>1,077,230</u>	<u>1,453,310</u>	<u>(1,549,735)</u>	<u>980,805</u>

Summary of funds - prior 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>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	774,245	215,108	989,353
Creditors due within one year	-	(8,548)	(8,548)
Total	<u>774,245</u>	<u>206,560</u>	<u>980,805</u>

LINKS INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

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

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

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(96,425)	274,033
Adjustments for:		
Dividends, interests and rents from investments	(2,598)	(2,278)
Decrease/(increase) in debtors	(1,840)	21,393
Increase/(decrease) in creditors	1,886	(1,252)
Net cash provided by/(used in) operating activities	(98,977)	291,896

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	962,741	1,059,120
Total cash and cash equivalents	962,741	1,059,120

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

22. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	1,059,120	(96,379)	962,741
Debt due within 1 year	(509)	(26)	(535)
	<u>1,058,611</u>	<u>(96,405)</u>	<u>962,206</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 £2,706 (2021 - £2,435) An amount of £535 (2021 - £509 was payable to the fund at the balance sheet date and is included in creditors.

24. Related party transactions

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 £9,240 (2021: £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.