

NATIONAL COMMUNITY LAND TRUST NETWORK TRUSTEES ANNUAL REPORT & ACCOUNTS 2021 – 2022



LEGAL AND ADMINISTRATIVE DETAILS

The National Community Land Trust Network is a Charitable Incorporated Organisation, registered on the 7th May 2014.

Working name:	Community Land Trust Network
Charity number:	1156952
Registered Office:	CAN Mezzanine, 7-14 Great Dover Street, London, SE1 4YR
Bank:	The Cooperative Bank, P.O. Box 101, 1 Balloon Street, Manchester, M60 4EP
Accountants:	Burton Sweet Limited, 5, Farleigh Court, Old Weston Road, Flax Bourton, Bristol, BS48 1UR.
Auditors	Third Sector Accountancy Holyoake House, Hanover St, Manchester, M60 0AS
Lawyers	Wrigleys Solicitors LLP 19 Cookridge Street Leeds, LS2 3AG

TRUSTEES AND SENIOR MANAGEMENT

Trustees

Baroness Bakewell of Hardington Mandeville MBE, *non-member trustee* (retired November 2021)
Steve Hoey (Chair of Trustees), *Leeds Community Homes*
Colin Glen, *London CLT*
Julie Abbey-Taylor, *Lavenham CLT (appointed 17 May 2021)*
Nicholas Boys-Smith, *non-member trustee*
Paul Kelly, *Homebaked CLT*
Peter Duncan, *Community Homes on the Map/SCATA*
Helen Lawrence, *non-member trustee* (retired November 2021)
Vanessa White, *Powerstock and District Community Land Trust Limited* (retired May 2022)
Claire Louise White *non-member trustee* (appointed 19 July 2022)
Kym Shaen- Wilkinson *non-member trustee* (appointed 19 July 2022)

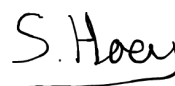
Senior Management Team

Tom Chance	Chief Executive
Rachel Chance	Finance and Operations Manager

TRUSTEES' ANNUAL REPORT

The Trustees present the Trustees' Annual Report and Financial Statements for the year ended 31 March 2022. The Trustees confirm that the Annual Report and Financial Statements comply with the current statutory requirements, the requirements of the company's governing documents and the provisions of the Statement of Recommended Practice (SORP) applicable to charities.

The report is approved on behalf of the Trustees by Steve Hoey, Chair of Trustees.



24 / 01 / 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Community Land Trust Network CIO is a registered Charitable Incorporated Organisation, number 1156952. The governing document is the Community Land Trust Network CIO constitution.

The Community Land Trust Network is a membership organisation. Our membership consists of Community Land Trusts in England and Wales. We also have non-voting members which are unincorporated community groups aiming to establish a Community Land Trust, and associate members which consist of other voluntary organisations, local authorities and private sector bodies which support and work with Community Land Trusts.

The Community Land Trust Network is governed by its Board of Trustees, which is elected at General Meetings by its members on a one-member one-vote basis. The term is three years and trustees can serve a maximum of two terms. When recruiting new trustees the vacancy is advertised to our members through the members' newsletter and posted on our website and social media. From time to time we use recruitment boards such as charityjob. According to our constitution existing trustees can review applications against a skills matrix identifying skills which may fill gaps on the existing board, candidates may be rejected if they do not fit the skills matrix. A majority of Trustees must also be a member of a Community Land Trust which, in turn, is a member of the organisation. The Constitution provides for a minimum of three Trustees to a maximum of nine Trustees, of which no more than three can be non-members. All Trustees give up their time freely and no Trustee remuneration is paid.

The trustee induction checklist includes key reading material, and a formal meeting with the chief executive and chair of trustees. There is a yearly budget set aside for trustee training and development.

The Board has one subcommittee, the Finance Committee, consisting of Trustees advised by members of the Senior Management Team. It meets in advance of Board meetings to scrutinise finances in greater detail and make recommendations to the Board as appropriate.

In line with our Conflicts of Interest policy, Trustees declare all personal and professional connections on a register of interests. At the start of each meeting, declarations are made for any potential conflicts of interest and the relevant Trustee recuses themselves from any decisions that the charity must make regarding a conflict of interest.

The trustees consider the key management personnel to be themselves along with the CEO and Finance and Operations Manager. Day-to-day management of the organisation is delegated to the Chief Executive and financial management is delegated to the Finance and Operations Manager. The Chief Executive meets with managers and the whole team on a regular basis. Activities are carried out within the parameters of a Business Plan approved by the Board of Trustees. The board also approves the yearly budget, three year forecast and all policies which also shape the charity's work.

We hold a salary review policy which states that pay must be reviewed annually for cost of living, taking into account inflation and sector awards. We have six salary bands from assistant to chief executive. Every three years we appoint an external consultant to perform a benchmarking review using a database of salaries. They are benchmarked against location, sector, size of organisation and charitable status.

The charity has formed an informal partnership with three other organisations, called Community Led Homes. The partnership enables us to better achieve our strategic objectives of creating a supporting enabling environment for CLTs. A limited company (company number 11803055) has been set up to hold the intellectual property of any joint activity through this partnership, and our Chair of Trustees is one of four Directors for the company. In this year a significant grant programme, the Community Housing Fund, was delivered through this partnership and is described under strategic objective 4.

OBJECTIVES AND ACTIVITIES

The charitable purposes of the Community Land Trust Network, as set out in our Constitution, are:

To promote the voluntary sector for the public benefit by providing advice, information, training, assistance with funding and other services or support that enhance the quality and work of CLTs (or prospective CLTs) which are (or will be) (i) established for exclusively charitable purposes in accordance with the law of England and Wales; and/or (ii) Voluntary Bodies (as defined below), and in particular to:

- a. relieve financial hardship by supporting the provision of affordable housing, hostels or other accommodation through CLTs;
- b. advance education and vocational training and the creation of education and employment opportunities by supporting CLTs which provide workspace, buildings and/or land for use on favourable terms;
- c. promote the maintenance, improvement or provision of public amenities by supporting the work of CLTs which undertake this work for the public benefit;
- d. assist in the provision of facilities for recreation or other leisure time occupation in the interests of social welfare with the object of improving the condition of life of local communities by supporting the work of CLTs who make such facilities available;
- e. advance environmental protection or improvement by supporting the work of CLTs which promote the preservation and enhancement of open green spaces; and

Such other exclusively charitable purposes as may be from time to time determined by the charity Trustees.

The Board of Trustees agreed a Business Plan for 2020-23 that achieves public benefit through the following strategic objectives:

Objective 1: To campaign for a more supportive local, regional and national policy environment.

Objective 2: To raise awareness of CLTs.

Objective 3: To support enabler hubs to provide effective support to CLTs.

Objective 4: To provide services and support to CLTs.

Objective 5: To develop the market for CLTs.

Objective 6: To develop the Community Land Trust Network as a sustainable organisation.

The Board of Trustees has considered the Charity Commission's guidance on public benefit and can confirm that this was referred to when reviewing the Community Land Trust Network's goals, objectives and activities and in planning future activities.

ACTIVITY AND KEY ACHIEVEMENTS

OBJECTIVE 1: To campaign for a more supportive local, regional and national policy environment

Outcome

There is a more supportive national, regional and local policy and funding environment for CLTs:

- More appropriate targeted and useful finance is developed by government in England and in Wales
- Regional and local policy supports the provision of public land and finance for CLTs

Key Performance Indicators

#	KPI	Target	Baseline	Q1	Q2	Q3	Q4
1	% of pipeline with public revenue funding	100%	17%	17%	47%	47%	16%
2	% of pipeline with public capital funding	100%	90%	91%	91%	92%	92%
3	% of local or combined authorities that have a supportive policy e.g. in their local plan	50%	31%	31%	31%	31%	49%
4	Number of public sites sold or leased to CLTs	-	208	208	208	208	240

RAG Rating: Amber

Our principal success in this year was implementing the £4m Community Housing Fund (CHF) between August 2021 and March 2022. This led to a brief uptick in KPI 1 in Q2 and Q3 while it was open. The CHF has been a long-running campaign and CLTN secured its first iteration in 2016. In total, 29 CLTs secured £2m to progress projects with 659 homes, more than half the total of 52 projects and 1,263 homes.

In December we analysed projects that had received previous rounds of CHF funding and found that 78% had secured a site, 52% had submitted a planning application, 13% had started on site, and only 3% were stalled or stuck in the early concept stage.

We continue to campaign for long-term access to revenue funding for CLTs and other community led housing projects, and over the year our members engaged over 100 MPs. We led on a joint sector submission to the spending review, commissioned an updated analysis of the pipeline of homes and financing landscape, and held a launch event with the Minister for Housing. The research found over 12,000 homes in deliverable projects, but significant financing gaps particularly in revenue funding for the concept, site and planning stages. We also held a roundtable discussion with three of our members and the Secretary of State.

In other areas of policy we ensured that the Ground Rents Bill included the promised exemption for CLTs so they could continue to charge ground rents, underpinning a partnership model with housing associations; discussed planning reforms, levelling up housing diversification.

We secured recommendations to support CLTs in the Bacon Review, commissioned by the Prime Minister; the Create Streets Foundation's Left Behind Commission; and several publications by the right-leaning think tank Onward.

We sent FOI requests to all local authorities in February, and established that support for CLTs in local government continues to grow, reflected in KPIs 3 and 4. Over the year we spoke to and delivered consultancy for many councils, published a new local advocacy toolkit for our members.

Overall the impact of our work across the year was very positive, but there remain significant barriers in terms of funding and policy support for most CLTs.

OBJECTIVE 2: To raise awareness of CLTs

Outcome

Knowledge and inspiration on CLTs and activation to be a 'doer', including:

- Increased awareness of opportunities among potential doers and landowners

Key Performance Indicators

#	KPI	Target	Baseline	Q1	Q2	Q3	Q4
5	Number of new website visitors per quarter	10,000	9,393	5,849	5,893	7,189	6,388
6	Number of CLTs at any stage (including unincorporated steering groups)	550	540	543	552	556	551
7	Number of members in CLTs	20,000	19,620	19,620	19,800	19,980	20,040

RAG Rating: Green

This year we developed and launched a new website, informed by a review of our brand and attitudes in government and industry towards CLTs. It was launched in September, with very positive feedback from our partners and stakeholders. The twin aims, coming out of the brand review, were to present a more professional image, and to present CLTs as being about achievement and completion, rather than just potential.

Website visitor numbers remained below our target, and the formation of CLTs levelled off over the year. But the Board took the decision at the start of the year to give this objective less priority so that staff could focus on objectives which would help existing CLTs to deliver homes and other projects. So our communications work focused on this end, rather than increased awareness among people who might start new CLTs.

OBJECTIVE 3: To support enabler hubs to provide effective support to CLTs

Outcome

CLTs have improved knowledge, skills, capacity to be an effective CLT, including:

- More funders see CLTs as viable propositions, and provide finance across all stages of CLT projects
- Regional and local policy supports the provision of public land and finance for CLTs

Key Performance Indicators

#	KPI	Target	Baseline	Q1	Q2	Q3	Q4
8	% of the country with a fully operating enabler hub.	100%	88%	88%	88%	88%	88%
9	% of enabler hubs with at least two fully trained and accredited advisers.	100%	78%	78%	78%	82%	85%
10	% of enabler hubs engaged in national NCLTN work including advocacy.	100%	N/A	-	-	-	-

RAG Rating: Amber

This is a challenging point for the enabler hubs and advisers across England and Wales. While most are still in place and active, they vary significantly in their financial sustainability with many at risk of disappearing in the next year or two. We have also better understood through the year that many lack the right skills and experience to effectively support groups and projects. These stark realities are not well captured in our KPIs above.

Nonetheless, our work over the year has had an impact.

We continued to facilitate the peer network for enabler hubs, in which many advisers and some local authorities also participate. They meet fortnightly, and we held a major gathering over three days in Liverpool in October 2021 including site visits and peer learning discussions.

We completed the support work with the five enabler hubs funded by Power to Change. The academic evaluation of their Homes in Community Hands project has found that these enabler hubs have caused a significant increase in both the number of projects and their chances of success, and that - through our work on their local advocacy work - they are helping to shape the local policy and market context to be more favourable to CLTs and other forms of community led housing.

Our work in this area also bore fruit in increased engagement from those enabler hubs and groups they support in our national advocacy work, though we don't yet track this quantitatively.

OBJECTIVE 4: To provide services and support to CLTs

Outcome

CLTs have improved knowledge, skills, capacity to be an effective CLT, including:

- More funders see CLTs as viable propositions, and provide finance across all stages of CLT projects

Key Performance Indicators

#	KPI	Target	Baseline	Q1	Q2	Q3	Q4
11	Number of fully formed CLTs	340	317	327	330	333	334
12	Number of all homes completed	1,250	1,100	1,100	1,100	1,140	1,144
13	Number of affordable homes completed	1,100	957	957	967	997	1,001
14	% of members that have engaged with our support in the current year	60%	27%	39%	42%	40%	58%

RAG Rating: Green

This was a very successful year for our membership services. For the first time we have also been able to track the extent to which members engage with our services, showing with KPI 14 that 6 in 10 have attended one of our events or webinars (with more also engaged in advocacy campaigns or using other services).

We held monthly webinars with our corporate partners, covering topics such as community shares and bank lending, negotiating land deals, housing allocations, achieving high environmental standards and considerations when partnering with a housing association. In Q4 the average number of registrations per webinar was 86, up from 68 in the previous quarter. Feedback from members on the topics and the content was consistently positive, and will have helped the progress that groups are making - as mentioned for example under objective 1 for those groups that had CHF funding.

We supported 10 new CLTs through incorporation, handling the registration process with the FCA and supporting them to get their basic governance and operations in place.

We held an online AGM with a successful new format, gaining 128 sign-ups for at least one part of the day's agenda. Our experiment with an 'unconference' worked well - members organised nine sessions in the CLT fete including a tour of half-completed homes in Bristol, a film premiere and lots of useful peer learning and discussion. Attendance at these was consistently good.

We launched a completely rewritten handbook for CLTs, breaking it into two: Essentials, and Affordable Housing. This hugely improves the guidance on essential areas like finance, insurance and community engagement, and brings together disparate briefing materials.

Through the Community Led Homes partnership we successfully delivered a £4 million grant programme for community led housing groups including CLTs. The funding, from the Department of Levelling Up, Housing and Communities (DLUHC), provided support for groups to prepare and submit a planning application; to register as a Registered Provider of social housing; and/or to submit a bid for a capital grant in the Affordable Homes Programme. The prospectus setting out the eligibility criteria and appropriate levels of grant were developed with our partners and officials in DLUHC. In the year, 27 CLTs secured £1.7 million towards providing at least 528 new affordable homes.

We also concluded our Cohesive Communities Fund project, funding and supporting 16 CLTs to address diversity and inclusion in their membership and leadership. This was disastrously disrupted by the COVID pandemic, which scotched our plans for residential events and complicated the CLTs' plans for community engagement. Nonetheless the CLTs have made significant progress. We commissioned the Young Foundation to run a peer research project which produced a rich seam of learning, and new photography and a video to capture the diversity that exists in our movement. We have also recruited and trained new CLT Ambassadors, a diverse group of CLT leaders who we will support financially to speak about their projects and the CLT movement at external events.

Over the year the number of CLTs continued to tick upwards, and they slowly completed homes. Growth was slower this year than last because of the lack of revenue funding (covered under objective 1) and the impact of COVID.

OBJECTIVE 5: To develop the market for CLTs

Outcome

Developers, housing associations and landowners support and initiate CLTs and, where applicable, make available sites or assets, including:

- More housing associations, councils and developers see CLTs as viable partners
- Increased awareness of opportunities among potential doers and landowners
- There is more, better coordinated and appropriate funding and finance for all development stages from non-public sources

Key Performance Indicators

#	KPI	Target	Baseline	Q1	Q2	Q3	Q4
15	Number of housing associations partnering with CLTs	N/A	N/A	37	39	39	40
16	Number of non public sites disposed of to CLTs	N/A	N/A	-	-	-	41
17	Number of schemes initiated by land owners, local authorities and 'developers'	N/A	N/A	-	-	-	-

RAG Rating: Amber

This continues to be a challenging area for us, due both to a lack of capacity and the varied interest and engagement from housing associations, councils and developers.

Over the year we spoke in depth to a number of housing associations that have partnered with CLTs to better understand their motivations, experiences and concerns. We are aiming to develop a partnership with Placeshapers, the association for community-based housing associations, to engage more housing associations. We have also established a panel of advisers with expertise in partnership projects and will be working with enabler hubs to draw on their services.

We have also begun to explore the scope for large-scale CLTs that are initiated by landowners and developers, based on pioneers like Kennett CLT, part of a garden village in East Cambridgeshire. We are piloting a partnership with an experienced consultant in this area, and talking to policy experts, think tanks, landowners and enabler hubs about how this work might unfold.

The lack of data in our national CLH database on the origins of projects, partnerships and the sources of land continues to make monitoring the outcomes of this work difficult. But we are now able to track the involvement of housing associations, and land from private sources.

OBJECTIVE 6: To develop the Community Land Trust Network as a sustainable organisation

Outcome

A sustainable membership network and charity.

Key Performance Indicators

#	KPI	Target	Base line	Q1	Q2	Q3	Q4
18	% of unrestricted income secured for the current financial year	100%	64%	82%	89%	102%	138%
19	% of CLTs that are members of NCLTN	75%	53%	52%	53%	55%	55%
20	% completeness of priority CLT data	100%	75%	73%	76%	75%	70%

RAG Rating: Amber

Our financial performance across the year was very strong, boosted by an unexpected donation at the end of the year. Our surplus will go into our designated Development Fund to be reinvested in further charitable activities in future years.

We restructured the charity in the previous financial year to create a lean core team, with the aim of bringing in associates to help us deliver as we increased our income. In large part due to the impact of COVID on staff capacity, we were not able to act in as agile a way as we would have liked to bring in that extra capacity. So while we make some good use of associations to produce research (for example on the CLH pipeline, energy standards in CLT development and the role of combined authorities) we could have done this much more.

While our membership services were successful, and our renewal campaign at the start of the year saw a very high percentage of members continue with us, we have identified a large number of CLTs that have either never joined the network, or that lapsed and never returned. Trying to re-engage with these non-members will be a focus in 2022-23.

Our work on the national Community Led Housing database has continued, going from strength to strength. It underpinned the analysis of the CLH pipeline, and the progress of projects, mentioned under objective 1. At the end of the year we began to bring enabler hubs in England and Wales onto the platform so they can directly manage the data in their geographic area.

REFLECTIONS ON THE YEAR

FACTORS AFFECTING OUR WORK

External context

The ongoing COVID-19 pandemic has been significant in two ways.

The first is that it has transformed our membership service. Now that CLT volunteers are able and willing to attend online events we have delivered a monthly webinar series, run online surgeries with our corporate partners, and established two peer learning groups focused on Registered Providers and obtaining land from faith organisations. Our fortnightly Zoom meetings and the Basecamp forum for enabler hubs also continue to be popular and effective.

The second is that in person meetings have still been difficult or impossible. So work like the Cohesive Communities Fund, which depends on the kind of interpersonal relationships that can only be developed in person, has been undermined.

Our ability to advocate effectively for CLTs at the national level has been constrained by political uncertainty, including another change of Secretary of State and Housing Minister, and the limited bandwidth of government given Brexit and the fallout from Grenfell.

Our work on objective 3, supporting enabler hubs, has also been impacted by ongoing discussion with our partners in Community Led Homes about the future of this partnership. Some of the activities, such as training and accrediting advisers (for KPI 9) are delivered by partners, and with no grant funding in this year this work has in some cases been reduced in scale.

Internal context

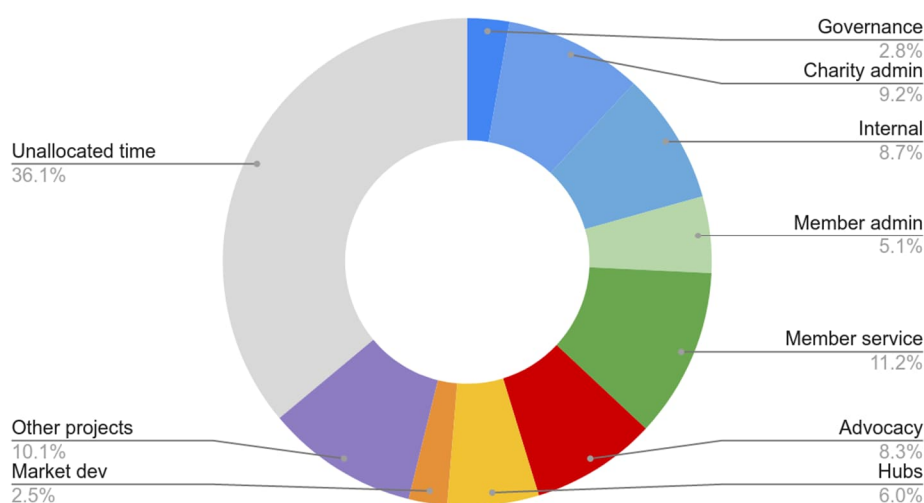
We started this year with a newly restructured and reduced team, now just 4 FTE people with a headcount of 5 (and later a headcount of 6, as maternity cover was provided by two people). The Board's two aims for the restructure process were: to put the charity on a financially sustainable path, and to develop a more flexible and responsive staff structure. We have succeeded on both counts in the past year.

As our KPI 18 shows we have raised enough income to more than cover our core costs.

Throughout the year we have planned our work by quarter, in advance, with the whole team discussing priorities and assigning our time to work collaboratively towards them. We deliberately leave a significant amount of our time unallocated to be responsive to developments such as government announcements, to be able to take on new projects (which this year included the 2021-22 Community Housing Fund), and to flex where projects are taking more capacity than anticipated (as happened with our new website).

The following chart shows where we allocated our time in 2021-22:

CLTN staff time allocation



Overall this new approach has been a great success, making us more focused on impact, more collaborative with each other, and less stressed by the often-unpredictable workload.

KEY LEARNING

The key learning from the past year has been:

- To be more agile in using external associates when we are successful with our income generation. We will effectively do this using income from 2021-22 for work that will appear in our accounts in 2022-23, but we could be more responsive.
- To reflect on our theory of change and strategy, which make our progress against outcomes very dependent on external factors, particularly government funding. There may be other approaches to achieving the growth of the CLT movement. We will discuss this as part of a staff and trustee away day in the summer of 2022.
- The strategic importance of our relationship with the enabler hubs and some national partners, and so the benefits of aligning our activity including fundraising in a way that strengthens them. We are now developing some future project work that will be delivered in partnership, learning from some of the positive points about working with CLH London (the enabler hub) on the Cohesive Communities Fund, and the mixed experience of the national CLH partnership.
- The changing nature of CLT projects as we scale. For example, a greater number of projects partnering with housing associations and using the mainstream Affordable Homes Programme may be diminishing the difference in affordability between CLT homes and more conventional routes.

RISKS

In the short term (the next year), the major risks identified by our board are to do with the external context, namely:

1. Lack of revenue funding for CLT projects, delaying delivery and in some cases possibly leading CLTs to give up and fold.
2. Lack of supportive project partners, particularly housing associations and private developers, leading CLT projects to take longer, cost more or be shelved.
3. The precarious financial situation and shortage of skills in enabler hubs, meaning that CLTs fail to deliver or fail as organisations.
4. Difficulties in our relationship with other sector organisations including through the Community Led Homes partnership.
5. The ongoing uncertainty around COVID-19 and the impact that staff absences can have on a small team.

Our mitigations for risks 1-3 are to continue with our current strategy and business plan, which identifies these as barriers to be overcome in our theory of change. Risks 4 and 5 are an ongoing focus for our chief executive and managers, and our trustees have become more actively engaged in some of the sector partnership work (risk 4) to help mitigate it.

THE NEXT YEAR

Our plans for the next year continue to follow the path set out in our three year business plan for 2020-23. Our five priorities will be:

1. **Membership service** - continuing to grow member engagement and uptake of webinars, training and other services, so that the CLTs are more robust and able to achieve their objectives.
2. **Advocacy** - securing the Community Housing Fund for 2022-25 from DLUHC and exploring alternative mechanisms to provide the revenue and capital finance that CLTs and other community led housing groups need. Also following further developments on leasehold reform, the voluntary Right to Buy and planning reforms to protect and promote CLTs.
3. **Sector infrastructure** - publishing a 'green paper' on the state of the enabler hub and adviser infrastructure and working with partners to develop this towards being more effective and financially sustainable.
4. **Diversity and inclusion** - building on the Cohesive Communities Fund project and connected research to promote a more inclusive form of community empowerment

through the CLT model.

5. **Reviewing our vision and strategy** - starting with a two day strategy refresh with trustees and staff, and reflecting on emerging areas of work such as CLTs as stewards for strategic sites (also being explored in a new Ofwat-funded project of which we are a partner), to review and reset our vision and strategy before the end of the current business plan period.

FINANCIAL REVIEW

Overview

The charity ended the year with a total balance of £515,270. The principal source of income was grant funding and a small donation, with a total of £4,191,203. Other income from charitable activities was gained from membership fees and a consultancy service. The resources were spent on the following activities:

- Grant making to CLT groups
- Events run for CLT groups
- Resources and publications for CLT groups
- Research into CLT groups and their projects for policy makers and funders
- Advocacy on behalf of the CLT movement (staff time)

The activities all support the principal aim of enhancing the quality and work of CLTs, with a particular focus on relieving financial hardship by supporting the provision of affordable housing.

There have been no significant events that have negatively affected our income. In the previous financial year the charity went through a restructure and gave up the lease on the office. This reduced the running costs of the charity significantly, reducing the fundraising burden, but also limiting our outputs. Covid-19 has led to the moving of many of our events online including our AGM. This has positively affected the attendance and reduced the cost of staging them, increasing value for money.

Risk

The charity maintains a risk register which is reviewed quarterly by the trustees, as mentioned above. Trustees have not rated any of the financial risks a 'red', and have rated one as 'amber' - failure to control costs, owing to a need to co-opt further expertise onto the Board's Finance Committee. This will be done in 2022-23. In the medium term (the next five years) there is a growing financial risk to the charity, as we forecast a balanced budget for 2022-23 but a deficit equivalent to 25% of our costs in 2023-24 and 50% in 2024-25.

Inflation is likely to affect the financial performance of the charity. The most significant costs for the charity are the staff and associates. Both our salaries and fees for external expertise are likely to rise due to inflation.

UNRESTRICTED INCOME

The Community Land Trust Network ended 2021/22 with a net unrestricted surplus of £35,100. Trustees adopted a budget at the start of the year forecasting a modest surplus, and successful fundraising and cost control throughout the year combined with some unexpected income and some activity rolled over into 2021/22 meant we finished with a more substantial surplus.

Taking into account the reserves brought forward from 2020/21, the Community Land Trust Network ended 2021/22 with total unrestricted funds of £495,035.

Of those funds, the Trustees have retained £180,000 in designated funds outlined in the reserves section below.

This leaves £315,035 in general unrestricted funds. This meets the requirements of the updated Reserves Policy adopted by the Board of Trustees in January 2022 noted below.

The Board of Trustees have approved an unrestricted budget with a small deficit for 2021/22, but with plans to close that deficit during the year through income generation, with the contingency of running down the reserves, detailed below.

RESTRICTED INCOME

The Community Land Trust Network received a total of £4,000,000 of grant income through the Community Housing Fund for 2021/22 that it then disbursed as small grants to CLTs and other community led housing organisations through its Community Led Homes partnership, less staff & overhead costs and project expenses.

The first Community Housing Fund for 2018-20 has remained on our balance sheet as we and our partners have followed up on the end of grant reports from CLTs and other grantees, which were due by October 2021 and unspent funds returned to us. A portion of these funds was reallocated to further projects by the partners and the remainder is due to be returned to the funder, as expressed in the the balance sheet.

The Cohesive Communities Fund was completed in this year, with the assistance of CLH London acting as the project manager. We completed the project with a small balance of £5,013 from the M&G Investments portion of the funding which we will hold, to be disbursed as honoraria payments to our new CLT Ambassadors covering expenses and lost earnings when speaking on our behalf to events or the media.

Power to Change funded the Community Led Homes partners through a Strategic Partnership grant, which the Community Land Trust Network holds on behalf of the partners. This grant was carried over from the previous year, and the project will conclude in May 2022 and any surplus returned to the funder.

The Nationwide Foundation awarded a grant of £60,000 to fund staff time on our core activities of awareness raising, advocacy and member support. The funder requested that this appear in our accounts as a restricted fund.

RESERVES POLICY

The Trustees agreed a reserves policy in January 2020, updated in January 2021 and March 2022, considering the following factors:

- The organisation's risk register
- The nature of our funds, and prospects for future income streams
- Contractual obligations to staff in terms of parental rights, sickness pay and redundancy provisions;
- The organisation's obligation to maintain a safe and clean working environment;
- The organisation's obligation to fund negative cash balances of restricted projects;
- That certain equipment is essential for the organisation's work.

For 2021/22 the Trustees agreed a minimum reserve level of £80,000 and a target reserve level of £285,000.

RESERVES AS AT 31 MARCH 2022

The Trustees have closed the designated cash flow fund, used to cover the negative balance of the SHICC project which has now ended. The Trustees have also closed the designated development fund, which had the aim of funding opportunity costs for new projects, in favour of a suite of more specific, timebound designated funds. These are:

1 - Future website build	Set aside for a rebuild assumed in 2025-26.	£35,000
2 - CLH ecosystem work	To contract two external associates for 2022-23 (agreed in April) and 2023-24 to run the ecosystem review and development process following on from the green paper on CLH enabling hubs and advisors.	£90,000
3 - CLT events	Organising events for CLT members to network, visit successful projects and meet potential project partners, over 2022-25.	£50,000
4 - Training programme	To develop a training programme for CLT board members in 2022-23.	£5,000

The total funds that the charity holds is £515,270, of which £20,235 are restricted, £180,000 have been designated, leaving £315,035 in general reserves.

This is £30,035 over our target reserves level. The trustees have agreed to a budget which runs a small deficit this year to cover increased staff costs, which will bring down this surplus. Should we be successful in fundraising to close the deficit, as part of the business planning process, trustees will actively review opportunities to spend the funds.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The charity's trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's incoming resources and applications of resources during the year and of its state of affairs at the end of the year. 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 accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Charities Act 2011.

The trustees 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving this report:

- There is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware, and
- The trustees, having made enquiries of fellow trustees and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL COMMUNITY LAND TRUST NETWORK

Opinion

We have audited the financial statements of National Community Land Trust Network CIO (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express

any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports)

Regulations 2008 and the requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; 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 set out on page 22, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's 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 regulations made under Section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and environment in which it operates, we identified the principal risks of non-compliance with laws and regulations related to tax legislation, employment legislation, health and safety legislation, and other legislation specific to the industry in which the charity operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the reporting requirements under the Charities SORP and FRS102, and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to:

- Posting manual journal entries to manipulate financial performance, including treatment of grant income, in particular multi-year grants, being inconsistent with FRS102 SORP income recognition and the treatment of grant amounts to be returned from grant partners to the original funder;
- Management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions; and
- Misappropriation of cash and/or assets due to insufficient segregation of duties and internal controls in respect of expenditure, banking and/or payroll.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

Compliance with laws and regulations:

- Discussions with management including consideration of known or suspected instances of non-compliance with relevant laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit;
- Review minutes of meetings for issues relating to non-compliance;
- Reviewing both the design and implementation of key policies and internal controls.

Material Fraud in the financial statements:

- Making enquiries of management and those charged with governance on whether they had any knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by performing journal entry testing;

and

- Challenging assumptions and judgments made by management, including reviewing management's recognition of grant income in line with FRS102 SORP, treatment of grant income returned from grant partners to original funder and depreciation policies.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditor's report.

Use of the audit 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 auditor's 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 the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Patrick Morrello (Senior Statutory Auditor)
For and on behalf of Third Sector Accountancy Limited, Statutory Auditor
Holyoake House
Hanover Street
Manchester
M60 0AS

24 / 01 / 2023

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £ (Restated)
Income from:					
Donations and legacies	4	118,503	4,130,955	4,249,458	520,687
Charitable activities	5	100,022	-	100,022	87,987
Other trading activities		13,816	-	13,816	8,945
Other income		-	-	-	340
Total income		<u>232,341</u>	<u>4,130,955</u>	<u>4,363,296</u>	<u>617,959</u>
Expenditure on:					
Charitable activities	6	174,816	4,223,663	4,398,479	724,735
Total expenditure		<u>174,816</u>	<u>4,223,663</u>	<u>4,398,479</u>	<u>724,735</u>
Net income/(expenditure)	10	57,525	(92,708)	(35,183)	(106,776)
Transfers between funds	15	(22,425)	22,425	-	-
Net movement in funds		<u>35,100</u>	<u>(70,283)</u>	<u>(35,183)</u>	<u>(106,776)</u>
Total funds at start of year	15	459,935	90,518	550,453	657,229
Total funds at end of year	15	<u>495,035</u>	<u>20,235</u>	<u>515,270</u>	<u>550,453</u>

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 28 to 38 form part of these financial statements
See note 11 for fund-accounting comparative figures

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

BALANCE SHEET

AS AT 31 MARCH 2022

	Note	2022 £	2021 £ (Restated)
Fixed assets			
Tangible assets	12	2,181	3,255
		<u>2,181</u>	<u>3,255</u>
Current assets			
Debtors	13	96,995	128,346
Cash at bank and in hand		551,384	467,802
		<u>648,379</u>	<u>596,148</u>
Liabilities			
Creditors : amounts falling due within one year	14	(135,290)	(48,950)
Net current assets		<u>513,089</u>	<u>547,198</u>
Total assets less current liabilities		<u>515,270</u>	<u>550,453</u>
Net assets		<u><u>515,270</u></u>	<u><u>550,453</u></u>
Funds			
Unrestricted funds	16	495,035	459,935
Restricted funds	16	20,235	90,518
Total funds		<u><u>515,270</u></u>	<u><u>550,453</u></u>

These financial statements were approved by the Trustees on 26/11/2022..... and are signed on their behalf by:



Steve Hoey, Chair of Trustees

24 / 01 / 2023

The notes on pages 28 to 38 form part of these financial statements

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £ (Restated)
Cash inflow from operating activities			
Net income / (expenditure)	18	83,582	(108,487)
Net cash from operating activities		<u>83,582</u>	<u>(108,487)</u>
Investing activities			
Payments for tangible fixed assets		-	(1,184)
Proceeds from sales of tangible fixed assets		-	340
Net cash from investing activities		<u>-</u>	<u>(844)</u>
Net increase/(decrease) in cash equivalents		<u>83,582</u>	<u>(109,331)</u>
Cash & Cash equivalents at the beginning of the year		467,802	680,838
Cash & Cash equivalents at the end of the year		<u>551,384</u>	<u>571,507</u>

Cashflow Restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

The notes on pages 28 to 38 form part of these financial statements

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

1 General information

The charity is a charitable incorporated organisation, a registered charity in England & Wales. The address of the registered office is 7-14 Great Dover Street, London, SE1 4YR.

2 Statement of compliance

The financial statements have been prepared in accordance with the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (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 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) issued 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.

National Community Land Trust Network meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

3 Accounting policies

Currency

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Key judgments and estimates

Key judgments and estimates made by trustees in implementing the accounting policies are significantly around the recognition of grant income and grant expenditure, whether accrued or deferred or held within funds are the year end. The wording of the grant agreements and the direction of the SORP are used as guidance.

Income

All income is included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from donations or government or other grants (whether for capital or revenue) is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably, and any performance conditions have been met.

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 Accounting policies (continued)

- Legacy income is recognised when receipt is probable and entitlement is established
- Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets costing over £400 are capitalised. They are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

IT & Office equipment - 25% reducing balance

Pension costs and other post-retirement benefits

The Charity contributes to defined contribution pension schemes. Contributions payable to the charity's pension schemes are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Cash

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

Creditors

A creditor and provision are recognised when there is a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

4 Income from: Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Government grants received			
Department for Housing, Communities and Local government	-	4,000,000	4,000,000
Power to Change	-	6,350	6,350
Other grants received	110,000	124,605	234,605
Donations	8,503	-	8,503
	<u>118,503</u>	<u>4,130,955</u>	<u>4,249,458</u>

Prior year

	Unrestricted Funds £ (Restated)	Restricted Funds £ (Restated)	Total Funds 2021 £ (Restated)
Government grants received			
Power to Change	19,646	30,000	49,646
Other grants received			
Grants received	193,526	277,515	471,041
Donations	-	-	-
	<u>213,172</u>	<u>307,515</u>	<u>520,687</u>

5 Income from: Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Consultancy income	36,872	-	36,872
Membership fees	59,455	-	59,455
CLT services	3,695	-	3,695
	<u>100,022</u>	<u>-</u>	<u>100,022</u>

Prior year comparatives

	Unrestricted Funds £ (Restated)	Restricted Funds £ (Restated)	Total Funds 2021 £ (Restated)
Consultancy income	38,382	-	38,382
Membership fees	45,967	-	45,967
CLT services	3,638	-	3,638
	<u>87,987</u>	<u>-</u>	<u>87,987</u>

An analysis of restricted income is set out in Note 14

Income is recognised as charitable activity income when it is received in exchange for a level of service to be performed. All other grants are included within Donations receivable.

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

6 Expenditure on: Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
NATIONAL CLT ACTIVITIES			
<i>Grants & bursaries</i>	-	3,630,941	3,630,941
<i>Direct costs</i>			
Project partner costs	-	400,511	400,511
CLT services costs	18,041	-	18,041
Staff costs	44,286	107,650	151,936
Subcontractor costs	47,746	-	47,746
Events	425	2,850	3,275
Publications & materials	225	10,894	11,119
Research	6,150	40,340	46,490
External expertise	4,450	7,389	11,839
Loss on grant expenditure not received	-	21,450	21,450
<i>Support costs</i>			
Overheads - general	6,055	690	6,745
Software	-	-	-
Depreciation	1,074	-	1,074
Accountancy	7,255	13	7,268
Legal costs	5,770	40	5,810
Staff Travel, accommodation & subsistence	1,731	-	1,731
Website and database hosting and development	24,899	259	25,158
Governance costs			
Board expenses	709	636	1,345
Audit fee	6,000	-	6,000
	6,709	636	7,345
	174,816	4,223,663	4,398,479

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

6 Expenditure on: Charitable Activities (continued)

Prior year comparatives	Unrestricted Funds £ (Restated)	Restricted Funds £ (Restated)	Total Funds 2021 £ (Restated)
NATIONAL CLT ACTIVITIES			
<i>Grants & bursaries</i>	-	63,240	63,240
<i>Direct costs</i>			
Project partner costs	6,000	-	6,000
CLT services costs	15,127	-	15,127
Staff costs	202,107	181,012	383,119
Subcontractor costs	62,666	-	62,666
Events	-	720	720
Publications & materials	1,485	100	1,585
Research	35,500	4,800	40,300
External expertise	8,706	6,275	14,981
<i>Support costs</i>			
Overheads - general	43,641	-	43,641
Software	-	68,876	68,876
Depreciation	1,084	-	1,084
Accountancy	856	5,316	6,172
Legal costs	74	-	74
Staff travel, accommodation & subsistence	305	-	305
Website development, hosting & maintenance	12,197	-	12,197
Bad debts	(675)	-	(675)
<i>Governance costs</i>			
Board expenses	3,163	-	3,163
Independent examiner's fee	2,160	-	2,160
	5,323	-	5,323
	<u>394,396</u>	<u>330,339</u>	<u>724,735</u>

7 Staff costs and numbers

The aggregate payroll costs were:

	2022 £	2021 £
Wages & salaries	130,429	330,351
Subcontract work	47,746	62,666
Social security costs	9,418	28,807
Pension contributions	10,517	21,532
Other employee benefits	1,572	2,429
	<u>199,682</u>	<u>445,785</u>

No employee received emoluments of more than £60,000, (2021: 1, which included a redundancy payment).

The average weekly number of employees during the year was 5 (2021: 12)

The trustees consider themselves, along with the Chief Executive and Finance and Operations manager to be the key management personnel of the charity. Total remuneration and benefits received by key management personnel during the year were £81,923 (2021: £69,423).

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

8 Taxation

The charity is exempt from corporation tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

9 Trustee remuneration and expenses

No consultancy fees, remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Four trustees were reimbursed £541 (2021: £0) for travel expenses and training costs incurred in the year.

10 Net Income/(expenditure) for the year

This is stated after charging:

	2022 £	2021 £
Auditor's remuneration	6,000	-
Independent examiner's fee	-	2,160
Depreciation	1,074	1,084

11 Statement of Financial Activities comparative figures (restated)

For the year ended 31 March 2021	Unrestricted Funds £ (Restated)	Restricted Funds £ (Restated)	Total Funds 2021 £ (Restated)
Income from:			
Donations and legacies	213,172	307,515	520,687
Charitable activities	87,987	-	87,987
Other trading activities	8,945	-	8,945
Other income	340	-	340
Total income	<u>310,444</u>	<u>307,515</u>	<u>617,959</u>
Expenditure on:			
Charitable activities	394,396	330,339	724,735
Total expenditure	<u>394,396</u>	<u>330,339</u>	<u>724,735</u>
Net income/(expenditure) for the year	(83,952)	(22,824)	(106,776)
Transfers between funds	(28,656)	28,656	-
	<u>(112,608)</u>	<u>5,832</u>	<u>(106,776)</u>
Total funds at start of year	572,543	84,686	657,229
Total funds at end of year	<u>459,935</u>	<u>90,518</u>	<u>550,453</u>

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

12 Tangible fixed assets

	IT & office equipment £	Total £
Cost or valuation		
At 1 April 2021 and 31 March 2022	13,008	13,008
Depreciation		
At 1 April 2021 and 31 March 2022	9,753	9,753
Charge for the year	1,074	1,074
At 31 March 2022	10,827	10,827
Net book value		
At 31 March 2022	2,181	2,181
At 31 March 2021	3,255	3,255

13 Debtors

	2022 £	2021 £ (Restated)
Due in less than one year:		
Trade debtors	16,331	7,316
Prepayments and accrued income	17,400	121,030
Other debtors -partner grants repayable	63,264	-
	96,995	128,346

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	35,315	29,968
Social security and other taxes	2,156	7,131
Other creditors	69,685	2,563
Accruals and deferred income	28,134	9,288
	135,290	48,950

Movement in deferred income

	2022 £	2021 £
Balance at start of year	-	-
Membership income deferred relating to 2022/23	2,500	-
Grant received relating to period beginning 1 April 2022	15,000	-
Total amount deferred as at 31 March 2022	17,500	-

Included within other creditors is £67,810 (2021: £nil) owed back to grant funders.

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

15 Movement in funds

For the year ended 31 March 2022

	At 1 April 2021 £	Income £	Grants made £	Other expenditure £	Transfers £	At 31 March 2022 £
Restricted funds						
SHICC (North West Europe interreg)	-	-	-	(21,450)	21,450	-
Nationwide Foundation Core	-	60,000	-	(60,000)	-	-
Community Housing Fund 2018-	-	58,255	-	(58,255)	-	-
Community Housing Fund 2021-	-	4,000,000	(3,630,941)	(369,059)	-	-
Cohesive Communities fund	60,518	-	-	(55,505)	-	5,013
Power to Change Strategic Partnership Grant	30,000	-	-	(14,778)	-	15,222
CLH Pipeline Research	-	12,700	-	(13,675)	975	-
	<u>90,518</u>	<u>4,130,955</u>	<u>(3,630,941)</u>	<u>(592,722)</u>	<u>22,425</u>	<u>20,235</u>
Designated funds						
Development	212,500	-	-	-	(212,500)	-
Cash flow	103,705	-	-	-	(103,705)	-
CLH ecosystem	-	-	-	-	90,000	90,000
See it and believe it	-	-	-	-	50,000	50,000
New website	-	-	-	-	35,000	35,000
Training programme	-	-	-	-	5,000	5,000
	<u>316,205</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(136,205)</u>	<u>180,000</u>
General funds	143,730	232,341	-	(174,816)	113,780	315,035
	<u>459,935</u>	<u>232,341</u>	<u>-</u>	<u>(174,816)</u>	<u>(22,425)</u>	<u>495,035</u>
	<u>550,453</u>	<u>4,363,296</u>	<u>(3,630,941)</u>	<u>(767,538)</u>	<u>-</u>	<u>515,270</u>

Restricted funds

The final grant payment for the SHICC Project Grant was received. The designated Cashflow fund was used to close the negative project balance (due to unfavourable exchange rates) and the surplus was transferred to the designated Development Fund.

The Core Funding (Nationwide Foundation) funds staff time on our core activities working with CLTs and our advocacy work.

The Community Housing Fund 2018-2020 undertaken by the Community Led Homes partnership, issued grants to Community Led Housing groups in England, provided training for advisors, funded website work and a national advice and resources hub. This was funded by the Department of Levelling Up, Housing and Communities (DLUHC). An extension was granted to groups and hubs due to covid, but any unused grants are now being returned to us as the lead funder.

The Community Housing Fund 2021-21 issued revenue grants to Community Led Housing groups in England and was funded by DLUHC.

The Cohesive Community fund seeks to unlock the skills and capacity within the Community Land Trust (CLT) movement by providing financial and practical support through grants and training.

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

15 Movement in funds (continued)

The Power to Change Strategic Partnership Grant is funded by Power to Change. Its objective is to support the Community Led Homes partnership with its work on policy development, communications, membership and strengthening the wider community-led housing movement.

The Community Led Housing Pipeline Research Project investigated how many homes are likely to be built given CLH group's plans to find a site, go through planning, or are currently being built. This supports our advocacy work and was funded by Power to Change and the Nationwide Foundation.

The CLH Pipeline project closed with a small overspend and Core funds were used to close this.

Unrestricted and Designated Funds

The Cashflow and Development funds have been closed and the funds transferred to the following:

CLH Ecosystem fund - funds set aside to finance external associates to run the planned ecosystem review in 2023/24.

See it and believe it - funds set aside to organise and run events for CLT members to visit to successful projects, network and meet potential project partners.

New website - funds set aside towards the cost of rebuilding the charity's website

Training programme - funds to develop a training programme for CLT board members in 2022/23.

For the year ended 31 March 2021

	At 1 Apr 2020 £	Income £ (Restated)	Grants made £	Other expenditure £ (Restated)	Transfers £	At 31 March 2021 £ (Restated)
Restricted funds						
CLT Start-up Fund	23	5,095	(1,118)	(3,000)	(1,000)	-
SHICC (North West Europe interreg)	(77,460)	212,420	(71,890)	(63,070)	-	-
CLH Infrastructure project (Nationwide Foundation)	22,762	-	-	(22,418)	(344)	-
CHF	49,834	-	-	(49,834)	-	-
Cohesive Communities fund	89,527	-	9,768	(38,777)	-	60,518
Power to Change Strategic Partnership Grant	-	30,000	-	(30,000)	30,000	30,000
Core Funding (Nationwide Foundation)	-	60,000	-	(60,000)	-	-
	<u>84,686</u>	<u>307,515</u>	<u>(63,240)</u>	<u>(267,099)</u>	<u>28,656</u>	<u>90,518</u>
Designated funds						
Development	80,000	-	-	-	132,500	212,500
Cash flow	77,460	-	-	-	26,245	103,705
	<u>157,460</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>158,745</u>	<u>316,205</u>
General funds	415,083	310,444	-	(394,396)	(187,401)	143,730
	<u>572,543</u>	<u>310,444</u>	<u>-</u>	<u>(394,396)</u>	<u>(28,656)</u>	<u>459,935</u>
	<u>657,229</u>	<u>617,959</u>	<u>(63,240)</u>	<u>(661,495)</u>	<u>-</u>	<u>550,453</u>

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

16 Analysis of net assets between funds

As at 31 March 2022	Unrestricted Funds £	Restricted Funds £	Total £
Tangible fixed assets	2,181	-	2,181
Current Assets	492,854	20,235	513,089
	<u>495,035</u>	<u>20,235</u>	<u>515,270</u>
As at 31 March 2021	Unrestricted Funds £	Restricted Funds £	Total £
	(Restated)		(Restated)
Tangible fixed assets	3,255	-	3,255
Current Assets	456,680	90,518	547,198
	<u>459,935</u>	<u>90,518</u>	<u>550,453</u>

17 Related party transactions

Mr S Hoey, Chair of Trustees of National Community Land Trust Network is also a director of Leeds Community Homes Ltd, an organisation registered as a Community Benefit Society, number 8479. During the year, National Community Land Trust Network paid fees for research and travel of £8,326 (2021: £7,600) to the Society, and received membership fees of £150 (2021: £150). There were no amounts outstanding at either the beginning or end of the year.

There are no further transactions with trustees or other related parties other than those disclosed above as required by the SORP elsewhere in the financial statements.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties (2021: £nil).

18 Reconciliation of net movement in funds to net cash inflow from operating activities

	2022 £	2021 £
		(Restated)
Statement of Financial Activities: Net movement in funds	(35,183)	(106,776)
Depreciation	1,074	1,084
Profit on sale of asset	-	(340)
Increase/ (Decrease) in creditors: current liabilities	86,340	(65,425)
(Increase) / decrease in debtors	31,351	62,970
Net cash (outflow)/inflow from operating activities	<u>83,582</u>	<u>(108,487)</u>

NATIONAL COMMUNITY LAND TRUST NETWORK CIO

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

18 Reconciliation of net movement in funds to net cash inflow from operating activities (continued)

Analysis of changes in cash during the year

	2022	2021	Change
	£	£	£
Cash at bank and in hand	551,384	467,802	83,582
	<u>551,384</u>	<u>467,802</u>	<u>83,582</u>
	2021	2020	Change
	£	£	£
Cash at bank and in hand	467,802	680,838	(213,036)
	<u>467,802</u>	<u>680,838</u>	<u>(213,036)</u>

19 Prior year adjustment

A prior period adjustment has been made to the brought forward funds due to a change in the year in which a grant was recognised in the accounts. In addition, the split of income and expenditure has been reassessed for greater accuracy and clearer disclosure.

	As previously stated	Adjustment	Restated amounts
	£	£	£
Balance Sheet			
Total unrestricted funds as at 31 March 2021	459,935	-	459,935
Total restricted funds as at 31 March 2021	(13,187)	103,705	90,518
Total current assets as at 31 March 2021	492,443	103,705	596,148
	<u>492,443</u>	<u>103,705</u>	<u>596,148</u>
Statement of Financial Activities			
Income from donations and legacies for the year ended 31 March 2021	-	520,687	520,687
Income from charitable activities for the year ended 31 March 2021	513,914	(425,927)	87,987
Income from other trading activities	-	8,945	8,945
Other income	-	340	340
Disposal of assets	340	(340)	-
	<u>340</u>	<u>(340)</u>	<u>-</u>