

THE CLINK CAFÉ CHARITY

Charitable incorporated organisation

Registered Charity Number 1180942

Registered Company Number CE015766 (England and Wales)

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

THE CLINK CAFÉ CHARITY CIO
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

Contents	Pages
Trustees, officers and advisers	2
Report of the trustees	3 - 8
Statement of financial activities and income and expenditure account	9
Balance sheet	14
Notes to the financial statements	15 - 21

**THE CLINK CAFÉ CHARITY CIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees

K McGrath
F Scott

Registered Office

c/o HMP High Down
High Down Lane
Sutton
Surrey
SM2 5PJ

Company Secretary

D Whitworth

**THE CLINK CAFÉ CHARITY CIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

CHAIRMAN'S STATEMENT

In December 2020, the Trustees took the hard decision to permanently close The Clink Café, located in the heart of Manchester's city centre in Canada House on Chepstow Street.

Through The Clink Charity, we remain fully committed to supporting our Clink Café graduates in the community who have trained with us.

THE CLINK CAFÉ CHARITY CIO REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Clink Café Charity is controlled by its governing document and is established as a Charitable Incorporated Organisation (CIO) under the Charities Act 2011. The sole member of the charity is The Clink Charity, a registered charity limited by guarantee.

Organisational structure

Trustee Board

As explained above the Clink Café Charity is a wholly owned subsidiary of The Clink Charity and its trustees report to the trustees of the parent Charity. The charitable group is governed by a Board of Trustees Chaired by Finlay Scott.

The Clink Charity Board of Trustees ("The Board") meets at least 4 times each year to set and oversee the delivery of the group's objectives. The Board has a clear and well-understood governance role, approving the strategy, annual budgets and reviewing the management accounts and cash flows on a quarterly basis. The Trustees ensure that risk is well understood and managed, and that the charity is operating legally and in full compliance with our charitable objectives, ethos and values.

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

There are two additional Trustees committees that meet regularly:

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

The Clink Café Charity is governed by its own Board of Trustees, also chaired by Finlay Scott, with one other Trustee drawn from The Clink Charity's Board of Trustees. During this period when the CIO is dormant The Clink Café Board of Trustees meets at least once each year to approve the Café's draft Annual Report and Accounts.

Trustee training and induction

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

Risk management

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

**THE CLINK CAFÉ CHARITY CIO
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022**

further.

Principal risks and uncertainties

In 2021 the Board of Trustees of The Clink Café considered its future potential to independently achieve its core objectives and financial viability within a reasonable time scale. Given the on-going impact of the coronavirus pandemic on city-centre footfall and working patterns, the Café Trustees concluded that the risks and costs of continuing to operate the Café as an independent charitable enterprise were too great and consequently decided to close the Clink Café at Canada House in Manchester in December 2020.

Safeguarding

We now have full compliance from site and operational level right through the organisation right up to a DSO on the board of trustees.

Health and Safety

Fire, health & safety, food hygiene and allergen awareness are at the core of what we do and we have engaged an external company to audit our process and procedures at all our premises on an annual basis. In addition, local Environmental Health Officers inspect our premises.

OBJECTIVES AND ACTIVITIES

Significant activities

To ensure the success of the programme, The Clink Charity developed a five-step integrated model that could be applied across more prisons across the country and to further expand The Clink restaurant concept. The model is used at The Clink Café.

The five-step model focuses on Recruitment, Training, Supporting, Employment and Mentoring. This model has dramatically reduced the reoffending rates of those who have been part of the training programme.

The Clink Charity's support workers worked with and supported the café trainees, helping them find employment and mentoring them this support will continue for as long as it is needed.

Public benefit statement

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

Financial Review

The café closed at the end of 2020 and has remained dormant since that time.

Reserves Policy

The café itself does not hold reserves as all reserves are held by the parent charity.

Fund Raising methods and processes

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

No external fund raisers are used.

The work of The Clink Charity not only changes lives of the Clink graduates but also their families and friends, as well as making society a safer place and ultimately saving tax-payers money.

**THE CLINK CAFÉ CHARITY CIO
REPORT OF THE TRUSTEES
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 law applicable to charities in England and Wales and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of 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 in the Charities SORP;
- ☐ make judgements and estimates that are reasonable and prudent;
- ☐ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ☐ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will remain in business

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Report) Regulations 2008 and the provisions of the trust deed.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In as far as the trustees are aware:

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

On behalf of the Board



Finlay Scott – Trustee

Date:

26.10.23

THE CLINK CAFÉ CHARITY CIO

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income and Endowments From					
Charitable activities	2	-	-	-	
Total		<u>-</u>	<u>-</u>	<u>-</u>	<u></u>
Expenditure On:					
Charitable activities	3		-		425
Total	3	<u></u>	<u>-</u>	<u></u>	<u>425</u>
Net (expenditure)/income for the year from charitable activities		<u></u>	<u></u>	<u>-</u>	<u>(425)</u>
Exceptional income : Loan from parent undertaking write back	11	-	-	-	
Exceptional income : Loan from group undertaking write back	11			-	5,230
Net Income for the year		<u></u>	<u></u>	<u>-</u>	<u>5,230</u>
Reconciliation of funds:					
Total Funds brought forward			-		(4,285)
Total Funds carried forward	9	<u>-</u>	<u>-</u>	<u>-</u>	<u></u>

All amounts derive from discontinuing activities as the trustees have decided to close operations at the cafe for the foreseeable future.

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

The accompanying notes form part of these financial statements.

THE CLINK CAFÉ CHARITY CIO

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible Assets	6	-	
		<u>-</u>	<u></u>
Current assets			
Stock		-	
Debtors Cash at bank	7	-	-
		<u>-</u>	<u></u>
Creditors: amounts falling due within one year	8	-	
		<u>-</u>	<u></u>
Net current (liabilities)/assets		-	
		<u>-</u>	<u></u>
Net Liabilities		-	
		<u>-</u>	<u></u>
Funds			
Unrestricted funds	9	-	
Restricted funds	9	-	-
		<u>-</u>	<u></u>
Total Charity funds		<u>-</u>	<u></u>

These financial statements have been prepared in accordance with the special provisions applicable to companies subject to the smaller companies' regime.

On behalf of the Board

Finlay Scott (Trustee) Date:

The accompanying notes form part of these financial statements.

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

1 ACCOUNTING POLICIES

Accounting Convention

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

The charity is a public benefit entity for the purpose of FRS102 and therefore the charity's financial statements have been prepared in accordance with Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (the FRS 102 Charities SORP) and the Charities Act 2011.

The financial statements have been prepared on a going concern basis which assumes the charity will continue in operational existence for the foreseeable future. As reported in the Trustees' Annual Report, the trustees took the decision to close the operation of the Clink Cafe in December 2020 and these activities have been reported as discontinued activities in the Statement of Financial Activities. However the trustees are actively pursuing other projects for the charity and the parent charity has confirmed that it will continue to support the charity to enable it to settle its debts as they fall due for at least 12 months from approval of these financial statements whilst it does this.

Accordingly the trustees have continued to prepare the financial statements on a going concern basis.

Income

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

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

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

Stocks

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

Pension costs and other post-retirement benefits

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

Taxation

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

THE CLINK CAFÉ CHARITY CIO

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

1 ACCOUNTING POLICIES (Continued)

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

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

2 INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Café Sales income	-	-
Retail Sales Income	-	-
Subscriptions received	-	-
Support Grant Income	-	-
Government JRS Grant Income	-	-
	<u>-</u>	<u>-</u>

3 ANALYSIS OF EXPENDITURE

	Staff costs (note 5) £	Direct costs £	Support costs £	Total 2022 £	Total 2021 £
Charitable activities:					
Café operations	-	-	-	-	425
Total expenditure 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>425</u>
Total expenditure 2021	<u>-</u>	<u>-</u>	<u>425</u>	<u>425</u>	<u>-</u>

THE CLINK CAFÉ CHARITY CIO

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

4 SUPPORT COST ANALYSIS

	Staff costs (note 5) £	Goverance costs (note 4a) £	Other Support costs £	Total 2022 £	Total 2021 £
HQ Staff costs	-	-	-	-	-
Directors Remuneration costs	-	-	-	-	-
Other staff related costs	-	-	-	-	-
Training costs	-	-	-	-	-
Travel and subsistence	-	-	-	-	-
Service charges	-	-	-	-	-
Recruitment expenses	-	-	-	-	-
Audit and accountancy costs	-	-	-	-	-
Legal and professional costs	-	-	-	-	-
Insurance	-	-	-	-	185
Communications	-	-	-	-	-
Repairs, renewals and maintenance	-	-	-	-	-
Computer & software costs	-	-	-	-	-
Loan interest	-	-	-	-	-
Disposal of fixed assets	-	-	-	-	-
Depreciation	-	-	-	-	-
Sundry expenses	-	-	-	-	240
Total support costs 2022	-	-	-	-	240
Total support costs 2021	-	-	425	425	-

4a GOVERNANCE COSTS

	2022 £	2021 £
Trustees expenses	-	-
Auditors remuneration	-	-
Legal fees	-	-
	-	-

There was no audit in respect of the year end 31st December 2022 the auditors received remuneration of £NIL in 2021) relating to audit fees and £NIL (2021) relating to non-audit fees including accounts preparation (excluding VAT); associated auditors remuneration relating to The Clink Cafe Charity.

THE CLINK CAFÉ CHARITY CIO

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

5 STAFF COSTS

	2022	2021
	£	£
Wages and Salaries	-	
Social Security contributions	-	
Pension contributions	-	
	<u>-</u>	<u></u>
	<u>-</u>	<u></u>

Staff costs have been analysed within expenditure as below:

Charitable activities - Direct costs	-	
Charitable activities - support costs	-	
	<u>-</u>	<u></u>
	<u>-</u>	<u></u>

The average number of employees in the year was 0 (2021: 0) There were no employees whose emoluments exceeded £60k

No Trustees were paid any remuneration or reimbursed expenses during the current or previous year.

THE CLINK CAFÉ CHARITY CIO

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

6 TANGIBLE FIXED ASSETS

	Plant & Machinery £	Fixtures & Fittings £	Total £
Cost			
At 1 January 2022	-	-	-
Additions	-	-	-
Transferred to group undertaking	-	-	-
Disposals	-	-	-
At 31 December 2022	-	-	-
Depreciation			
At 1 January 2022	-	-	-
Charge for year	-	-	-
Transferred to group undertaking	-	-	-
Disposals	-	-	-
At 31 December 2022	-	-	-
Net Book Value			
At 31 December 2022	-	-	-
At 31 December 2021	-	-	-

7 DEBTORS

	2022 £	-2021 £
Trade debtors	-	-
Prepayments VAT receivable	-	-
	-	-

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	-	-
Due to Parent underaking Due to group undertakings Accruals	-	-
Other creditors	-	-
	-	-

THE CLINK CAFÉ CHARITY CIO

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

9 RECONCILIATION OF MOVEMENTS IN TOTAL FUNDS

	1 January 2022 £	Income £	Expenditure £	Transfers £	31 December 2022 £
General funds		-		-	-
Total Unrestricted funds		-		-	-

COMPARATIVE INFORMATION: RECONCILIATION OF MOVEMENTS IN TOTAL FUNDS YEAR ENDED 31 DECEMBER 2021

	1 January 2021 £	Income £	Expenditure £	Transfers £	31 December 2021 £
General funds	(4,805)		4,805	-	
Total Unrestricted funds	(4,805)		4,805	-	

10 ANALYSIS OF NET ASSETS BY FUND

<u>as at 31 December 2022</u>	Fixed Assets £	Current Assets £	Current Liabilities £	2022 Total £
General fund	-	-	-	-
	-	-	-	-
<u>as at 31 December 2021</u>	Fixed Assets £	Current Assets £	Current Liabilities £	2021 Total £
General fund	-			
		-		

11 RELATED PARTY TRANSACTIONS

None in 2022 or 2021.

12 ULTIMATE PARENT

The charity's ultimate parent company is The Clink Charity, a company limited by guarantee (England and Wales) and registered charity (Company Number: 07157540 Registered Charity Number: 1134581).

The charity has taken advantage of the exemption available to exclude details of transactions with its ultimate parent, The Clink Charity on the basis that relevant details are included in publically available consolidated financial statements prepared by that entity which are available from the charitable company's registered office.

THE CLINK CAFÉ CHARITY CIO

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

13 COMPARATIVE INFORMATION: STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING
INCOME AND EXPENDITURE ACCOUNT) FOR YEAR ENDED 31 DECEMBER 2021)

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income and Endowments From				
Charitable activities	2		-	
Total		<u> </u>	<u> </u>	<u> </u>
Expenditure On:				
Charitable activities	3		-	
Total	3	<u> </u>	<u> </u>	<u> </u>
Net (expenditure)/income for the year from charitable activities		<u> </u>	<u> </u>	<u> </u>
Exceptional income : Loan from parent undertaking write back	11		-	
Net Income for the year		<u> </u>	<u> </u>	<u> </u>
Reconciliation of funds:				
Total Funds brought forward			-	
Total Funds carried forward	9	<u> </u>	<u> </u>	<u> </u>