

The Sanctuary Trust Limited

(a company limited by guarantee
and not having a share capital)

**TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2021**

Company number: 2721623

Registered Charity Number: 1020295

WRIGLEY PARTINGTON

Chartered Accountants
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

THE SANCTUARY TRUST LIMITED

CONTENTS

	<u>Page No.</u>
Report of the Trustees / Directors	3 - 8
Report of the Auditors	9 - 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 - 23

THE SANCTUARY TRUST LIMITED

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 5 APRIL 2021

The trustees/directors of The Sanctuary Trust Limited present their annual report together with the financial statements for the year ended 5 April 2021. The directors or members of the board of the charitable company (the charity) are its trustees for the purpose of charity law. Throughout this report they are collectively referred to as the 'trustees'.

Reference and Administrative Information

<u>Charity number</u>	1020295
<u>Company number</u>	2721623
<u>Trustees</u>	
The trustees serving during the year were as follows:	E H O'Connor Boswell S Halsall J Edwards I Johnstone V Slater L Mills C R McCann
<u>Company Secretary</u>	K O'Brien
<u>Operational Director</u>	D Lackner-Smith
<u>Finance Director</u>	R Shaw
<u>Registered office and principal office</u>	Office 9 Champhess Hall Drake Street Rochdale OL16 1PB
<u>Auditors</u>	Wrigley Partington 501 Middleton Road Chadderton Oldham OL9 9LY
<u>Bankers</u>	National Westminster Bank Plc Town Hall Square Rochdale OL16 1LL
<u>Legal representatives</u>	AST Hampsons 128 Yorkshire Street Rochdale OL16 1LA

THE SANCTUARY TRUST LIMITED

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 5 APRIL 2021 continued...

Structure, Governance and Management

Governing document

The Sanctuary Trust Limited is a company limited by guarantee governed by its memorandum and articles of association. It is registered as a charity with the Charity Commission.

Recruitment and appointment of trustees

The Board seek to appoint trustees as vacancies arise or if they become aware that a person with appropriate skills and experience is available and willing to join the board.

Trustees' induction and training

There is no formal training provided for trustees but they are advised to read the literature available from the Charity Commission and they are made aware of their general duties and responsibilities as part of the recruitment process and once they join the board and attend meetings.

Volunteers

The charity is very fortunate to have a large number of people who are willing to volunteer to assist in furthering the objects of providing support and encouragement for people who are homeless. There are formal processes in place to ensure that volunteers have appropriate training or experience and that they meet all legal requirements.

Organisational structure

A board of trustees, who meet on a regular basis, administer the charity. An Operations and Development Team including an Operational Director, Financial Director and others as necessary are appointed by the charity to manage the day to day operations of the organisation. The pay and remuneration of key management personnel is based on the NJC pay scales, with any significant deviation from those scales requiring the approval of the trustees.

Related parties

The charity acts as managing agent for Great Places trading as MMHG, which is a registered housing association.

The charity also has a close working relationship with Rochdale Metropolitan Borough Council.

Representatives from the above organisations are invited to the trustees' meetings.

Policy for managing risk and reserves

The trustees have assessed the risks and uncertainties to which the charity is exposed and consider the principal areas to be as follows:

- Opposition to new developments by the local community (NIMBYism).
- Flu pandemic amongst staff and clients.
- Failure to comply with the Disability Discrimination Act.

The trustees are satisfied that systems are in place to mitigate the charity's exposure to major risks. As part of that process, the trustees have implemented a risk management strategy, which comprises:

- an annual review of the risks which the charity may face
- the establishment of systems and procedures to mitigate those identified in the plan and
- the implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

It is the policy of the charity to maintain free reserves, which are unrestricted funds less fixed assets, at a level which equates to approximately three to four months unrestricted expenditure. This provides sufficient funds to cover management, administration and support costs and to respond to emergencies which may arise from time to time.

The amount of free reserves available at 5 April 2021 was £375,350 (2020: £360,331) and the trustees consider that to be an appropriate level.

THE SANCTUARY TRUST LIMITED

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 5 APRIL 2021 continued...

Objectives and activities

The Sanctuary Trust is a practical expression of God's love, providing support and encouragement for people who are homeless or seeking to take control of their lives through drug, alcohol or other homeless-related problems.

The Trust's aim is to help people to take a full place in society and live independently, and to give vulnerable people opportunity to improve their quality of life by providing a stable environment which enables them to take greater responsibility for their lives.

The Trustees are mindful of the Charity Commission guidance on public benefit. We believe that our activities make a significant difference to the lives of our clients and also benefit the local communities in which we work. Our activities are planned to improve the lives of homeless people and to reduce homelessness.

Achievements and performance

This has been a turbulent year with the Covid 19 virus having a huge impact from the outset. We feel that as the year has gone on, strangely perhaps we feel we have been mightily blessed.

Firstly, we have got through the year with very few cases amongst the staff, and these were generally quite mild, and we only had a few staff to self-isolate. Mercifully there were no cases with the residents in the accommodation projects which could potentially have been a big problem.

Secondly, we are classed as essential services and, with care, we were nearly all able to keep working. Only 1 member of staff had to stay off and as it was a small post, we did not use the furlough scheme but continued to pay wages. Any other staff who were not able to do their usual job were re deployed to other services.

Thirdly, with all the government support around and other grant makers, we secured considerable additional finances to plough in additional support to our outreach services and Conwy Food Bank.

Our original project at Halsall House continues to run well.

Covid put an end to twin room arrangement at STEP, but the council continued with their A Bed For Every Night (ABEN) support, accepting that we would go down to only 6 residents.

On the back of the above, we were asked to run a 20 bedded emergency accommodation out of the Broadfield Hotel. This was whipped up like lightning and started straight away in April. The original remit was only for 3 months but we were then asked to carry on month by month, which we did until near the end of December.

At this time, we "jumped ship" and moved the whole project to Holland House.

Such was the mutual support between us and the council that all of this was cobbled together in extremely short time and with very little paperwork, both teams pulling out all the stops under the Covid situation and invoices being paid in timely fashion. We nominally have the go ahead for 12 months taking us to next December and are once again invoicing on a monthly basis.

We got extension funding for 2 outreach workers (Rough Sleepers Initiative RSI) and 2 additional workers through a joint commissioning between Oldham and Rochdale councils and continued our Homeless Prevention Team (HPT) work in Rochdale with further expansion into Oldham. This has been a great success. A navigator role was added to this for 9 months. We hope that this may be re-funded next year.

Tony continues the second of 3 years of our Crisis work for Lloyds Foundation and works closely with the RSI team and the Rochdale Food Distribution Service who received grants of £4,992 from Crisis UK and £1,000 from Action Together.

The Pass it on Scheme through the Lottery's Community Fund runs into its second year working with persons with lived experience and has allowed us to bring a few into employment as well. This has also been a considerable support to the RSI teams.

In order to assist and enhance the work of the outreach teams, we took out a lease on the old Thrive property on Drake Street which will house the teams and also has room for additional service user involvement.

Another difficult year for the Storehouse with the Covid 19 crisis as it was closed for most of the year. Fortunately, we were given several small business grants, and were able to utilise most of the staff and volunteers elsewhere.

THE SANCTUARY TRUST LIMITED

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 5 APRIL 2021 *continued...*

Achievements and performance (continued)

The student placement programme continues a storm. A couple of students from last year continued to finish their programme, and we had a massive 11 new students in this year (not all at the same time), as 6 started later in the year and continue their placement into next year. Not only do we get to help students with their education, but the quality of the students help us in the work, so much so that a number return to us in some form of paid work.

Holborn House, the residential project in Wales, continues to run successfully.

Belgrave Road remains on a running lease to the Conwy Council.

The charity food bank at Llandudno had to move premises as the property at Ffordd Las was too small to operate safely. We were given free loan of a larger property by Conwy Council for an initial 3 month period and so moved into that. This was only a temporary fix and so we managed to negotiate an agreement with the Colwyn Bay parish council via Christine at the church where ARC had had their office and run the Tier 2 service for a while until it was decommissioned.

The agreement is for the property across the road from the church: the SPYCE centre.

During the year we obtained the following for the work at the food bank:

£3,050 + £1,000 CCBC.

£5,000 + £5,000 parts 2 & 3 of the £15,000 from Steve Morgan Foundation.

£8,432 from Lloyds Foundation. They consider it an extension of the Crisis grant but restricted to CFB.

£5,000 Community Foundation Wales (Coop Fund). Due to difficulties with the premises, this has been deferred to next year.

£6,100 Donation from Bryson Recycling.

£1,050 CCBC donation for food.

£1,000 Catrefi Conwy donation.

£3,333 Conwy Town Council.

£5,000 CCBC Slow Cooker Project.

Also, many other personal donations, some large, some small and some regular which combined with the donations identified above amount to the enormous total of £50,991 for the year. Our thanks to all of these.

As well as all these, we received a grant of £20,000 from the Freemasons to expand the work in the new premises, Welsh Reach Out Centre (WROC). This also has been deferred to next year.

The house at Beit Tikva, Penmaenmawr, continues to run well and Lynn and David keep an eye on things. Although this is generally within the scope of Sanctuary Trust, it is not really our core work, and we are looking to see if we can get this taken over by a local church who would be much more appropriate for this type of project.

The charity shop in Pensarn recovered well after being closed in the early part of the year but with still having to pay rent and needing additional work to cope with the Covid situation we ended with a £4k loss. We have no doubt that this will soon be recovered next year.

Administratively the 2 steering groups settled into their roles, the Northern Area Manager was recognised into an enhanced role as Operations & Development Director and the area management was devolved to a team set up on a trial basis and due to the increase in services we are providing at the moment we took on an additional member of staff into the management team and so welcome Kirsty O'Brien as HR administrator.

Service User testimonies can be found in the area managers' reports which are available separately.

Finally, we must say once again that we are greatly blessed with a fantastic group of staff and volunteers who are a large part of what makes us who we are, and without whom we would not be able to provide the services that we do. Thank you all.

THE SANCTUARY TRUST LIMITED

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 5 APRIL 2021 continued...

Achievements and performance (continued)

Development:

Sanctuary Trust will continue to provide services to people suffering the effects of homelessness or threat of homelessness in line with the Sanctuary Trust Mission Statement, Aims and Objectives. We will continue to improve the delivery of our services by internal and external monitoring, consultation and policy review with stakeholders, management of staff and clients and implementation of the consequent action plans through good supervisory line management. We believe that there is no quick fix and that substantial motivation and effort to restore service user self-worth is required. We are also looking to form partnership working agreements with stakeholders to strengthen and improve bids for new service contracts. Many of the Trustees have been in place for some time now and we are continually on the lookout for new members to bolster the management committee.

Financial Review

The charity's principal funding sources during the year were service contract income of £540,378 (2020: £151,553), housing benefits received of £417,488 (2020: £481,423) and a contribution received from the Welsh Assembly of £143,412 (2020: £143,412). Other sources of income received are shown in notes 2, 3 and 4 to the accounts. These resources have been used to provide accommodation and support to homeless and other vulnerable people.

The charity made a surplus for the year of £31,411 (2020: £29,822), further details of which are shown in the statement of financial activities on page 12.

The company's financial position at the end of the year is shown on page 13 of the accounts and the Trustees are pleased to report that total charity funds increased from £653,803 at 5 April 2020 to £685,214 at 5 April 2021.

The Trustees consider the state of the company's affairs to be satisfactory and look to the future with confidence.

Plans for future periods

We think it is likely that RMBC will continue to fund the additional staff at STEP through the ABEN fund and we hope to bid for ABEN4 in Oldham as well as a further work as Navigator when this comes up for recommissioning.

We are constantly looking for ways to utilise our resources to offer pieces of work which will both take a share of the overheads and bring in a small surplus.

We will be looking to update the website and rebrand the organisation.

John Wigley in his new role will continue his efforts on fund finding and bid writing that has already been so successful this year.

THE SANCTUARY TRUST LIMITED

REPORT OF THE TRUSTEES/DIRECTORS FOR THE YEAR ENDED 5 APRIL 2021 continued...

Trustees' responsibilities in relation to the financial statements

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

Company law requires the Trustees to prepare financial statements for each financial year that 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 those financial statements the Trustees are required to:

- select suitable accounting policies and 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 Companies Act 2006. 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.

Compliance with accounting standards

The Trustees confirm that the financial statements comply with the current statutory requirements, the requirements of the company's memorandum and articles of association and the requirements of the Charities SORP (FRS 102).

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

This report was approved by the board of directors at the annual general meeting on 18th October 2021 and signed on behalf of the board by:

K O'Brien
Secretary



THE SANCTUARY TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SANCTUARY TRUST LIMITED

Opinion

We have audited the financial statements of The Sanctuary Trust Limited for the year ended 5 April 2021 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information in the 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 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.

Opinions on other matter prescribed by the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

THE SANCTUARY TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SANCTUARY TRUST LIMITED (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

THE SANCTUARY TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SANCTUARY TRUST LIMITED (continued)

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance related to those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and the Charities SORP (FRS 102). 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 inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Appropriate audit procedures were performed to address those risks including testing journal entries and challenging assumptions and judgements made by management in their significant accounting estimates. 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 our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Ducie (Senior statutory auditor)

For and on behalf of

Wrigley Partington

Chartered Accountants and
Statutory Auditor

Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY

Date: 18 November 2021

THE SANCTUARY TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account) : YEAR ENDED 5 APRIL 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
INCOME							
Donations and legacies	2	10,138	51,490	61,628	15,755	28,327	44,082
Charitable activities	3	1,239,752	142,722	1,382,474	826,000	116,629	942,629
Other trading activities	4	39,104	-	39,104	69,498	-	69,498
Investment income		180	-	180	898	-	898
Total incoming resources		1,289,174	194,212	1,483,386	912,151	144,956	1,057,107
EXPENDITURE							
Raising funds	4	48,630	-	48,630	73,435	-	73,435
Charitable activities	5	1,228,169	175,176	1,403,345	840,443	113,407	953,850
Total resources expended		1,276,799	175,176	1,451,975	913,878	113,407	1,027,285
Net (outgoing)/incoming resources before other recognised gains and losses		12,375	19,036	31,411	(1,727)	31,549	29,822
Transfers between funds		-	-	-	(307)	307	-
Net income/(expenditure) and net movement in funds for the year		12,375	19,036	31,411	(2,034)	31,856	29,822
Reconciliation of funds							
Total funds brought forward		536,756	117,047	653,803	538,790	85,191	623,981
Total funds carried forward		549,131	136,083	685,214	536,756	117,047	653,803

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

The accompanying notes are an integral part of this statement of financial activities.

THE SANCTUARY TRUST LIMITED

BALANCE SHEET : AS AT 5 APRIL 2021

	<i>Note</i>	2021 £	2020 £
FIXED ASSETS			
Tangible assets	10	251,176	255,716
Total fixed assets		251,176	255,716
CURRENT ASSETS			
Debtors	11	131,161	27,377
Cash at bank and in hand	12	379,139	458,981
Total current assets		510,300	486,358
LIABILITIES:			
Creditors falling due within one year	13	76,262	88,271
Net current assets		434,038	398,087
Net assets	17	685,214	653,803
THE FUNDS OF THE CHARITY			
<i>Restricted income funds</i>	16	136,083	117,047
Unrestricted funds	16	549,131	536,756
Total charity funds	17	685,214	653,803

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 18th October 2021, and are signed on behalf of the board by:


 Trustee/Director
C R McCann

Registration number: 2721623

The accompanying notes are an integral part of this balance sheet.

THE SANCTUARY TRUST LIMITED

STATEMENT OF CASH FLOWS : YEAR ENDED 5 APRIL 2021

	<i>Note</i>	2021 £	2020 £
Cash used in operating activities	19	(59,335)	103,731
Cash flows from investing activities			
Interest income		180	898
Purchase of tangible fixed assets		(20,687)	(6,959)
Proceeds from disposal of tangible fixed assets		-	-
Cash provided by (used in) investing activities		(20,507)	(6,061)
Cash flows from financing activities			
Repayment of borrowing		-	-
Cash used in financing activities		-	-
Increase/(decrease) in cash and cash equivalents in the year		(79,842)	97,670
Cash and cash equivalents at the beginning of the year		458,981	361,311
Total cash and cash equivalents at the end of the year		379,139	458,981

THE SANCTUARY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 5 APRIL 2021

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) **Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Sanctuary Trust Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) **Company status**

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The charity was incorporated in England and the address of its registered office is Office 9, Champness Hall, Drake Street, Rochdale, OL16 1PB.

c) **Income recognition policies**

Items of income are recognised and included in the accounts when the charity is legally entitled to the income, any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity, there is sufficient certainty that receipt of the income is considered probable and the amount can be measured reliably. The following specific policies apply to categories of income:

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Investment income is recognised on a receivable basis.

d) **Donated services and facilities**

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of the economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

e) **Resources expended**

All 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 use of the resources. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis (eg. estimated usage).

- Costs of raising funds are those costs incurred in trading activities that raise funds.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services, and include both the direct costs and support costs relating to those activities.

- Governance costs are those incurred in connection with the constitutional and statutory requirements of the charity.

THE SANCTUARY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 5 APRIL 2021

1 Accounting policies continued

f) **Taxation**

The company is a registered charity and as such is entitled to the exemption from tax to the extent that the income received falls within section 505 ICTA 1988 and section 256 CGTA 1992 and is applied to charitable purposes only.

g) **Operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

h) **Holiday pay**

The holiday year is also the financial year and employees are required to take their holiday entitlement during the year; accordingly there is normally no holiday pay accrual.

i) **Tangible fixed assets and depreciation**

Fixed assets are capitalised at cost and depreciated at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows :

Land and buildings	5% Reducing balance
Plant and machinery	20% Reducing balance
Motor vehicles	25% Reducing balance

j) **Debtors**

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

k) **Cash at bank and in hand**

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

l) **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) **Fund accounting**

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are available for use at the discretion of the trustees/directors in furtherance of the general objectives of the Charity and that have not been designated for other purposes.

Restricted funds are funds subject to restrictions imposed by the donor or by the specific terms of the appeal under which the funds are raised.

n) **Pensions**

The charity operates a defined contribution pension scheme. Contributions to the scheme are charged to the SOFA in the year to which they relate. The assets of the scheme are held independently from those of the charity.

o) **Assessment of going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern and the accounts have been drawn up on the going concern basis which assumes that the charity will continue in operation for the foreseeable future.

p) **Financial instruments**

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

THE SANCTUARY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 5 APRIL 2021

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
2 <u>Income from donations and legacies</u>				
Donations from institutions	2,430	16,792	19,222	34,482
Donations from individuals	7,708	34,698	42,406	9,600
	<u>10,138</u>	<u>51,490</u>	<u>61,628</u>	<u>44,082</u>
3 <u>Income from charitable activities</u>				
Housing benefits	417,488	-	417,488	481,423
Service contracts	540,378	-	540,378	151,553
Rent received	49,738	-	49,738	49,612
Welsh Assembly contribution re: supporting people	143,412	-	143,412	143,412
Grants specific:				
Lloyds Bank Foundation	-	30,795	30,795	30,340
Community fund		83,245	83,245	74,097
Lottery grant re: Covid-19	56,575	-	56,575	-
RMBC re: Covid-19	19,669		19,669	-
Various re: Conwy Food Bank		27,482	27,482	-
Others	12,492	1,200	13,692	12,192
	<u>1,239,752</u>	<u>142,722</u>	<u>1,382,474</u>	<u>942,629</u>
4 <u>Other trading activities</u>				
<u>Income</u>				
Letting income	-	-	-	-
Charity shop	39,104	-	39,104	69,498
	<u>39,104</u>	<u>-</u>	<u>39,104</u>	<u>69,498</u>
<u>Expenditure</u>				
Shop running costs	48,630	-	48,630	73,435
	<u>48,630</u>	<u>-</u>	<u>48,630</u>	<u>73,435</u>

THE SANCTUARY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 5 APRIL 2021

5 Cost of charitable activities

	Staff costs £	Depreciation £	Other costs £	Total 2021 £	Total 2020 £
Provision of support	1,072,754	-	103,885	1,176,639	752,074
Provision of housing	-	12,002	153,534	165,536	159,946
Provision of transport	-	1,922	4,942	6,864	1,348
Central office costs	-	4,342	49,964	54,306	40,482
	<u>1,072,754</u>	<u>18,266</u>	<u>312,325</u>	<u>1,403,345</u>	<u>953,850</u>

	Total 2021 £	Total 2020 £
Other costs:		
Volunteers expenses	580	2,355
Rent and other services	96,495	86,227
Groceries and provisions	54,889	39,293
Light, heat and insurance	27,269	26,941
Repairs and renewals	33,174	28,664
Recreational and care work expenses	13,008	10,046
Staff training and recruitment	8,278	6,516
Administration costs	56,496	40,277
Bad debts	(986)	8,563
Loss on fixed asset disposal	6,961	-
Legal and professional fees	8,512	6,634
Governance costs (note 6)	7,649	5,859
	<u>312,325</u>	<u>261,375</u>

6 Governance costs

	Total 2021 £	Total 2020 £
Auditors fees for audit of the accounts:		
Allocated to fundraising	521	201
Allocated to charitable activities	7,649	5,859
	<u>8,170</u>	<u>6,060</u>

THE SANCTUARY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 5 APRIL 2021

	Total 2021 £	Total 2020 £
7 Staff costs		
Total staff emoluments for the year were as follows:		
Wages and salaries	995,082	658,717
Social security costs	76,263	44,567
Pension costs	25,134	17,068
	<u>1,096,479</u>	<u>720,352</u>

The total amount of employee benefits received by key management personnel included within the above is as follows:

Operational and Finance Directors	<u>99,989</u>	<u>93,763</u>
-----------------------------------	---------------	---------------

8 Staff numbers

The average monthly head count was 47 staff (2020: 37) and the average number of full-time equivalent employees during the year were as follows:

	2021 Number	2020 Number
Direct charitable work	43	33
Administrative	4	4
	<u>47</u>	<u>37</u>

None of the trustee's received any remuneration from the charity nor were they reimbursed expenses.

No employee earned £60,000 per annum or more.

	2021 £	2020 £
9 Net movement in funds		
Net movement in funds is arrived at after charging /(crediting):		
Depreciation of tangible fixed assets	18,266	16,575
Loss on disposal of tangible fixed assets	6,961	-
Auditors remuneration for audit of the accounts	8,170	6,060
Operating lease payments	105,786	95,406

THE SANCTUARY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 5 APRIL 2021

10 Tangible fixed assets

	Freehold property improv'ts	Land and buildings freehold	Long leasehold property	Plant and machinery	Motor vehicles	Total
<u>Cost</u>						
At 6 April 2020	27,564	310,995	70,896	83,289	4,000	496,744
Additions	-	-	-	14,687	6,000	20,687
Disposals	(1,610)	-	-	(31,312)	(1,000)	(33,922)
At 5 April 2021	25,954	310,995	70,896	66,664	9,000	483,509
<u>Depreciation</u>						
At 6 April 2020	13,327	120,669	34,501	70,968	1,563	241,028
Charge for the year	666	9,516	1,820	4,342	1,922	18,266
Disposals	(697)	-	-	(26,014)	(250)	(26,961)
At 5 April 2021	13,296	130,185	36,321	49,296	3,235	232,333
<u>Net Book Value</u>						
At 5 April 2021	12,658	180,810	34,575	17,368	5,765	251,176
At 6 April 2020	14,237	190,326	36,395	12,321	2,437	255,716

THE SANCTUARY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 5 APRIL 2021

	2021 £	2020 £
11 Debtors		
Gift aid recoverable	4,384	4,599
Prepayments and accrued income	126,777	22,778
	<u>131,161</u>	<u>27,377</u>

	2021 £	2020 £
12 Cash at bank and in hand		
Cash at bank	370,751	455,844
Cash in hand	8,388	3,137
	<u>379,139</u>	<u>458,981</u>

	2021 £	2020 £
13 Liabilities : creditors falling due within one year		
PAYE	19,771	15,820
Other creditors	15,223	7,252
Accruals and deferred income	41,268	65,199
	<u>76,262</u>	<u>88,271</u>

14 Share capital

The company has no share capital, and the liability of members is limited by guarantee to £1 per member.

15 Pension fund

The company operates a defined contribution pension scheme to which there is no commitment, the assets of which are held in a separately administered fund. Contributions to the pension scheme during the year amounted to £25,134 (2020 : £17,068).

THE SANCTUARY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 5 APRIL 2021

16 Analysis of charitable funds

Analysis of fund movements:

	At 06-Apr 2020 £	Incoming resources £	Resources expended £	Transfers £	At 05-Apr 2021 £
<i>Unrestricted funds:</i>					
General purpose	536,756	1,289,174	(1,276,799)	-	549,131
<i>Restricted funds:</i>					
i. Purchase and improvement					
Tweeddale Street	76,817	-	(3,841)	-	72,976
ii. Computer equipment upgrade	660	-	(660)	-	-
iii. Lloyds Bank Foundation grant	883	-	-	-	883
iv. NHS grant	779	-	-	-	779
v. D M Thomas Foundation grant	1,763	-	(321)	-	1,442
vi. Lloyds Bank Foundation grant	4,438	30,795	(30,835)	-	4,398
vii. Community Fund grant	8,623	83,245	(78,559)	-	13,309
viii. Small project grants	-	1,700	(862)	-	838
ix. Conwy food bank	18,084	78,472	(55,098)	-	41,458
x. Screwfix grant	5,000	-	(5,000)	-	-
	117,047	194,212	(175,176)	-	136,083

Purpose of restricted funds

- Funds received to enable the charity to purchase and improve a property to provide night stop care.
- Funding received to improve the charity's information and technology department.
- The Lloyds Bank Foundation grant is to fund the salary and on going costs of a reintegration worker.
- NHS grant received to fund the salary costs of a crisis worker.
- D M Thomas Foundation grant received to fund computer and materials for emergency homeless shelter.
- The Lloyds Bank Foundation grant is to fund the salary of a part time crisis coordinator.
- Grant to cover staffing, overheads and other revenue expenditure of the Pass It On Scheme.
- Grant funding for various small projects.
- Donations and grants received specifically to fund the Conwy food bank.
- Grant received from Screwfix towards the refurbishment of the Milnrow Road property (STEP project).

17 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Fund balances at 5 April 2021 as represented by:			
Tangible fixed assets	173,781	77,395	251,176
Current assets	426,612	83,688	510,300
Current liabilities	(51,262)	(25,000)	(76,262)
	549,131	136,083	685,214

THE SANCTUARY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS : YEAR ENDED 5 APRIL 2021

18 Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Rent		
Within one year	7,370	40,666
Between one and five years	132,606	21,060
After five years	-	-
	<u>139,976</u>	<u>61,726</u>

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

	2021 £	2020 £
Net movement in funds	31,411	29,822
Add back depreciation charge	18,266	16,575
(Profit)/loss on fixed asset disposal	6,961	-
Deduct interest income shown in investing activities	(180)	(898)
Decrease/(increase) in debtors	(103,784)	(4,980)
Increase/(decrease) in creditors	(12,009)	63,212
Net cash used in operating activities	<u>(59,335)</u>	<u>103,731</u>

20 Related party transactions

Details of the employee benefits received by key management personnel are shown in note 7 to the accounts. There were no other related party transactions during the year requiring disclosure.

