

Company registration number: 02721623

Charity registration number: 1020295

The Sanctuary Trust Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024



KM
Chartered Accountants
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

The Sanctuary Trust Limited

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The Sanctuary Trust Limited

Reference and Administrative Details

Trustees	Mr J A Edwards
	Reverend C R McCann
	Mrs L E Mills
	Mrs S Riding
	Mr C M Cowan
	Mr E M Fowler
Secretary	Mrs K O'Brien
Senior Management Team	Mr D Lackner-Smith, CEO
	Mr J Wigley, Operational and development director
Principal Office	Globe House
	Moss Bridge Rd
	Rochdale OL16 5EB
	The charity is incorporated in England.
Company Registration Number	02721623
Charity Registration Number	1020295
Bankers	National Westminster Bank PLC
	Town Hall Square
	Rochdale
	OL16 1LL
Auditor	KM
	Chartered Accountants
	1st Floor, Block C
	The Wharf
	Manchester Road
	Burnley
	Lancashire BB11 1JG

The Sanctuary Trust Limited

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

Trustees

Mr E H O Boswell (resigned 17 June 2024)

Mr J A Edwards

Reverend C R McCann

Mrs L E Mills

Mrs S Riding

Mr C M Cowan (appointed 15 January 2024)

Mr E M Fowler (appointed 15 January 2024)

Objectives and activities

Objects and aims

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 benefit the local communities in which we work. Our activities are planned to improve the lives of homeless people and to reduce homelessness.

Review of activities and achievements

In the year under review, the Trust's charitable activities have continued to be directed to meet the need of those people who are homeless, at risk of homelessness or are otherwise affected through drug, alcohol or other homeless-related problems.

These activities have continued across Greater Manchester and North West Wales where we have seen demand has continued to increase and therefore our response has needed to adapt and increase, whilst faced with a continuing challenge from these demand levels and the funding challenges placed on many of our key stakeholder funders.

Our main commissioners in these areas have provided great support to our initiatives and we have been able to continue our residential offerings and provide on street support to those with nowhere else to turn. Our support services have provided practical support to help to prevent those who would otherwise become homeless. The support provided by our commissioners has been augmented by the generosity of our grant funders and other regular donors who provide support in monetary and in other practical ways.

The reputation of the Charity is underpinned by a dedicated team of staff and volunteers who lead the projects which deliver the most important outcomes, and without which we would be unable to make a difference in places where it is most needed. In addition to these 'front line' staff, the team who also help with fundraising through new initiatives or through regular support have facilitated and enabled the Charity's activities and also been a second line of support in making these services accessible to and meet the needs of those at risk of homelessness.

The Sanctuary Trust Limited

Trustees' Report

Our place in the team of organisations who support those who are otherwise marginalised has continued to be strengthened by the social work placements for social work students from Salford University and through our leading and active involvement in multi disciplinary discussions across the wider third sector and public sector teams.

In summary, it has been another year where our vision and our team at The Sanctuary Trust have made a real difference in the neighbourhoods where we live and work, and we are determined to continue to contribute to reducing homelessness in these areas, with the support of fellow providers, funders and commissioners.

Plans for future periods

The Sanctuary Trust has engaged with stakeholders to review its mission, vision, and core values. Following this period of consultation, the Board has approved a set of objectives that will maximise our impact in 2024 - 26. These objectives are:

1. Relieve and prevent homelessness – we aim to bring to the market affordable housing, relieve homelessness and ensure we remain at the highest level of what we are able to deliver.
2. Add social value – we aim to develop community connection points and invest in grass roots organisations.
3. Take care of our people – we aim to promote staff welfare and cultivate inter professional relationships among staff.
4. Review our charitable activities – we aim to engage in a process of health checking our organisation across key areas of our charitable activities.

The Trust looks forward to reporting back on our success against these objectives in the coming years.

Events after the reporting period

During the year The Sanctuary Trust was given the opportunity to purchase Holborn House, a property that the charity has been a tenant of for many years, which it has taken with agreement in principle for the purchase in January 2024, and completion in August 2024.

The Sanctuary Trust also started the process of selling one of its properties during the year, this being Belgrave Road in Colwyn Bay. The board employed the services of an estate agents in January to start the process, and the sale completed in August 2024.

Financial review

The charity's principal funding sources during the year were service contract income £696,821 (2023: £570,155), housing benefits received £903,052 (2023: £723,811) and a contribution received from the Welsh Assembly of £162,346 (2023: £164,619). Other sources of income received are shown in notes 3, 4, 5 and 6 to the accounts. These resources have been used to provide accommodation and support to homeless and other vulnerable people.

The charity made a deficit for the year of £13,616 (2023: £230,697 deficit), further details of which are shown in the statement of financial activities on page 11.

The charity's financial position at the end of the year is shown on the balance sheet (page 13), which shows that the charity's funds have been reduced from £402,051 at 31 March 2023 to £388,435 at the end of the current year. These funds are further split between restricted and unrestricted. At the year end The Sanctuary Trust has restricted funds of £108,450 (2023: £118,672) and unrestricted funds of £279,985 (2023: £283,379), which can be seen in greater detail in note 20.

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

The Sanctuary Trust Limited

Trustees' Report

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 by the local community to the development of new accommodation sites (NIMBYism)
- The spread of COVID, flu or other pandemics amongst staff and clients
- Failure to comply with Disability Discrimination Act in the provision of property for accommodation

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 minimize any potential impact on the charity should any of those risks materialize.

It is the policy of the charity to maintain free reserves, which are unrestricted funds less fixed assets included therein (see note 20 to the accounts), 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 31 March 2024 was £103,077 (2023: £92,248). The trustees are aware of the deficit incurred in this financial year which has arisen as a result of planned investment in the future growth of the charity. The charity continues its programme of additional income generation and close cost management and will continue to monitor the financial position of the charity so that reserves move towards the target level.

Structure, governance and management

Nature of governing document

The Sanctuary Trust Limited is a company limited by guarantee governed by its memorandum and articles of association dated 9 June 1992. It is registered as a charity with the Charity Commission.

Organisational Structure

A board of trustees, who meet on a regular basis, administer the charity. An Operations and Development Team including a CEO, Operations and Development Director, Financial Director and others as necessary are appointed by the charity to manage the day to day operations of the organisation. The Sanctuary Trust is an accredited Living Wage employer and reviews its levels of pay on an annual basis in order to continue to remunerate all employees in excess of these minimums.

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.

The Sanctuary Trust Limited

Trustees' Report

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.

During the year the average number of volunteers that the charity had was 45 (2023: 41), with the increase due to more volunteer opportunities being made available.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken 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. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 16 September 2024 and signed on its behalf by:



.....
Mrs K O'Brien
Company Secretary

The Sanctuary Trust Limited

Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Sanctuary Trust Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 16 September 2024 and signed on its behalf by:



.....
Mrs K O'Brien
Company 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 (the 'charity') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

The Sanctuary Trust Limited

Independent Auditor's Report to the Members of The Sanctuary Trust Limited

Opinion on other matters 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), 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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the charity sector;

The Sanctuary Trust Limited

Independent Auditor's Report to the Members of The Sanctuary Trust Limited

- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we identified laws and regulations which were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or 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 trustees, 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 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 charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

The Sanctuary Trust Limited

Independent Auditor's Report to the Members of The Sanctuary Trust Limited



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Mark Heaton FCCA DchA (Senior Statutory Auditor)
For and on behalf of KM, Statutory Auditor

1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

16 September 2024

The Sanctuary Trust Limited

Statement of Financial Activities for the Year Ended 31 March 2024
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)


	Note	Unrestricted funds £	Restricted funds £	Total 31 March 2024 £	Unrestricted funds £	Restricted funds £	Total 6 April 2022 to 31 March 2023 £
Income from:							
Donations	4	8,953	39,080	48,033	28,607	45,515	74,122
Charitable activities	5	1,836,223	60,052	1,896,275	1,512,706	83,345	1,596,051
Other trading activities	6	53,392	-	53,392	61,616	-	61,616
Investment income	7	2,715	-	2,715	646	-	646
Total income		1,901,283	99,132	2,000,415	1,603,575	128,860	1,732,435
Expenditure on:							
Raising funds	8	(68,690)	(636)	(69,326)	(63,813)	-	(63,813)
Charitable activities	9	(1,835,987)	(108,718)	(1,944,705)	(1,773,365)	(125,954)	(1,899,319)
Total expenditure		(1,904,677)	(109,354)	(2,014,031)	(1,837,178)	(125,954)	(1,963,132)
Net (expenditure)/income		(3,394)	(10,222)	(13,616)	(233,603)	2,906	(230,697)
Transfers between funds		-	-	-	10,415	(10,415)	-
Net movement in funds		(3,394)	(10,222)	(13,616)	(223,188)	(7,509)	(230,697)
Reconciliation of funds							
Total funds brought forward		283,379	118,672	402,051	506,567	126,181	632,748
Total funds carried forward	20	279,985	108,450	388,435	283,379	118,672	402,051

All of the charity's activities derive from continuing operations during the above two periods. The funds breakdown are shown in note 20.

The Sanctuary Trust Limited
(Registration number: 02721623)
Balance Sheet as at 31 March 2024

	Note	31 March 2024 £	31 March 2023 £
Fixed assets			
Tangible assets	15	242,392	260,937
Current assets			
Debtors	16	100,038	111,719
Cash at bank and in hand		<u>167,628</u>	<u>125,729</u>
		267,666	237,448
Creditors: Amounts falling due within one year	17	<u>(121,623)</u>	<u>(96,334)</u>
Net current assets		<u>146,043</u>	<u>141,114</u>
Net assets		<u>388,435</u>	<u>402,051</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		108,450	118,672
Unrestricted income funds			
Unrestricted funds		<u>279,985</u>	<u>283,379</u>
Total funds	20	<u>388,435</u>	<u>402,051</u>

The financial statements on pages 11 to 25 were approved by the trustees, and authorised for issue on 16 September 2024 and signed on their behalf by:


.....
Reverend C R McCann
Trustee

The Sanctuary Trust Limited

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	31 March 2024 £	31 March 2023 £
Cash flows from operating activities			
Net (expenditure)/ income		(13,616)	(230,697)
Adjustments to cash flows from non-cash items			
Depreciation	15	20,898	22,701
Investment income	7	<u>(2,715)</u>	<u>(646)</u>
		4,567	(208,642)
Working capital adjustments			
Decrease/(increase) in debtors	16	11,681	(30,377)
Increase/(decrease) in creditors	17	<u>25,288</u>	<u>(21,488)</u>
Net cash flows from operating activities		<u>41,536</u>	<u>(260,507)</u>
Cash flows from investing activities			
Interest receivable and similar income	7	2,715	646
Purchase of tangible fixed assets	15	(2,352)	(35,565)
Disposal of tangible fixed assets		<u>-</u>	<u>4,158</u>
Net cash flows from investing activities		<u>363</u>	<u>(30,761)</u>
Net increase/(decrease) in cash and cash equivalents		41,899	(291,268)
Cash and cash equivalents brought forward		<u>125,729</u>	<u>416,997</u>
Cash and cash equivalents carried forward		<u><u>167,628</u></u>	<u><u>125,729</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by guarantee, incorporated in England, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Globe House
Moss Bridge Rd
Rochdale
OL16 5EB

These financial statements were authorised for issue by the trustees on 16 September 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income

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

Donations

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	5% per annum reducing balance basis
Plant and machinery	20% per annum reducing balance basis
Computer equipment	33% per annum straight line basis
Motor vehicles	25% per annum reducing balance basis

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Trade debtors

Trade debtors are amounts due from organisations for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Judgements and key sources of estimation uncertainty

Judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation

The depreciation expense is the recognition of the decline in the value of the asset and allocation of the cost of the asset over the periods in which the asset will be used. Judgements are made as to the estimated useful life of the assets; these are regularly reviewed to reflect the changing environment.

Deferred and accrued income

Deferred and accrued income is based on the assumption that the amounts received or to be received are recognised in the period in which the work was done. Any amounts estimated are based on past experiences and amounts received after the year end. These judgements are regularly reviewed to reflect the changing environment.

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

4 Income from donations

	Unrestricted funds		Total 31 March 2024	Total 6 April 2022 to 31 March 2023
	General £	Restricted funds £	£	£
Donations from institutions	2,843	10,628	13,471	11,783
Donations from individuals	2,058	28,452	30,510	42,160
Gift aid reclaimed	4,052	-	4,052	20,179
	<u>8,953</u>	<u>39,080</u>	<u>48,033</u>	<u>74,122</u>

5 Income from charitable activities

	Unrestricted funds		Total 31 March 2024	Total 6 April 2022 to 31 March 2023
	General £	Restricted funds £	£	£
Housing benefits	903,052	-	903,052	723,811
Service contracts	716,984	-	716,984	570,155
Rent received	53,841	-	53,841	53,621
Welsh Assembly contribution	162,346	-	162,346	164,619
Grants received	-	60,052	60,052	83,845
	<u>1,836,223</u>	<u>60,052</u>	<u>1,896,275</u>	<u>1,596,051</u>

Grants received, included in the above, are as follows:

Real change	-	-	-	808
Action Together	-	5,758	5,758	11,452
Albert Gubay Foundation	-	17,963	17,963	25,600
Conwy food bank	-	36,331	36,331	45,485
Others	-	-	-	500
	<u>-</u>	<u>60,052</u>	<u>60,052</u>	<u>83,845</u>

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

6 Income from other trading activities

	Unrestricted funds	Total 31 March 2024	Total 6 April 2022 to 31 March 2023
	General £	£	£
Charity shop sales	53,392	53,392	61,616
	<u>53,392</u>	<u>53,392</u>	<u>61,616</u>

7 Investment income

	Unrestricted funds	Total 31 March 2024	Total 6 April 2022 to 31 March 2023
	General £	£	£
Interest receivable and similar income; Interest receivable on bank deposits	2,715	2,715	646
	<u>2,715</u>	<u>2,715</u>	<u>646</u>

8 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds		Total 31 March 2024	Total 6 April 2022 to 31 March 2023
	General £	Restricted funds £	£	£
Charity shop running costs	68,690	636	69,326	63,813
	<u>68,690</u>	<u>636</u>	<u>69,326</u>	<u>63,813</u>

Included in the above are the salary costs apportioned to running the shop, £40,026 (2022: £38,390)

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

9 Expenditure on charitable activities

		Unrestricted funds			
			Restricted funds	Total 31 March 2024	Total 6 April 2022 to 31 March 2023
	Note	General £	£	£	£
Costs on delivering charitable service		474,297	62,095	536,392	470,161
Depreciation cost		16,575	4,323	20,898	26,859
Governance costs	10	22,428	2,499	24,927	27,987
Staff costs		<u>1,322,687</u>	<u>39,801</u>	<u>1,362,488</u>	<u>1,374,312</u>
		<u>1,835,987</u>	<u>108,718</u>	<u>1,944,705</u>	<u>1,899,319</u>

10 Analysis of governance and support costs

Governance costs

		Unrestricted funds			
			Restricted funds	Total 31 March 2024	Total 6 April 2022 to 31 March 2023
		General £	£	£	£
Audit fees					
Audit of the financial statements		4,865	1,135	6,000	6,420
Legal fees		<u>17,563</u>	<u>1,364</u>	<u>18,927</u>	<u>21,567</u>
		<u>22,428</u>	<u>2,499</u>	<u>24,927</u>	<u>27,987</u>

11 Net incoming/outgoing resources

Net outgoing resources for the year include:

	31 March 2024 £	31 March 2023 £
Audit fees	6,000	6,420
Loss on disposal of fixed assets held for the charity's own use	-	4,158
Depreciation of fixed assets	<u>20,898</u>	<u>22,701</u>

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

12 Staff costs

The aggregate payroll costs were as follows:

	31 March 2024 £	31 March 2023 £
Staff costs during the year were:		
Wages and salaries	1,268,576	1,265,642
Social security costs	93,189	92,927
Pension costs	29,864	30,289
Other staff costs	10,885	23,844
	<u>1,402,514</u>	<u>1,412,702</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	31 March 2024 No	31 March 2023 No
Direct charity work	54	55
Administrative	<u>4</u>	<u>4</u>
	<u>58</u>	<u>59</u>

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £109,303 (2023 - £141,023).

13 Auditors' remuneration

	Year ended 31 March 2024 £	6 April 2022 to 31 March 2023 £
Audit of the financial statements	<u>6,000</u>	<u>6,420</u>

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

14 Taxation

The charity is a registered charity and is therefore exempt from taxation on its exempt activities.

15 Tangible fixed assets

	Land and buildings £	Plant, machinery and computer equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2023	437,068	91,415	4,000	532,483
Additions	<u>-</u>	<u>852</u>	<u>1,500</u>	<u>2,352</u>
At 31 March 2024	<u>437,068</u>	<u>92,267</u>	<u>5,500</u>	<u>534,835</u>
Depreciation				
At 1 April 2023	202,949	65,730	2,866	271,545
Charge for the year	<u>11,705</u>	<u>8,597</u>	<u>596</u>	<u>20,898</u>
At 31 March 2024	<u>214,654</u>	<u>74,327</u>	<u>3,462</u>	<u>292,443</u>
Net book value				
At 31 March 2024	<u>222,414</u>	<u>17,940</u>	<u>2,038</u>	<u>242,392</u>
At 31 March 2023	<u>234,119</u>	<u>25,685</u>	<u>1,134</u>	<u>260,938</u>

Included within the net book value of land and buildings above is £165,876 (2023 - £174,605) in respect of freehold land and buildings and £56,537 (2023 - £59,513) in respect of leaseholds.

16 Debtors

	31 March 2024 £	31 March 2023 £
Trade debtors	18,303	33,318
Prepayments	26,897	30,342
Accrued income	50,077	19,649
Other debtors	<u>4,761</u>	<u>28,410</u>
	<u>100,038</u>	<u>111,719</u>

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

17 Creditors

	31 March 2024 £	31 March 2023 £
Trade creditors	39,278	29,008
Other taxation and social security	21,065	19,223
Other creditors	12,160	18,387
Accruals	49,120	29,716
	<u>121,623</u>	<u>96,334</u>

18 Obligations under leases and hire purchase contracts

Operating lease commitments

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

	31 March 2024 £	31 March 2023 £
Land and buildings		
Within one year	103,748	100,487
Between one and five years	257,293	315,667
	<u>361,041</u>	<u>416,154</u>

19 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £29,863 (2023 - £30,289).

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

20 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
General fund	92,248	1,901,283	(1,888,102)	(2,352)	103,077
Fixed asset fund	191,131	-	(16,575)	2,352	176,908
	<u>283,379</u>	<u>1,901,283</u>	<u>(1,904,677)</u>	<u>-</u>	<u>279,985</u>
Restricted funds					
Purchase and improvement Tweedale Street	65,861	-	(3,293)	-	62,568
Albert Gubay Foundation grant	6,176	17,963	(21,715)	-	2,424
Conwy food bank	37,010	75,411	(83,190)	-	29,231
Action Together	9,625	5,758	(1,156)	-	14,227
	<u>118,672</u>	<u>99,132</u>	<u>(109,354)</u>	<u>-</u>	<u>108,450</u>
Total funds	<u>402,051</u>	<u>2,000,415</u>	<u>(2,014,031)</u>	<u>-</u>	<u>388,435</u>

The Sanctuary Trust Limited

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 6 April 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2023 £
Unrestricted funds					
General funds	506,567	1,603,575	(1,837,178)	(180,716)	92,248
Fixed asset fund	-	-	-	191,131	191,131
	<u>506,567</u>	<u>1,603,575</u>	<u>(1,837,178)</u>	<u>10,415</u>	<u>283,379</u>
Restricted funds					
Purchase and improvement					
Tweeddale Street	69,327	-	(3,466)	-	65,861
Albert Gubay Foundation grant	3,375	25,600	(22,799)	-	6,176
Lloyds Bank Foundation grant	883	-	-	(883)	-
NHS grant	779	-	-	(779)	-
D M Thomas Foundation grant	1,442	-	-	(1,442)	-
Lloyds Bank Foundation grant	1,868	-	-	(1,868)	-
Community Fund grant	4,881	-	-	(4,881)	-
Conwy food bank	43,064	91,808	(97,862)	-	37,010
Workers Educational Association	562	-	-	(562)	-
Action Together	-	11,452	(1,827)	-	9,625
	<u>126,181</u>	<u>128,860</u>	<u>(125,954)</u>	<u>(10,415)</u>	<u>118,672</u>
Total funds	<u>632,748</u>	<u>1,732,435</u>	<u>(1,963,132)</u>	<u>-</u>	<u>402,051</u>

21 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds at 2024 £
Tangible fixed assets	176,908	65,484	242,392
Current assets	224,700	42,966	267,666
Current liabilities	(121,623)	-	(121,623)
Total net assets	<u>279,985</u>	<u>108,450</u>	<u>388,435</u>
	Unrestricted funds £	Restricted funds £	Total funds at 2023 £
Tangible fixed assets	190,462	70,475	260,937
Current assets	171,287	66,161	237,448
Current liabilities	(78,371)	(17,963)	(96,334)
Total net assets	<u>283,378</u>	<u>118,673</u>	<u>402,051</u>